Natural Life

- Founded in 1996 by Patti Hughes
- Lifestyle apparel, gift and accessories for women
- Located in Jacksonville, FL
- www.naturallife.com
Natural Life Customer Profiles

B2C  Wholesale  Key
Natural Life Products

- Apparel
- Home décor
- Gifts
- Accessories
- Over 2,000 products
Annual Growth – Number of Order Lines

- 2015: 924,666
- 2016: 1,128,470
- 2017: 1,367,388
- 2018: 1,500,046
- 2019: 1,659,861
Exit 3PL – Setup Natural Life Warehouse

3PL

- 3/2015 – 9/2017
- Tier 1 WMS
- Conveyor
- Gravity flow racks
- Wireless devices
- 20,000 Square feet

Natural Life Warehouse

- 10/2017 – Present
- Twin Oaks WMS
- Conveyor
- Gravity flow racks
- Wireless devices
- 40,000 square feet
3PL Issues

- Picking errors
- Order turnaround – could not keep up during peak
- Inventory accuracy
- Inbound receiving slow
- Chargebacks – due to labeling, cancel dates, shipping errors
- Interface issues – missing orders
- Shipping process slow – measure boxes and manual rate shop
- Expensive to make changes
- Inflexible – took a long time to make a change
- Returns process was manual and slow
New Warehouse Timeline

- Decision to exit 3PL
- Signed lease new warehouse
- Begin setup of warehouse
- Begin shipping
Better WMS Interfaces Drive Improvements

WMS to ERP live integration
- Orders, shipping, products, returns, receiving, inventory adjustments

WMS to material handling equipment
- Laser curtain – automatic carton dimensions
- In-line scales – automatic carton weight
- Diverters – small package, LTL, International

WMS to carriers via web api
- Shipping, address validation, rate shopping
Laser Dimensioner, In-line Scale, Shipping
Results: Reduced Costs & Improved Service

- Inventory accuracy improved by 68%
- Ship station processing improved by 500%
- Accurate carton dimensions saved on dimensional fees
- Accurate shipping addresses saved on address correction fees
- Automated rate shopping with last second conversion to 2 Day, First Class and GFP
WMS Dashboard to Monitor Throughput
WMS: Improved Order Management

- Ability to manage order flow to picking
  - Consumer, wholesale or key
  - Shipping zones
  - Cancel dates
  - Order priority – expedited ship
  - International
  - Preconfigured releases
Better Management of Picking Workload

- Real time monitoring by supervisors
  - Identify bottlenecks
- Reposition pickers to high volume areas
- Suggest picker locations to maximize output
- Dynamic zone – expands and contracts

<table>
<thead>
<tr>
<th>Label</th>
<th>Picker</th>
<th>Picks</th>
<th>Starts</th>
<th>Available</th>
<th>BO</th>
<th>Restock</th>
<th>Disc</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Picker1</td>
<td>350</td>
<td>301</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>B</td>
<td>Picker2</td>
<td>301</td>
<td>287</td>
<td>29</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>C</td>
<td>Picker3</td>
<td>401</td>
<td>301</td>
<td>32</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>D</td>
<td>Picker4</td>
<td>425</td>
<td>315</td>
<td>25</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>E</td>
<td>Picker5</td>
<td>280</td>
<td>110</td>
<td>32</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>F</td>
<td>Picker6</td>
<td>213</td>
<td>98</td>
<td>39</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>G</td>
<td>Picker7</td>
<td>300</td>
<td>142</td>
<td>27</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>H</td>
<td>Picker8</td>
<td>197</td>
<td>65</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

- PA01 A  | PB01 C  | PC01 E  | PD01 G
- PA02 A  | PB02 C  | PC02 E  | PD02 G
- PA03 A  | PB03 C  | PC03 E  | PD03 G
- PA04 A  | PB04 C  | PC04 E  | PD04 G
- PA05 A  | PB05 C  | PC05 E  | PD05 G
- PA06 A  | PB06 C  | PC06 E  | PD06 G
- PA07 A  | PB07 C  | PC07 E  | PD07 G
- PA08 B  | PB08 C  | PC08 E  | PD08 G
- PA09 B  | PB09 C  | PC09 E  | PD09 G
- PA10 B  | PB10 C  | PC10 F  | PD10 G
- PA11 B  | PB11 D  | PC11 F  | PD11 G
- PA12 B  | PB12 D  | PC12 F  | PD12 H
- PA13 B  | PB13 D  | PC13 F  | PD13 H
- PA14 B  | PB14 D  | PC14 F  | PD14 H
- PA15 B  | PB15 D  | PC15 F  | PD15 H
- PA16 B  | PB16 D  | PC16 F  | PD16 H
- PA17 B  | PB17 D  | PC17 F  | PD17 H
- PA18 B  | PB18 D  | PC18 F  | PD18 H
- PA19 B  | PB19 D  | PC19 F  | PD19 H
- PA20 B  | PB20 D  | PC20 F  | PD20 H
- PA21 B  | PB21 D  | PC21 F  | PD21 H
- PA22 B  | PB22 D  | PC22 F  | PD22 H
- PA23 B  | PB23 D  | PC23 F  | PD23 H

