



material handling  **logistics conference**
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Food Chain Focus Group

Track 6 Session 5



Supply Chain  **Forward.**

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Abstract

- ▶ **Whether fresh or frozen, raw or packaged, manufacturing or retail, this roundtable will bring you value. The group will define and address the issues of the day with the charter to make tomorrow better. Topics like slow moving inventory, workforce optimization, cost reduction, store-ready pallets and traceability will be the foundation for tomorrow's solutions.**

Agenda

- ▶ **2008 IARW Productivity and Benchmarking Report**
- ▶ **Customer/Supplier demands**
- ▶ **Sustainability**
- ▶ **Continuous Improvement**
- ▶ **Workforce/Labor**
- ▶ **Roundtable Discussion**

2008 IARW Productivity and Benchmarking Report

▶ **BACKGROUND**

- ◆ **Previous Benchmarking surveys were performed in years 1998, 2001, 2003, and 2006.**

▶ **PARTICIPATION:**

- ◆ **Year 2008 – 285 warehouses (64 companies)**
- ◆ **Year 2006 – 108 warehouses**
- ◆ **Year 2003 – 95 warehouses**
- ◆ **Year 2001 – 111 warehouses**

IARW Member Space Included

- ▶ **Year 2008 includes approximately 1.8 billion cubic feet of space, or approximately 70% Of North American IARW member space.**
- ▶ **Recent survey coverage: 35% in year 2006
27% in year 2003.**

Participants by Size

- ▶ **47% from Top 20 member companies**
- ▶ **23% from other large companies (over 6 million cu. ft.)**
- ▶ **17% from medium sized (3 to 6 million cu. ft.)**
- ▶ **13% from small companies (under 3 million cu. ft.)**

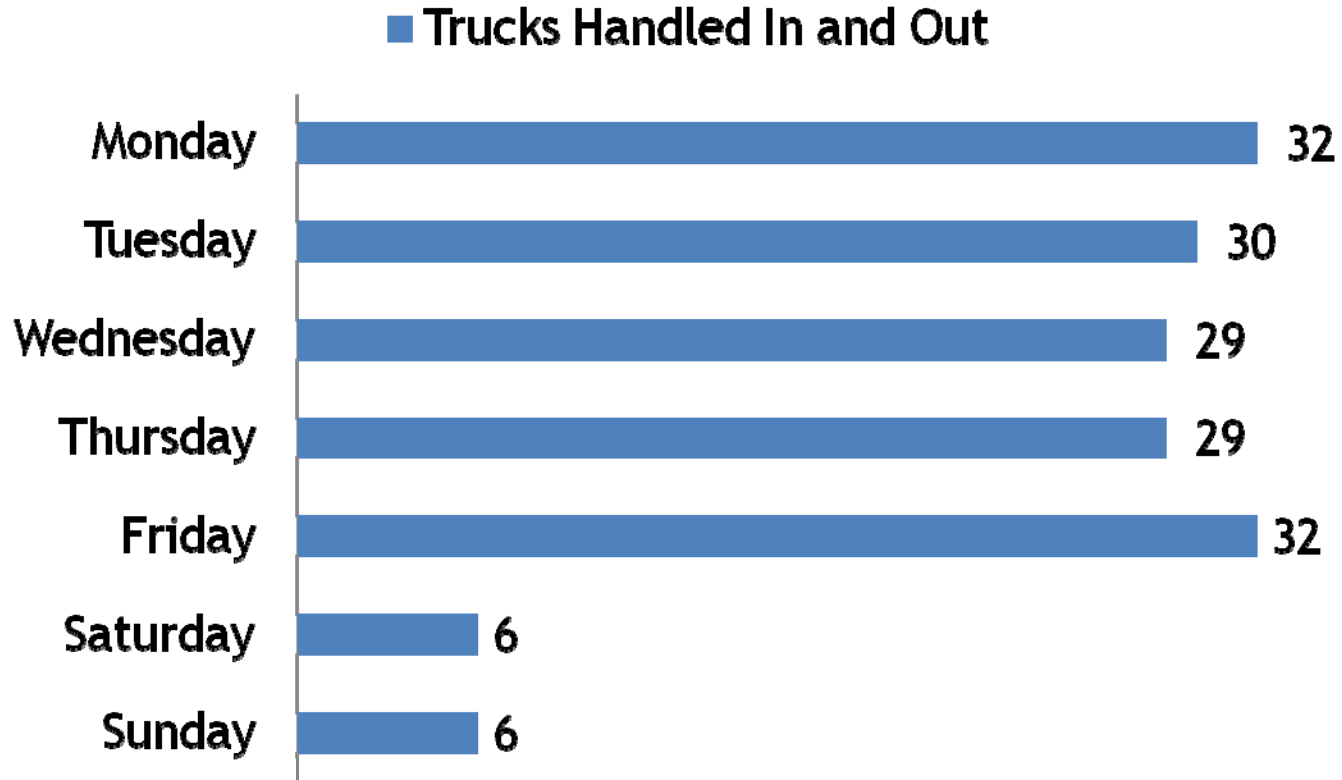
Facility Data

Facility Data

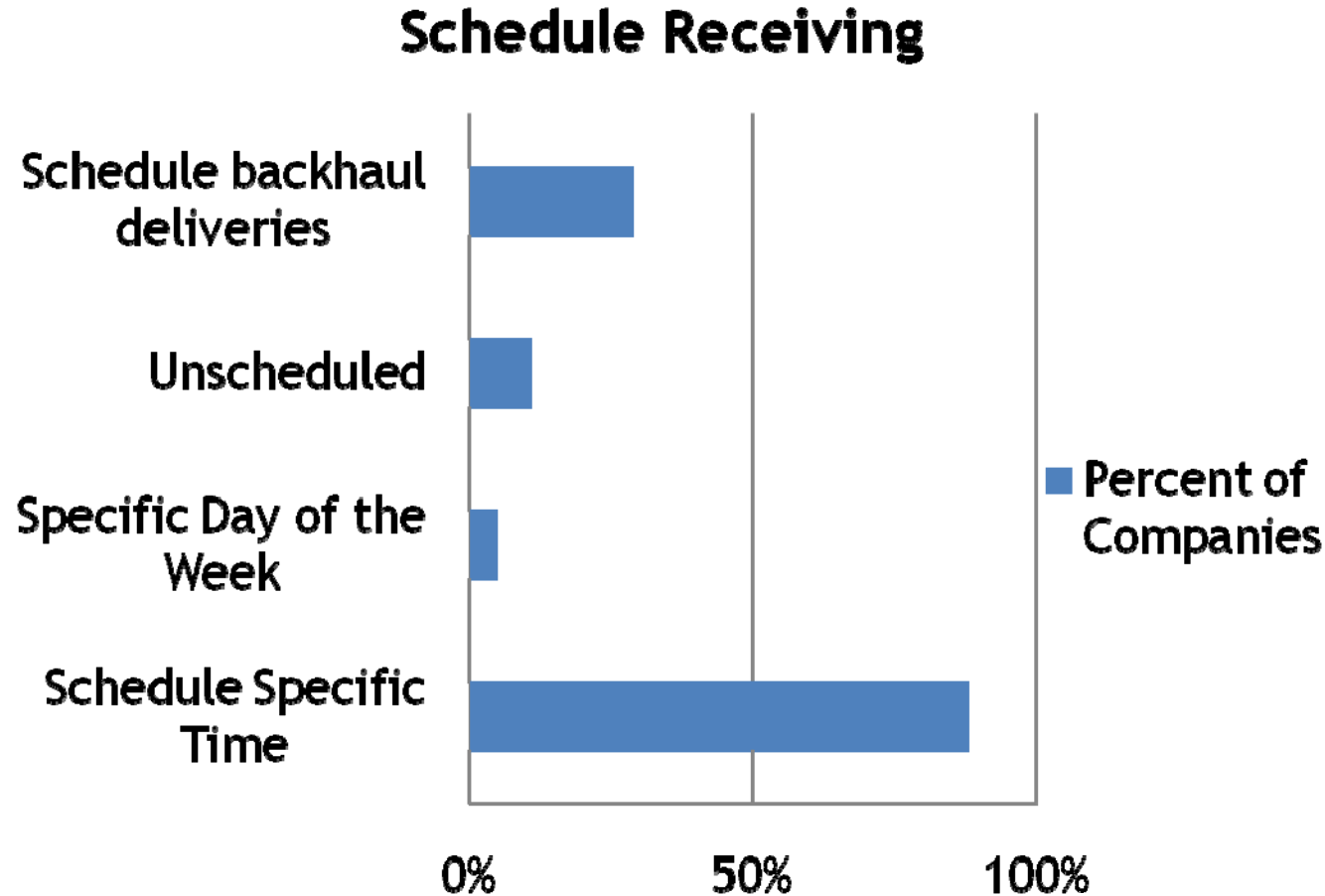
Number of multi-story buildings	6
Average isle width	11 feet
Average number of truck doors	19
Average number of rail doors	3
Percentage of warehouses handling rail shipments	70%
Average number of railcars handled per year	190
Average building age	25
Percentage of slots racked	87%
Average Warehouse size (cu.ft.)	5,033,035
Average percentage of dock space	5%

