



Palmetto State Armory Achieves 100% YoY Growth with Deposco

Customer Success Story

Overview

[Palmetto State Armory \(PSA\)](#) is a leading disruptor in the firearms industry, known for its rapid growth and commitment to providing affordable guns, ammunition, and shooting accessories. Founded in 2008, PSA has experienced triple-digit growth in its ecommerce operation, which accounts for 85% of its business, along with rapidly expanding, vertically integrated manufacturing/B2B and Retail Sales operations.



125%

Increase in daily
orders processed



3 days

Recovery from
Black Friday
vs. 3 weeks



84%

Reduction in
pickers since
2023 go-live



~\$6 Million

In labor savings
over 2 years



\$120-130k

Add'l savings from
order consolidation
in first year



1.7 Million

Orders shipped
in 2024



99.97%

Inventory accuracy





Ammunition for a New System

Integration complexities with PSA's [NetSuite ERP](#), dramatic business changes, and significant unplanned growth during the pandemic led them to search for a robust [WMS](#). Constrained by several other technologies that were great for smaller-volume operations but not at scale, they evaluated several pure-play platforms first, including the big names. They chose Deposco based on platform flexibility in managing high order volumes, scalable labor efficiencies particularly during peak periods like Black Friday, and our ability to work through complex fulfillment challenges with a flexible, all-in commitment.

High Volumes + Manual Processes Don't Mix

100%+ year-over-year increases from 2019 to 2020 strained their existing processes and WMS technology that ran NetSuite. Growth was stalled by manual processes, including printing pick tickets, individual order picking, and multi-category orders being thrown into a giant stack for manual sorting.

Challenges scaling with the competitive labor market, and overselling-related issues like refunds and manual interventions to get inventory back into NetSuite, elevated their average cost to fulfill. In addition, PSA's operations often require staff to pivot quickly, stopping large orders for manual data checks regarding legal compliance, manufacturing mandates, and state laws that change frequently.

The customer service side suffered too, with increasing 'where-is-my-order?' calls and negative reviews because customers expect Amazon-like delivery times. All of this had a negative impact on customer experience, which is PSA's top priority.

In our industry, there are large peaks of volume and many products coming in at once. With steady growth, the social-media narrative of 'great products, great deals, but delivery takes too long' really beat us up over time. We were struggling with technology that didn't keep up. We had used solutions that were lightweight and plugins but kept seeing problems. Those problems were the number-one focus because it impacted our customer experience."

Jonathan Trojahn
Chief Analytics Officer,
Palmetto State Armory

Why They Chose Deposco

PSA selected Deposco's robust [warehouse management software](#) based on several key factors.

- ✓ **End users were included in the evaluation.** They gave positive feedback on Deposco's intuitive, easy-to-use interface with very minimal training required.
- ✓ **Development roadmap.** Deposco's commitment to continuous improvement and feature development aligned well with PSA's growth needs.
- ✓ **Direct access to a consistent, flexible team.** Deposco's Professional Services Team ensured alignment, listened to, and offered superior flexibility in addressing highly unique challenges.

Next-level implementation support hits the target

The project began at the onset of COVID-19, creating operational disruptions, internal communication challenges, and multiple redesigns of the implementation plan. On top of massive volume growth, they were also opening a new 200,000 sq. ft. distribution center in the midst of the project.. Integration complexities with the existing NetSuite and Salesforce systems compounded problems. Despite these challenges, the Deposco team demonstrated strong flexibility and a future-focused approach to solving their unique business requirements, ultimately leading to a successful implementation.

"We had a better level of communication with our Deposco implementation team than I've had with any other group or technology group for implementation services. The flexibility of the team went a long way for us in dealing with a lot of the complexity overall."

"The other thing that impressed us was Deposco's development roadmap. A lot of companies we evaluated and products we'd used previously were fairly stagnant. There wasn't a lot of development or additional features going on. Only minor improvements and patches. Looking at Deposco's prior release notes, feature development, and robust continuous improvement gave us confidence that this is going to be a platform we can grow with."

Deposco didn't have the overbearing overhead of some of these other massive companies. Our ability to work directly with the team gave us more peace of mind that we'd be prioritized and supported closely. In most of the other technical solutions I've worked with, you've got a company that produces the product and then external consultants to implement or support that product for you. There are definitely a lot of disadvantages to that."





Dramatic Labor Cost Reductions and Massive Cost Savings

Our floor associates were walking miles and miles wearing out their shoes and we were wearing out our people. Turnover and hiring were always a challenge."

Prior to Deposco, PSA's staff had to pick order by order. They'd finish picking one order and go to the next one, and it was at the other side of the warehouse. Deposco allowed them to go beyond keeping their heads above water to a fully streamlined fulfillment process to capitalize on their growth with optimized throughput – from multi-order picking to customer service – with advanced capabilities like automatic waving and cycle counting.

Since going live with Deposco in 2023, PSA has achieved extraordinary labor efficiency gains. They've reduced their picking staff by 84% while dramatically increasing throughput. This transformation has generated approximately \$6 million in labor savings over just two years. The implementation of backorder and order consolidation features earlier this year has already delivered an additional \$120-130K in savings.

The scale of PSA's success with Deposco is evident in their volume metrics: they shipped roughly 1.7 million orders last year through the Deposco system. Their serialized products continue to run through NetSuite, indicating even greater potential as they expand Deposco's footprint across their operations.

"Now with Deposco's cycle counting feature, if we have a pick exception, it automatically triggers a cycle count for that location. Staff follows right behind and validates the issue with that product, then finds whether it's available somewhere else in the warehouse or if it is truly a miscount. We can correct that much quicker, leading to a better customer experience in the end."

In the year before going live with Deposco, they maxed out at 8,000 orders/day, with their previous system requiring significant staff resources taking 2-3 weeks to catch up after Black Friday. Now with Deposco, just 4-5 pickers can process 18,000 orders/day and be caught up just 3 days after Black Friday.

Deposco also improved PSA's inventory accuracy to 99.97%. Faster fulfillment times and accurate inventory management enhanced customer satisfaction and loyalty, so they could set their sights on expansion opportunities like ammunition production, new product offerings, and an in-store pickup option for firearms.



A High-Caliber WMS Partner to Grow With

"You have to look at technology through the lens of what's happening on the customer's side. Deposco gives me a lot of respect because I see that they care about what's best for our company. It's the difference between someone who is truly above and beyond, not just executing what they need to execute within a funnel or just checking off boxes. That speaks volumes, and Deposco has done this for us. Comprehensive support from the top down!"

Deposco's unique philosophy is, 'Let's do some homework and make those processes consistent and clean. Don't be afraid to break the project up a little bit more. You don't have to go live with this big bang, all-or-nothing approach.' There is value in having a POC fleshed out. Carve out one part of the business that is already stable and consistent where you can.



With Deposco, we were trying to solve too much at once and it was a monumental challenge. About halfway through the project, we split up our serialized vs. non-serialized warehouse distribution, which gave us a nice, clear separation. Far less complexity and greater returns on our efforts crossing the finish line, it was really valuable to us."

Get In Touch

Speak to a Supply Chain Expert Today!

Deposco

info@deposco.com

1-(877) 770-1110