



Case Study

Ace Hardware Uses Innovative Logistics to Support Communities in Times of Need

Ace Highlights

- The largest hardware cooperative in North America
- 4,500+ U.S. retail locations
- Three FLEXE provider facilities for Hurricane Heroes
- Six SKUs
- Less than 12-hour response time

Ace Hardware uses FLEXE Inventory Overflow to support Hurricane Heroes, an initiative that reduces response times and supports affected communities when they need it most.

Ace Hardware's tagline is "The Helpful Place," which is quite humble for the largest hardware cooperative in America. But it's a reputation they take very seriously. With more than 90 years in the business and more than 7,800 employees, Ace is committed to being the most helpful hardware store on the planet. That mindset—paired with the emphasis and desire to take action—is precisely what inspired Ace's new initiative, Hurricane Heroes.

Hurricane Heroes is intended to keep Ace retailers in stock on critical items needed to support extreme weather emergencies. The program positions high-demand SKUs to replenish Ace retail stores during emergency situations and automatically replenishes those regions when items are out of stock.

“*We have to have the right product selection at the right price, delivered on time, to support our retailers. Logistics is our differentiator.*”

Kevin Kryscio

Senior Director of Supply Chain, Ace Hardware

THE OPPORTUNITY:

Proactive Planning

2017 boasted three of the most costly hurricanes to date: Harvey, Maria, and Irma—totaling [\\$265 billion](#)* in damages. In 2018, two major hurricanes, Florence and Michael, devastated major areas in North and South Carolina and Florida.

Knowing that weather is impossible to predict, Ace Hardware saw an opportunity to be proactive and provide services to the communities impacted by the hurricane season. Their logistics and distribution strategy supporting Hurricane Harvey is what makes the initiative possible.

“The goal of Ace is to be the best and most helpful hardware store on the planet,” says Kryscio. “That means we have to have the right product selection at the right price, delivered on time, to support our retailers. Logistics is our differentiator.”

In early 2018, Ace started planning for Hurricane Heroes. Having their own distribution network in place, the team determined that a number of smaller, storm-related goods could be stored within their own network. However, for the larger, bulkier items—generators, empty propane tanks, and more—there wasn’t enough capacity. Having worked with FLEXE before, they knew where to turn.

““ As FLEXE has grown, we’ve kind of grown with them.”

Kevin Kryscio

Senior Director of Supply Chain, Ace Hardware

THE SOLUTION:

FLEXE Inventory Overflow

In 2016, Ace reached out to FLEXE as a solution for an unexpected overflow project. Since then, Ace has leveraged FLEXE to help manage peak-season inventory overflow.

Once Ace realized external facilities were needed to support Hurricane Heroes, they came to FLEXE to see if capacity for the larger, bulkier inventory was available in the Southeast.

“FLEXE was a new concept that provided a good solution for us. We can rely on and trust the team with whom we work to execute our projects well,” states Kryscio. “We’ve worked with FLEXE several times. As our distribution strategy has evolved, we’ve been able to use FLEXE and see them grow.”

Hurricane Heroes and FLEXE

For Hurricane Heroes, Ace works with three different warehouse providers in the FLEXE network located in Florida, Texas, and Georgia.

Some of the bulkier products they are storing with FLEXE providers include generators, empty gas cans and propane tanks, tube sand, and box fans. By strategically placing inventory with FLEXE, they are able to support more than 1,000 stores that are located in the Southeast.

Since going live in July 2018, Ace has stored nearly 3,500 pallets across the FLEXE network—30% of which have been shipped out to support regions affected by Hurricane Florence and Michael.

“Some of our employees—those whose homes had been hit by the hurricanes—were in the stores and helping their communities through the crisis. When a truckload of generators arrived, at the time when they needed it most, people cheered.”

“Some of our employees—those whose homes had been hit by the hurricanes—were in the stores and helping their communities through the crisis.”

Kevin Kryscio

Senior Director of Supply Chain, Ace Hardware

THE RESULTS:

Responding to Needs

Built-In Speed and Flexibility

Hurricane Heroes is about responsiveness and speed. From the initial call to FLEXE, to sourcing the three warehouses and touring them, to shipping inventory, it took four weeks.

“To vet three different providers like that would be nearly impossible to do in the time we had,” says Kryscio.

Two weeks after the Ace project was live, Hurricane Florence hit. The Ace team activated their Hurricane Heroes plan and scheduled outbound shipments using the FLEXE software platform. As a result, Ace was able to get shipments of goods to the affected areas in fewer than 24 hours—which included transit time—on a Saturday.

