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Transforming Fulfillment:
How Argents Express Group
Streamlined Operations
and Fueled Growth.

In the fast-paced ecommerce fulfillment industry order accuracy and speed are more important than ever. Argents Express Group, a logistics provider with roots in air, intermodal, and cross-border freight forwarding and customs clearance services saw an opportunity to use existing infrastructure and fuel growth through offering e-commerce fulfillment. As this area of business expanded over the last 9 years, they experienced challenges with their legacy system being unable to keep up and give them the type of visibility they sought. These challenges forced them to embark on a journey to find a new solution to fuel their growth and maximize profitability.

Argents Express Group Background

Founded in 1977, <u>Argents Express Group</u> is a family-owned American logistics provider operating in multiple U.S. locations. The company's roots date back to its founding in Detroit, Michigan, with a focus on air, intermodal, and cross-border freight forwarding and customs clearance services. Now under the leadership of the second generation, Argents Express Group is dedicated to helping companies of all sizes enhance distribution capabilities with online fulfillment services. Their goal; to offer companies a door-to-door experience.

Recognizing the growing demands for e-commerce capability, Argent's leadership saw an opportunity to leverage their existing infrastructure to expand their fulfillment business. Starting with a 25,000 sq ft facility in Chicago, they quickly expanded to Tacoma, WA, and Charlestown, SC. Currently. They are now operating three warehouses totaling nearly 400,000 sq ft. At first, their growth was organic, seizing opportunities their competitors may have declined. There wasn't one

account that propelled them. but they instead built strategic partnerships with existing customers in need of fulfillment solutions. Today, Argents Express Group has a business mix of omnichannel-focused services including direct-to-consumer (D2C), retailer distribution, Amazon Prep, and value add/kitting services.

Growth comes with challenges

When this family-owned leadership at Argents decided to pivot into omnichannel fulfillment, they didn't know exactly what they needed or what the future would hold. After a few years of hypergrowth, it became clear that their warehouse management system (WMS) was lagging behind their needs. Customers were asking for additional capabilities that the current WMS wasn't able to offer or scale into. As time went on, it was evident that their current WMS partner was more focused on the product than on customer satisfaction. Early into this transition, Argent's leadership brought on Dave Weigand as the Director of Fulfillment Operations to lead their growth. Weigand observed,



We had a 'Frankenstein' systems approach. We had different software for each function our business required—WMS, shipping engine, dock scheduler, EDI Developer/VAN, etc. were all different vendors, and trying to make them work together was cumbersome.

As a family-owned business, customer satisfaction is at the core of Argents Express Group. Several signals indicated it was time for a needed change, but the final breaking point was when a customer's product went viral overnight, causing an overnight surge from zero to 20,000 orders. Their legacy system was unable to process the influx of orders, taking over 24 hours to recover by loading the orders in batches. This incident was a clear indicator that the legacy system would be a barrier to growth as it could not process large orders. This set them on the journey to find a new solution. Although they had conducted an RFP process five years previously, they weren't quite ready for such a large change then. It wasn't until they hit this breakpoint that they realized a change had to be made. In the end, they searched for about 6 months to find the right solution.

After this process, they decided to move forward with Osa Commerce implementing the Osa Collaborative <u>Visibility Platform</u> for unified commerce, warehouse management, order management, and Osa Zero for integrations. This collaborative approach has helped bring all fulfillment software solutions under one umbrella, ultimately laying the groundwork for a more robust fulfillment model capable of attracting larger fulfillment customers and opportunities. What ultimately drew Argents Express Group to Osa Commerce was the support team's dedication, expertise, and in-house knowledge base. Osa invited them for an in-person visit to meet the team and get to know the product. "Other companies were very tran-sactional," said Weigand, "we wanted someone who was as interested in our success as we were."

Onboarding with Osa Commerce

When Argents Express Group decided to onboard with Osa Commerce, they anticipated a slower transition of their 22 current customers from the legacy system. Yet, Osa's technology platform enabled them to quickly accept new high-volume business opportunities that they had previously declined. This new technology allowed them to take on these larger customers. The transition was smooth, enabling Argents to maintain high-performance levels, ensuring customers were unaware of changes or they were part of this new transition.

"Osa's implementation team was there every step of the way to make sure they were successful," said Dave Weigand, Director of Fulfillment Operations.

Fast forward to today, and Osa has helped Argents grow to **over 30 customers**—each with different fulfillment models. Osa Commerce's comprehensive solution has been pivotal to the continued success of Argent Express Group. It would be easy to say that Osa's customer-first approach is what attracted Argents to them but in reality, it was the fact that the Osa Collaborative Visibility Platform solution was a WMS, OMS, and API/EDI connector solution all in one. According to Weigand, "Osa has it figured out and roadmapped better than anyone else does right now."

