



# The Distribution Factor

Helpful Information and Ideas for the Distribution Professional

**Volume II, Number 2**  
**February 23, 2007**

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Feature Story: Ten Software Options to Consider for your DC



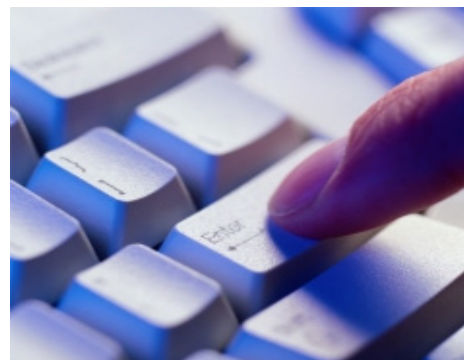
**Sam Flanders, President 2WMC**

Hope you are keeping warm this winter. This month's feature story focuses on a variety of software options that can help your operation.

This month's video looks at a special powered vehicle that can greatly simplify the handling of items up high.

My operations spotlight looks at simple ways to improve inventory accuracy.

Finally, I look at new facility lighting options and compare them to the current standard choices.



**DC Software Choices**

**This month's feature article is Part I of a 2 Part story. I will cover some simple, lower risk software choices this month. Next month I will cover more expensive and risky choices, as well as systems that help with shipping functions.**

**Part I** - (Next Month see Part II)

This story will provide an overview of a variety of software systems, which can be used in your distribution center. Software systems range from very simple systems that can be made fully functional in a day to systems that require very careful planning, and a year or more to get working. Software can provide tremendous benefits to an operation, but as an operations manager, you need to select a solution that is manageable, and that your staff and your company's departmental resources can readily support. Don't hesitate to get extra help if you think your staff will be stretched too thin. To help you get insight into the relative complexities I have included a simple risk ranking system (Negligible, Low, Medium, High, and Watch Out!).

### 1. Cubic Measurement System (Easy/Negligible Risk)

A cubic measurement system is designed to partially automate the labor in measuring products in your warehouse. Cubic data can help you in a number of ways in planning storage and order processing strategies. Until recently, there was only one company making a cubic measurement device. Today there are several. These devices permit an operator to place a box or object on a measuring platform, and have the dimensions of that object recorded into a database automatically. Data can be copied or imported into an existing database, as long as the proper dimension fields are available.

**Mark your Calendar!**

**THE Premier National Conference on Small Order Fulfillment!**



[Click the Graphic More](#)



**A unique three-day conference covering customer service, logistics, and streamlined distribution center operations.**

**Chicago - April 30-May 2, 2007**

**Come see us at NCOF!**

(click an item below for additional info)

**Full Presentations:**

**The Last 100 Yards:**

How to Cut Costs and Improve Output in Your Packing and Shipping Area  
(Monday April 30, 1:45-3:00 pm)

**Working Smarter in Your DC**

How to Save Money Without Spending a Fortune  
(Tuesday May 1, 1:45-3:00 pm)

**Roundtables:**

**Picking Strategies**

(Tuesday May 1, 7:30-8:30 am)

**Packing Strategies**

(Wednesday May 2, 7:20-8:10 am)

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**Free Material Handling Resources!**



Click the icon above to be taken to our White Paper page. This page has 4 different white papers of general interest to those who manage order picking operations.

There are two white papers on general order selection: strategies

**2. Documentation Management Systems (DMS) (Moderate Time/Negligible Risk)**

A document management system provides a mechanism for organizing and storing training and documentation for warehouse operations, so that it can be readily be retrieved when needed. The beauty of a web-based set of documentation is that it can be accessed by anyone with a web-terminal and updates can be made in only a single location. Modern DMS systems often use web-based access via a hierarchical menu covering all DC functions. If you have someone in-house who is handy with web tools, such a system can be developed completely in house. If not, many companies are available who can help you deploy such a system.

**3. Labor Management System (Moderate Time/Negligible Risk)**

Labor management systems can help you keep track of what is happening in your DC on an area-by-area, shift by shift, and person by person basis. These system keep track of individual performance by tracking when tasks are started and completed. Systems can also track how much non-productive time each employee has during a period of time. Weekly and monthly trends can be shown in summary form and can be used by manager to assess both functional area and individual employee performances over time. Systems can be interfaced to a real time productivity display, providing statistics on the current state of order processing, including orders pending, orders completed, and individual productivity rates. Labor Management Systems are sometimes included as part of WMS systems (next month).

