Sherwood Lumber Corp.

A growing business needed robust software for visibility on a national scale

Sherwood Lumber Corp. profiled in this case study is a national Wholesale Lumber and Building Products distributor to retail, industrial and construction companies.

Sherwood operates using both an organic and acquisitive growth strategy. Investment in the business had led to the acquisitions of new sites and businesses across the United States. With its acquisition of Futter Lumber Corp. and Bloch Lumber Co., the company was left with two well entrenched, fully operational lumber ERP solutions in need of an upgrade.

Sherwood's management recognized the need for a comprehensive business solution to reflect their national presence in the market place.

Client Profile

Long Island NY based Sherwood Lumber, under the leadership of President and CEO Andy Goodman, employs 80 associates with sales offices in Oregon, Florida, Illinois, Pennsylvania, and New York. Sherwood supplies more than 1800 lumber yards and manufacturers across the United States with building materials from environmentally managed producers.

Map of Sherwood Distribution Centers

Product Lines

Structural and Appearance Lumber, MSR, Engineered Wood, Post and Timbers, Scaffold Plank, Boards, Plywood, OSB and Building Materials

The Challenge

Sherwood Lumber Corp. was using a proprietary, heavily customized AS400 solution, while Bloch Lumber was using Progressive Solution's lumberTrack for a number of years. The option was to either upgrade the lumberTrack system, as their legacy AS400 solution had effectively reach the end of its development potential, or start afresh with a fully integrated solution that provides flexible, open-ended development and growth potential and that allows for future diversification in the Sherwood business model.

Headquarters:

- Islandia, New York

Previous System:

- Proprietary AS400 Solution + PSI's lumberTrack

Business Categories:

- Wholesale Distributor of dimensional lumber, plywood, oriented strand board (OSB), panels, engineered lumber, post and timber and Building Materials

Number of Users: 75

Number of locations: 17

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Andy Goodman
President & CEO
Sherwood Lumber Corp.

The age of these legacy systems and the need for more flexibility, lead to the search for an off the shelf program that would provide an enterprise-wide platform for growth. The need for customer prioritized enhancements was recognized as strategic to support their plans for growth and changes in the market.

- Consolidate, streamline and further automate sales and purchase-order processing, as well as integrate processes into a single back-office financial and operational management system.
- Gain the flexibility to manage each client's individual delivery and invoicing needs within a single system.
- Facilitate reservation based ordering and delivery from the company's distribution centers or Mill Directs.
- Gain real-time global visibility of inventory from order to sale for a variety of products in multiple product lines and sizes.
- Ensure and enhance communication between inventory, procurement, sales, invoicing and payment functions to drive improved customer satisfaction.

The Solution

Following a competitive evaluation process with a number of possible suppliers, the chosen system was WoodPro InSight, a lumber and building products business management solution, supplied and implemented by WoodPro Software Inc.

Tod Tibbetts, Sherwood's IT Manager reported, "From a big picture perspective – first in choosing the application and vendor, we found the WoodPro team very helpful; they made themselves readily available to address our needs in a very methodical and thorough way. Once we made our decision to go with WoodPro, they were very helpful in helping us organize and manage the whole process."

A primary concern for Sherwood was the conversion and standardization of the data from the two disparate systems. It was clear that a highly automated approach to item control would be necessary to accomplish critical supply-chain management in materials handling and distribution through Sherwood's multiple warehousing facilities and diverse product lines.

Tod Tibbetts was cautious and methodical in his approach; he personally took responsibility for this data conversion area, while assuming overall responsibility for the project and infrastructure.

To complete the conversion, Tod utilized WoodPro's consultants and Sherwood's own in-house team. He reported: "We needed the comfort of having programming and industry experts, but we also relied heavily on our own in-house expertise. WoodPro provided us with a project team that had excellent industry and solution knowledge. They worked closely with us to identify and solve problems."

WoodPro was able to draw upon its solution knowledge and expertise to provide a conversion and business prototype development strategy. A 'safe' environment was built, where Sherwood put a copy of their real data. The first few months were spent planning and practicing the conversion on the data, analyzing, and re-engineering the business practices, as well as developing the customer specific enhancements required. As consultant David Goulet described, "Using the prototype environment meant we got as close as we could to re-enacting the actual business to see what was going to happen on the day we went 'live'. The actual 'cut-over' conversion only took a couple of days over the weekend - it was the groundwork we did beforehand that guaranteed its success."

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Tod Tibbetts
IT Manger

WoodPro worked to a fixed deadline and with a small lead-time. The project had to be completed in just 5 months. We were expecting issues to arise during the development and conversion work. As Tod Tibbets explains, "We were surprised by the amount of issues we found. After encountering the first few and knowing that we would probably encounter more, we knew we needed people who were able to investigate problems. WoodPro deployed qualified people to do the job, and were able to follow through a problem and come up with the solutions."

Josh Goodman, Director of Marketing took responsibility for identifying the customer specific enhancement within the project team and managing the in-house training and dissemination of business process changes. He mentioned, "We wanted to improve our productivity and we needed a system to have the ability to expand our product lines in order for the company to grow. We now have the flexibility of adding any type of product line and can provide better customer service with accurate and clear information. The overall implementation process and service that we received from WoodPro was great. All of our data porting, training, and customization programs really turned out the way we expected it to be. We were impressed with WoodPro programming team's response time, including any issues that we needed done overnight."

Document Management and CRM are planned for Phase II.

The Benefits

The WoodPro InSight business management solution has provided Sherwood with a solid foundation for supporting critical decisions at every level of the organization. Of special significance, is the full integration of all sites, which will allow Sherwood to assess the level of inventory and manage client and supplier applications and payments. "WoodPro InSight considerably improved our Customer Service, Inventory processes, procurement, logistics and financial management and supported all functions including EDI."

- Improved ability to place, track, and fulfill customer orders for multiple items and sizes
- Reduced stock held at distribution center through ordering and dispatched stock faster to customers
- Gained a real-time view of each individual item reservations throughout the global supply chain
- Obtained a single, end-to-end integrated suite of best-practice processes.
- Provided real-time visibility of transactions throughout the enterprise, driving more informed decisions
- Up-to-the-minute business analytics run against operational data, allows management to respond to issues and trends as they arise. In the wholesale lumber industry delays cost both time and money.

Andy Goodman, President & CEO states, "WoodPro InSight gives us real-time control of each item across the supply chain, which maximizes our ability to meet customer demand and cuts costs."

Return on Investment:

After the project, Don Schneidman, Financial Director at Sherwood, commented,
"The project has impacted on all areas of our business. In a struggling economy we have been able to increase our business by over 25% over last year. There is no possible way that we could have taken advantages of the opportunities that presented themselves and the business we are doing today without going with WoodPro."

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Don Schneidman,
Financial Director

WoodPRO

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