Truck Volume

Average Number of Trucks Handled In and Out Per Week - By Day of Week

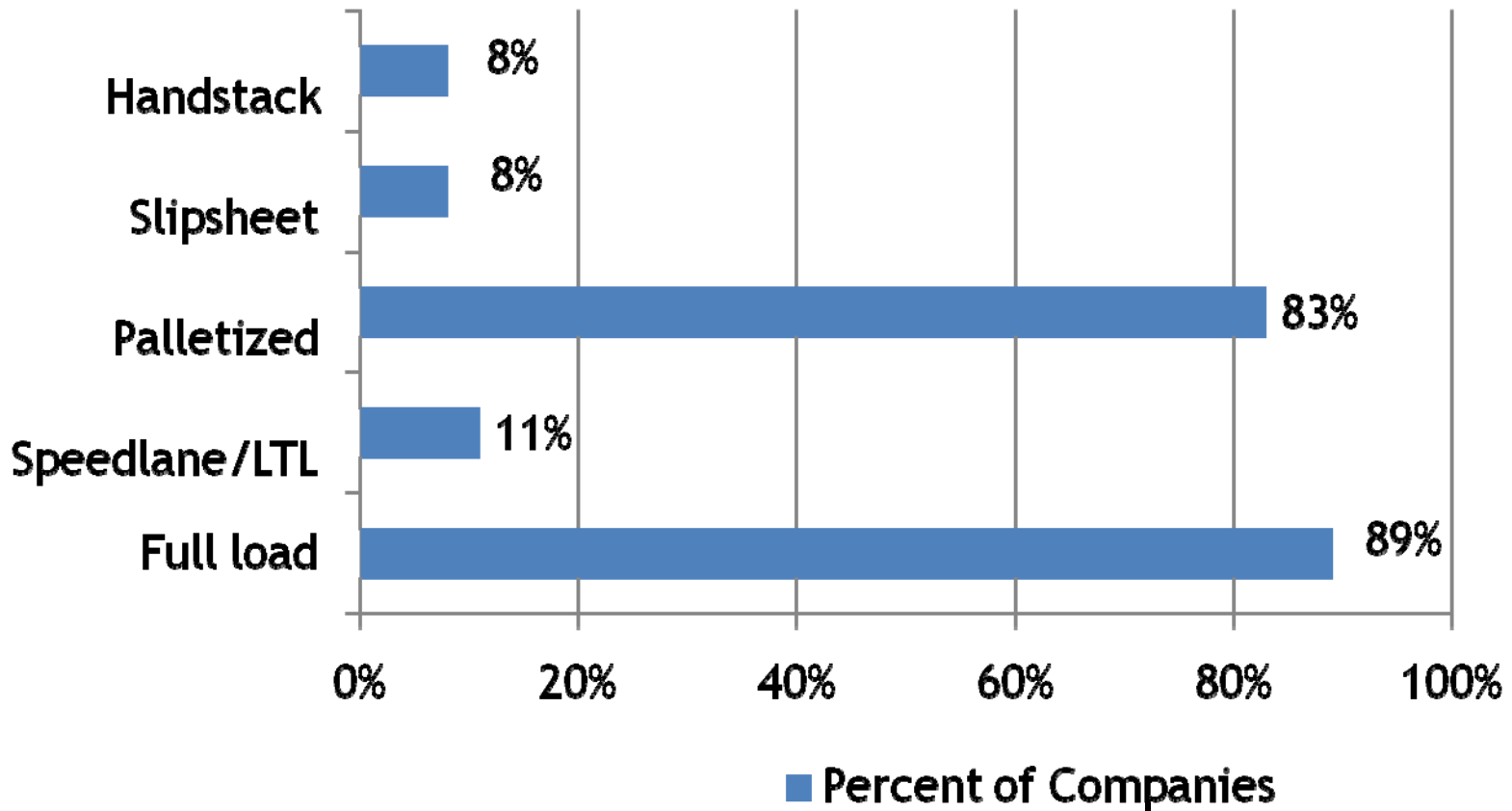


Receiving Profile

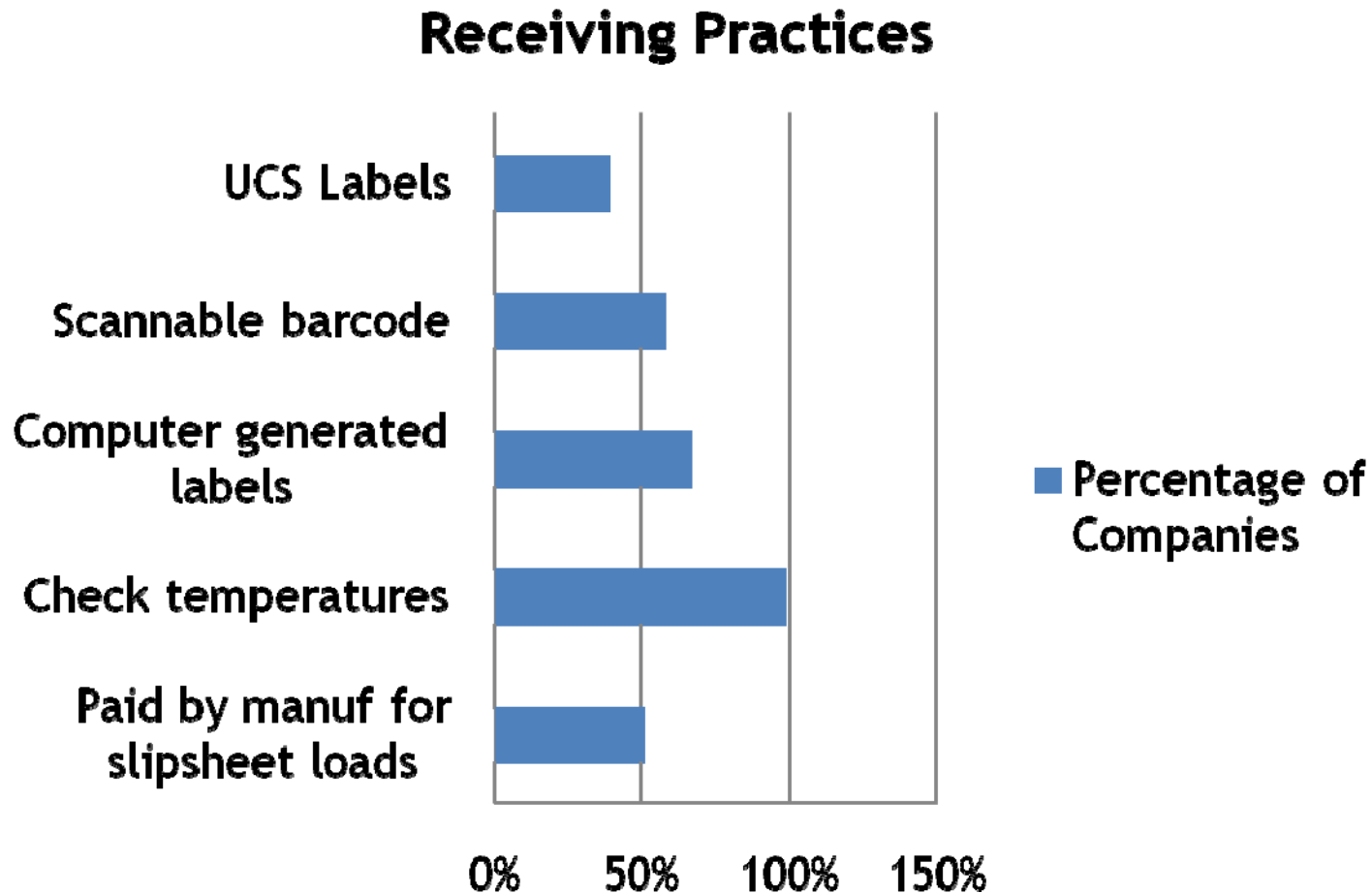


Receiving Systems

Receiving Systems-Trucks

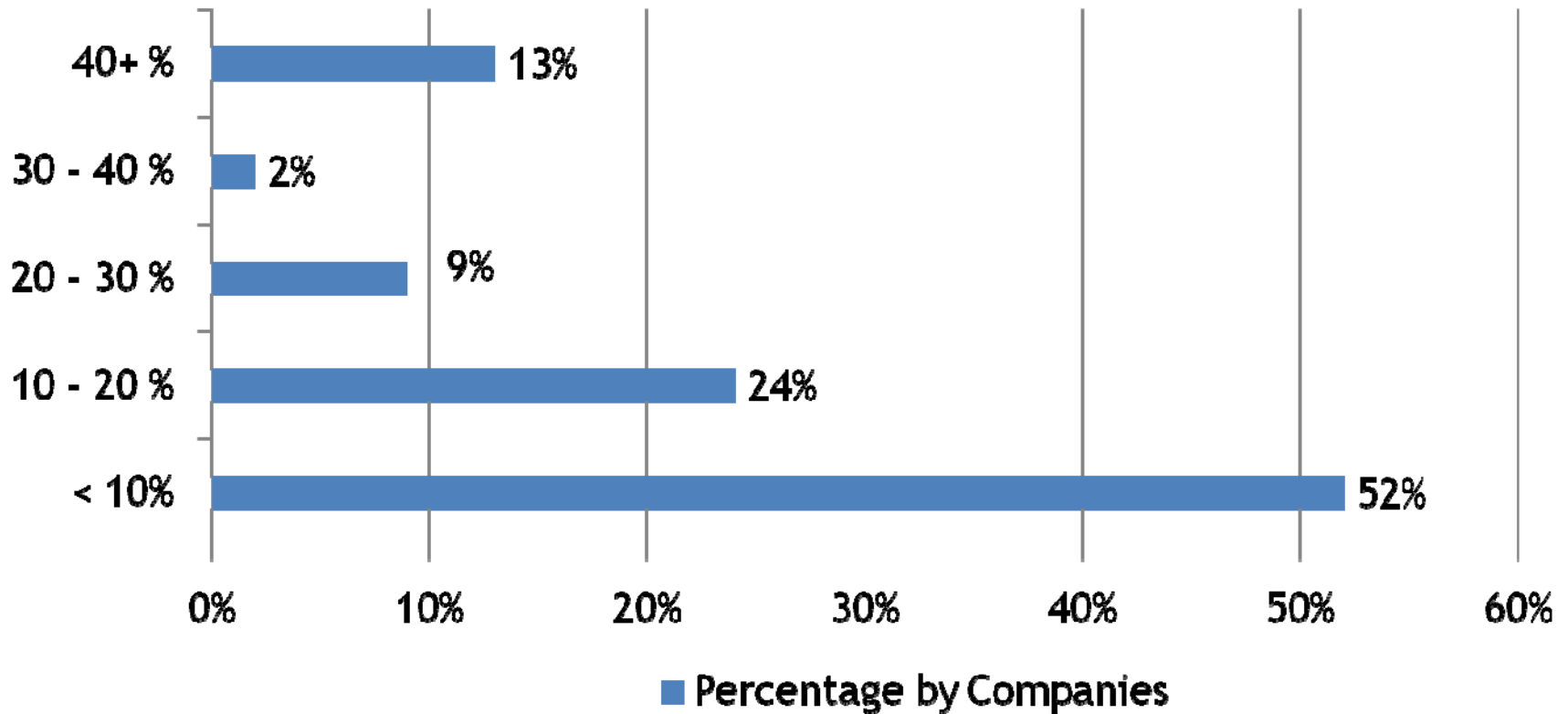


Receiving Practices



Product Rehandling

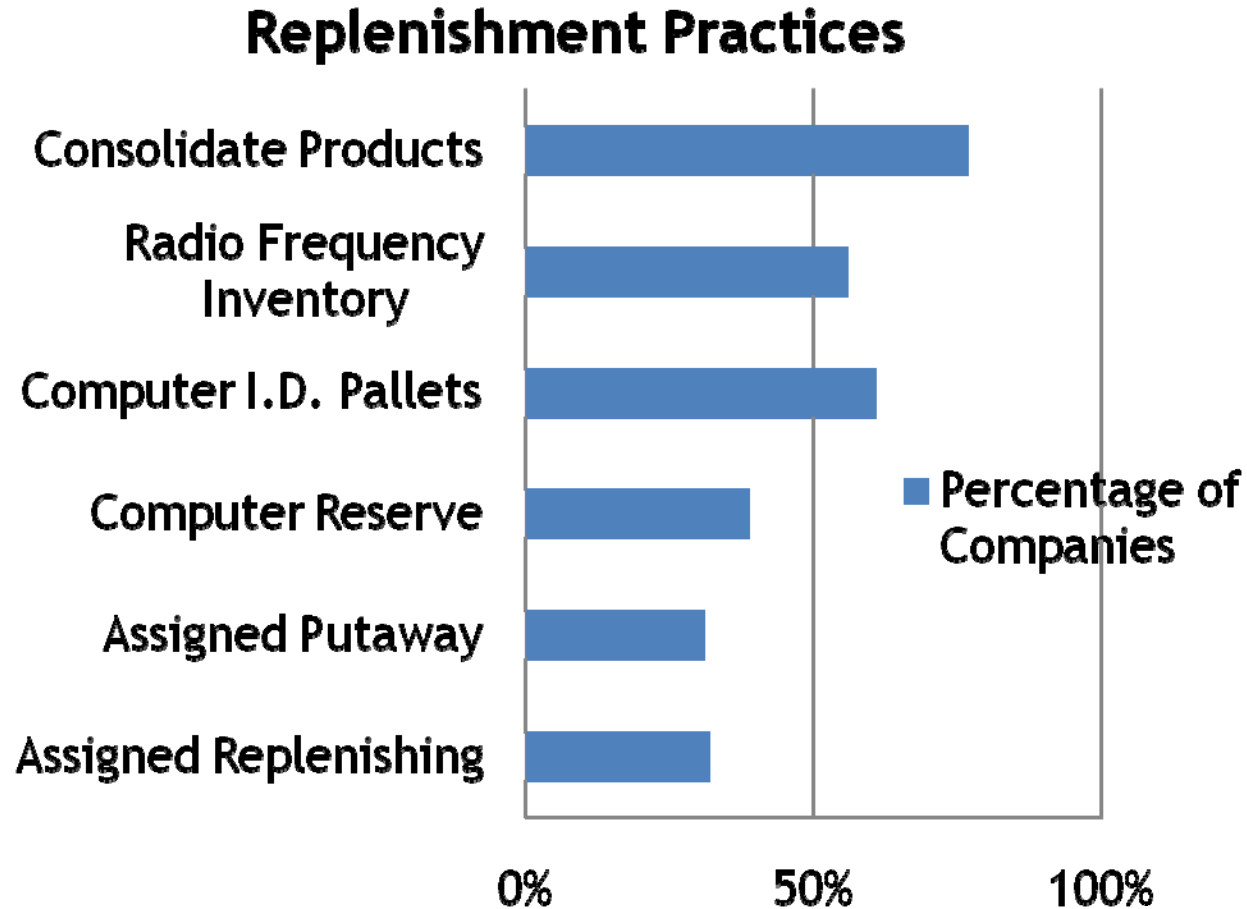
