Logistech Solutions

Frequently Asked Questions

What is fulfillment?

Fulfillment typically means all the logistics of handling the storage, order management, shipping, and inventory management of your materials. Whether you are an e-commerce vendor that needs your fulfillment provider to handle VCRs, CDs or software, or a marketing and branding organization requiring fulfillment of brochures, hats, mugs and t-shirts; it's really all the same. Inventory is inventory, and an order is an order. Logistech handles it all, from receiving your product or material, quality control checking, inventory put-away, inventory management, and order pick-n-ship. The complete supply chain (from your customer's perspective) is completely visible and professionally handled with our end-to-end solution.

What is LOMACS?

LOMACS (Logistics Order Management and Control System) is a custom-engineered inventory and order management system. LOMACS' open, Java-based, front-end environment gives Logistech the flexibility to customize to a customer's individual needs.

Do I have to use the LOMACS front-end to process my orders?

No, you can use the XML or Yahoo! Integration features. Direct entry is an option of course.

Can I place an order on hold or cancel it?

Yes. Once an order is submitted to LOMACS, the status will remain open for a period of time, depending on the urgency of the order. While this order is in OPEN status, it is completely modifiable, including canceling or placing it on HOLD. However, once an order goes into PRINTED status, it can no longer be modified or cancelled. Remember it will be your responsibility to take the order off hold, if that is the option you chose.

Why do I see extra charges sometimes for shipments after the initial charges have been billed to me?

All carriers sometimes make adjustments for shipments. Sometimes adjustments are made if the delivery address is residential. Sometimes they make adjustments if the area for delivery is outside a particular area. While these adjustments can be annoying, they are usually small in comparison to the overall charges assessed originally. LOGISTECH recommends that if you are "estimating" delivery charges, you add a small margin into your charges to your customers to account for these adjustments. If you are charging customers exact shipping, the same rule should apply. Please speak with your customer account manager should you have further questions.

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What's the usual set-up time to integrate my Yahoo store with LOGISTECH? How long will our store be out of commission until LOGISTECH is ready to handle all orders?

Set-up time is pretty quick. We have to work with you to set some parameters in your store to allow for the exchange of data. This usually takes about 15 minutes.

Your store doesn't have to "go down" in order to integrate with LOMACS. We would need to coordinate with you so that any "pending" orders don't get left hanging.

Finally, the most complicated and time-consuming part of this is simply providing information on each SKU and then arranging to have stock sent to us. What we usually suggest if a customer is going to transfer ALL fulfillment to us is to "two-phase" it. That is, send us a small supply of stock first, and then once we have turned on the integration, we can start filling orders immediately. Then remaining stock can be sent to us immediately afterwards.

Is there any reason why we would want to have items shipped to my workplace first, inspect and confirm, then send them to the fulfillment center?

Save time and money and have all your stock sent to us first. All you need to do is notify us via an ASN (Advanced Shipment Notification), letting us know what you are having dispatched to us and when it should arrive. Once your product arrives, our receiving department will check it against the shipping documents. Any errors will be reported to you via your Account Manager. Later that evening, LOMACS will automatically send you an email indicating what and how many of each item we received. You can then compare this to your PO or whatever you have tracking supplier orders.

The only other issue may be identification. We do require a fairly restrictive rule set regarding inbound stock. This is for your benefit, as well as ours. First, we would require a complete packing list from your supplier to be sent with all inbound shipments. Second, we would require they not mix parts in boxes...OR at the very least, if they do mix product, to identify which boxes contain "mixes" and what and how many of each item are contained within the boxes. Please review our receiving requirements in the services guide for additional details.

Should have my products located in several regions around the countries in order to be close to my customers?

Our experience has been that the logistical cost of trying to figure out how much product to store at various locations in order to minimize shipping cost is higher than most people realize. Of course, this isn't true if you are shipping thousands of orders a day...and if you are (or will), LOGISTECH will certainly partner to solve that problem for you.

With the integration with the Yahoo! Store, do you handle the actual charging of the customers' credit cards as well?

That is still handled by you under the Yahoo! model. This function is part of the storefront. All our systems do is mark the order as shipped. Our software essentially does the same thing you would do in shipping your orders manually, except our process is automated.

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For items that differ by size or color, like t-shirts, how is the SKU set-up?

It would be for each SKU, and since different size T's would presumably need to be specified, it would then be for each size, color or any other distinguishing differences. Since we'd have to pull the correct size T and color, we'd consider each size and color a different part. Therefore, in the context of an order where a large Red T and a small Red T were ordered, that would be considered 2 line items. As well, if an order contained a Large Red T and a Large Blue T, this would also be considered 2 line items.

