



Case Study:

SPYDERCO, INC.



Overview

Spyderco helped shape the modern folding knife as the world knows it today. Established in 1978, it pioneered several features that are now standard, such as the pocket clip, serrated edge and one-handed opening capability. Spyderco remains true to its roots of creativity and innovation, now offering a diverse product line that encompasses a wide array of folding knives, fixed blades, sharpeners and other accessories. It also offers OpFocus products tailored to the needs of duty-bound personnel and first responders.

The company's products are produced in five countries, including from its headquarters in Golden, Colorado, where it also operates a warehouse facility and retail store. Spyderco's products can be found in big-box and smaller retailers, as well as online through its robust eCommerce presence.

Industry

Cutlery

ERP

NetSuite

Website

www.spyderco.com

Benefits & Key Outcomes



Improved picking efficiency by up to 35%



Automated order consolidation and task rules



Saved staff hours per day on order release management (4 to 5 Supervisory hours per day)



Fully released daily volume processing efficiency has increased by 25-35%



Achieved visibility into inventory due to accurate, real-time cycle counts

Challenge

Strong demand is a benchmark for success in any industry, but it also created challenges for Spyderco, which frequently offers limited runs of small batch or specialty products and often found itself dealing with backorder fills for customers across multiple sales orders. The company wanted to consolidate same-day orders to save on shipping costs and enhance the customer experience, but manual processes were time-consuming and prone to errors.

The situation was also problematic because order releases were very time-consuming for the shipping and receiving supervisor and distracted from other operational priorities. The previous process to consolidate batches for waving efficiencies required manual consolidations and consumed excessive time by the Shipping and Receiving Supervisor to effectively release order waves.

Spyderco began searching for a warehouse management system (WMS) that supported automated sorting of orders by type, customer, size and priority. Additionally, it wanted the ability to support complex order release rules and picking strategies as well as real-time visibility into items in a picked/packed status for easier and more accurate cycle counts and counts on the fly. The company also needed a solution that could quickly process large orders with high line counts so that pickers could move to the next task as quickly as possible.

Solution

Spyderco had an excellent experience with ShipHawk TMS and knew it could expect great things from its WMS. One thing that set ShipHawk WMS apart was its automated order consolidation and task rules. Spyderco worked with ShipHawk to map business process flows and set up tiered task-release rules that automated sortation and order consolidation.

“Our order release and picking efficiency have seen huge improvements. Before we had ShipHawk WMS, a supervisor spent hours each day building waves, which went from more than half of her day to periodic reviews taking minutes, if not seconds, to review and release,” said Douglas Hunter, Warehouse Operations Manager at Spyderco. The team at Spyderco has increased the processing efficiency of fully released daily volume by 25-35% as well.

Spyderco also found that ShipHawk WMS streamlined its cycle count process, leading to better inventory visibility, accuracy and reduced picking time. Since implementing ShipHawk WMS, Spyderco has realized an up to 35% improvement in picking efficiency.

“Before, we’d have to bring things to a halt to cycle count. It would be like having to do a fiscal inventory. We’d have to flush out all item fulfillment records and all shipments would have to be completed before we could do counts,” said Hunter. “Our count issues during picking went from almost hourly discrepancies to a minimal amount, if any. The ability to do real-time cycle counts keeps our inventory accuracy high and, in turn, order processing smooth.”

The solution’s Outbound Groups feature prevents errors on controlled items, safeguarding against accidental system allocations from reserved stock. “Before, we had to rely on tribal knowledge, but when we’d have a new employee picking products, they don’t know all of the complex rules to our products. We have collector’s group items that may look like the same product, but if a picker takes a product from the wrong bin, that could risk breaking the integrity of a collection set,” said Hunter. Now, Spyderco can rely on an automated system, not tribal knowledge, to ensure that products that shouldn’t be picked for the average order are set to an unreleasable status in ShipHawk WMS.

“With ShipHawk WMS, we have experienced faster system processing speeds, 35% improvements in order processing both in release and picking speed, better order visibility, a cleaner inventory, and the dashboards necessary to measure performance.”

**Douglas Hunter,
Warehouse Operations Manager at Spyderco.**