Product Rehandling on the Dock



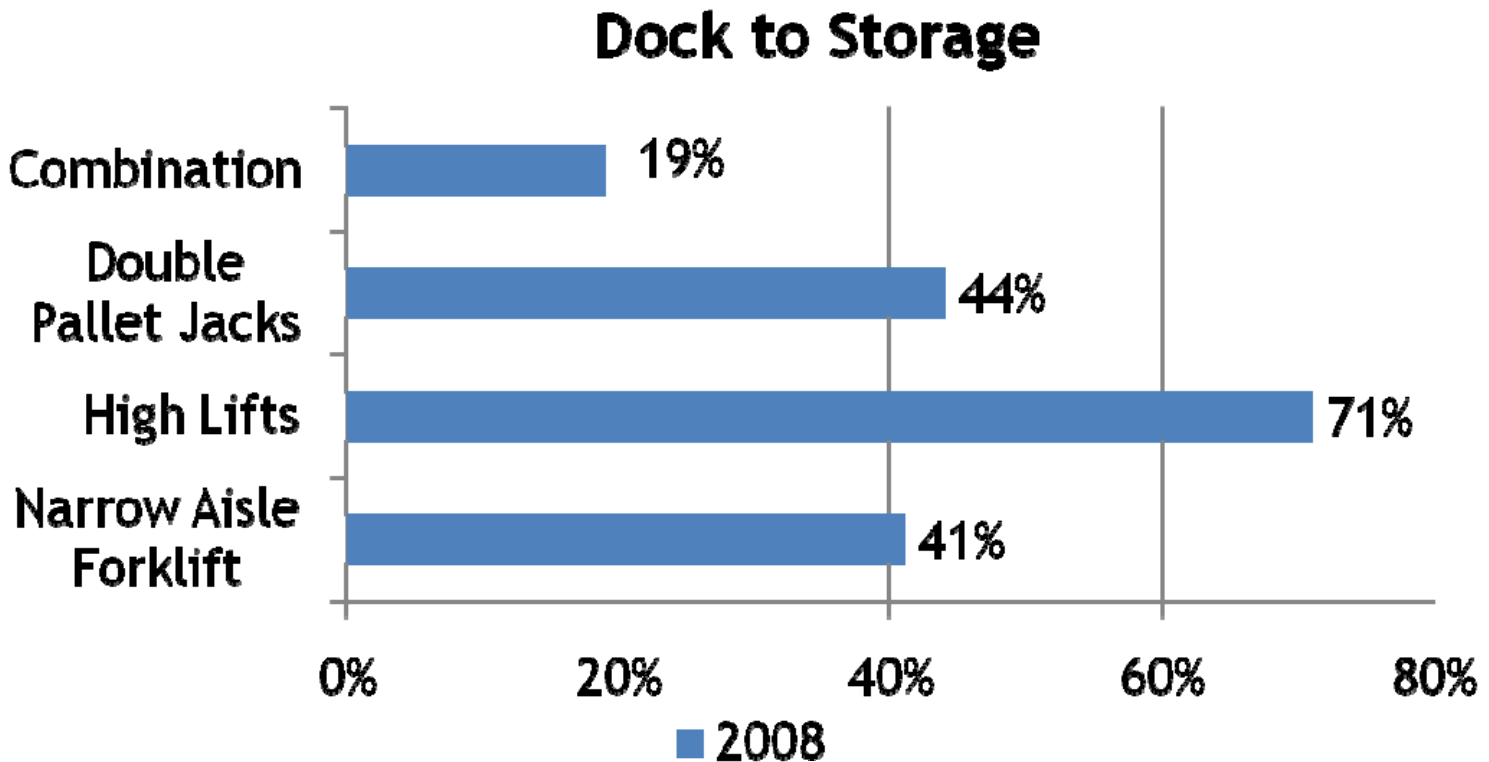
Best Practices

- ▶ **Utilize no-touch receiving procedure**
- ▶ **Establish optimum buying quantities**
- ▶ **Control information about new products**
- ▶ **Implement an action plan**
- ▶ **Design receiving dock for cross-docking**
- ▶ **More small quantities to pick slot**

