Körber Supply Chain

# Master Class Series

Today's Class:

From a Manual to a Fully Automated Warehouse





# **Speakers**



Thomas Goldsby
Professor
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The University of Tennessee Knoxville



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Chief Sales Officer of Automation
at Körber Supply Chain



# **Supply Chain Master Class: Warehouse Technology Excellence**

Why are we here? What are we trying to accomplish?

#### Class Schedule:

- July 14: 10 Critical Capabilities of a WMS
- July 16: WMS in the Cloud
- July 21: Getting your ROI in an Enterprise or SMB WMS Implementation
- July 23: From production to last mile delivery: WMS as the integration point
- July 28: From a Manual to a Fully Automated Warehouse

#### Master Class Series - On-Demand

- Addressing Labor Challenges
- Cold Storage Trends



# Housekeeping

All phone lines are muted

Recording of today's class and slides will be email to you within 48 hours

#### **Questions:**

- Ask questions during today's class in the GoToWebinar Questions window
- Questions will be addressed at the end of today's class or we will follow up with questions via email after class

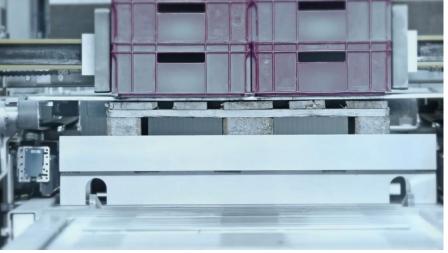
Handout: Five insights: what supply chain complexity looks like in 2020

Poll Question: In a previous implementation of an advanced supply chain technology, which element(s) have been instrumental to success?



# **Examples of Warehouse Automation**











# Good and bad implementations



HOME | WAREHOUSING

CEVA Logistics Deploys Automated Mobile Robots at its Melbourne Super-Site In a world-first for a Goods to Person (GTP) implementation for the company, the introduction of robots has already achieved a 400% increase in the speed of operations within the 250.000 sq m facility.

Americold Expands Midwest Operations With Opening Of New \$93M High-Tech, Automated Facility In Rochelle

#### Coca-Cola European Partners GB to invest in further growth

November 20, 2018



The British bottler of Coca-Cola drinks has reported a successful year, with £2.2 billion (US\$2.8bn) in retail sales over the past 12 months, supported by supply-chain investment including £40 million (\$51m) for a automated warehouse at its plant at Sidcup in Kent.





# Foxmeyer collapse linked here

Problems at regional center led to Ch. 11

## Warehouse tech glitches cause \$25M disruption for Asos

# Sainsbury's writes off £260m as supply chain IT trouble hits profit

Sainsbury's has written off £260m IT spend and is renegotiating a major outsourcing contract after it blamed supply chain...



Published: 25 Oct 2004 15:24





1 Plan with the correct design data

Choosing the right partner for design and implementation

3 Choosing right concept for automation

4 Pay attention to the IT integration

5 Do a proper planning for the total project

Take care of your people (change management)

Arrange right support after go-live



2

6

# 1 Plan with the correct design data

You need data to design the best system for your situation!

- Nr of SKU (and batches)
- Receiving data
- Orders, order lines, pieces (split in pallets, layers, cases, pieces)
- Stock turn around times
- Etc. and all of the above average per day over the year, peak day and peak hour

Best to start with actual data (in case of actual situation) in file, but then

Future data needed for the design - more complicated

WITH WRONG DATA, A WRONG CONCEPT MAY BE CHOSEN





# 2 Choosing the right partner for design and implementation

#### **Design phase**

Consultant

- does analysis only or also design
- RFQ sent to suppliers to offer on fixed design or make own design
- supports in evaluation process

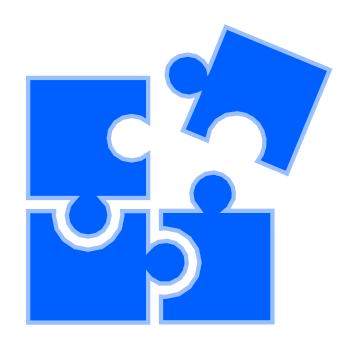
System Integrator (that can also do implementation)

- Advantage is that responsible for design also can implement
- Less independent?

#### Implementation phase

- Selection of System Integrator/Supplier
- Important is to check references and quality of software/integration services

