

## **Nick Scali Furniture improves warehousing and distribution operations**



Nick Scali Furniture was founded over 40 years ago, and with an annual turnover of \$60million plus, is now one of Australia's largest retailers and importers of quality furniture.

The company imports in excess of 1,000 containers of furniture per year, specialising in quality leather and fabric lounges, dining rooms, bedrooms and occasional furniture. There are currently 15 showrooms located in New South Wales, Victoria, Queensland and South Australia under the Nick Scali brand, and 2 additional showrooms in Adelaide under the City Living brand.

Continued expansion of retail outlets is planned throughout the country and a number of new warehouses will be required to support this strategy.

In a contract worth in excess of \$1 million dollars, the Dexion Supply Centre at Silverwater has been integrally involved in the planning and implementation of a unique storage solution for Nick Scali Furniture.

The team at Silverwater first became involved with Nick Scali winning the contract for an extension to the Sydney warehouse. Following the success of this project, John When and Ankur Walia were asked to work with the team at Nick Scali Furniture to plan and design storage systems for the new distribution centres planned for Sydney, Brisbane, Adelaide and Melbourne.

The new DC's were required to support the growth in retail outlets, and Dexion worked very closely with Nick Scali on the design and functionality of the storage solution.

According to Mr. Nick Scali, the companies Ex-Managing Director, efficient warehousing and distribution are strategic issues for the business.

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Nick Scali

"At Nick Scali Furniture, we are constantly examining ways to increase efficiencies in our warehousing and distribution activities," said Mr. Scali, "and we rely on Dexion to provide innovative storage solutions for the challenges we set."

"Working with Dexion I was determined to design a storage solution that could be used in all our new warehouses,"



Nick Scali

said Mr. Scali. "In this way warehouses would be uniform and managed in the same way. We were looking for increased efficiencies, less double handling, and better utilisation of space in our operations," he said. "In fact Dexion created a unique storage solution for our different sized lounges and flat pack products which has been implemented in all of our new warehouses."

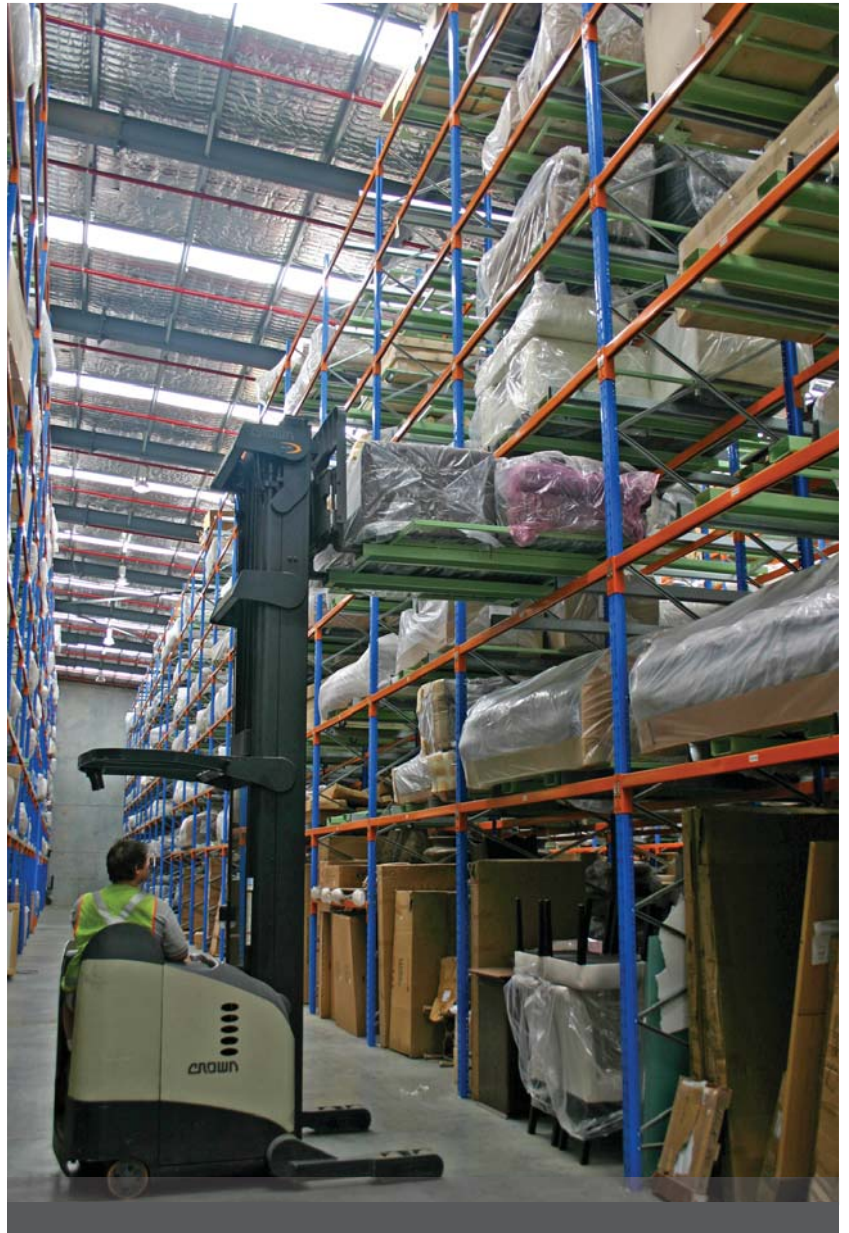
The unique storage solution is best described as similar to Selective Pallet Racking though incorporating wider frames and special runners to accommodate a large purpose built trolley. The frames and runners we resized and positioned so as to enable safe placement of the trolley and prevent interference with the trolley castors. This trolley is used to safely transport and store a variety of different sized lounges. Other areas of the warehouse are fitted with special mesh decks to store a variety of flat packed furniture pieces.

In terms of the warehouse design and layout, special consideration was given to the width of the aisles so that turning and placing the large trolleys would be possible and provision for sufficient room to unload containers and stage outbound deliveries was also incorporated.

Dexion Silverwater developed the new trolley with several prototypes manufactured until a final design was realised. This work was performed concurrently with the design of the Brisbane and Adelaide warehouses.

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Work on these projects began in July 2004 when the plans for the Brisbane Distribution Centre were first tabled. It took Dexion Silverwater 8 months from initial concept to completion on site. The Adelaide Distribution Centre was installed concurrently with Brisbane, and from start to finish this project took approximately 1 month. The same applied with both Sydney & Melbourne projects approximately 1 month and 2 months respectively as it was then simply a matter of incorporating the same design into different warehouse layouts.

"I like working with the guys from Dexion," said Mr. Scali. "We have cemented a very professional and constructive working relationship. I have been very impressed with their attitude to our business. They have wanted to understand the issues we face which in turn has enabled them to design this unique and innovative storage solution," he said. "In my opinion they are an excellent partner, they are in business for the long haul, and I regard them as far more than a supplier of rack," he said.