### Automation -Because You're Worth It.

#### Presented by:

Jonathan Hart, Director of Physical Flows ,L'Oreal Derek Rickard, Distribution Systems Manager, Cimcorp







#### Introductions



Jonathan Hart,
Director of Physical Flows,
L'Oreal

Derek Rickard, Distribution Systems Manager, Cimcorp





#### What you will learn

- How to access a large volume of inventory with a single machine and create customer orders in any desired sequence with robotic layer picking.
- Benefits achieved by L'Oréal including: financial, ergonomic and environmental benefits.



#### **About L'Oreal**



- The world's largest health and beauty care company with fiscal 2015 sales of \$28.39 billion.
- Founded in 1909, L'Oréal is based in France.
- Present in 130 countries with 41 plants established on five continents



#### **About Walton DC & Challenges**

#### Walton DC:

 L'Oreal USA, also known as Walton DC, is located in Walton, KY and is L'Oréal's largest U.S.-based distribution facility.

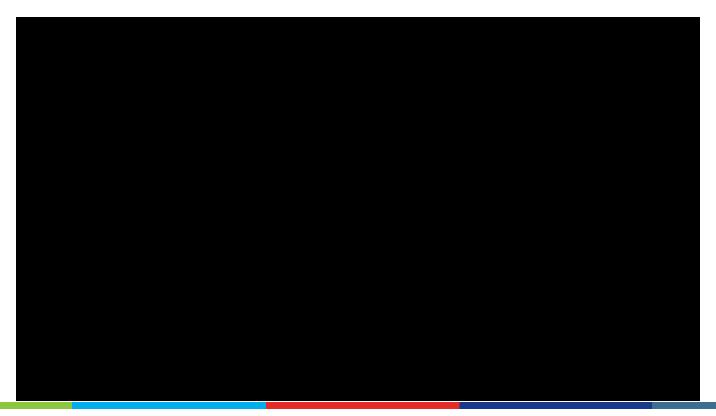
#### Challenges:

- Reduce the facility operation hours from three shifts to two.
- Improve outbound order quality and level of customer service.
- Hold a premier standard in energy conservation and worker health and safety.
- Decrease the amount of manually lifted and picked items each year and transportable waste.





### **A Layer Picking Solution**





### **About the system**

- L'Oréal partnered with Cimcorp to provide a double gantry layer pick system.
- Developed a comprehensive, end-to-end, automated system with a warehouse management system (WMS), robotic gantries, integrated software and an inter-platform communications system.



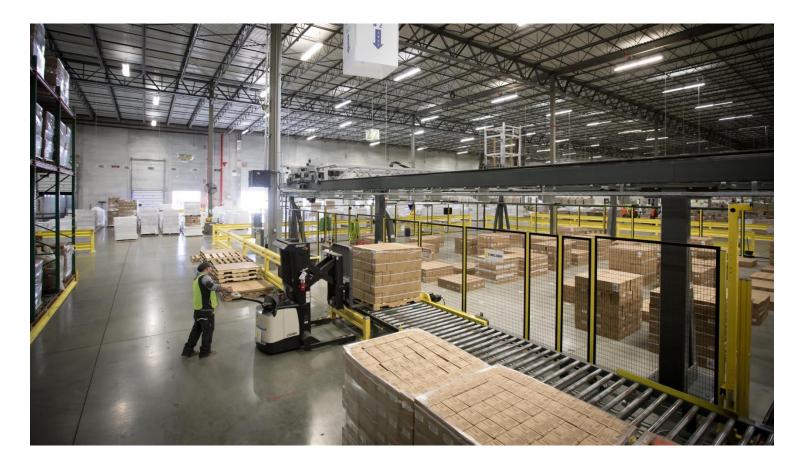
#### Replenishment

- Intelligent replenishment algorithm by Cimcorp
- Only replenish inventory that is needed for upcoming orders, typically 30 min
- Cimcorp tells L'Oreal SAP system what to replenish,
   SAP dispatches request to an operator
- L'Oreal uses a replenishment buffer rack to aid in the timely delivery of replenishment loads





