



# PROMAT®

2015

McCormick Place South | Chicago

March 23-26, 2015

[promatshow.com](http://promatshow.com)

## *Opening NEW Frontiers of Efficiency & Productivity with Mobile Power*

Sponsored by:



Presented by:

Kevin Ledversis, Sales Director

John O'Kelly, President

Newcastle Systems, Inc.

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**195,455 sq/ft**  
Median DC



**249**  
Employees



**11,840**  
SKU's



**8.6**  
Turns



**\$317,000**  
Median Investment  
in Equipment and  
Technology



**60%**  
Facilities Still  
Conventional in

- Receiving
- Picking
- Replenishment  
& Storage

\*Data from Peerless Media webcast,  
*'2014 Warehouse/DC Operations Survey Results'*



## Lean Six Sigma: 8 Wastes



### Defects

Efforts caused by rework, scrap and incorrect information.



### Overproduction

Production that is more than needed or before it is needed.



### Waiting

Wasted time waiting for the next step in a process.



### Non-Utilized Talent

Underutilizing people's talents, skills & knowledge.



### Transportation

Unnecessary movements of products & materials.



### Inventory

Excess products and materials not being processed.



### Motion

Unnecessary movements by people (ex. walking).



### Extra-Processing

More work or higher quality than is required by the customer.



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## Mobile Power Helps Eliminate These Costly Wastes



**Motion**



**Waiting**



**Overproduction**



**Defects**



**Transportation**

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## Familiar Scenario?





## How Much Do These Footsteps Cost?

Number of minutes (per hour) spent walking to a static printer or computer desk:	10 minutes
Average labor rate (with benefits) per hour:	\$22
Number of work hours per week:	40
Number of operators:	1
▼ COST ▼	
Cost per year of unnecessary walking:	\$7627
Hours wasted per year:	347

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## Make Existing Hardware Mobile



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# Ergonomic Workstations with Integrated Power

A selection of available options:



Mid-sized Powered Cart



Powered Picking Station



Stand-alone Power Pack



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## Mobile Power Improves Efficiency



Picking Value



Goods Received



Safety



Shipments



Cost Per Pick



Labor



Touches



Fatigue



Errors



Defects

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## Mobile Power Can Improve Dock to Stock Metrics

### RECEIVE



### INSPECT & RELABEL



### CROSS-DOCK



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## Mobile Power Can Help Achieve

### 75%

Reduction in  
overtime



### 63%

Increase in  
receiving volume



### \$5K

Reduction in labor  
costs per operator





## Case in Point Leading Off-Priced Retailer

### Increased productivity with powered cart deployment:

Cases received per hour without cart **16.6**

Cases received per hour with cart **27.1**

Increase in receiving volume **63%**

# 63%

Increase in  
receiving volume





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## Leading Off-Priced Retailer

**Reduction in overtime**

**75%**

due to increase in productivity

**Time saved**

**870.75**

with cart deployment per year (hours)

**75%**

Reduction in  
overtime



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## Leading Off-Priced Retailer

**Dollars saved with powered cart deployment:**

Per day	<b>\$37.09</b>
---------	----------------

(2 shifts @ \$11.50/hr, 270 days/yr)

Per year	<b>\$10,013.63</b>
----------	--------------------

(2 shifts @ \$11.50/hr, 270 days/yr)

# \$5,000

Reduction in  
labor costs per  
operator





## Receiving Work Study

### Scenario 1

TASK	TIME (seconds)	VALUE
Lift Gate/Pull Paperwork	20	=
Walk to PC/Waiting	150	⊘
Scan Barcode	5	+
Lookup PO Info	10	=
Print PO	10	⊘
Walk Back to Load	120	⊘
Inspect QC/Verify Items & Qty	360	+

TASK	TIME (seconds)	VALUE
Walk Back to PC/Waiting	150	⊘
Print Labels	60	+
Walk Back to Load	120	⊘
Apply Labels for Putaway	120	+
Find Material Handler for Putaway	120	⊘

