

EWTN CATOLOG WAREHOUSE

Executive Summary

EWTN Catalog Warehouse is located in Irondale, AL and markets Catholic related items off the internet and from catalog mailings. Most of the shipping is UPS, with a minor mixture of Parcel and air.

The issues that confronted EWTN Catalog Warehouse were that they fell a minimum of two weeks behind on shipping during their busy season. Inventory control was a huge issue along with lost inventory. They were severely cramped for space and were completely out of room.

EWTN Catalog Warehouse purchased Ecometry a front end business system and Web interface software provider. We decided that we would use Ecometry's warehouse piece to drive warehouse functions. Using bar code labels and radio frequency scans we were able to gain inventory control and picking accuracy. We sized the new facility needs and moved them into the facility.

The results were we went from falling two weeks behind during shipping season to shipping the same day. During shipping season they worked every week end on overtime hours. All overtime during shipping season has been eliminated. Missed shipments dropped by 99.9%, picking accuracy went to 99.5%, shipping errors dropped by 99.9% and warehouse employees dropped from 20 to 15.

Details

EWTN Catalog Warehouse engaged Distribution Consulting to review warehouse operations and make recommendations on suggested changes. Prior to Distribution Consulting's engagement a decision had already been made to purchase Ecometry. Ecometry is front end business system software provided along with a Web based purchasing system. Management asked us to review the warehouse piece of the Ecometry system. After this review we reported that it was not ideal, however we could make it work. Therefore, we did not employ Warehouse Management System (WMS) within the facility.

We took the existing SKU base and converted it into storage types and total numbers of storage types. From this data we converted the SKU base into pallets to inventory bay the SKU. This allowed us to design the storage and pick areas and to size the overall required area. We laid into the design a conveyor delivery system quality control checking, repacking for easily breakable items, dunnage void fill, carton taped and an in line scale with an overhead scanner. We also added in the needed receiving/outbound staging areas giving us the overall square footage needed for the facility.

Armed with this information we started on a search for a new leased facility. We were able to weed out facilities that were either too big or too small. We only looked at facilities that fit the foot print and then location became important. We selected a facility that fit the needs.

We had written a Request For Proposal on all of the storage needs along with a Request For Proposal on the conveyor system. These requests came back and we made decisions on purchasing. We developed a locator scheme for the facility along with locating each SKU within the locator scheme. Therefore, we knew the location for each item as it was moved from the existing facility. We also designed the move scheme.

All of the locations within the new facility were located by using bar code scanable license plates/master unit labels. These labels were attached to magnets making them easy to move. The facility was now ready for the move. The vast majority of the SKU base had a UPC barcode. We grouped product together at the old facility by the bay or unit and shipped to the new facility. This made the move into the new facility easier as a material handler could scan a bar code and see the location. The pallet would be taken to the location. A SKU would be picked up, scanned, the location shown and the SKU scanned into the location. This continued until we had the entire SKU base located into the new facility.

The SKU base has breakable items that require special packing requirements. Approximately 70% of the SKU base can be shipped without repacking. These

orders were picking into their respective outbound shipping cartons and placed onto the conveyor. These orders traveled the conveyor and ended at a dunnage/carton taper station. Ecometry prints the shipping label on the front end with the order. The label is put onto the carton at the dunnage/carton taper station. All repack orders are placed into totes and the totes have reflective tape and the totes are placed onto the conveyor. There is a right angle transfer device that is trigger by the reflective tape and the tote transfers off the main line and hits a recirculation loop back around to the repack tables. The order is packed into the outbound shipping carton and the carton placed onto the conveyor. The carton ends at the dunnage/carton taper station. The label is placed onto the carton and fad into the carton taper.

All cartons exiting the carton taper are scanned for the tracking number and stop on an inline scale. Both the tracking number and the carton weight are sent to Ecometry. There is a 5 second delay set into this zone. If we do not get confirmation back from Ecometry the conveyor starts and there is a right angle transfer that is classified as a no read. The vast majority of the confirmations back from Ecometry are back within 1 to 2 seconds. Approximately 80 % of the shipments are UPS and if it is UPS the order goes straight ahead to the UPS shipping door. All other orders hit the right angle transfer and are classified no-reads and transfer off the line. This conveyor ends up at the off-line manifest area for manifesting.

The architectural firm that did the facility engineering was Design Form and their web site is www.designforminc.com

The achievements for this system were EWTN Catalog Warehouse does not fall behind during their busy season. Their overtime dropped by 98%, accurate shipping increased to 99.9%, picking errors dropped by 99.5% and warehouse employees dropped from 20 to 15.