“We’ve seen a true appreciation from community members, thanking us for our responsiveness and having goods when no one else did,” says Kryscio. “Last year, we had to expedite goods to help Houston, this year we were prepared and were able to respond.”

Real-Time Inventory Visibility

Using the FLEXE platform, Ace can monitor real-time inventory levels across their three different FLEXE providers to help inform decisions on what to send out of each facility.

Instead of having to manage inventory in disparate systems across different providers, Ace gets a single view of inventory and the ability to request orders more quickly and efficiently.

“From the FLEXE app, we get a single view of inventory across the FLEXE network, and can create multiple orders that are routed to each separate provider,” says Kryscio. “With any other solution, we’d be managing orders across different warehouse management systems (WMS) or different instances without a unified view.”

Having a clear and accurate inventory overview, Ace is also able to distinguish what inventory is available to send for relief efforts, as well as which FLEXE providers need replenishment by product and location.

Quality of Providers

For Hurricane Heroes, “FLEXE was the first that came to mind,” says Kryscio. “FLEXE sourced three different companies with strong track records and could accommodate our needs immediately.”

The FLEXE Supply team sourced a variety of warehouse providers in the FLEXE network for Ace to use for Hurricane Heroes. The goal was to position inventory within 90 minutes from Ace’s regional distribution centers (RDC) to accommodate two scenarios: shipping to Ace retail stores and shipping into Ace’s distribution network.

When Hurricane Florence hit, Ace was able to go in to the FLEXE portal and schedule shipments immediately, knowing they were in good hands. It isn’t always easy to entrust your goods with a third party, but Ace knows FLEXE providers are reliable.

“We can trust FLEXE and the providers in their network,” says Kryscio. “Our products are safe, protected, and FLEXE providers are responsive. That’s what you want in a third-party provider, and that’s what we get with FLEXE.”



We can trust FLEXE and the providers in their network. Our products are safe, protected, and FLEXE providers are responsive. That’s what you want in a third-party provider, and that’s what we get with FLEXE.”

Kevin Kryscio

Senior Director of Supply Chain, Ace Hardware

Ongoing Opportunities to Reach Communities

While Ace has to manage a variety of seasonal SKUs that range in size and vary by location, their goal remains unwavering: create higher service levels by offering the right products to their customers at the right time.

In order to do so effectively and efficiently, Ace has made innovative logistics and warehousing a priority. Logistics is a differentiator and FLEXE is a solution provider that can help.

Ace has used FLEXE Inventory Overflow for multiple projects to accommodate their biggest peak season in the spring, as well as the Hurricane Heroes initiative. Ace is also in the process of creating a Winter Heroes initiative to better serve regions affected by snow storms. They are in a constant pursuit to meet consumer demands, and Ace is considering FLEXE fulfillment options for 2019.

“We like the FLEXE team with whom we work and we can rely on the solution they provide,” says Kryscio about working with FLEXE. “They’ve always helped us find a solution.”

“*We like the FLEXE team and we can rely on the solution they provide. Warehousing can be complicated, but they’ve always helped us find a solution.*”

Kevin Kryscio

Senior Director of Supply Chain, Ace Hardware



About Ace Hardware

Ace Hardware is the largest retailer-owned hardware cooperative in the world with more than 5,200 locally owned and operated hardware stores in approximately 65 countries. Headquartered in Oak Brook, Ill., Ace and its subsidiaries operate an expansive network of distribution centers in the U.S. and have distribution capabilities in Ningbo, China; Colon, Panama; and Dubai, United Arab Emirates. Since 1924, Ace has become a part of local communities around the world and known as the place with the helpful hardware folks.

For more information, visit acehardware.com.

FLEXE Solutions for Warehousing & Fulfillment

FLEXE has made a habit of working with forward-thinking retailers like Ace Hardware. With a unified software platform, a network of more than 1000 warehouse providers, and a dedicated team, FLEXE enables businesses to be more agile through flexible warehousing and fulfillment.

All FLEXE clients utilize only one contract, billing, and invoicing systems for each project they run with FLEXE. It's a simple, transparent, and scalable solution that's reinventing warehousing and fulfillment.

About FLEXE

FLEXE is the leading provider of on-demand warehousing and fulfillment services. Backed by a team of technology and logistics experts in Seattle, FLEXE connects retailers and brands to a network of more than 1,000 warehouses through a single software platform.

Unlike traditional solutions, FLEXE makes warehousing available on-demand and uses software to streamline the entire process from sourcing staffed operators through centrally managing inventory across the entire network. As a result, FLEXE clients easily resolve their warehouse capacity constraints, scale retail distribution operations, and dynamically expand their eCommerce fulfillment networks. To learn more about FLEXE, follow us on [LinkedIn](#) and [Twitter](#).

