

Case Study

Kenwood Solves Logistics Challenges to Customer Service

Kenwood, one of the world's best-known consumer electronics brands, sells home audio, car audio, land-mobile communications, amateur radio and repair parts products in North America. It has used document imaging since 1992 to accelerate order processing and enhance order tracking.

Each product category is marketed by separate Kenwood divisions, which are spread across North America, from Canada to Mexico, Hawaii, to Puerto Rico.

Long Beach, California-based Kenwood Americas, distributes products from each of Kenwood's five North American product divisions. The products themselves are manufactured in Mexico and throughout Asia and shipped to Long Beach for order fulfillment. Kenwood Americas is the company that has implemented document imaging.

The Problem

The printed orders--multicopy forms called shippers--are generated at the Kenwood Americas order desk in Long Beach from each of the five product marketing divisions. The workflow moves these paper forms to the warehouse where products are located and pulled from shelves until the order is complete. The person who pulled the order signs the shipper, which indicates the order has been filled. It then moves to another person who checks the order for accuracy and completeness, and signs it.

The Kenwood team then weighs and calculates freight on the order. The order system is automatically updated with the freight charges. From there, the shipper goes to the truck driver who will transport the shipment. The driver also signs the form to confirm that he or she has received it and receives a copy which will accompany the shipment.

Car and home audio products are shipped primarily by truck to major retailers such as Circuit City, Sears or The Good Guys. Parts and communications products are shipped via UPS.

Let the Scanning Begin

The shipper originals are then transferred by pneumatic tube from the warehouse to the imaging department. "As you can see, everything we need to know is on paper," says Document Imaging Manager Glenn Hockett, "what was ordered, by whom, who picked it, who packed it, who will deliver it. It's essential that we capture that information electronically and append it to the customer record to enable us to retrieve that data instantly for tracking."

The Solution

Kenwood adopted document imaging in 1992 using one of Optika's early systems. Hockett says the forms haven't changed much since then. But their indexing process was overhauled with the replacement of the Optika scanning module with Kofax Ascent Capture.

Kenwood indexes the shipper number and the customer number. Until November 1999 these were manually entered from the scanned image. Ascent Capture's better image quality and built-in barcode and zonal OCR recognition have made it possible to capture those fields automatically.

"Ascent Capture reduced the time required to capture our shippers by 75 percent," Hockett says.

He says the transition was painless. "It was easy to train people on Ascent Capture. They can be working in 15 minutes," he says.

Kenwood still uses the Optika back end for storage, search and retrieval. They integrate Ascent Capture and Optika with the Kofax-developed Optika release module for Ascent Capture. Ascent capture release modules are available for all major document and content management back ends.

Distributed Capture; Database Lookups Are Next Improvements

Now that Ascent Capture has streamlined the indexing process, Hockett says he is considering using Ascent Capture 5 to perform automatic database lookups of customer and shipment data. The recognized customer or shipper number would be sent to a database which would automatically fill in additional Ascent Capture indexing fields from the database, enabling searches using a wider range of terms.

Hockett would also like to implement distributed capture at the divisions. Currently, the shippers arrive in Long Beach as hard copies. It takes days for them to arrive from Kenwood's far-flung product divisions and they can be lost or damaged on the way. With distributed capture, shippers would be scanned where they are created using Ascent Capture Internet Server, then electronically transferred instantly and securely to Long Beach. This would further shorten the order and shipment process by days.