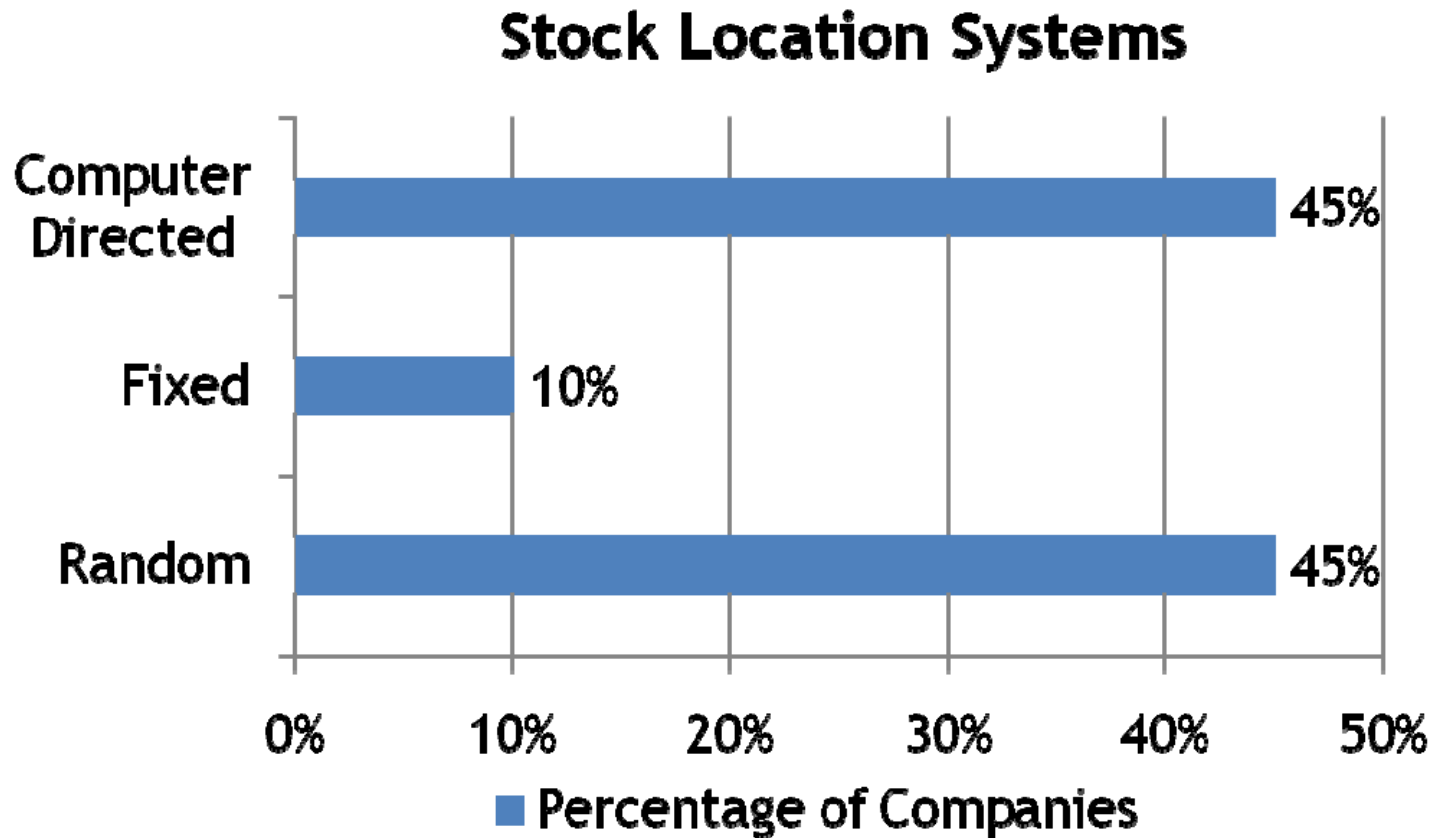
Replenishment Practices



Dock to Storage

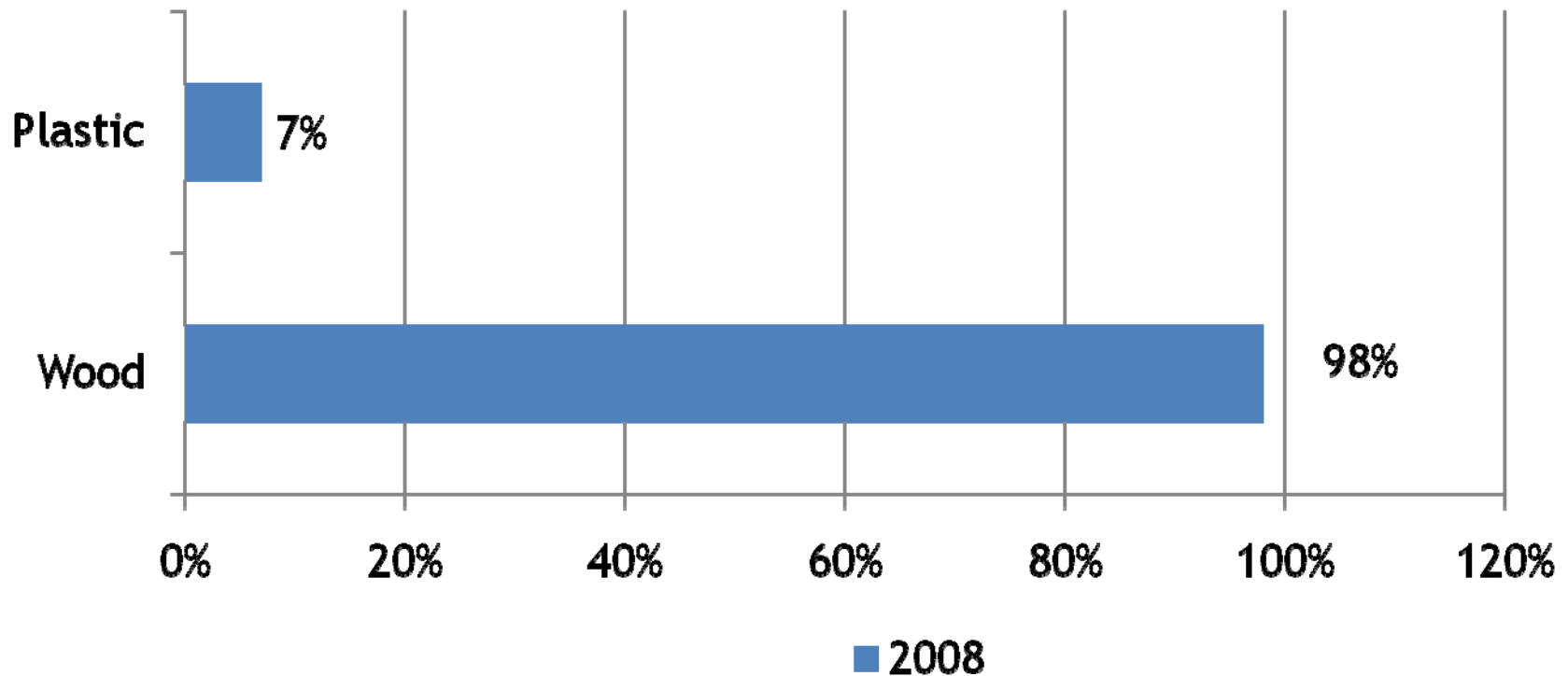


Stock Location Systems



Pallet Type Trends

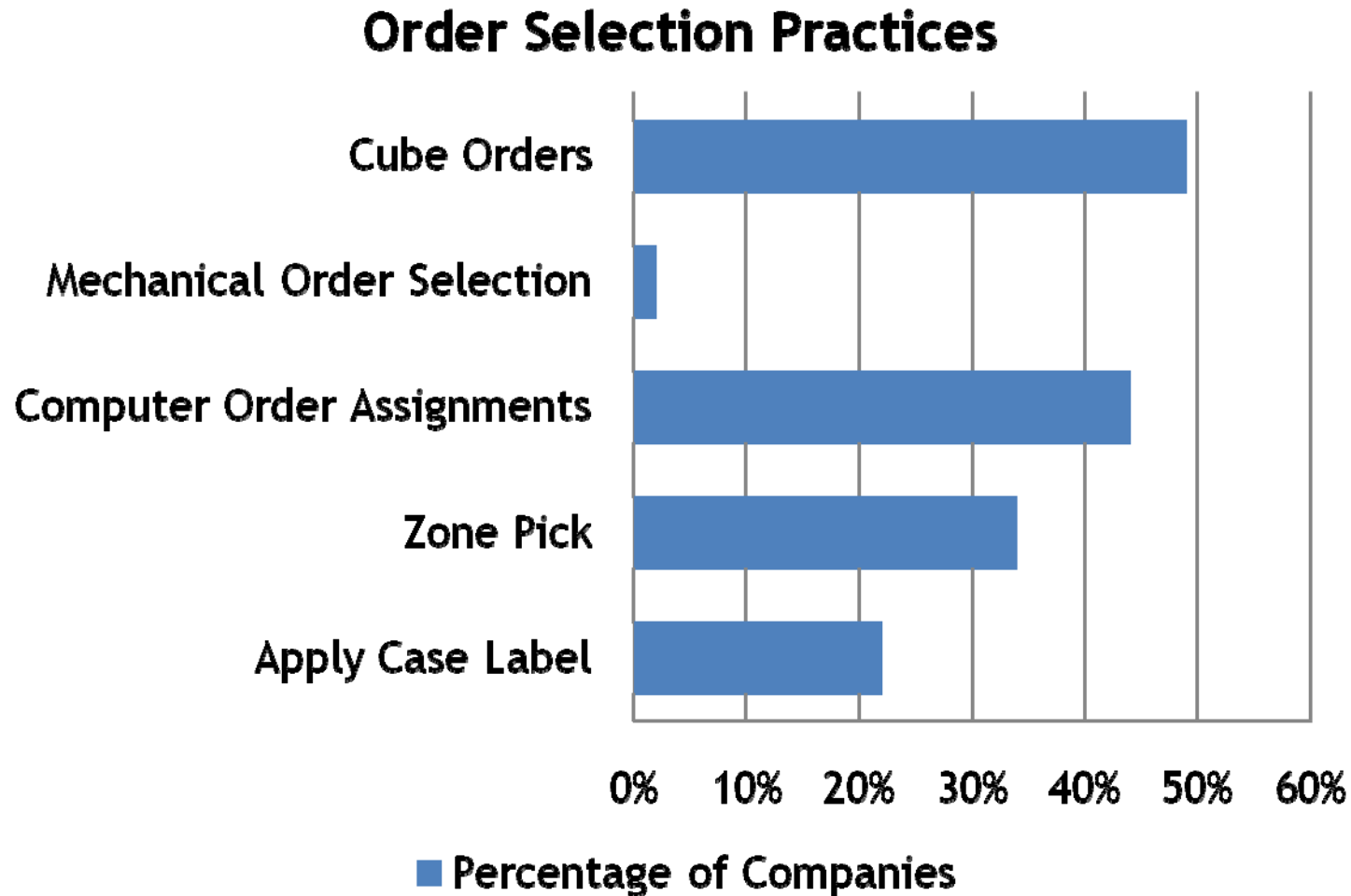
Pallet Type: Trend Toward Use of:



