



Case Study

Helping Dr. Squatch with Localized Fulfillment in Canada for Their E-Commerce and Wholesale Business



Dr. Squatch is a fast-growing e-commerce brand that specializes in natural personal care products for men. With a focus on high-quality ingredients and sustainable practices, Dr. Squatch has gained a loyal customer base in the United States.

Following their explosive growth in the U.S., and to keep up with rising e-commerce demand in Canada, Dr. Squatch started looking for an experienced third-party logistics partner. The company wanted a 3PL who could help implement an effective end-to-end supply chain strategy in Canada with localized warehousing and fulfillment operations.

Dr. Squatch had been fulfilling orders to Canadian consumers from U.S. based warehouses and shipping their products across the border. If they localized their fulfillment operations in Canada, they could reduce delivery times as well as transportation and fulfillment costs compared to fulfilling orders from the United States into Canada.

The brand knew that launching in a new country presented unique challenges for efficient supply chain management. They needed a 3PL partner who understood the Canadian market while also supporting them with their accelerating growth. "SCI also offered an extensive Canadian distribution network, progressive technology, reliable fulfillment,

and seamless transportation management services," recalls Andrew Sutton, Director of Fulfillment, Dr. Squatch.

"We chose to work with SCI because of their extensive expertise with localization in Canada, especially with other fast-growing e-commerce brands."

Andrew Sutton, Director of Fulfillment, Dr. Squatch

E-commerce Fulfillment

SCI successfully launched Canadian e-commerce fulfillment operations for Dr. Squatch in August 2022, including warehousing, transportation, and pick-pack and ship services. "We had an extremely successful go-live with the client, hitting 95% operation KPIs after the first week of the launch," says Attila Toth, Senior Manager, Operations at SCI. "Dr. Squatch's SLAs have been met from the start. We worked with the client using daily reporting and labour planning to keep up with demand."



We'll make you even better.

Thanks to SCI's expertise in localization and e-commerce fulfillment, Dr. Squatch was able to launch quickly and seamlessly in the Canadian market. The partnership allowed Dr. Squatch to focus on their core business, while SCI handled the complexities of supply chain management.

A Successful Partnership

The success of the initial launch demonstrated the value of working with a specialized 3PL to enable international expansion for high-growth e-commerce brands. "SCI quickly became an extension of our supply chain team, allowing Dr. Squatch to accelerate our expansion into Canada and exceed our customers' expectations around service and delivery," states Sutton. "The SCI team is agile, dedicated, and does an amazing job of scaling up when required while maintaining a high level of collaboration with our team. From day one, it's felt like a true partnership focused on strategy, visibility, and growth."

By providing seamless integration and strategic guidance, SCI enabled Dr. Squatch to expand their reach in Canada and set the stage for continued growth in the region.

"SCI was able to localize Dr. Squatch quickly and seamlessly, positioning them for continued growth in the Canadian market through both e-commerce and wholesale channels."

Chris Galindo, President & CEO, SCI

Visibility and Insights

Dr. Squatch also leveraged SCI's business intelligence tools providing them with key metrics and insights on their end-to-end supply chain operations. A user-friendly central dashboard

displays period-to-date performance trends, as well as on-demand operational reports with inbound, order, inventory, and shipment status. In addition, the transportation visibility component offers on-demand track-and-trace details for customer shipments. The combination of these valuable tools helps Dr. Squatch and SCI improve operational efficiencies, decision making, and responsiveness.

Kitting and Packaging

Following the successful launch, SCI is now working with Dr. Squatch to expand their multi-channel fulfillment strategy to Amazon and Walmart. In addition to delivering the same services used for e-commerce fulfillment, these operations require kitting production, which involves kitting as orders are picked. Dr. Squatch's process includes labeling each unit with bilingual French and English text to meet Canadian regulations. The picked kits are then sealed in polybags with a heat tunnel process and packed in cases. The un-boxing and end-consumer experience is of utmost importance for Dr. Squatch. As the company's kitting and packaging needs evolve SCI will be able to adjust their agile services accordingly.

Continuous Improvement

As part of SCI's commitment to continuous improvement, the operations team worked closely with Dr. Squatch in areas they could increase efficiencies. When the partnership began, Dr. Squatch was shipping branded packaging from the US to Canada to box their orders. When comparing this cost with sourcing locally, or eliminating branded packaging all together, both parties agreed the latter choice would be most beneficial and help reduce costs. Additionally, packing slips were being added to boxes manually which incurred a picking fee. By improving/eliminating these processes, Dr. Squatch was able to drive costs out of their supply chain.

To learn more about how we can help you with localized fulfillment in Canada, visit www.sci.ca or call 1-866-773-7735.