SPS Commerce & Hyland's:
A Network Success Story

Executive Summary

Since 1903, Hyland's has been delivering effective, homeopathic medicines to babies, children, and adults. From relieving colds to leg cramps to teething pain, consumers trust Hyland's safe and natural medicines. Today the supplier offers hundreds of products available online and in-stores nationwide.

The popularity of Hyland's homeopathic medicines among consumers is driving many retailers and grocery chains to add the company's products to their shelves and e-commerce sites. Like many suppliers, Hyland's discovered that these retail customers, including Walmart, had strict turnaround timeframes for their orders. To date, the company had responded to these trading requirements using an EDI software package but found its capabilities and support couldn't scale. In 2014, the company decided it had outgrown the solution and sought a full-service alternative to automate their processes.

"Our IT department has many initiatives, with EDI being just one of many," said Steve Hey, Director of IT at Hyland's. "We saw that by partnering with SPS Commerce, we could break free of the day-to-day management of EDI and lean on their expertise. By switching to SPS, we reallocated staff, saving more than 180 hours each month, and have seen a huge uptick in our vendor scorecard performance across our retailers."

Industry: Consumer Products/Homeopathic Medicine
Headquarters: Los Angeles, CA
Retail channels: Retail/Grocery Stores, Marketplaces, E-Commerce

SPS Product: Fulfillment, bcEDI from Beck Consulting
ERP: Microsoft Dynamics NAV
Partner: Western Computer
Network Member Since: 2014

Challenge: Automate the order fulfillment process for 65+ trading partners.

Solution: Integrate Hyland's Microsoft Dynamics NAV ERP with a full-service EDI solution.

Results: Compliance with retailer requirements and staff realignment savings of $45,000/year.

A Manual Process No More

In 2014, Hyland's employed three full-time staff to manually enter order forms and data into the company's Microsoft Dynamics NAV ERP system as well as its EDI software. This duplicity of data entry took valuable time and left the company at risk for missing shipping windows required by its retailers.

In addition, its EDI staff was responsible for onboarding new retail customers, a tedious task that often took weeks to complete, thereby delaying orders and new sales. For each new retailer signed by its sales department, Hyland's needed to identify and connect with the appropriate individuals in the retailer's EDI department, understand their trading requirements and act as the go-between between the retailer and EDI software provider to create and test the EDI transactions.

"Customer demands were increasing, and Hyland's knew that if it didn't automate to keep up with delivery timeframes, we might lose its best customers," said Hey. "We had outgrown our EDI software and needed to automate."

Run, Don't Walk, Towards Automation

"Looking into the future, we asked ourselves if we wanted to become EDI experts or not," said James Frey, EDI Technical Coordinator at Hyland's. "The response from our leadership and staff was a clear 'no'. The best answer for Hyland's was to find a qualified partner to take on these responsibilities, advancing our supply chain with an integrated solution to NAV. We found this with SPS Commerce Fulfillment and their partner Western Computer."

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With more than 65 retail trading partners, Hyland's was eager complete the migration and worked with SPS and Western to develop a schedule to complete the rollover quickly. After a first phase that migrated a handful of trading partners, Hyland's pushed ahead to migrate the remaining trading partners quickly.

"We made a risky decision to move one of our big box customers to the new SPS solution right out of the gates," said Frey. "The process was seamless with SPS and Western taking care of everything. This retailer, and those to follow were migrated in record time to the automated solution."

Hyland's EDI program on SPS Fulfillment initially started with EDI 850 Purchase Order, but quickly advanced to add the EDI 810 Invoice and EDI 856 Advance Ship Notice to support its retailers' requirements. Most recently, they added the EDI 940 and EDI 945 documents and UCC labels as they brought on a third-party logistics provider, CaseStack, in 2017.

An Uptick in Scorecard Performance

Suppliers are constantly being assessed by their retailers for on-time shipping, order accuracy, shipping compliance, and much more. Hyland's had traditionally performed well on scorecards, but its manual processes were beginning to cause their ratings to slip.

After switching to SPS Fulfillment, Hyland's has seen a dramatic uptick in their scorecard performance across their retailer customer base.

Hey said, "Our retailers noticed the difference right away and appreciated the results of our EDI changes. We became a compliance leader in their eyes and had sustained a high level of service ever since."

New Customers EDI-Ready in Days

Adding new customers to its previous solution could take weeks and many hours for Hyland's staff to coordinate. SPS has changed all that.

"We are constantly onboarding new trading partners," said Frey. "Recently we added a Hawaiian distributor to our EDI program. Within five days, we went from a signed agreement to receiving our first EDI order. SPS simply took care of all the details."

Supply Chain Complexities Require Top-Tier Support

Hyland's has a complex supply chain, supporting direct-to-consumer, direct-to-professional, e-commerce, and store shipments across dozens of retailers. They rely on SPS Commerce to manage all areas of their EDI operations, and when questions occur, they have direct access to the SPS Customer Success team.

"Responses to our questions or requests to add new trading partners are really fast with SPS," states Frey. "With each new customer, EDI testing is completed in hours, and we do little to no work at Hyland's to make it happen. For ongoing needs, SPS responds in around 20 minutes with an expert that can thoroughly address our question and resolve any issue. This is the hands-free EDI solution we needed."