

Kellogg's creates the perfect pallet with Körber



Kellogg's achieved the perfect pallet stack and up to 40 per cent productivity increase using Voice and Intelligent Volumetric Cubing from Körber!

As the iconic cereal brand continues to grow and expands into new areas such as the snack market with its recent acquisition of crisp brand Pringles, its warehouse operations needed to find new and innovative ways of maintaining its impeccable customer service, lowering costs, increasing efficiency and protecting its shipments.

Kellogg's needed to standardise how its pallets were picked and stacked as well as making the process more efficient to cope with demand of a wider product offering.

Over 12 months ago, Kellogg's embarked on an initiative to Voice-enable its two Manchester depots, KW1 and Merlin Park, which are managed and operated by third party logistics provider (3PL) XPO. The company also looked at the cubing methods applied to containers and trucks, and knew that applying the same logic to its picked pallet stacks would enable them to fully maximise assets, truck space and product integrity.

Features and benefits

- **40% increase productivity**
- **Fast implementation**
- **Added real-time visibility to operations**



The Solution

Looking at how the two initiatives could enable Kellogg's to build the perfect pallet, Körber worked alongside the IT teams at both Kellogg's and XPO to integrate volumetric cubing into its K.Motion Warehouse Execution System as part of the Voice commands for associates to follow.

"When you pick to a cage it doesn't have to be uniform or square, but when we pick, our pallets have to be cubed as they are double stacked to a height of up to 2.8m wherever possible – vehicle utilization being one of the key drivers," said Abzy Shaikh, Head of UK and ROI Distribution.

Firstly the master data needed to be correct, Körber worked with Cubiscan to ensure that all product size and weight data was fed into the warehouse management system.

The solution receives order information directly from Kellogg's warehouse management system. It then cubes and groups products into the appropriate customer-specific pallet stack, ensuring they will be picked and built correctly and transportable to stores without compromising product integrity and within tighter delivery lead times.

Kellogg's expected to see a 10 per cent increase in productivity. They are now seeing up to 40 per cent improvement as well as increased customer satisfaction from major retailers, and buy-in from the Norbert Dentressangle operators and management.

Warehouse associates equipped with Honeywell's A500 Vocollect terminals and SR20 headsets are then guided by verbal instructions telling them where to go, how many cases of each product to pick and how to build the pallet. Each pick is validated at the pick-face and the warehouse management system is updated as soon as a pick is complete. The accuracy of the pick is ensured by using product and location check digits.



The Results

K.Motion WES also provides XPO's warehouse managers and supervisors with comprehensive visibility and control tools, including real-time dashboards and the ability to manage workload and exceptions across the team; resulting in a more efficient operation and freeing managers to focus on value-add activities.

The solution also takes the vehicle/ pallet height into consideration and builds pallets which reduce the shipping of 'fresh air'; lowering delivery costs and helping Kellogg's and its customers with their green initiatives. Importantly, the system ensures like products are picked onto the same stack which minimises the pallet breakdown effort for the customer, reducing their dock-to-stock times.

"We were extremely happy with the success of K.Motion WES. Initially, there were pockets of scepticism that improvements couldn't be made to our process, but by the end of the trial everyone across Kellogg's and XPO were asking why we hadn't done this sooner."



Kelloggs are now seeing up to 40 per cent improvement as well as increased customer satisfaction from major retailers, and buy-in from the Norbert Dentressangle operators and management.

“We were trying something new by combining Voice technology and volumetric cubing; which meant we needed to work very closely as a team. Körber showed outstanding knowledge and understanding of our business and used their VoiceMan Execution System to design a solution that directs our operators to build the perfect pallet.”

- Abzy Sheikh, Head of UK & ROI Distribution

Features and benefits

- **40% increase productivity**
- **Fast implementation**
- **Added real-time visibility to operations**

