Case Study

GENCO Dry Foods Distribution Center
Lemoyne, PA

The ability to efficiently receive, store and retrieve goods in a storage facility is one of the key ways to reduce costs and stay ahead of the competition. As an innovative leader in supply chain technology implementation, GENCO Supply Chain Solutions wanted a solution for their 200,000 square foot dry foods distribution center in Lemoyne, Pennsylvania that would improve routing, slot optimization, and simplify the receiving and retrieving processes. With an operation that runs five days a week handling approximately 20-25 inbound and 20-25 outbound truckloads of product each day, GENCO saw an opportunity to improve unit load storage and movement processes to increase the productivity and efficiency of their facility using the Sky-Trax Total-Trax® Solution.

Solution and Value:

Total-Trax® provides automatic pallet identification and unit load tracking, providing the instantaneous precise location of each unit load and each Sky-Trax equipped vehicle within the facility. The solution enables complete visibility of operations, allowing managers to optimize routing, make critical dispatching decisions in real-time, and review historical data for improving operational strategies.

The Facility:

"Manual processes and inefficient storage of product increases the probability of inventory inaccuracies and lowers throughput of a facility," says Cary Cameron, Senior Vice President, Strategic Solutions Group, GENCO Supply Chain Solutions. "When an operator has to take time to process a pallet manually they are losing productivity.

> "We wanted a solution that would eliminate the manual pallet scanning process," - *Cary Cameron, Senior Vice President, GENCO Supply Chain Solutions*

Productivity is also lost when a pallet is taken to its designated location and the location is either already filled or won't accommodate the size of the pallet resulting in multiple unnecessary touch points and pallet juggling before it is finally placed into a location. We wanted a solution that would eliminate the manual pallet scanning process, remove the operator's responsibility of assigning pallet locations and allow us to address our slot and space utilization challenges at our Lemoyne, PA facility."

The Lemoyne dry foods distribution center stores about 60% of its palletized product in bulk storage (floor locations) while the other 40% is stored in two-high conventional racking. Accurate identification of the load and its put-away location is critical. "Slot optimization, pallet location accuracy and storage of our date sensitive materials are key," said Matt Stoner, Operations Manager, GENCO Supply Chain Solutions. "Process improvements like these in combination with insuring the collection of accurate data for our WMS is what we were looking for to drive productivity numbers up and our costs down."

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The Results:

- 12% increase in facility throughput
- 99.9% Inventory accuracy
- 20% increase of equipment utilization
- 50%+ reduction in training time

After the Total-Trax solution was installed, GENCO netted a 2 hour per day reduction in cycle counting and a 6 hour reduction in time spent checking orders staged for shipping. Total-Trax efficiency reports provide data showing time spent traveling without a load and with a load for a direct move, and with a load for an indirect move. The statistical reports provide the basis for throughput and labor management improvements.

> "We have seen a direct productivity increase of 5%, achieved a 12% increase in throughput and reduced our head count by one since installing Total-Trax," - *Matt Stoner, Operations Manager, GENCO Supply Chain Solutions*

"We have seen a direct productivity increase of 5%, achieved a 12% increase in throughput and reduced our head count by one since installing Total-Trax," said Stoner. "And as an added benefit, our forklift operators are very happy with the system because it makes their job easier and allows them to move more pallets per hour with virtually no mistakes."

"Because Total-Trax eliminates the manual scanning process, our operators really like the technology and find the training process is simple and easy to operate," said Cameron. "With gained visibility to inventory and vehicle movement, we are now able to analyze each operator's performance, including the amount of idle time and time spent active with no load. The data and reporting Total-Trax provides allows us to analyze the root cause (using Lean Six Sigma) and measure processes we've never been able to see before."

Sky-Trax Travel Distance Report:
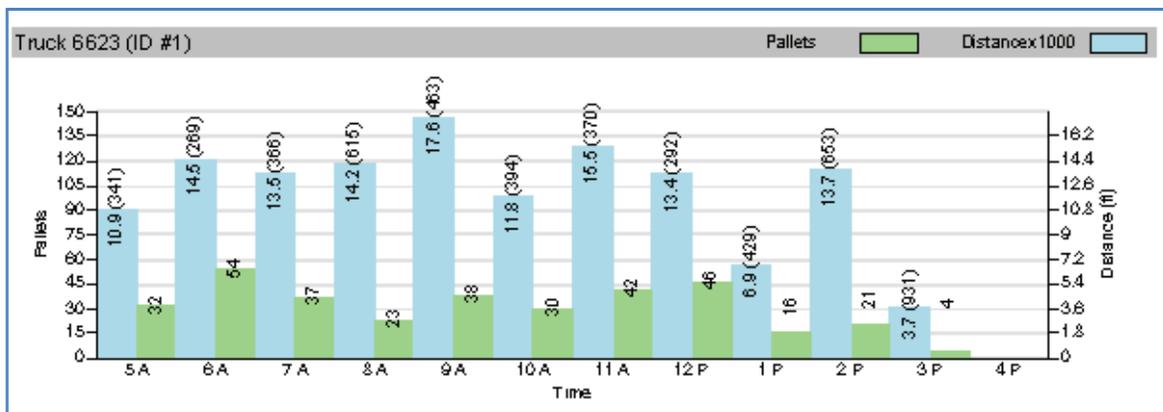
Reduced travel = Increased Productivity = Reduced Forklift Maintenance Costs

Total-Trax visibility and visual inventory reporting software provides graphical details of forklift truck activity and efficiency, along with real-time display of vehicle location and pallet identification. With the data and reports now available using the Total-Trax system, operations managers have the necessary information to achieve higher storage density and improve inventory accuracy. A manager can view transaction histories, distance traveled per driver, peak and average speeds and number of loads carried per driver, per shift, and so on. All data are displayed in real-time via the OpsMan® visibility viewer. Comprehensive statistical reports documenting operations on an hourly, daily or monthly basis are also available.

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