**4. Stock Locator Systems (Moderate Time/Low Risk)**

A stock locator system is the simplest of all stock management systems. Think of it as a "file box" with product location information. The advantage of a computer-based system is that locations can be bar-coded, and moves can then be verified and confirmed with a bar code scanner. The simplest stock locator records location only, and does not attempt to manage inventory quantities (other than when a location becomes empty). Stock locator systems can be quite simple and low cost, but the simplest systems do require good discipline on the part of your inventory personnel to avoid problems with errors.

**5. Order Execution Systems (Moderate Time/Medium Risk)**

Order Execution Systems focus on one thing and one thing only: Getting items picked on the warehouse floor. Order execution systems include Pick to Light, Voice Directed Picking, some RF Scanner Based Systems, and AS/RS Systems. These systems accept electronic versions of individual order pick lists, and help human operators to execute the picks, passing back information on completed picks and exceptions to the host computer. Because of their single-minded focus, these systems can be deployed more quickly, with less risk than more sophisticated systems such as WMS's.

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**Video of the Month: Man Up Truck**

A man up truck goes by several other names: stock picker, cherry picker, order picker. Despite the repeated use of the word "picker", a man-up truck is also an indispensable tool for handling both receipts and replenishment. The man up truck permits a pallet or some other container (such as a cart or a set of totes to be lifted up in the air on a platform). The picker rides up with the load, and then is able to move materials between the truck and a physical storage location (usually in some type of tall shelving or pallet

and equipment, and there are also papers on carousels and voice directed picking.



Click on the icon above to be taken to our material handling resource locator guide. This guide is interactive, easy to use, and driven with an icon-based interface. Using it, you can quickly locate information on systems, software, and equipment. Each area provides links to vendors as well as a brief description of each technology. Try it out and bookmark it for future reference!

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**Save 15-50% on Labor!**

At WMC, we are experts in helping our clients save money. We do this by helping clients select solutions that meet their specific requirements. Unlike many systems and equipment providers, including some who call themselves consultants, WMC has nothing to sell you other than our experience. We work exclusively for you and represent no other system or equipment provider.

We evaluate low or no cost solutions first, and then show you what you can do before you invest in capital solutions. We then show you the true value of those capital solutions by evaluating only the additional savings that they may provide - a

rack). In space constrained facilities, a man-up truck can help you squeeze in many more pick locations, without the ergonomic and productivity nightmares you would experience when using a ladder.

[Click Picture to Play](#)



**Above: Single Case Retrieval using a Man Up Platform Truck**

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**Video Courtesy:**

**Multiple Vendors**

**Requires Flash**

Clicking the graphic to the left will open a new window and play your video.

**Operations Spotlight: 10 Ways to Improve Inventory Accuracy**

Inventory accuracy is a common concern with many of my clients. This article will give you some tips you can use to help improve the accuracy of the inventory within your facility.

**Get control of your Inventory**



1. **Training Training Training** - One of the single biggest causes of errors in inventory is the use of resources that aren't properly trained, or folks not following proper procedures when performing actions that affect stock quantities.
2. **Unit of Measure Training** - Of all the training items, this one is one of the most important. Many errors related to inventory occur due to the counting or selecting the wrong number of units. The best way to avoid this is to make sure your people are able to distinguish a case, inner pack, and each, and know which one they should be working with.

savings that they may provide - a step often skipped over by salespeople.

We understand all types of order selection systems, including voice directed picking, pick to light, carousels, AS/RS systems, sorters, A-Frames, and RF scanner based systems. We can help you figure out which solutions are best for your operation. Give us a call today (603) 868-6767.

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### A Look Ahead to Next Month

**Feature Story:**

10 DC Software Options (Part II)

**Video of the Month:**

Voice Directed Order Selection

**Operations Spotlight:**

Is your Facility "Employee Friendly"?