### Replenishment



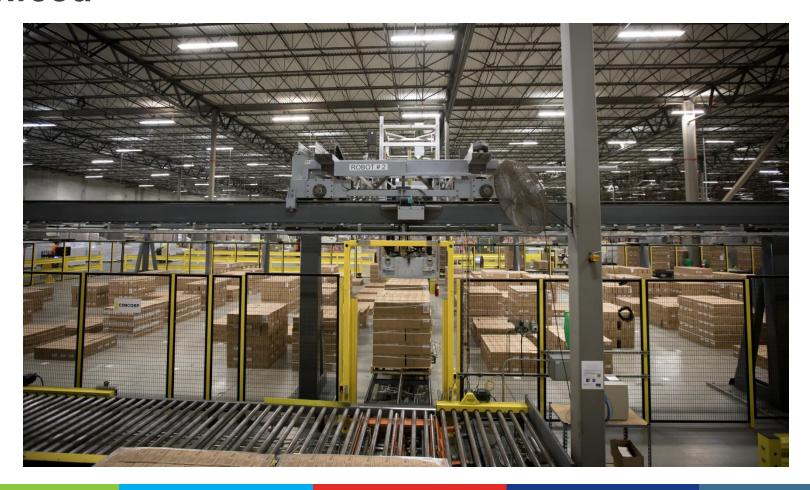


#### Infeed

- Load is scanned by operator
- Wrap is cut off
- Plastic bands sometimes applied for stability
- Pallets are queued up on accumulation conveyor
- Then pass through load gauging station
  - Go, No-Go

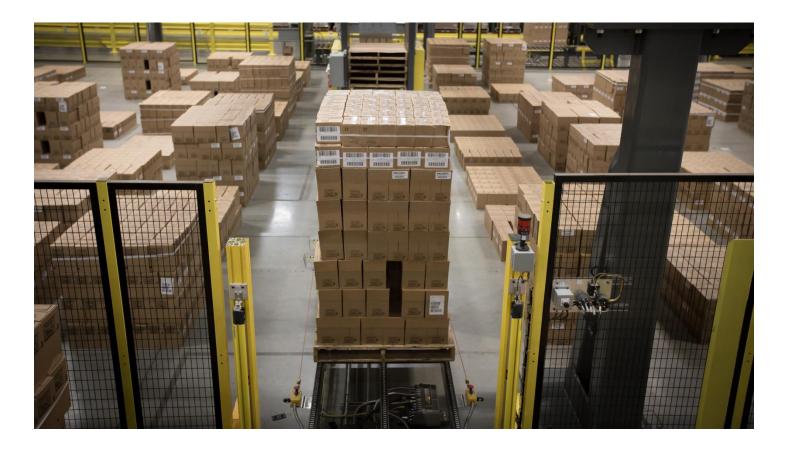


#### Infeed





#### Infeed





#### **Putaway**

- Loads are tracked through conveyor system
- As each load enters robot work zone, the SKU recipe is applied
- Depending on the SKU characteristics, loads can be putaway
  - Layer by layer
  - Double layer
  - ½ unit load
  - Full unit load
- Empty pallet is conveyed to a pallet stacker or straight through to be used for building customer pallets



#### **Picking**

- SAP uploads orders to Cimcorp WCS
- Cimcorp builds order pallets as instructed
- Orders are processed discreetly per order lines
- Layers are picked according to SKU characteristics
  - Multiple layers picked when possible
- Servo clamp arms move to a torque position on opposing sides, then clamp the layer



### **Putaway**





### **System Benefits**

- More efficient and consistent flow of orders and higher productivity.
- Reduced and reallocated existing resources to other operations within the facility.
- Ergonomic, environmental and safety benefits.
- Ability to handle 1 million cases and replenish 6,000 pallets per month.





#### What's next for L'Oreal?

- How to improve efficiencies
  - Technology investments for supply chain / physical distribution
  - Case Pick technology, AS/RS, Goods-to-Person
- Omni-Channel strategies
  - E-commerce
  - Millennials and Boomers
  - Improved customer experience
  - Faster order delivery / order personalization
  - Faster order processing





#### Ideal Applications for Auto Layer Picking

- Most of our layer pick customers are manufactures shipping to customer DCs
- Some direct to large format store
- 1,000+ layers per day picked
- 50-500 SKUs
- Heavy, hard to handle product
- Customers investing in ASRS typically will have some amount of layer volume





#### **Final Thoughts**

- We are now in a golden era for automation in warehouses and DCs
- For the most part, the technology is mature
- Advances in software and sensors have made complex order fulfillment applications more viable
- Ecommerce driving entire industry, supply chain to faster turnaround times
- Manual case picking <u>will</u> be eliminated by automation
- When will it happen for you?



Thank you!

Any questions?





#### For More Information:

Speaker email: <a href="mailto:JDHart@us.loreal.com">JDHart@us.loreal.com</a>

Website: http://www.lorealusa.com

Speaker #2 email:

derek.rickard@cimcorp.com

website: www.cimcorp.com

Or visit ProMat Booth 1218

