

Case Study

Inoxcrom.

Simple & smart.





“We helped to create a materials handling system which is compatible with their business.”

In recent years Inoxcrom’s Australian operation has tripled in size through organic business growth. The company recently relocated to a larger building at the new Metroplex complex in Murrarie.

This provided an opportunity for the company to organise its warehouse more efficiently and plan for future expansion.

Based in Barcelona, Spain, Inoxcrom was founded in 1955 to manufacture fountain pens. It now exports pens and promotional products worldwide, with a presence in more than 70 countries.

Inoxcrom’s old warehouse was less than half the size of the new building and bursting at the seams with product. It was a standard shed, filled with Dexion shelving and racking for palletised product.

As well as bulk orders, the warehouse also has to manage lots of specialised orders, such as engraved pens and equipment featuring company logos.

“It gets busier and busier every year. We’ve moved from shipping 50 orders a

week to 50 a day in the last two years,” says Warehouse Manager Danny Huffaker, who began working for the company as a storeman four years ago.

Dexion Archerfield’s Graham Tomlinson helped Inoxcrom configure and design the new warehouse.

He pored over the floor plans of the new building and quizzed Inoxcrom’s managers on how they wanted to operate.

The planning process took three months. Tomlinson saw it as an opportunity to introduce more efficient warehousing concepts.

“In the old building the people went away and found the product. The modern way of warehousing and distribution is to present product to people,” he says.

“We helped to create a materials handling system which is compatible with their business.”

The agreed solution comprised of a mix of existing equipment – primarily pallet racking



and steel shelving – supplemented by new binning with cartonised storage underneath, long span pallet racking, gravity rollers in dispatch and a mezzanine floor. Inoxcrom elected to leave their old mezzanine floor behind as it had been custom built to the shape of the building.

“Before, the product was somewhere in the warehouse and each person would go with a discrete order pick to go and find it,” Tomlinson says.

“Now we present [product] to them in a pick module and flow orders through. They consolidate the small pick with the larger pick and send it out. “It has changed the way they work...”

Cartonised storage.

Previously, items were stored on shelves, which warehouse staff were continually replenishing.

Cartonised storage, with six or eight cartons in a location, was a new concept for the warehouse staff.

Low volume product is housed on static shelving, while high volume bulk is palletised. Dexion then analysed Inoxcrom’s stock movements and targeted mid-range medium pick activity inventory – and mid-range cubic capacity items – for cartonised storage.

“You can’t put product into cartonised storage if it’s picked too fast. You are always replenishing or you need too many lanes and it becomes too expensive,” Tomlinson explains.

Inoxcrom wanted additional wheel track assemblies on its cartonised storage for flexibility. If the product size changes, they don’t have to alter the lanes – you simply run it down more lanes.

Huffaker is pleased with the new cartonised storage system and is already looking for more capacity.

“Roller [cartonised storage] shelves are great for rotation of stock,” he notes. “You load it up at the back and throw the box away. It means there’s less wasted



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Palletised.

Dexion's Keylock pallet racking was laid out at the other end of the store to create a demarcation line for forklift activity away from the small order picks. The racks run in two different directions. This allows room for further expansion – and the warehouse is already filling up.

“It allows us to expand (in the future). The pallet racking can be extended to the walls, while keeping the drive-throughs clear,” adds Huffaker.

“(Previously) if you needed a pallet down, you'd go to the only pallet racking aisle and you had to shift cartons off the pallet to get in. We can now keep a lot of the stock we pick from accessible on the floor without having to bring the bulk of the stock down from above.”

Pallet racking is also used as the base for the new mezzanine floor.

Tomlinson likens it to grown-up's meccano – “you can almost build whatever you want with it.”

On this level, shelving from the old facility is used to hold low volume items. As the business grows, there is more room for another couple of shelving runs.

“It could get to the stage where this level becomes part of the pick module. They could pick up here and convey it down (to despatch),” says Tomlinson of the expansion options. “This building gives them room to grow a little.”

Despatch.

A new gravity roller has been installed in the despatch area. Previously, the despatch area was very congested, with just a few workbenches. Huffaker says everybody was working on top of each other; printing out pick slips, and packing picked orders on the bench.

Inoxcrom use the WMS module from Microsoft's Navision ERP system. Potential exists to adopt RF technology and pick to



order in the future, but Huffaker says pick and inventory accuracy are already high. “One person picks and another person packs it, so all the orders are double-checked,” he points out.

During LMH's visit, the warehouse was in full swing to fulfil Christmas orders. Despite the record volumes being handled, Huffaker says the warehouse is managing this with similar staff levels.

“Although the [old] building was smaller they were doing a lot more travelling. We couldn't have coped with the size of orders we are processing now,” he says.

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