

CASE STUDY

STG Improves Quality and Customer Satisfaction with Manhattan SCALE™



Manhattan



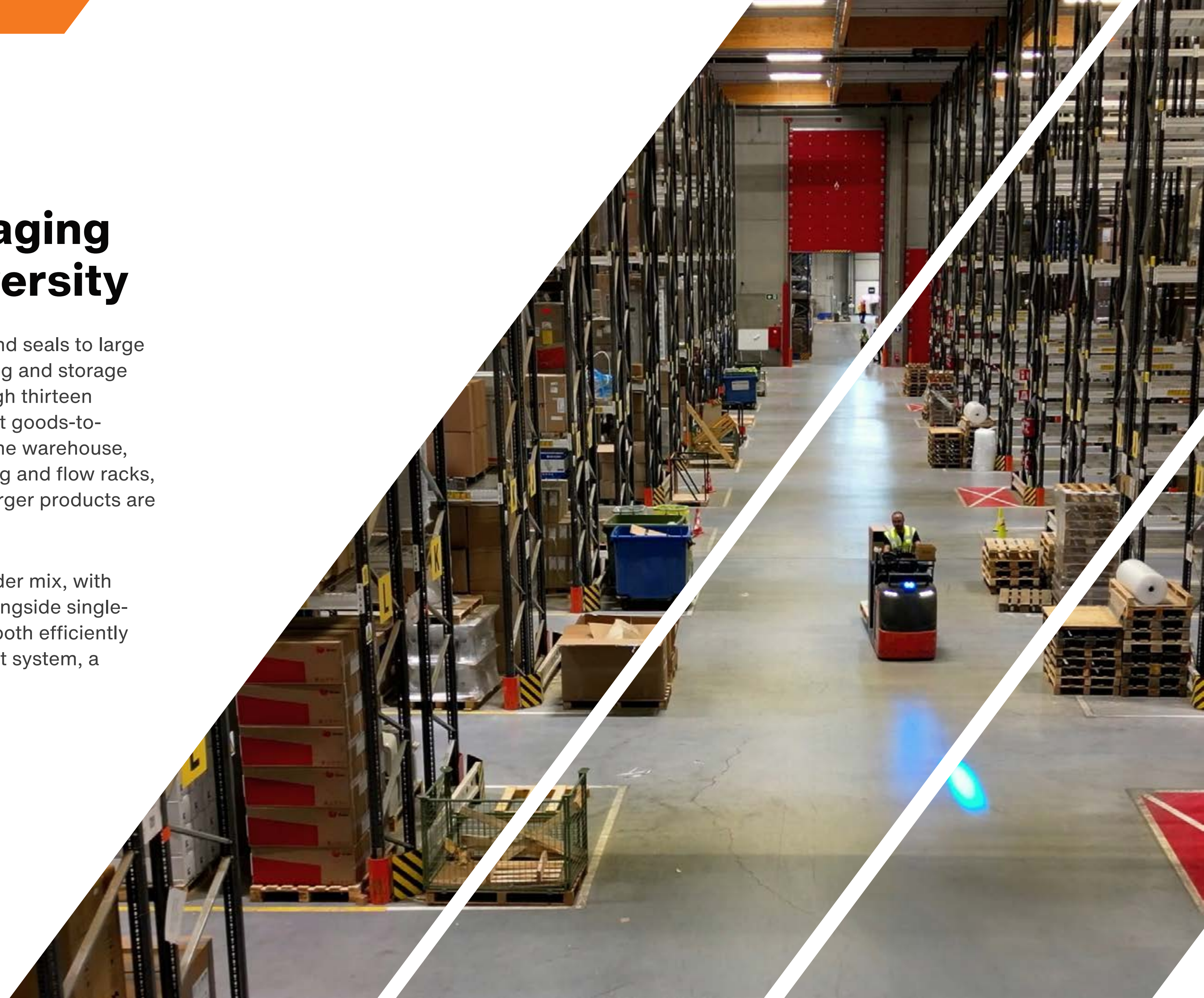
Belgian STG, Sanitary Technical Wholesaler, is part of Building Materials Europe (BME), a fast-growing distributor of building materials. BME operates across seven countries and generates annual revenues of around €5 billion. In 2022, BME consolidated the operations of three Belgian wholesalers into a single entity — Sanitair Technische Groothandel (STG). To support the newly integrated and significantly expanded warehouse in Herentals, STG turned to Manhattan SCALE to deliver the flexibility and efficiency needed for its next phase of growth.




