

From humble beginnings as a book wholesaler, The Islander Group is now the largest supplier of Hawaiian books, music, videos and souvenirs.

The Islander Group generates over \$18 million annually through its website, mail-order catalogue and 50,000 square foot 'pick and pack' warehouse operations. As well as schools, libraries and tourist destinations, the company supplies Kmart, Wal-Mart and Costco with its extensive range of products.



Products are printed and manufactured in Hawaii, the US mainland as well as Taiwan, China, Korea and the Philippines before being distributed from the company's main warehouse located on Oahu to Hawaii's other islands.

Technology-driven

Seamless communication across the manufacture, supply and distribution of its products is crucial to maintaining productivity and profitability, says President Jeff Swartz.

"We have more than 100 employees who manage the import, sales and distribution of up to 5,500 unique products at any one time. From the warehouse floor up, we require an integrated system that can seamlessly manage all facets of our business with zero impact on productivity," says Swartz.

In 2005, this was not the case. According to Swartz, the company had outgrown its incumbent system, which had been so heavily modified to suit the changing needs of the business, and it was no longer reliable or upgradable.

"Our old system consisted of a separate accounting and warehouse package which we had to modify so they would communicate with each other. In 2005, we reached a point where the software could no longer cope with our business requirements, forcing us to seek out a new technology solution," says Swartz.



THE ISLANDER GROUP



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- ◆ World's largest supplier of Hawaiian books, music, video and souvenirs with 5,500 unique products
- ◆ Manages 50,000 square foot warehouse and a network of four satellite warehouses
- ◆ Employs 110 staff throughout the Hawaiian islands
- ◆ Supplies Wal-Mart, Kmart and Costco

An integrated solution

Before the selection process could begin, criteria were set by each department with a clear focus on their specific needs. Full integration, usability and ease of implementation were three of the company's top priorities.

"The new system had to be strong across a multitude of areas including accounting, logistics, purchasing and warehousing. We also needed a solution that would result in minimum downtime during implementation and incorporate our existing technologies," says Swartz.

Following a year-long consultation with an enterprise technology solutions provider, The Islander Group selected PRONTO-Xi, Pronto Software's ERP system, with extensible financial, distribution and advanced warehousing capabilities.

"Our decision was not taken lightly. It affected everyone and it was a very involved decision. Ultimately, we saw PRONTO-Xi as an extremely powerful system, which we could step right into without any customisation or modification," says Swartz.



A smooth transition

The Islander Group needed to go live before fourth quarter. Pronto rose to the challenge and PRONTO-Xi was fully implemented on time and with minimal customisation by the reseller who also provided strategic consulting.

As Swartz explains: "The fourth quarter is our busiest time of the year and we could not risk our systems being down during this period. Pronto met the deadline and it was a big success for us. It was such a smooth transition that none of our customers even noticed it had happened.

"You always think your business is different but PRONTO-Xi worked for us right out of the box," he adds.

Increase in productivity

Up to 50 users can be logged into the system at any one time. According to Swartz, the reliability of the system has seen productivity increase by 20 per cent.

"Our productivity has improved significantly since the Pronto system was installed. Downtime has been minimal, which has brought great benefits to our sales and distribution divisions, who in the past had suffered under a system which was not as robust," he says.

Plug and play

Out-of-the-box features such as 4GL report generation have transformed the business. This, combined with features such as automatic replenishment, has revolutionised warehouse operations - increasing throughput with reduced pick and pack error rates.

"Using 4GL I can generate comprehensive reports, drill down quickly and have real-time information at my fingertips. This allows us to create orders on the fly and ensures purchasing can always make informed and accurate decisions," Swartz says.



KEY BENEFITS

- ◆ 20 per cent increase in productivity following implementation
- ◆ Out-of-the-box solution requiring minimal customisation
- ◆ Smooth transition with 100 per cent customer satisfaction
- ◆ Faster, more accurate real-time report generation

"The system is easy to use and has the sophistication we need when dealing with major customers such as Wal-Mart and Kmart," he adds.

Long-term relationship

In stage two of their warehouse development, The Islander Group is evaluating PRONTO-Xi ScanPack, which increases efficiency in the picking, packing and despatch of goods. The aim is to further enhance productivity, while reducing their stock footprint by combining ScanPack with a new horizontal carousel warehousing system.

"There is not a person in the company who does not prefer Pronto or who would willingly go back to our old system. We have a fully-integrated system that allows us to keep track of our product from the delivery door to the customer," he adds.

"PRONTO-Xi is the engine behind our business and we are looking forward to reaping the benefits our continuing relationship with Pronto brings," Swartz says.



Pronto® Software is a global provider of fully integrated Enterprise Management Systems. With more than 30 years experience, Pronto Software enables over 1,200 businesses to maximise productivity, streamline their supply chains and deliver superior customer service.

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