Case Study: Other World Computing

Other World Computing Uses DYMO™ Endicia® and ADSI to Reduce Manual Entry and Increase Shipping Efficiency

Client: Other World Computing, located in Woodstock, Illinois.

Challenge: As OWC's postal volume continued to grow, they needed an electronic postage solution that would eliminate their reliance on a postal manifesting system.

Solution: DYMO Endicia Label Server, through ADSI's Ship-IT™.

Key Results:
• By eliminating their manifesting system, OWC is saving at least 10 hours per week of associated labor.
• Integrated electronic international shipping documentation.

Customer Background
Other World Computing (OWC) has been providing quality hardware products and support to the computer industry since 1988 and features one of the largest online catalogs of computer, iPod®, iPhone®, and iPad® enhancement products through its e-commerce portal www.macsales.com.

OWC depends on the U.S. Postal Service® to bring its products to its customers’ doors as a low-cost alternative to faster, and often more costly, carriers. OWC has also opened new international markets for small and lower cost merchandise items that were previously out-of-reach due to the relatively high shipping cost of low cost items.

The Challenge
OWC’s growing postal volume, ranging from 1,000 to 3,000 packages a day, had outpaced its postal manifesting system. As a result, the printing and reconciling of the daily postal manifest was a very time-consuming task that could cause delivery delays. “Our printed manifest was hundreds of pages long. It had to be reconciled with the day’s shipments before the carrier accepted them for pickup,” said Ryan O’Connor, OWC’s Warehouse and Logistics Manager. If a last-minute package was on the manifest but diverted into the next day’s work, the entire group of shipments could be held until the discrepancy was located. With many customers expecting next-day delivery, delays were not acceptable. “We asked our U.S. Postal Service representative to help us find a better way to handle our domestic and international postal shipments,” he said. The Postal Service suggested a third party online postage provider, like DYMO Endicia, to automate the process.
“For companies like OWC, ease of use and timely delivery are critical to their operations,” said Marcia Sapien, Business Alliances Manager for the U.S. Postal Service. “By offering a solution through ADSI that allows day-certain acceptance, automated customs forms and discounted postage, OWC is able to get their products into their customer’s hands quickly.”

The Solution
OWC was already using ADSI’s Ship-IT™ multi-carrier shipping solution for its other shipping needs. O’Connor decided to add the Label Server from DYMO™ Endicia® to Ship-IT. OWC has gained a fast, simple postal shipping workflow:

- Ship-IT is integrated to electronically receive orders from OWC’s enterprise systems.
- Order data is captured on a barcoded pick ticket.
- The staff member scans a barcode and presses one button on Ship-IT to confirm the shipment.
- Ship-IT selects the delivery service, calculates rates and fees and processes the shipment.
- DYMO Endicia’s Label Server produces the shipping labels.
- Shipments are processed in a matter of seconds.

At day’s end, DYMO Endicia transmits an electronic manifest to the U.S. Postal Service system. A one-page barcoded manifest, called a SCAN form, is printed and presented to the mail carrier, who scans the barcoded form and delivers the packages to a postal processing facility. Once the SCAN form is scanned by the mail carrier, all of the corresponding packages are officially entered into the USPS mail stream.

The Results: An Additional $25,000 in Cost Reductions
OWC has achieved its domestic and international delivery goals and streamlined its operations. By adding the Endicia Label Server to Ship-IT, OWC has gained $25,000 savings in labor, materials, and maintenance savings in 1½ years, on top of the savings the Ship-IT multi-carrier system is already delivering in other aspects of its shipping operations. OWC also gains from other intangible benefits, such as the elimination of manifest reviews and reconciliation efforts, loose packing of ship-ready parcels, and easing the workload for OWC’s local Post Office partners. Specific benefits include:

- Elimination of shipping delays: DYMO Endicia has eliminated the delays inherent in the manual reconciliation process.
- Elimination of paper manifesting: A one-page barcoded document has replaced a several-hundred page manifest.
- Automatic export shipment documents: Export document preparation has been eliminated. It is now embedded in the barcode in the international shipping label. The SED and Commercial Invoice are also embedded in the shipping label.
- Reduction in labor costs: OWC is saving at least 10 hours per week by eliminating the labor associated with handling the manifest.
- Discounted postage rates and track-ability: OWC can now take advantage of lower postage rates and also track customer deliveries.

With ADSI’s Ship-IT shipping software solution, OWC has effectively eliminated a bottleneck in its shipping operations and gained a scalable solution to efficiently handle business growth.

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