AHN Corporation®

MASTER YOUR WAREHOUSE

WHAT ARE YOU LOOKING FOR?

WAREHOUSE Q

DID YOU KNOW:

1. The average warehouse picker spends 1.5 hours per day searching for product?

2. The average warehouse receiver spends .5 hours per day searching for overstock locations for recently received product.

3. The average company spends 3 to 6 months searching for software to run their warehouse to track their product.

Why does the average company spend so much time searching for things that should be readily available? Because in the case of software, company's want to make sure they receive the highest value for their money!

But how many company's receive that? The highest value for their hard earned dollar! "VERY FEW!"

WHY?

1. Because management has not yet truly embraced supply chain distribution and warehousing as a strategic and a competitive advantage.

2. Since warehousing and logistics do not show up as an asset on the balance sheet, the perception is that it is an expense—something to be minimized or squeezed. Management is only now beginning to understand it and the impact it can have on profits.

Therefore, even though the search for software is a long and exhaustive one, it is done through the eyes of minimizing costs and not adding value.

And we ultimately purchase a system that does not meet the future needs or the current requirements.

WHY?

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1. So our journey begins with software that has to be heavily modified!
   - Companies often automate inefficient processes and procedures.
2. We become frustrated because the implementation process is timely and difficult!
   - Quite often 3rd party integrators have to be involved.
   - "Go Live" dates are rarely met.
3. Ultimately most companies only use a small portion of the system!

The "Paretto Principle" gives us the 80:20 rule. Which says:

- 80% of your revenue comes from 20% of your customers.
- 80% of your orders are made up of 20% of your product.

We have found the same to be true with the software you purchase.

- 80% of your daily processes will be performed by 20% of your software.

Just-the-Basics

After selecting your software and realizing you are only using a small portion of it, (20%), can you go back to the software vendor and ask for 80% of the dollars you invested back?

AHN Corporation believes you should only pay for what you use. Do you bill your customers for items they don't receive just because they are part of the job? "Of Course Not!"

That is why we developed WarehouseQ™. After querying several companies, we found all they really needed to operate their distribution center efficiently and effectively were, "J-T-B" Just-the-Basics!

When we ask what are you looking for? We don't just mean in your warehouse. We mean in your software as well!

MODULES:

There are basic modules that are required to operate a large warehouse as well as a small warehouse!

1. Order Entry
2. Receiving
3. Picking
4. Inventory Control
5. Returns
6. Productivity Reports

When you follow an order through your warehouse what other functions do you *really* need? Cross Docking, Interleaving, Replenishments, Product Reorganization?

Don't these additional functions add a level of complexity to an environment that does not need to be any more complex?

PROCESS CHART:

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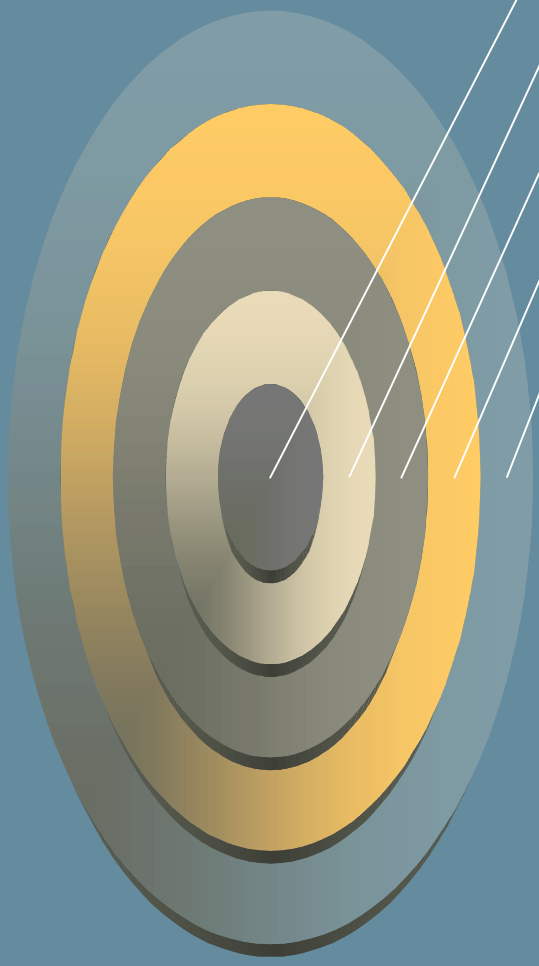