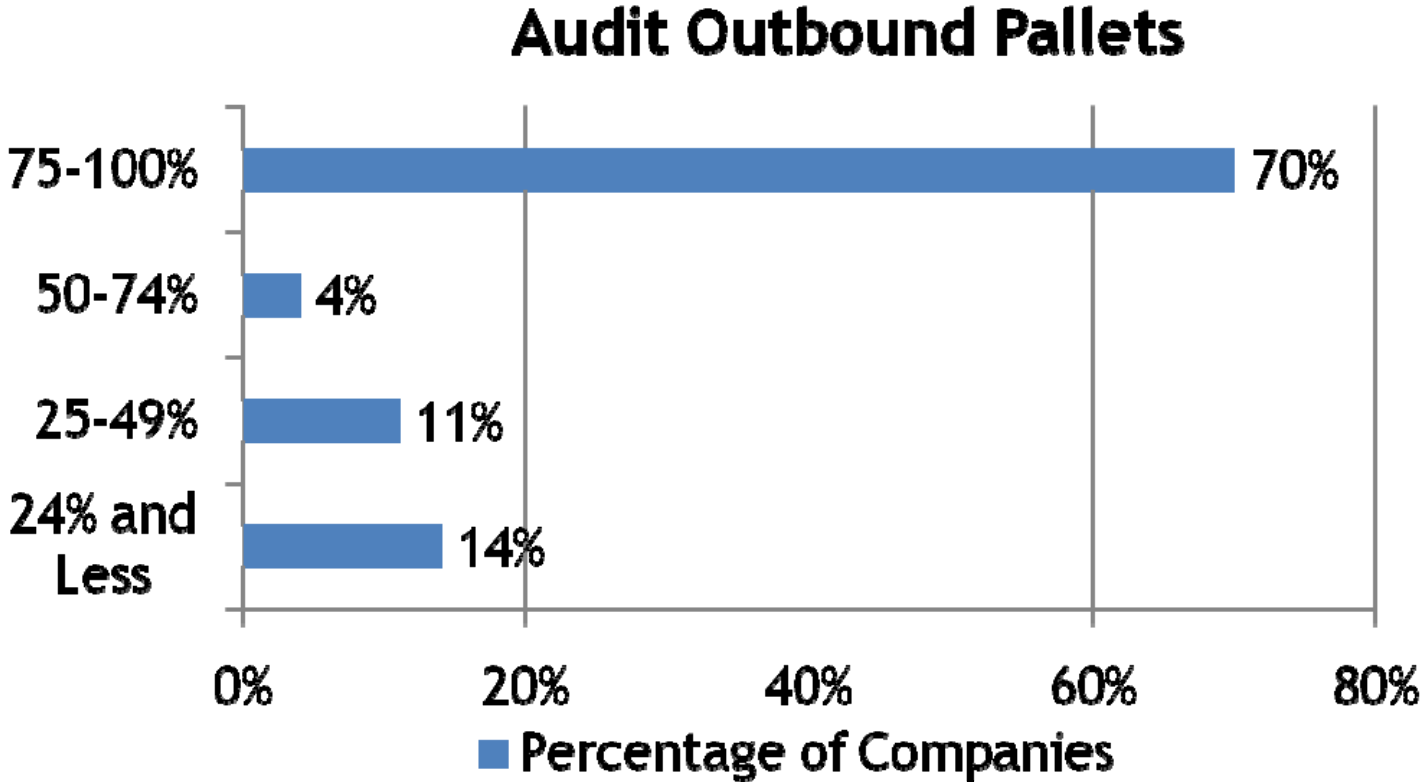
Best Practices

- ▶ **Control all pallet movements**
- ▶ **Organize layout on customer service requirements**
- ▶ **Measure cubic capacity**
- ▶ **Use mega pick slots**
- ▶ **Consider narrow aisles**
- ▶ **Make inventory management a priority**
- ▶ **Introduce performance standards**