The Challenge: Managing Massive Product Diversity

STG's product portfolio ranges from tiny fittings and seals to large tanks and bathtubs, each requiring unique handling and storage methods. Some smaller items are managed through thirteen Kardex vertical buffer modules, forming a compact goods-to-person system with 20,000 storage locations. In the warehouse, three mezzanines levels provide additional shelving and flow racks, adding another 28,000 storage locations, while larger products are stored on pallet racking.

This complexity is further heightened by STG's order mix, with large bulk shipments for construction projects, alongside single-item orders for independent installers. Managing both efficiently demands a highly flexible warehouse management system, a challenge Manhattan SCALE was built to meet.





“After merging three wholesalers under the STG flag our IT landscape included multiple WMS systems, and we needed to standardise on one. Manhattan SCALE clearly stood head and shoulders above the rest. It allows us to define processes our way, planning large orders far in advance and processing them efficiently, while staying agile for urgent requests. Operators are guided step-by-step ensuring smooth task completion and total operational control.”

– Paul Steinke, Supply Chain Excellence Manager at STG



The Solution: Manhattan SCALE

Operating 24/7, STG's Herentals warehouse experiences fluctuating workloads, with peaks late in the day as installers place orders for next-day deliver. Manhattan SCALE helps smooth these peaks by providing real-time visibility and enabling flexible workforce allocation.

“Manhattan SCALE lets us monitor every process in real-time. We can quickly redeploy operators to zones that need capacity, sometimes receiving, other time order picking. That level of flexibility is essential in our business.”

– Paul Steinke





The WMS has also supported a major transformation, consolidating several local warehouses into one centralised facility and standardising processes.

“Over the years, we have unified operations and optimised workflows in Herentals. Manhattan SCALE, which has given us an extremely stable, self-steering warehouse management system. Confidence in our logistics, both internally and externally, has grown, fueling continued growth.”

– Frank van der Heijden
Director Warehouse & Transport Operations at STG



In Practice: Efficiency Creates Breathing Room

Efficiency gains freed up physical and operational capacity. Warehouse utilisation has dropped from over 90% to under 70%, while inventory turnover has risen from 2.7 to 4.5. STG can now handle much more volume in the same space.

“For efficient logistics, a warehouse occupancy rate of 85% is the maximum. At 90%, operations regularly stalled. Now, with Manhattan SCALE, we have implemented smarter slotting strategies, created space for a shop aisle, and more importantly, built room to grow.”

– Paul Steinke



The Results: Greater Insight and Control

Within two years, STG achieved dramatic quality improvements:

98%

Inventory accuracy rose from 70% to 98%

98%

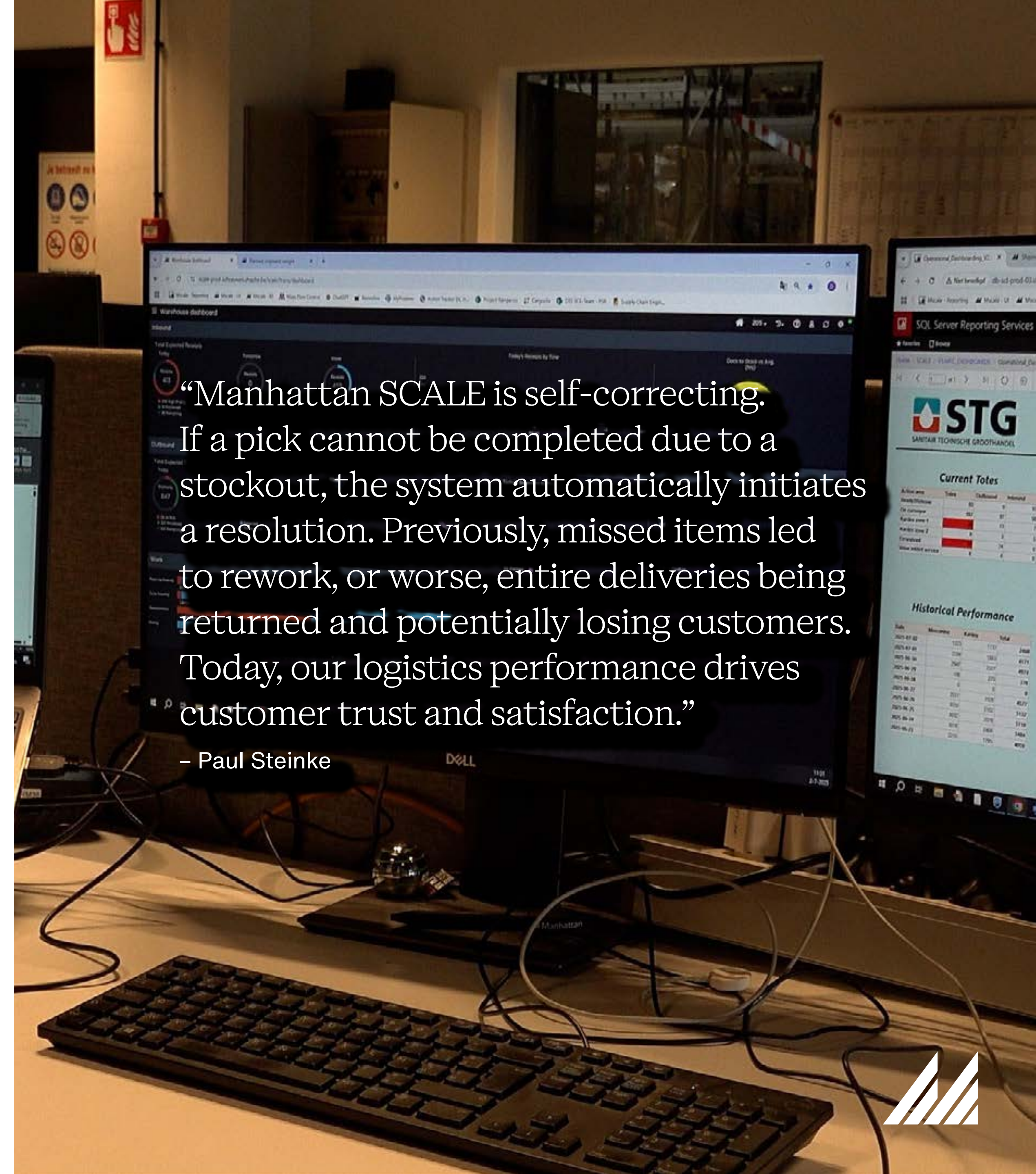
OTIF (On Time, In Full) scores rose from 50% to 98%

99.99%

First-time-right rate reached, cutting missed picks and costly returns

“Manhattan SCALE is self-correcting. If a pick cannot be completed due to a stockout, the system automatically initiates a resolution. Previously, missed items led to rework, or worse, entire deliveries being returned and potentially losing customers. Today, our logistics performance drives customer trust and satisfaction.”

– Paul Steinke



The Future: Scaling Ambition with Manhattan

STG is already exploring new automation projects and sees Manhattan as a long-term partner in its growth strategy.

“To achieve our ambitions, we rely on Manhattan’s expertise and technology. Their Manhattan Active platform is a masterpiece, bringing warehouse, transportation, yard, and labour management together in one single cloud-native solution. With Manhattan as our partner, we can stay focused on our core business and continued growth.”

– Paul Steinke



About STG

STG stands for Sanitary Technical Wholesaler. From its central warehouse in Herentals, this wholesaler supplies everything related to sanitary installations, heating, cooling, and renewable energy. Installers across Belgium can either pick up materials at one of 54 ProShops or order them online for next-day delivery. Consumers can get inspired in one of 23 showrooms, design their ideal bathroom online, and have the materials delivered to their home. With 12,500 items in stock, the selection is extensive.

www.stg-group.be