**= Necessary Tasks**



## Receiving Work Study

### Scenario 1

TASK	TIME (seconds)	VALUE
Lift Gate/Pull Paperwork	20	=
Walk to PC/Waiting	150	⊘
Scan Barcode	5	+
Lookup PO Info	10	=
Print PO	10	⊘
Walk Back to Load	120	⊘
Inspect QC/Verify Items & Qty	360	+

TASK	TIME (seconds)	VALUE
Walk Back to PC/Waiting	150	⊘
Print Labels	60	+
Walk Back to Load	120	⊘
Apply Labels for Putaway	120	+
Find Material Handler for Putaway	120	⊘

**+** Value-Added Tasks





## Receiving Work Study

### Scenario 1

TASK	TIME (seconds)	VALUE	TASK	TIME (seconds)	VALUE
Lift Gate/Pull Paperwork	20		Back to Truck	150	⊘
Walk to PC/Waiting	150		Unload	60	+
Scan Barcode	5		Walk to Load	120	⊘
Lookup PO Info	10		Unload for	120	+
Print PO	10		Material Handler	120	⊘
Walk Back to Load	120		for Putaway		
Inspect QC/Verify Items & Qty	360	+			



Wasted Tasks



## Receiving Work Study

### Scenario 1

TASK	TIME (seconds)	VALUE
Lift Gate/Pull Paperwork	20	=
Scan Barcode	5	+
Lookup PO Info	10	=
Inspect QC/Verify Items & Qty	360	+

TASK	TIME (seconds)	VALUE
Print Labels	60	+
Apply Labels for Putaway	120	+



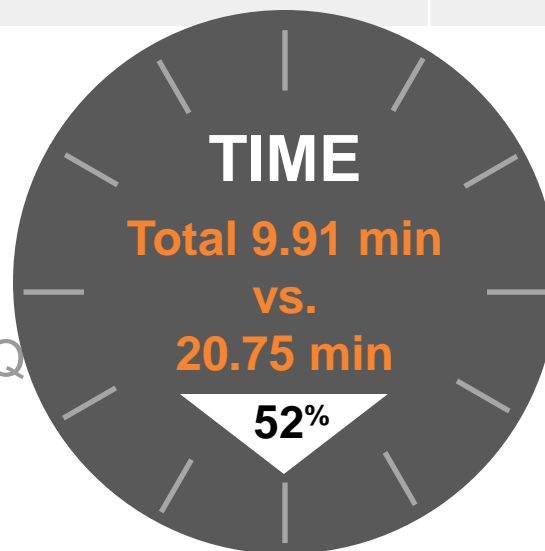
Eliminate Wasted Tasks



## Receiving Work Study

### Scenario 2

TASK	TIME (seconds)	VALUE
Lift Gate/Pull Paperwork	20	=
Scan Barcode	5	+
Lookup PO Info	10	=
Inspect QC/Verify Items & Q	360	+
Print Labels	60	+
Apply Labels for Putaway	120	+
Alert Material Handler via Walkie/Visual Cue to Pick Up Load for Putaway	20	+



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## Receiving



TAKE AWAY

## Mobile Power can help you:

- Remove motion, waiting and transportation waste
- Reduce labor by as much as \$10K
- Increase receipts by as much as 60%
- Reduce improperly labeled products
- Reduce inaccurate inventories