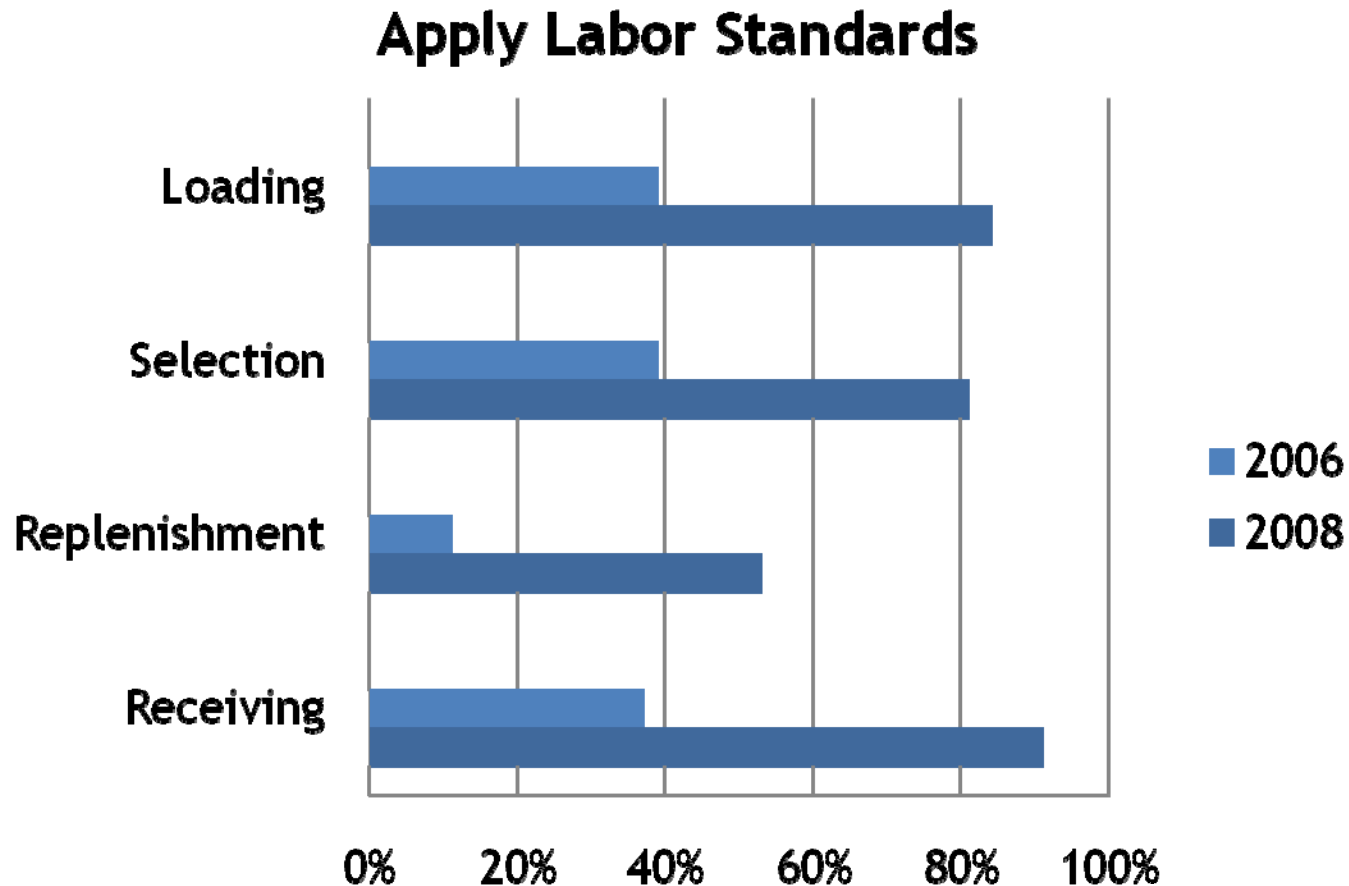
Order Selection Practices



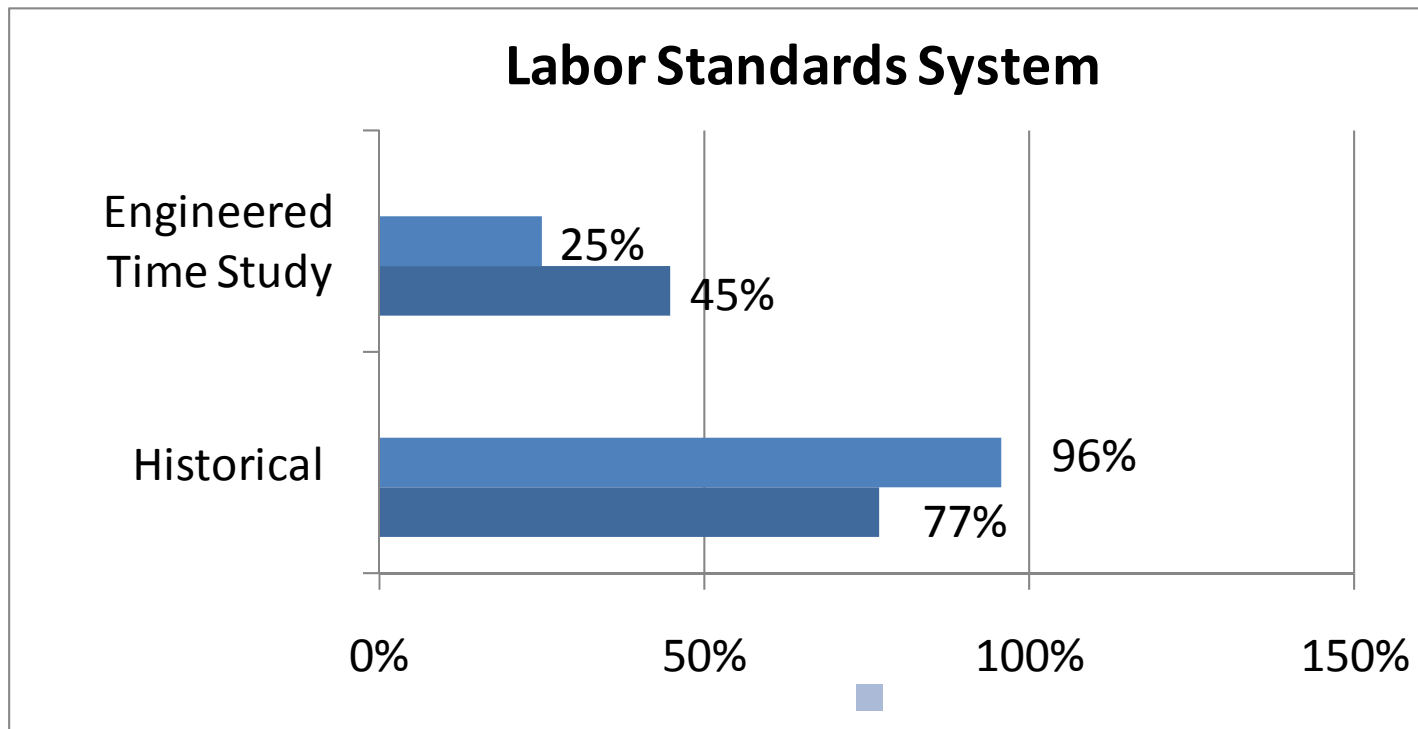
Audit Outbound Pallets



Apply Labor Standards



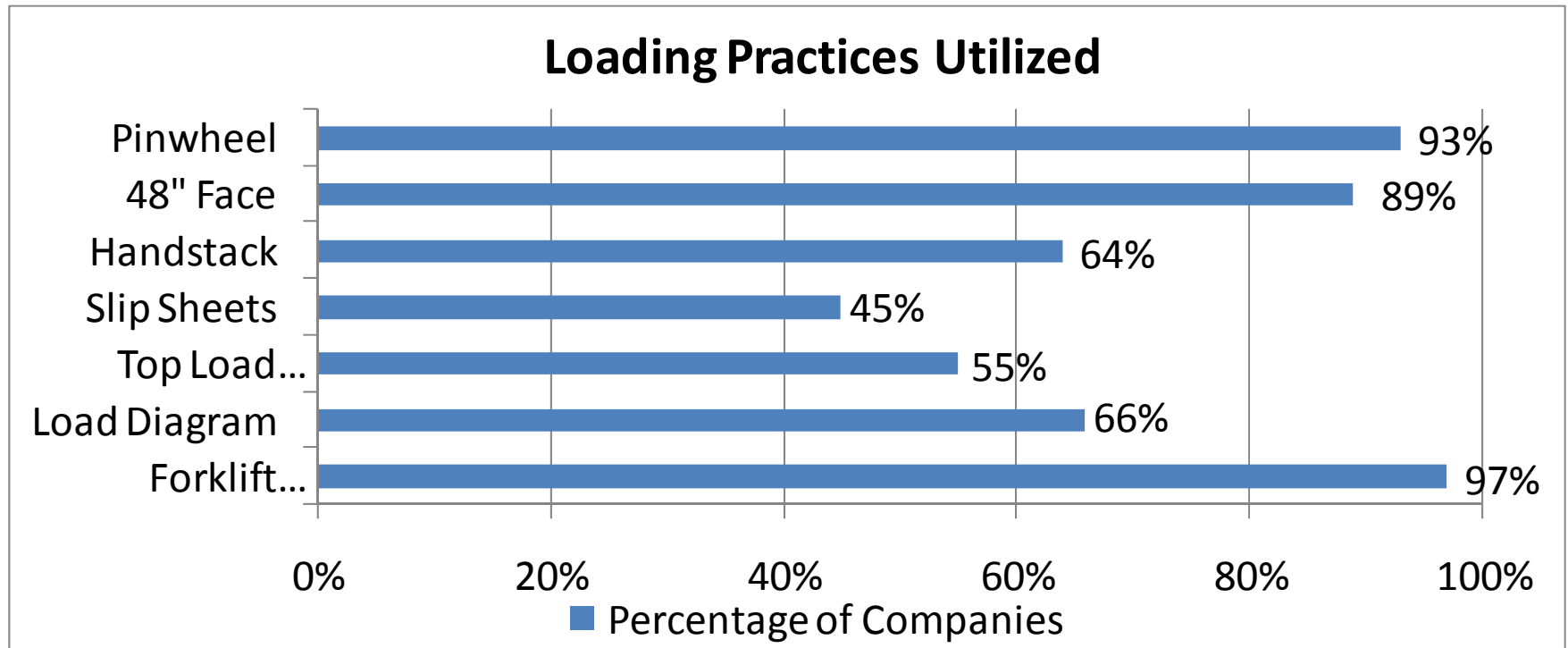
Labor Standards System