MOST IMPORTANT: SELECT A PARTNER YOU TRUST



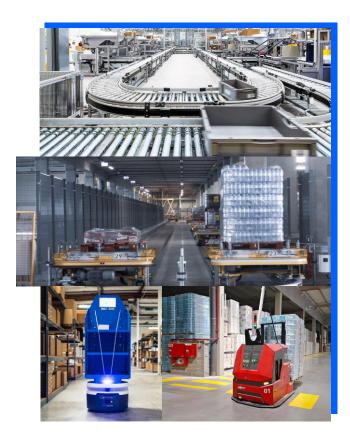


# 3 Choosing right concept for automation

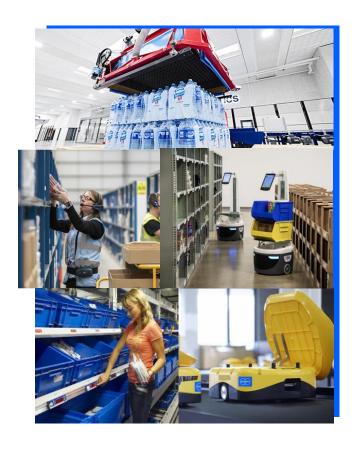
#### Storage



#### **Transportation**

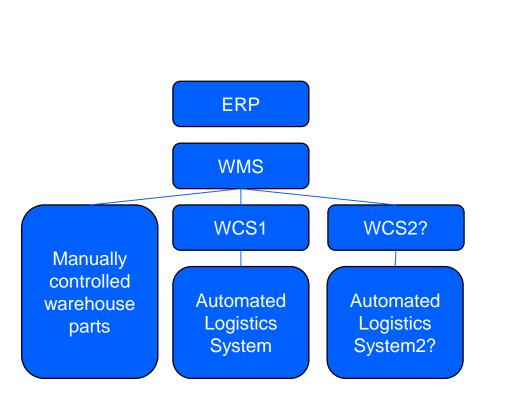


### **Picking**





## 4 Pay attention to the IT integration



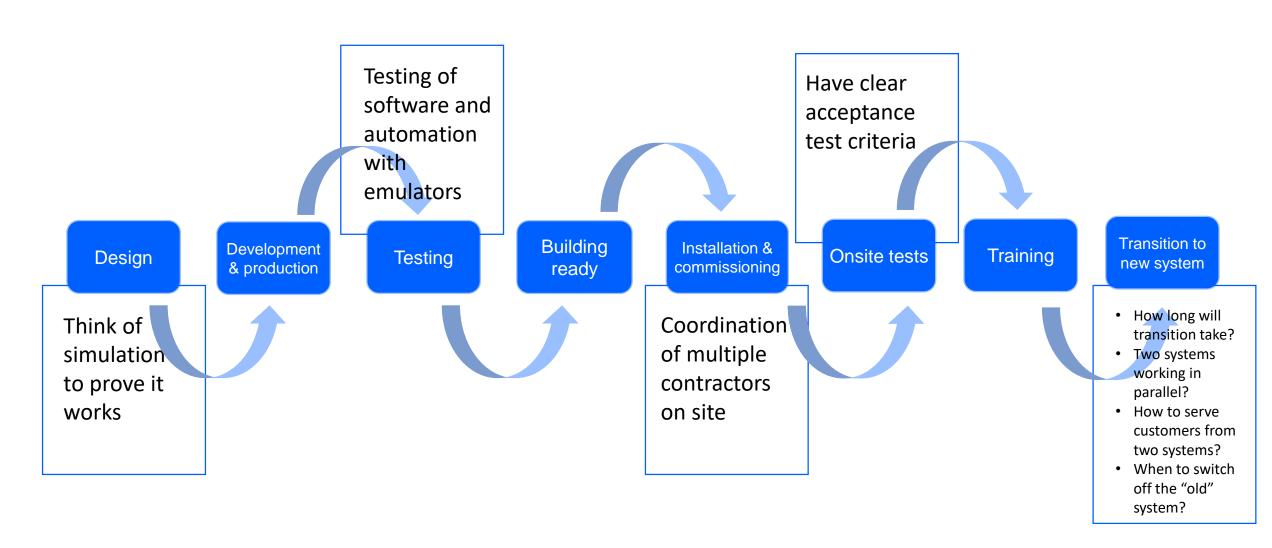


- Define which system manages storage locations
- Define functionality split across systems
- Make sure all systems are fully integrated
- Only all systems combined make the system work

THIS IS WHERE MOST PROJECTS HAVE ISSUES



# 5 Do a proper planning for the total project





# 6 Take care of your people (change management)

A fully automated system has different requirements to staff

→ Pick your key persons for running the system

The success of an automated system depends on the staff running it

→ Make sure everybody is enthusiastic about it





# 7 Arrange the right support after go-live

A highly automated system is like a formula 1 car

You cannot just take the key and drive off!



## Options:

Do it yourself

with proper training AND guided startup for first weeks/months

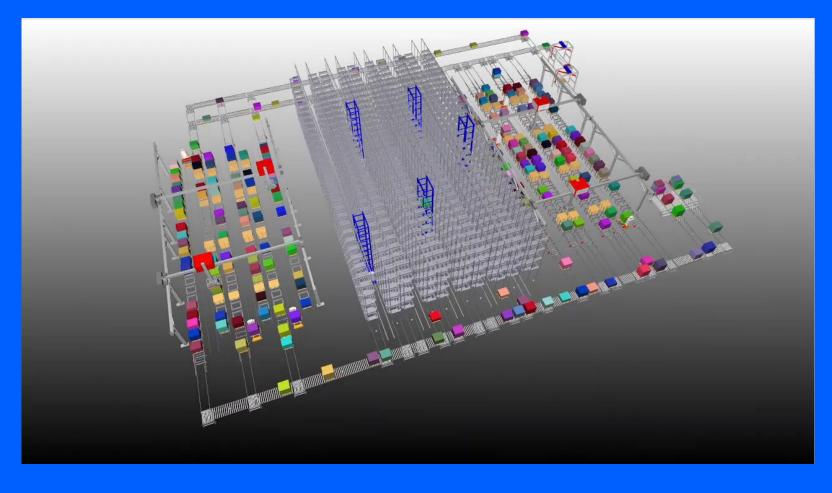
Have the system technically run by the supplier

Contract value based on success



# **SUMMARY TOPICS TO THINK OF**

- Right data
- Right partner
- Right concept
- Watch IT integration
- Proper planning
- > Take care of people
- Support after go-live



## AND YOU WILL HAVE A SUCCESSFUL PROJECT!



# **Questions & Discussion**



# **NEW Supply Chain Master Class Series**





# **Workplace Efficiencies & Safety**

Warehouses are held to a high level of safety standards and workplace safety is paramount to operational production as issues can result in lost time, product, and revenue. Join us for this Master Class series on Workplace Efficiencies and Safety to learn how the latest technologies and automation can help improve your processes and safety.

**Session Dates: September 8, 10, 15, 17, 22** 

All sessions are 12–12:30 PM EDT