WHAT YOU ARE LOOKING FOR:

From 1992 to 2002 shows us that durable goods wholesalers have not increased real productivity to any great extent during the past decade.

The Quest for Productivity, Progressive Distributor, 2003

In many wholesaling verticals, return on owner's equity has been falling since 1995/1996. This is long before the current recession began

PAR Reports for I.D.A., NAED, and PHCPP wholesalers

Metrics to Consider:

Fewer	shipping and receiving errors
Lower	total cost per unit shipped
Reduced	inventory out-of-stocks
Reduced	losses from stolen, damaged, or misrouted product
Reduced	order input errors
Reduced	inventory and warehousing costs
Reduced	customer service costs
Reduced	phone communication costs
Improved	delivery accuracy and timeliness
Increased	profitability per order and per customer
Increased	sales

LOOK NO FURTHER!

WarehouseQ™ is the only fully automated WMS (Warehouse Management System) on the market that offers:

- Order Entry
- Built with .NET
- Order Picking
- Inventory Tracking
- Performance Reporting
- Purchase Order Receiving
- RF capability with (Mobile-Assist)
- Can be interfaced to any ERP or Accounting Software
- **ALL FOR UNDER $2500**

ORDER ENTRY:

Your customers orders have to start somewhere. Even though most ERP (Enterprise Resource Planning) or Accounting systems all have some sort of order entry program, WarehouseQ™ was developed to be a stand alone product. By providing OE (Order Entry) you have the functionality of a large system without the cost associated with a large system.

1. **The system prompts the user for relative customer information.**
   - Name, Address and Product.
2. **The system allows the user to select the locations to pick the items from.**
   - This is a perfect feature for retail operations.
3. **The system allows the user to generate a Picking Ticket or the ability to send the order to the Mobile-Assist feature.**
   - For retail operations the person taking the order does not have to be the one picking the order.
   - Reducing the amount of time a customer spends waiting on their product.

RECEIVING:

There is no process in your warehouse more important than receiving. GIGO (Garbage In-Garbage Out). Vendor errors translate into putaway errors, that translate into picking errors that translate into returns being processed.

WarehouseQ™ prevents errors from occurring which reduces the amount of returns processed which reduces the overall operating cost associated with your warehouse.

1. **The system scan verifies (with Mobile-Assist) or allows the product to be checked in.**
   - **Scanning is more accurate.**
2. **The system displays all available locations for the product to be putaway.**
   - **This prevents the receivers from searching and creating additional overstock locations.**
3. **The system updates your existing ERP (Enterprise Resource Planning) or Accounting System.**
   - **This eliminates additional personnel needed to perform data entry functions.**

PICKING:

Picking is the most dynamic process in your warehouse. Because most warehouses have a considerable amount of turnover in this area.

WarehouseQ™ takes complete control of the picking process from your existing ERP (Enterprise Resource Planning) or Accounting software.

1. **The system provides all available locations of the product.**
   - **This prevents pickers from searching for product because the primary is empty.**
2. **The system scan verifies (with Mobile-Assist) or allows the user to identify locations that were used.**
   - **This prevents future pickers from later going to an empty location.**
3. **The system prompts the user to complete the transaction by generating a Packing Slip.**
   - **The packing slip is generated based on what was actually picked. Preventing scribble-scrabble on the pick tickets allowing errors to occur because of hand writing discrepancies.**

INVENTORY CONTROL:

Without inventory what business would your company be in? WarehouseQ™ takes complete control of your inventory allowing visibility down to the quantity in a specific location.