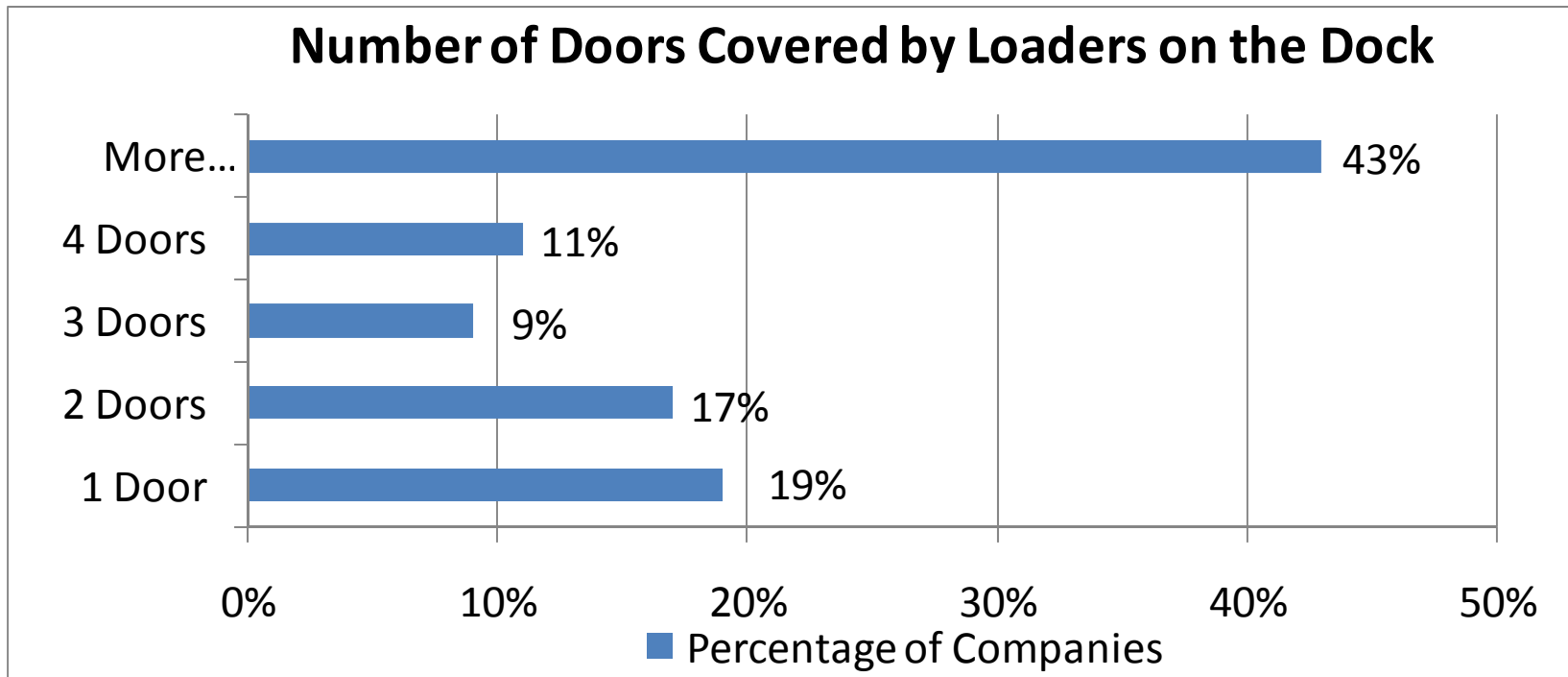
Best Practices

- ▶ **Distribution Center Layout**
- ▶ **Reduce Congestion**
- ▶ **Organize Effectively**
- ▶ **Pay For Performance**
- ▶ **Implement Batch-Picking Procedures**
- ▶ **Audit The Store Orders**

