

## Live from NCOF: Small Warehouse Changes Add Up

Catalog Age-Lead the Evolution, Apr 19 2004

Sherry Chiger

Chicago—Cost-cutting remains the mantra of most businesses. Luckily, says Marc Wulfraat, managing partner at logistics consultancy Kom International, making small changes in your distribution facility can add up to significant savings. The topic was the theme of his Monday afternoon session at the National Conference on Operations and Fulfillment here.

Among the small changes Wulfraat advocated was providing a dedicated pick location to each SKU, rather than commingling multiple SKUs in the same pick locale. Order picking accounts for 40%-60% of warehouse labor costs, he said, so speeding up picking time by separating items provides a quick ROI.

Wulfraat also said that picking something above ground level costs three times as much as picking an item at ground level. Therefore, you should optimize slotting in part by having fast movers at ground level. That said, heavy products should also be at ground level. Picking products that weigh more than 30 lbs. from above ground level can cause work-related injuries, which of course cost money and time. Wulfraat suggested that catalogers with at least 50 employees in the warehouse consider purchasing slotting software to help determine the most efficient placement of merchandise.

Before you look for software solutions, however—or paperless picking options such as pick-to-light—you need to be sure that you've got the basic down pat. A facility that is dirty, poorly lit, ergonomically suspect, or overcrowded, Wulfraat said, is a sign of incompetent or uncaring warehouse management.