1. **The system allows the user the ability to see all items and their locations.**
   - **This prevents inventory control personnel from having to search for an item.**
2. **The system allows: Startup Physical, Physical Inventory and Cycle Counting.**
   - **The *Startup* gets you started, the *Physical* allows an annual count and the *Cycle Count* allows you to randomly count fast or slow moving items at the frequency you select.**

RETURNS:

Even though we hate them they are a part of doing business. Whether because the customer ordered too many or because of a breakdown in communication. Returns are a, "Necessary Evil!"

WarehouseQ™ automates the return process and tracks them for accountability.

1. **The system allows the user the ability to quickly enter a Return against previously ordered items.**
   - **This prevents Returns from piling up without being processed.**
2. **The system tracks the return through the warehouse.**
   - **This prevents the product from being misplaced.**
   - **This also prevents Returns from being overlooked and not processed.**

REPORTING:

"People Do What You Inspect and Not What You Expect!"

WarehouseQ™ provides reporting functionality that is unheard of not only for the price, but also for the industry. When you have the right data available to you, you can then make informed decisions instead of educated guesses.

1. **Picker Productivity**
   - **Orders Picked / Line Items Picked / Time Allotted**
2. **Receiver Productivity**
   - **Putaway Productivity / Line Item Detail / Item Detail / Order Detail**
3. **Inventory Movement**
   - **Item Movement / Adjustments In & Out / Variance (Host and WarehouseQ™)**
4. **And Much Much More!!!**

WHAT ELSE DO YOU NEED?

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One can argue that there are many other functions in a warehouse that are relevant to the overall operational success. But when we look at the tasks being performed: most distribution center managers, warehouse managers and business owners say all they need are the basics.

Think of all the tasks that need to get done and don't, then think of all the tasks that get done that are not adding value to the bottom line. Your customers want what they ordered at a competitive price. Too many steps in the process cause your order charges to rise while they add no real value to the customer.

Picking usually accounts for the largest expense in your warehouse, therefore any time a picker spends searching for product is not only a waste of time but it also adds costs to your largest expense.

Inventory Control in a warehouse should not be considered an "Oxymoron!" However, when you ask managers what is the one thing they struggle with, "Controlling their inventory," is usually the first thing out of their mouths. So we say, when you think about AHN Corporation don't just think about your warehouse. But when you think about minimizing the costs associated with your warehouse, think about WarehouseQ™.

ROI: REAL OVER AND ABOVE WHAT YOU EVER IMAGINED!

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1. The average receiver spends .5 hours per day looking for overstock locations. That is equal to **$1300** in lost productivity per receiver at an hourly rate of $10.00.
2. The average picker spends 1.5 hours per day searching for product. That is equal to **$3900** in lost productivity per picker at an hourly rate of $10.00
3. The average outside sales person makes one delivery per week because of an incorrect shipment. That is equal to **$2500** in lost productivity per sales person at an annual rate of $50,000.
4. The average customer service person spends .75 hours per day in the warehouse verifying what the system says is in the bin. That is equal to **$2535** in lost productivity per customer service person at an hourly rate of $13.00.
5. If you lose $100 of inventory, assuming a 4% return, it would take $2500 in new sales to make up for the lost product. If your warehouse loses $100 a week that means your company needs to generate **$130,000** in new sales each year just to break even.
6. WHEN YOU CALCULATE THE AMOUNT OF MONEY THAT IS LOST, WarehouseQ™ PAYS FOR ITSELF THE FIRST MONTH.

1.	$1300
2.	$3900
3.	$2500
4.	$2535
5.	$130K
= WarehouseQ	

To Purchase Your Copy of WarehouseQ

or to request more information

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