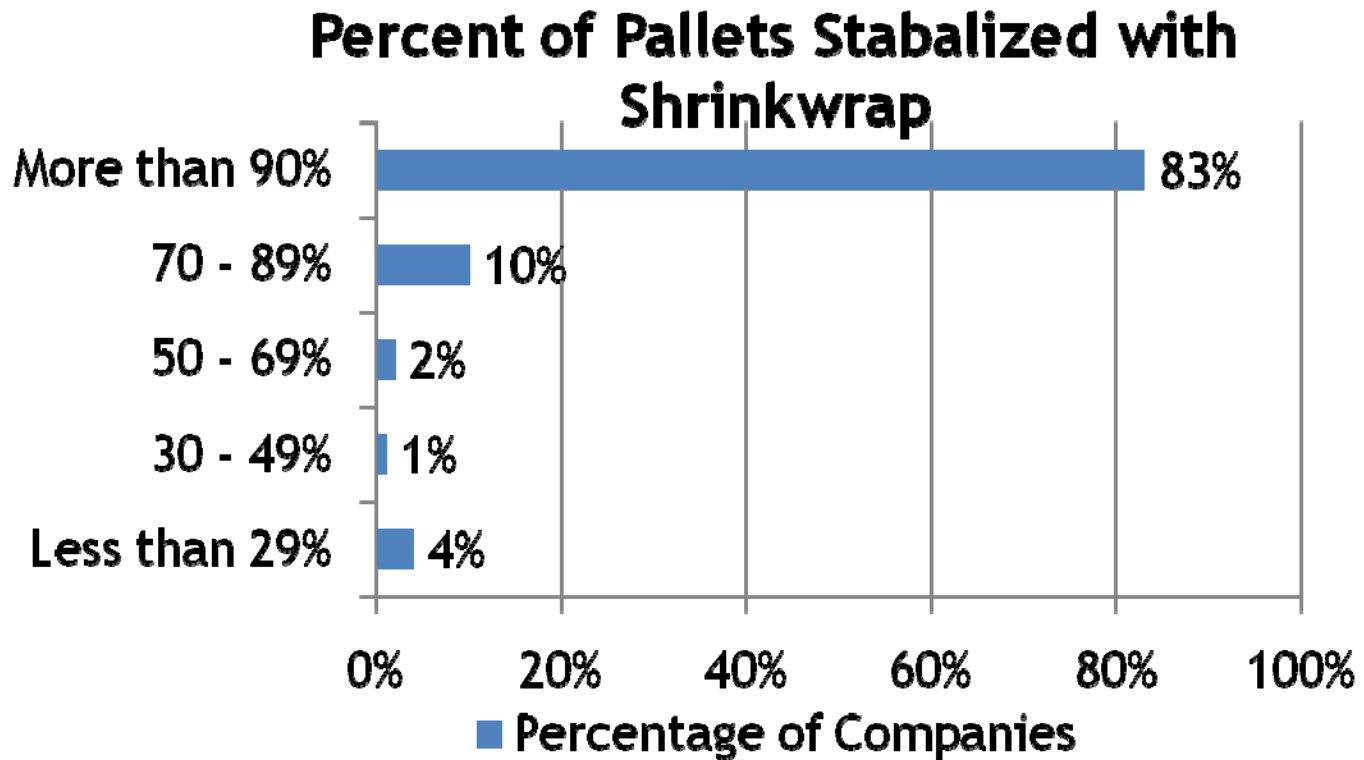
Loading Practices



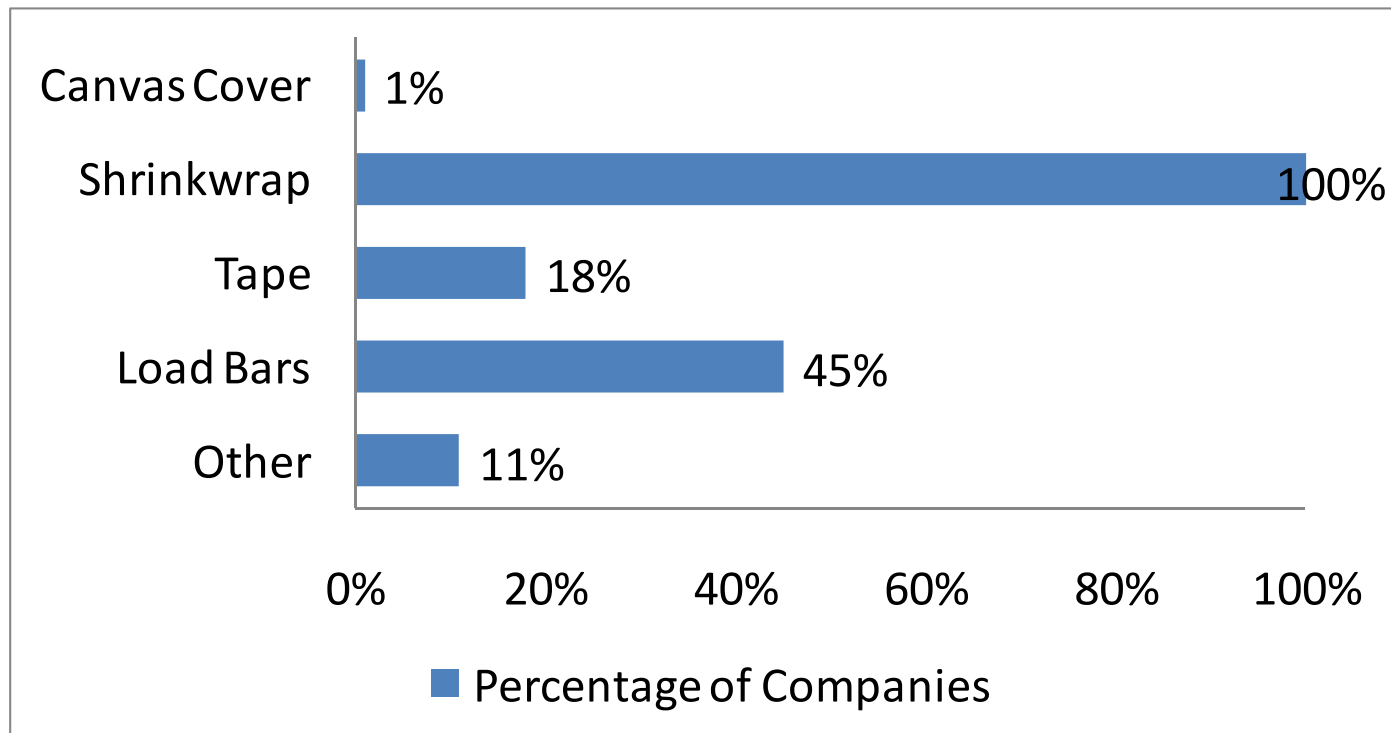
Dock Doors



Pallet Stabilization

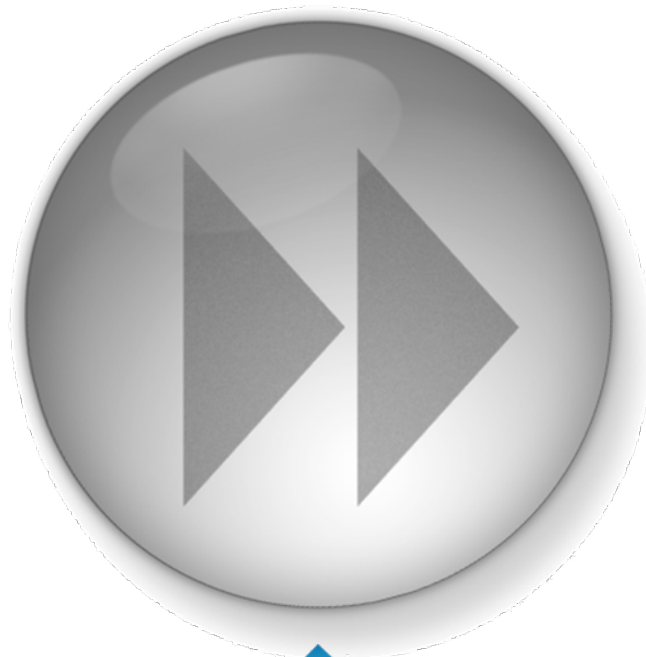


Load Protection Systems



Roundtable Discussion Topics

- ▶ **Customer/Supplier Demands**
- ▶ **Sustainability**
- ▶ **Continuous Improvement**
- ▶ **Workforce/Labor**
- ▶ **Others Identified By Group**



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Questions?