

## CASE STUDY

# FEDERAL AMMUNITION - ELIMINATION OF MANUAL PROCESSES FOR IMPROVED DELIVERY

## ABOUT FEDERAL AMMUNITION



## CHALLENGE

Federal Ammunition needed help improving a variety of tasks within their operations. For starters, their ERP system was becoming unsupported, which meant they would have limited access to support should any issues arise. Though they owned a WMS, it was only used for outbound functionality such as selecting the carrier, generating loads, printing labels, and creating shipping documentation. Without full warehouse management capabilities in the operation, it severely limited their ability to function at their full potential. And both their ERP and WMS shipping interfaces had significant gaps and errors, further exacerbated by paper-based processing and manual picking operations.

Because many of their processes hadn't been updated in several years, Federal Ammo didn't have the knowledge and expertise needed to implement the entire suite of warehouse management capabilities. They needed an overhaul that wouldn't interrupt operations, they needed Cornerstone Edge.

The challenge was further strengthened by the fact that Remington was acquired and had to be assimilated into the project and distribution operation. With the significant increase in demand and SKU count, the project had to adapt to these changes including reslotting product, adding more bulk locations, and managing throughput more effectively in and out of the Distribution Center.

Federal Ammunition started operations back in 1922 in Anoka, Minnesota. Over the past 100 years, they've become the world's largest producers of sporting ammunition. Their dedication to quality and adoption of the latest technology has led to the development of thousands of specialized, high-quality shotshell, centerfire, and rimfire loads for hunters and shooters. They are experts in the science of ammunition production and provide an ideal choice for any pursuit, making them the most capable ammunition company in the business.

While they are vanguards in the world of ammo, their manual warehouse processes were hindering their ability to provide support to customers in a timely and accurate manner. They needed an expert to bring in much-needed experience to ensure their application technologies could empower them to continue growing while reducing their risk. Enter, Cornerstone Edge.



Federal Ammo also had a dramatic increase (due to COVID-19 and the Remington acquisition) in B2C e-commerce fulfillment. This increase required warehouse racking changes, reslotting piece picking, and the requirement for a more robust pick/pack operation. The project needed to effectively support all Federal Ammo brands through each eCommerce website.





## SOLUTION & PROCESS

To address all of Federal Ammunition's needs, Cornerstone Edge employed its 3D Methodology®, defining issues, designing a solution, and delivering value. They performed a thorough analysis of their entire operation, contemplated a variety of warehouse management design considerations, and delivered a solution tailored to their specific needs.



### EVALUATE

The key driver for the project included upgrading the current ERP solution since their Microsoft Dynamics version was no longer being supported. That's where Stoneridge Software came in to perform all necessary upgrades. It was determined that their current WMS, a 10-year-old Manhattan Associates product, also needed updating and implementing, and that's where Cornerstone Edge took the reins.



### IMPLEMENT

While any sizable upgrade to operations is a massive undertaking, performing a complete system overhaul like this, at the height of the COVID-19 pandemic, only amplified any challenges faced. Because demand for ammunition was so high, Cornerstone Edge designed a ramp-up plan to control the amount of product going in and out of the warehouse, building up to the desired outcome.

Because their systems for ammunition distribution hadn't changed in decades, Cornerstone Edge had to identify ways to help with the transition to the new system. The key requirements from the original system that were left intact included customer labeling and EDI processes. All other processes were updated or replaced entirely, including receiving and putaway, replenishment, order fulfillment, staging, loading, shipping, inventory control, and full-cycle counting.

Of the 36 US sites involved in this initiative, Cornerstone Edge was directly involved in four of the five larger sites and four of the 31 smaller sites. The first, and most complicated of these sites, was installed on September 14, 2020. The remaining 35 sites were live prior to September 30, 2021.





## RESULTS

With an upgraded Microsoft ERP system and a fully-implemented Manhattan Associates SCALE Warehouse Management System, Federal Ammunition started seeing results almost immediately. In fact, they exceeded quarterly financial growth plans and met increased customer demand. Most impressive was Federal Ammunition's ability to adapt; they acquired two new brands—Remington and HEVI-Shot—into the distribution center right before implementation, creating a significant increase in overall SKU count, and still hit their targets.

Their updated distribution center supported a sales growth of 49%, driven by a 65% growth in ammunition production. And if that isn't enough, they implemented both eCommerce and wholesale fulfillment functionality simultaneously. With these improvements, Federal Ammunition was able to exceed shipping needs by week 3, yet another win.

With a data-driven approach driven by teamwork, Cornerstone Edge was able to help Federal Ammunition improve its shipping operations while meeting high demand during a global pandemic.

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