If our company wants to offer price breaks at certain quantities, how does the material need to arrive at LOGISTECH? Would the different quantities offered keep the same SKU number?

With something like nuts and bolts, they would be considered different SKU's if you sell them in groups or denominations of 10, 25, 50, or 100, etc. However, we could in fact fill your orders 1 nut/bolt at a time, but your fulfillment costs would be higher if we did it this way, since each "nut/bolt" would be considered a unit. This truly is determined on your customer base. If one of your customers need two or three nuts/bolts for an item they are buying (or as a replacement part), having this capability to order 1 nut/bolt at a time is a perfect fit for them. If, however, you have a customer that is ordering in bulk of these items (a distributor, perhaps), it makes sense to offer these parts in group/denominations of 10, 25, 50, 100, etc. If you require your customers to order in "quantities," such as 10, 25, 50 or 100, you would be better to have them "pre-packaged" in these quantities and ordered as different SKU's (according to the different denominations).

We can handle the "pre-packaging" for you if your suppliers cannot accommodate that need. This isn't done at the time of fulfillment, but it's done in our VAS (value-added services) department. Our VAS department's function is to handle light packaging and assembly of this type of work, all of which is quoted on a job-by-job basis.

Why do I still pay an active SKU fee on items that I drop ship?

If an item is orderable on your storefront, we'll need to set-up the item in our database so our system can recognize and validate it when the order comes into LOGISTECH. If we just ignore an item not in our system, it may disregard items that you have available for ordering and have forgotten to send us the information about the part. It is a valuable part of the Quality Check procedure, as well as a great trigger so we can alert you of items your customers are able to order but we are not able to fulfill due to lack of information in the set-up process.

How are returns handled?

Not only can you track the original order's shipping detail in LOMACS, but if the order has been returned for whatever reason (customer's rejection of the package, incorrect address, etc.), it is noted as part of its original order detail so you can see it was returned. The items are put back into inventory unless the item appears to have notable damage. Certain personal items, such as cosmetics, cannot be placed back into inventory for reordering purposes, if the material appears to have been opened. You may opt to have all of your return materials discarded and not placed back into inventory or you may opt to have all returns sent directly to you.

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Are there any types of products you wouldn't handle for fulfillment?

We do not handle products requiring refrigeration or hazardous materials.

How are backorders processed?

When setting up your LOMACS account, you will have the option to specify whether to ALLOW or DISALLOW BACKORDERS. If you choose to allow backorders, LOMACS will allow an item to be added to an order even if there is no stock available in inventory to fill the order. If you select NO, LOMACS will not allow an item to be added to an order where there is no stock available in inventory.

If you ALLOW backorders to exist, there is one additional option you must set regarding the acceptance backorders. You have the option to specify whether Logistech will HOLD any order that has an item that is on backorder, OR partially ship and order when some items on the order are available for shipping. The purpose of this feature is to allow you to control your costs of fulfillment of those orders that may yield two or more shipments in order to completely fulfill an order. In some cases, you may know if you have replenishment on the way and may NOT want to ship partial orders just to incur additional shipping and fulfillment charges a few days later when stock arrives.

Just to note, if you elect to have orders ship where some items are on backorder (partial shipment), you will incur additional order and shipping charges, because one physical customer order yields two (or more) separate shipments.

Do you charge extra for packaging supplies?

Yes. Our pricing includes basic packaging supplies such as kraft paper or bubble wrap. We use generic corrugated boxes for most shipments, and when possible, we utilize carrier boxes, like FEDEX and UPS, which are free. On every order in our system you will see the charges for process and the exact boxes/envelopes we used at the charge. The current box prices are available in your login account.

Will you customize packaging with our company logo?

If you desire to have branded packaging, we can provide this service. However, we require that you have very large volume, since providing customized packaging forces your order to be handled via a different packaging process.

What can I expect my average fulfillment costs to be per order?

This is a difficult question to answer, since many factors will influence the overall cost. Generally speaking, if you assume and average value per order of $40.00, you can expect your fulfillment costs to be approximately 5% of sales. As mentioned earlier, many factors can influence your overall cost. As much as possible, you should minimize the number of replenishment shipments per month. That is, if you are shipping 100 widgets per month to the fulfillment center, you should, as much as possible, ship them as 1 shipment and not 4 shipments of 25 or 10 shipments of 10, etc. Additionally, the smaller the value of your average order, the more your fulfillment costs will be as a function of sales. If you sell many small inexpensive items, expect to see your fulfillment charges to be a higher percentage of sales.

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Do I have to manually update my Yahoo! Store with shipping information after orders have shipped?

No, LOMACS will automatically update your Yahoo! orders with shipping information. Upon receiving the shipping info, Yahoo will complete the credit card transaction without any additional work required from you. It's a totally automated process.