

NEW "SHOWCASE" WAREHOUSE RELIES ON SMART BAR CODE TRACKING SYSTEM

HEAVY EQUIPMENT MANUFACTURER

UNITED STATES

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industry

MANUFACTURING – HEAVY EQUIPMENT

applications

INVENTORY CONTROL · SHIPPING/RECEIVING

situation

This customer manufactures electric narrow-aisle lift trucks, and employs more than 2,300 people at its U.S. headquarters.

critical issue

This customer was building a new multi-purpose warehouse. The 53,000 square-foot main floor with high-bay storage areas served a marketing purpose, as it was intended to showcase the company's narrow-aisle lift truck capabilities to visiting prospective clients. The warehouse's second floor, covering 18,675 square feet, stored small parts. Management wanted to store in the one warehouse approximately 52,000 manufacturing parts (for later assembly into the lift trucks) as well as aftermarket replacement parts. This meant the customer would have to adopt a better method for tracking the two parts inventories accurately.

reasons

Record-keeping for the company's previous warehouse arrangement was paper-intensive, slow, and prone to inaccuracies. Much time was wasted looking for storage positions, and frequently, critical parts were missing when they were needed in the manufacturing process.

vision & capabilities

The manufacturer wanted to move from a system that was order-driven, in which one person handled each put-away or picking order, to a new system that would be task-driven and require less inventory space. The company wanted a bar code scanning system that would allow for the coordinated handling of parts at three consolidation areas: 1) prior to put-away on the shelves; 2) an area in which picked parts are sent to manufacturing assembly; and 3) an area in which picked parts are prepared for shipment to customers.

intermec solution

Thirteen of Intermec's JANUS™ 9450 Vehicle Mount Units are used on the company's turret pickers to scan parts prior to placing them in a storage cube. Eighteen of Intermec's JANUS™ JR2020 Hand Held Terminals with built-in scanners are used on the warehouse's second floor to identify storage locations for smaller parts, with the least-used parts assigned for placement furthest away from a pick-and-place conveyor belt on the second floor. Each part is scanned at least three times: when it is received; when it is assigned a storage location in the warehouse; and when it is picked from storage.

benefits

Overall inventory accuracy has approached 98% (improvement from previous level of 80%) and management is proud to showcase the new warehouse management system to prospective clients. Furthermore, the company was able to build the new warehouse at substantially lower costs because they have sophisticated tracking methods for dealing with a large amount of inventory in a relatively small space. Now, everything is more efficient: put-away times have been reduced from three days to one day; shipping order fulfillment has been reduced from as long as seven days to one day.