**Technology of the Month:**

Personal Transport Systems

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3. **Don't overfill locations / use totes** - Product can spill out of a location or get mixed up with a inventory in an adjacent location. The best way to avoid this is to make sure that you don't overfill your primary locations and utilize containers or totes to keep inventory from getting mixed up. Proper labeling and the marking of slots with tape can also help.
4. **Deploy cycle counting program** - If you want your inventory to be accurate for more than one month out of the year, consider a cycle counting program that "cycles" through your inventory in a pre-determined sequence. You can select how often based to cycle through selected areas based on your desired accuracy level.
5. **Research recurring errors to determine cause(s)** - If the same errors are occurring again and again, take some time to research why they are happening, and then fix a physical cause or provide training for human errors.
6. **Count problem areas more often** - Keep track of where errors occur. If a particular area or group of items causes most of your errors, try to count and review these areas with greater frequency than areas that have low error rates.
7. **Improve Paperwork and Location Labels** - Make sure that your paperwork and location labels are easy to read. Replace worn or damaged labels. Make the locations and quantities on your paperwork stand out with large bold characters.
8. **Have suppliers/internal staff bag large quantity small items in groups** - By grouping items into appropriately sized "Packs" you can speed picking and also counting of a location. Packs can be split open, but this idea works best if customers choose a full pack quantity most of the time.
9. **Use Bar Code or Voice Verification of Moves** - Bar code or voice systems can confirm moves with a very high degree of accuracy, and prevent placing an item into (or picking from) the wrong location. Bar code or Voice systems are often provided as part of location management systems and Warehouse Management Systems.
10. **Require high levels of performance** - Track the performance of your staff, and require minimum performance standards. Keeping track of errors will encourage your staff to operate at a higher level of performance.

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### Technology of the Month: Facility Lighting

Don't underestimate the importance of good lighting in your facility. A brightly lit facility helps reduce fatigue and reduce errors. A bright facility also helps foster a more friendly and orderly work environment.

Lighting has gone through many changes over the years. Early lighting was provided by traditional incandescent bulbs. These bulbs were replaced by more energy efficient and brighter fluorescent tubes. While still used in some older facilities, tube lighting was largely replaced by larger round lights known as "Metal Halide" fixtures.



**Bright Lights make Work Easy**

Very recently, there has been a transition back to a newer generation of more energy efficient fluorescent tube lights (T5HO - the HO stands for High Output). The new generation of fluorescent tube lights differ from their predecessors in a couple important ways: 1) The bulbs have a smaller diameter and take less energy than comparable bulbs from the older lights and 2) The reflectors of the modern tube lights are designed to direct the light to exactly and only the places where it is needed, reducing the overall number of lights needed.



**Lights Can Illuminate Aisle Only**



**Photo Top:** Metal Halide Lighting

The new fluorescent tube lights have several advantages over the Metal Halide lights. They take 30-70% less power to produce the same lighting levels. Because these lights are instant on, it takes hardly any energy to "warm up" the lights to a reasonable brightness level. For this reason, motion sensors can be deployed in low travel areas to further reduce power consumption. If there is a momentary power "glitch" the lights come right back on, rather than taking several minutes.



**Photo bottom:** Wide Beam Fluorescent Lighting

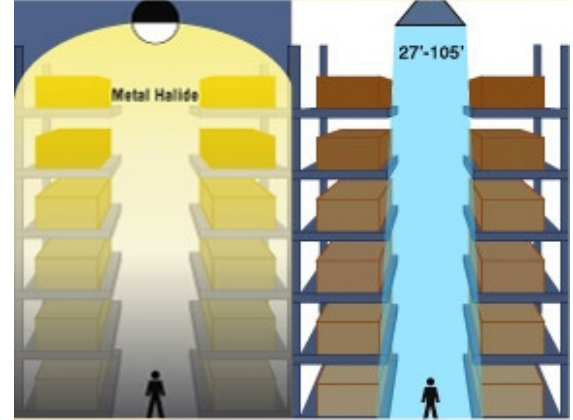
A variety of reflectors are available for different lighting applications. The lights work in principal similar to a flashlight, with a focused beam shining on exactly and only the areas you want illuminated.

A final advantage of the tube lights is that they retain their lumen levels much longer than the metal halide lights, retaining 95% of their efficiency over their rated life. Metal Halide lights lose about 33% of their brightness after running for just 40% of their rated life.

**Courtesy Westinghouse**  
[Westinghouse Web Site](#)

The new T5HO lights can be engineered to give more light for less money by combining different reflector patterns and number of tubes in each light. They are also much easier to replace than the metal halide type.

**Left:** Metal Halide  
**Right:** Focused Beam  
Flourescent Tube Lighting



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