How Osa Platform has impacted their business

Now that Argents Express Group is confident in Osa
Commerce and its platform, they have begun to
explore the additional capabilities of the solution. One
of the major pain points of their legacy system was the
lack of configuration and automation. Almost
immediately after implementing the Osa Collaborative
Visibility Platform, Argents experienced a significant
reduction in overhead. The legacy WMS required
configuration and
human "intervention".

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With Osa, those percentages are lopsided with about 80% configuration and 20% human "interaction". According to Weigand, "The ability to write more business rules and behaviors within the WMS not only makes for efficiencies but makes for a better work environment on the operation floor. "

One thing that Weigand highlighted as particularly helpful are Osa's embedded business rules to help facilitate wave picking, batch processing, and intelligent SKU batching to streamline daily operations.

Another reason Argents has been so happy with Osa Commerce is the additional inventory accuracy they have gained. The Osa Collaborative Visibility Platform is a WMS, OMS, and integration platform all in one. Order picking, task management, and cycle counting have become so much more efficient. All this is made possible by a custom work order kitting function that was built. Argents are now able to do things with inventory accuracy they couldn't do before. The requirements for inventory to maintain license plate numbers (LPNs) and a milestone-based scan system has eliminated mis-shipment and increased inventory accuracy.

According to Weigand, tasks like Amazon prep, which was something they previously said no to, have become so easy with Osa's platform reducing associated overhead by 90%. This comprehensive solution has not only optimized operations but also opened up new business opportunities for Argents Express Group.

It all comes down to the metrics

"From the very beginning we always asked, 'How much can we get out of a pack table?'" said Dave Weigand.

Osa has helped Agents significantly improve not only efficiency but also increased accuracy. For Argents Express Group, the important key performance

metrics (KPIs) are the number of orders picked from a single cart and the value of the pallet space in terms of storage and pick orders.

We've increased our pack table order output by 57%. Previously, we processed 650 orders in a 7-hour workday; now, we're handling over 1,100 orders per day." Weigand continued, "This would not have been possible with our legacy WMS software.



57%

Increase in pack table order output.



650

Orders were processed in a 7-hour workday



1100

Orders are processed each day.

In addition, Argents' leadership has been impressed with the overall accuracy, most importantly pick flow and order accuracy. They have achieved nearly zero mis-shipments due to system error, with a current accuracy rate of 99%. In the rare instance, there is an error, they benefit from clear visibility to trace back issues from the box back to the pallet— which is typically due to human error.

Osa's flexible billing options have allowed Argents to increase revenue. With the ability to implement more intelligent billing rules per transaction or ad hoc charges, they saw profitability increase 18% within the first few months of launching Osa Commerce solutions.





The future of fulfillment includes small and medium-sized companies

Ultimately, choosing Osa Commerce as a technology partner has allowed Argents Express Group to dream big. It has become clear to leadership within Argents that with advanced technology like the Osa Collaborative Visibility Platform, there are ample opportunities in fulfillment for small and mediumsized businesses. In a short time, Argents has seen the positive financial impact that the switch to new WMS technology has made.

Argents have only cracked the tip of the iceberg, knowing that they can grow with Osa Commerce and have a mutually beneficial partnership. They see a company at the forefront of innovation. company at the forefront of innovation. Osa has helped them leverage technology that gives their warehouses the ability to pick, pack, and ship faster than they can go to the grocery store. This is the future of retail. Being able to see that future through their partnership with Osa Commerce gives Argents a competitive advantage, allowing them to offer superior services, and enhanced customer offerings, and potentially puts them ahead of the competition.

Key Learnings



In the current fast-paced omnichannel market companies cannot afford "Frankenstein" legacy systems. The efficiency and cost savings that a full suite offers will bring growth, cost savings, and accuracy.



The future of omnichannel fulfillment lies in the ability to set engineered smart decisions for customers.



The customer's voice is powerful and by listening to their customers Argents was able to make a business shift that resulted in growth and a partnership that will propel them in the future with Osa.

OSQ Osa Commerce

Osa Commerce addresses a significant industry gap by providing network e-commerce orchestration, collaborative visibility, and connectivity across enterprises. We are on a mission to tackle the data chaos in the supply chain. We specialize in connecting, unifying, and automating commerce operations for retailers, logistics providers and their customers. With our advanced AI-powered Collaborative Visibility <u>Platform</u> and intelligent decision-making capabilities, we power supply chains to sell wherever their customers are so they can focus on scalable growth—and be one step ahead.



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