

Fine tuning warehouse operations

In just 3 years, food wholesale distributor, Savage and Whitten has seen significant business growth since it began operating a fully automated warehouse. Radio frequency (RF) technology, provided by Sanderson, has replaced paper-based systems and significantly increased warehouse efficiency.

Background

Based in Newry, Northern Ireland, Savage and Whitten was formed in 2000 following the merger of two local food wholesale businesses, Newry Cash & Carry and J&E Whitten, both of which were established in the 1920s. The company provides a delivered wholesale and cash & carry service to over 800 customers operating in the food services industry. Operations at the 21,000sqft warehouse, which currently carries over 7,000 stock lines, will shortly be expanded with the addition of a new 14,000sqft premises nearby.

Reducing warehouse inefficiencies

According to Richard Whitten, Savage and Whitten's Director of Finance and IT: "Newry Cash & Carry had been using the Sanderson Swords solution to manage its business processes for a number of years. When reviewing corporate resources following the merger, it was clear that the cost and time efficiencies which this system provided outweighed those of the other system. Furthermore, we realised that by integrating RF with the Sanderson solution, we could replace existing paper-based systems to greatly improve warehouse processes, an area which previously we hadn't focused on."

The Sanderson software integrates all areas of the supply chain making it easier for wholesale distribution businesses to balance the demand of sales, purchasing, stock and cash flow. Swords can be applied locally or across wide area networks. This, coupled with its modular, scalable framework, allows wholesale distribution companies to automate any or all areas of their business so that they can accommodate change and growth at their own pace whilst maintaining continuity in existing business processes.

This scalable framework also allows all stock receipts, movements, checking and despatching to be carried out using the latest RF technology. Order picking, goods inwards, stock taking, shelf edge label/barcode checking and warehouse put away control can be performed accurately using RF handheld terminals, eliminating manual errors and providing staff with instant access to real-time inventory data.

Solution Summary



Customer Profile

- Delivered and cash & carry food wholesale business

Challenge

- Improve warehouse and stock efficiency

Solution

- Automate paper-based processes using radio frequency technology

Benefits

- Ensures incoming supplier orders are correct
- Allows "live" stock sheets to be kept at all times
- Scanning goods-out results in accurate order assembly and invoicing
- Optimises staff resources by eliminating time consuming manual processes
- Monitoring performance enables initiatives to be introduced to improve staff productivity

Goods-inward and stock control

At goods-inwards, warehouse staff now scan delivery items line-by-line as they enter the warehouse using the handheld RF terminals. Barcodes are matched against purchase orders held on Swords and an instant discrepancies list is produced. Any goods not listed on the purchase orders are put straight back on the van for return to the supplier.

Not only does this cut the administration associated with returns, it also allows Savage and Whitten to immediately identify items missing from the original order and take steps to ensure these goods are delivered as soon as possible.

Stock control is further enhanced as RF allows "live" stock sheets to be kept, which are produced by staff scanning the merchandise. Live stock sheets eliminate lengthy stock taking sessions that were previously performed manually. The staff resources tied up with this can now be optimised in more profitable activity.

Live stock sheets also enable Savage and Whitten to perform random stock takes on specific items, for example cigarettes, ensuring that stock is being handled correctly. It also allows for unnecessary missed sales to be reduced by, for example, detecting products that are not in the right location and so on.

Goods-out

Customer orders generated via the telesales team are entered onto Swords and are immediately available for the warehouse pickers to assemble orders. The orders are assembled using hand held terminals to scan products before placing the product in the cage. Scanning all products before they leave the warehouse ensures that goods-out match invoices.

This system also allows the quantity of boxes dealt with by individual pickers to be accurately monitored. Previously, this wasn't possible under a manual system. This has allowed Savage and Whitten to introduce initiatives to increase staff performance, for example a bonus scheme is currently running to encourage greater productivity. These results have contributed significantly towards the business growth experienced over the last 3 years.

QueueBuster

Furthermore, Savage and Whitten has found RF technology can also be used in the Cash & Carry. Staff are able to use the handheld terminals as temporary portable tills to reduce queues and to speed up point-of-sale for customers.

Commenting on the contribution Sanderson RF technology has made to the business so far, Richard Whitten said: "There was concern over the initial cost of installing RF technology, which at the time was perceived to be high. These concerns have since become irrelevant as the system has more than paid for itself through our growing business."



Delivery items are scanned line-by-line as they enter the warehouse



Customer orders generated via the telesales team are immediately available for the warehouse pickers



Staff are able to use the handheld terminals as temporary portable tills to speed up point of sales

For further information please contact the marketing department on

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