# SKUVAULT

## Case Study
### No More Misships or Backordered Products.

**eLuxury Profile**

eLuxury is the luxury bedding company trusted by Marriott Hotels, 5 star luxury hotels, and resorts around the country. They specialize in Egyptian cotton and bamboo sheets, memory foam mattresses, and extra thick mattress pads and toppers.

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## Challenge

Paul Saunders, founder of eLuxury Supply, developed a business that was growing almost too quickly to manage. "I actually hired my first two employees out of the garage, and then the garage took over the kitchen, the spare bedroom, and the upstairs attic. We moved into about an 8 to 10,000 square foot warehouse until we were literally checking the weather every single morning to see how much of the parking lot we could use that day," says Saunders. During their garage phase, they didn't have any kind of inventory management system at all. Kyvle Schmidt of their eCommerce team recalls, "We took a piece of paper around and wrote down everything, all the SKUs. That was managed, probably for way too long." There was no way to monitor the process from beginning to end, causing misships and out of stocks. Paul's system for ordering inventory used to happen as follows: "Holy cow, I don't have any more white clean sheets left. Get a dozen. Right?" This creates a constant chain of backorders and out of stocks. With no management system in place, pick time for the crew took far too long to keep up with their ever-growing number of orders. "Before we used SkuVault, it would have taken a picker five to ten minutes to find the location of an item, pick it, prepare it, get a label on that item and ship it out," explains Kyle. Without the use of a quality control system, misships were common.

## Solution

### Reorder Reports, Quality Control Software, and the Right Inventory Management System.

SkuVault automates the entire process, from product arrivals to shipping. Items and users are tracked to reduce human error and to prevent misships. A key feature of SkuVault is its data tracking system. This allows Paul to see exactly who's doing what, and where and why things might be going wrong in the process. It also generates a purchase order prediction from collective data of past orders for each item. Paul elaborates on this, "I've got the ability to look at usage, what I have on hand, what is inbound, what is outbound, what's already at Amazon FBA and other distribution centers et cetera, so I can get in front of that. That kind of data helps me order more of what I need and less of what I don't." An inventory system that would grow with them and keep up with increasing inventory was invaluable.

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"We eventually moved into this location, which is about 60,000 square feet of warehouse, about 10,000 square feet of office space. SkuVault was there, and they were able and willing to support us at each of those various growth steps." Keeping track of workers and inventory is crucial in a facility like this. Pick lists in SkuVault are generated by order of location to be the most efficient and to prevent workers from doing unnecessary run-arounds. The quality control feature will not allow an unmatched SKU to be pushed through, cutting down significantly on misships and unhappy customers. Systems administrator, Nathan Head, says, "SkuVault allows us to scan each product and make sure the order is 100 percent accurate. We know that the customer is getting the exact part they ordered."

## Results

### Increased Efficiency, Far Fewer Misships and Out of Stocks, Invaluable Data.

"When I first started, you couldn't find anything at all. With SkuVault we went from knowing where something may have been to knowing exactly where something was. It streamlined our processes 100 percent," Nathan says. The integrations that SkuVault has developed make every aspect of eCommerce business seamless. Misships have improved tenfold. Jeremy Redd of the operations team explains, "Maybe those fifteen misships were out of 500 orders, now those fifteen misships are probably out of a couple thousand orders. I can actually pinpoint anything from errors, even up to accuracy, to how many items you're picking an hour. All that integrated is obviously going to naturally help the efficiency." Out of stocks and overstock have become a thing of the past. For example, regarding eLuxury's most popular selling bed sheet, Nathan describes, "In the past we would just order half a truckload of them. That would make it so that we had stale inventory for months. Whereas now we can run those reorder reports, see what our estimated sales will be, see how many exactly we need, and it allows us to procure more products to keep expanding our business."

A pivotal moment came when the company began preparing for full cycle count of inventory; they had planned out the weekend for a process that they intended would take several days. "We pulled everybody out into the warehouse and the process that we originally thought was going to take several days, with SkuVault, ended up taking just a couple of hours! We had all finished on that Friday, SkuVault made it a lot easier," says Kyle. SkuVault provides valuable data that streamlines warehouse management into the most efficient processes possible.

According to Jeremy Redd, "With the way inventory is and what we had in here, SkuVault saves the day, every day."