42 Picks
15 Starts
Results: Avg days to ship improved 378%
WMS Picking Efficiencies

• Minimal picking errors
  • Leverage GTIN barcodes to validate unit
  • Item and grid pick location image available to pickers

• Automated restock with high priority when out of stock

• Faster picking with visual cues and voice commands

• Multiple pick methods available based on workload
  • Rush, cart, dynamic zone, waveless, mini-pick aisle

• Multiple devices
  • Wearables, guns, glasses, phones and Bluetooth ring scanners
WMS Picking with Glasses
Results: Improved Pick Speed and Less Errors

- Average lines picked per hour improved 174%
- Employee record single day LPH 171 LPH
- New pickers start picking on Day 1
- Picking accuracy 99.37%
- Expedited order turnaround at peak < 4 Hours
WMS Packing Improvements

- Customized packing list by class of trade
- QC checklist to validate picking accuracy
- Integrated returns label on packing list
- Ability to print gift messages
- Breakable items flagged for carton packing vs envelopes
Results: Improved Customer Experience

- Gift card personalized gift giving
- Integrated return label simplified process for customers
- QC checklist proved very helpful finding pick mistakes
- Decrease in carrier damages by packing in correct container
- Better customer experience tailored to customer class
WMS Returns Processing

- Integrated return label enabled scan of tracking number
- Integration with Narvar enabled online returns processing
- Live integration with ERP
- Sellable product transferred back to forward pick location
Results: Faster Returns Processing

- Reduced daily returns processing by 1 Hour
- Return rules enforced for non-returnable product
- Return analysis automated with return reason codes
- Return shipping cost reduced with rules based return options
WMS: Data Drives Continuous Improvement

- Real time statistics for all job functions
- Track both productivity and quality
- Establish employee goals
- Employees receive real time feedback
- Evaluate new hire performance
- Tiered bonus program
Results: Increased Performance, Quality and Employee Satisfaction

<table>
<thead>
<tr>
<th>Shipper</th>
<th>Shipping Month</th>
<th>Hours Shipping</th>
<th>Lines SPH</th>
<th>Quantity SPH</th>
<th>Cartons SPH</th>
<th>Total Lines</th>
<th>Total Quantity</th>
<th>Total Cartons</th>
<th>Shipping Started</th>
<th>Shipping Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASBRA</td>
<td>01/2019</td>
<td>182.88</td>
<td>715.55</td>
<td>2693.53</td>
<td>2693.53</td>
<td>130861</td>
<td>492594</td>
<td>23583</td>
<td>01/02/2019 07:20:16</td>
<td>01/31/2019 15:20:20</td>
</tr>
<tr>
<td>FORSHA</td>
<td>01/2019</td>
<td>105.41</td>
<td>126.86</td>
<td>766.71</td>
<td>766.71</td>
<td>24700</td>
<td>14924</td>
<td>3154</td>
<td>01/02/2019 07:18:48</td>
<td>01/31/2019 16:18:24</td>
</tr>
</tbody>
</table>
WMS Cost Saving Tools – Shipping Models

### Shipping Rate Comparison Report

<table>
<thead>
<tr>
<th>Start Date</th>
<th>Rates to Use</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/02/2019</td>
<td>Discount</td>
<td><a href="mailto:info@twinoakstech.com">info@twinoakstech.com</a></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>End Date</th>
<th>Package Count Modifier</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/08/2019</td>
<td>3%</td>
</tr>
</tbody>
</table>

### Ship Via Comparisons to Analyze

<table>
<thead>
<tr>
<th>From Ship Via</th>
<th>To Ship Via</th>
<th>Residential Y/N</th>
<th>Best Rate Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>USPS</td>
<td>FedEx</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>From Ship Via</td>
<td>To Ship Via</td>
<td>Residential Y/N</td>
<td>Best Rate Y/N</td>
</tr>
</tbody>
</table>

[Run Report]
WMS Cost Saving Tools – Shipping Models

- Run multiple models to negotiate better rates
- Use historical package volume
- Compare multiple carriers and ship methods
- Run models against proposed rates
- Identify impact of different surcharges
Results: Significant Savings in Shipping Fees

- Comparative models improved negotiation
- Solidified decision to change carriers
- Annual savings in shipping fees + $100K
Quotes from Natural Life Management

• Patti Hughes, CEO:
  “We’re making everything look easy this year! Woohoo!!! Good job team!”
  “So crazy fast you guys!!!!”

• Lesli Schmachtenberger, CFO:
  “Huge shout out to CE and warehouse….how much more relaxed are we this year”
  “Great job Warehouse Team!”

• Eve Chien, VP of Supply Chain:
  “Nice job everyone! You break records again! Wow!”
2020 plans

• Integration with Fetch robots
• Integration with Amazon Alexa
For more information:

Speaker email: mark.bondurant@twinoakstech.com
Website: www.twinoakswms.com

Speaker #2 email: ncass@naturallife.com
website: www.naturallife.com

Or visit MODEX Booth 7291