

Grohe Upgrades to ShipExec™ to Meet Growing Shipping Demands

Executive Summary

Grohe is a leading provider of premium kitchen faucets, bath faucets, showers and shower systems headquartered in Germany. Grohe's Illinois distribution center services all of North America and parts of South America. Jon Morley, Logistics and Operations Manager of North America, originally was seeking a solution that would track shipping data internally inside SAP®. He contacted UPS searching for a shipping solution that had functionality comparable to one of his former employers'. They decided to go with a stand-alone, non-SAP integrated solution.

When growing demands for more functionality became apparent, it was necessary to find a fully integrated SAP solution. Upon reviewing the costs of customizing their stand-alone solution, Jon determined it would be more cost effective and in Grohe's best interest to upgrade to ShipExec™ for SAP Enterprise Shipping. Not only were Grohe's current needs covered, but Grohe also received a full suite of additional features by moving to ShipExec.

"ShipExec for SAP Delivers Flexible Shipping Tools that Reduce Labor"

"ShipExec for SAP has more flexibility and tools than stand-alone shipping solutions. It has configuration and master data that can be tailored to our business processes, which has been helpful because so many of our customers have their own requirements and packing labels."

Jon Morley, North American Logistics and Operations at Grohe



Shipping Challenges

One of the main challenges Grohe had was creating customer branded labels. They needed to be able to assign labels based on certain criteria with regards to when and how to do third party billing, especially for international shipments. Also, whenever they had a 20 package order, the old system would slow down considerably. They had the choice to pay for a custom program or upgrade to ShipExec for SAP, so they decided to upgrade.

Before ShipExec for SAP, the Grohe North American facility processed their shipping in various carrier systems which all needed to be maintained and supported. Training staff on different software packages was always resource intensive. They also never had a real-time shipping interface before ShipExec for SAP, so their SAP environment was out of sync with their transactional shipping data. Grohe also had a requirement to store tracking data within SAP.

Business Process Improvements

There were a number of immediate benefits once Grohe upgraded to ShipExec for SAP. In the new system, as soon as the labels were printed, SAP was automatically updated with tracking information, transit time and cost of the shipment in real time, which allowed for more accurate planning.

ShipExec, through configuration, automatically generates commercial invoices for specific sold-to parties. Grohe now has to pay less on duty with the ability to drop ship directly to customers. They are also able to use additional service levels and more shipping options which weren't available previously. With ShipExec for SAP, Grohe no longer has to concern themselves with internal resources supporting the platform, where previously supporting customer interfaces required regular attention and development from IT.

Best of all, it only took a couple of weeks to be up and running with confidence in the new system.

"Anyone who packs in SAP will be floored with how exceptional this interface is. There is lots of data for any level of user and multiple tools in the packing and shipping transactions that you can use to process efficiently."

Jon Morley, North American Logistics and Operations at Grohe

The New Shipping Process

Drop ships into Canada are a lot easier now and can be delivered right to the customer, decreasing duty fees. Grohe was able to leverage UPS's World Ease program with ShipExec for SAP to handle international single point of clearance. They also now have the ability to customize third party accounts for billing, and they can customize documents for export that now automatically update inside SAP.

Jon's team is now working on taking advantage of additional freedoms offered with ShipExec for SAP, that allow his team to ship from anywhere with mobile printers. His team is currently configuring printing pack stations that are expected to increase shipping productivity 25% by printing directly at designated stations on site.

