



Services: Fulfillment
Industry: Consumer products, including packaged gourmet food and personal care items

Trading Partners: Amazon, Home Depot, Menards, Target, Walmart among others

Case Study: J.R. Watkins Co.

Since 1868, J.R. Watkins Co. has made high-quality products derived from natural ingredients such as its pain-relieving liniment, which is still sold today. By the turn of the century, the Winona, Minn-based company had already expanded into its mainstay spices and extracts. In addition to these perennial items, the company currently makes over 300 products that include home care as well as bath and body products.

Long known for its direct sales channel that continue today, Watkins expanded into in-store sales in the 2000s. Its products are sold throughout the United States and Canada at many leading online retailers, mass retailers and grocery chains. The company manufactures and distributes from its Winona facility, as well as from a distribution center in Canada using a third party logistics provider (3PL). With a focus on natural and sustainable products that are “Crafted in the U.S.A.,” the privately-held company is in a high-growth mode and will soon roll out a line of products exclusive to Target.

Improving J.R. Watkins Co. Trading Partner Relationships



RETAILERS



SUPPLIERS



3PLS

“We’re not missing out on growth opportunities because we are more agile and able to move fast thanks to SPS.”

— **Scott Iverson, director of information services at J.R. Watkins**

Scott Iverson, director of information services at J.R. Watkins, said keeping up with growing retail trade was a key reason why the company turned to SPS Commerce several years ago. The company began using Fulfillment for its low-volume retail customers, electing to use its in-house solution for its larger customers. As orders increased and its in-house solution grew more cumbersome to manage, Watkins looked to partner with a retail cloud service provider that could manage all of their retail customers’ orders on Watkins’ behalf. “Given the increasing order volumes of some of our largest retailer customers, it made sense for us to move from an in-house system to a network-based fulfillment solution with integration capabilities,” Iverson said, noting in January 2014 the company began using SPS Integrated Fulfillment to more efficiently process orders with large-volume customers, while maintaining use of Fulfillment with lower-volume customers.

Growing without the associated pains

Since implementing Integrated Fulfillment, J.R.Watkins now does business with 60 retailers via the solution, which represent about 75 percent of its orders. Iverson said new integrations only take up to a few weeks or less. “Not having to digest all of the different requirements of our customers has improved our efficiencies. We rely on SPS to manage our fulfillment process and know our customers trading requirements.”

With the core of its order processing documents such as PO Acknowledgements, Advance Ship Notices (ASNs) and Invoices transmitted through SPS, J.R. Watkins has reduced manual processes and continues to grow sales and expand its trading partners, all without adding more IT staff. “SPS provides a full and complete solution that helps us from the start of adding the customer on through to the end and fulfilling those documents, day in and day out, with very little issue,” Iverson said.

Importantly, Iverson said, staff is freed to focus on their core business. “We’re not missing out on growth opportunities because we are more agile and able to move fast thanks to SPS.”