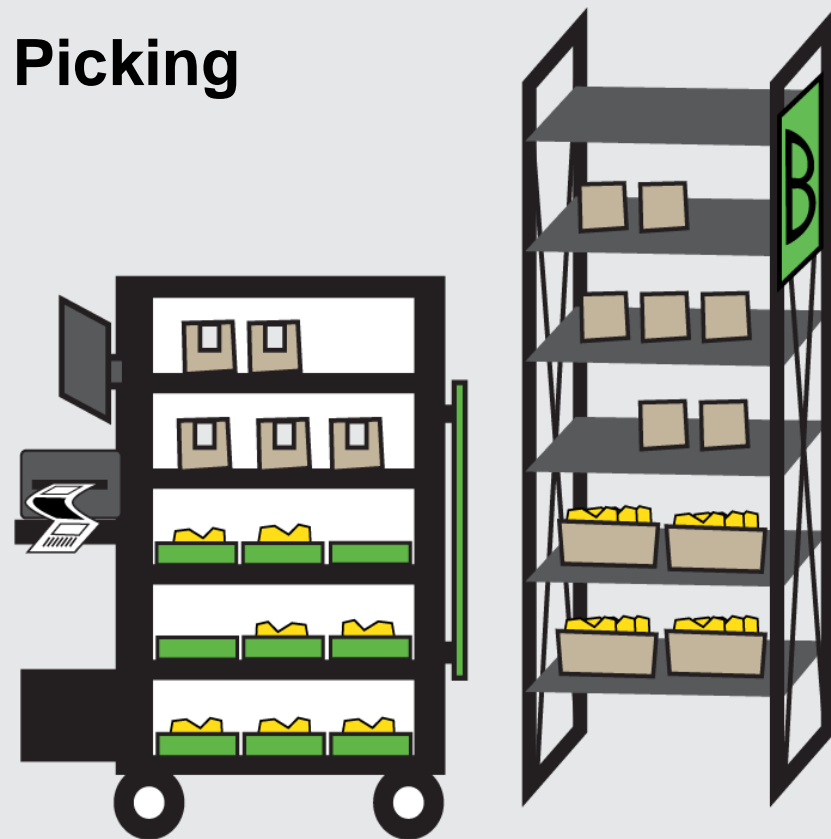




## Mobile Power can help you:

- Label at point of use
- Enter data to a full-sized screen
- Pack & label at site of pick:
  - less touches
  - less errors
  - increased throughput
- Reduce cost/pick

## Picking



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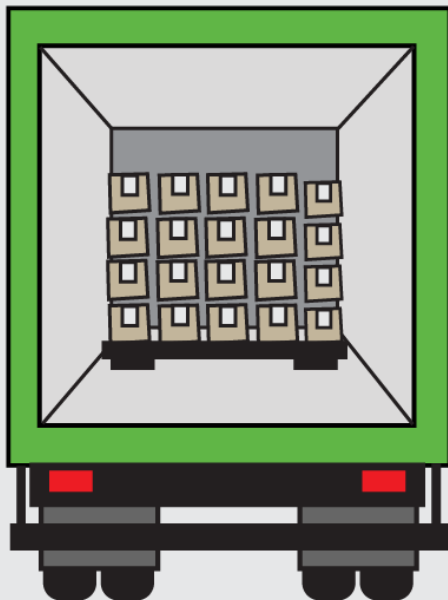


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## Shipping



## Mobile Power can help you:

- Process goods directly at the pallet
- Remove motion, waiting and defect waste
- Keep printing and labeling at the dock
- Increase shipment accuracy and volume



## Other Tasks to Consider

Think about where you have waste – we all have it



**Defective barcode labels or  
paperwork?**

**Wasted Preprinted labels?**

**Wait to putaway?**



## Other Issues to Consider

Think about where you have waste – we all have it



**Do your people feel like their time is being wasted – are they overly fatigued?**

**Are your operators moving goods excessively before putaway?**

**Are operators walking a lot to fixed stations and other tools?**



## Other Areas to Consider

Think about where you have waste – we all have it



Can flow be improved by adding extra value to the picking function?





### TAKE AWAY

- Focus on a few areas like motion and transportation
- Engage teammates with Kaizen or continuous improvement event to eliminate the waste
- Get dirty, move things, add visual signage, ask employees for insight and ensure they know what you want to accomplish
- Low cost improvements help change your DC from cost center to profit center

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