

BENCHMARK



BENCHMARK BRIEFINGS

SITE

Halo Distribution,
Louisville, KY

APPLICATION

Retail distribution for e-tailers and retailers, by a third party logistics (3PL) company

EQUIPMENT

FastPic4 software, workstation of two horizontal carousels, Pick Light system

SUMMARY

Distribution system picks up to 500 lines per hour at 99.82% accuracy



E-Tailers & retailers turn to third party logistics company & integrated horizontal carousel solution for fast 24/7 fulfillment

"We selected Remstar's horizontal carousels and FastPic4 because they provided the highest productivity for the least cost."

A third-party fulfillment house, Halo Distribution LLC, recently began operations in the U.S. to pick, pack, and ship products to the customers of retailer clients. Third-party fulfillment, which was essentially non-existent five years ago, is expected to grow into a 3-billion dollar business over the next few years as dot.com retail sales proliferate.

Halo headquartered in Louisville, Kentucky, placed itself on the ground floor of this fulfillment niche by developing a highly flexible, 40,000 square foot distribution center (DC) that can readily accommodate change as the e-tailing business model continues climbing its learning curve. Halo presently offers clients 24-hour shipping — 4 to 6

hours optional — via a wide range of carrier options.

Keys to fast, efficient, and accurate picking-to-shipping carton operations are a workstation consisting of two Remstar 25-foot long, 20-carrier horizontal carousels with pick-to-light control for broken carton picks. They are teamed with a pick-to-light flow rack system for full-carton picks, plus a put-to-light shipping carton batch table. Driving the automation is Remstar's FastPic4 software, which both operates the equipment and has been integrated with the facility's warehouse management system.

"Our target was to pick 450 lines per hour with one operator covering both the carousels and flow racks," commented Stu Gilray, Halo General

Manager. "Calculations proved very accurate: one operator has been consistently able to pick 450 to 500 lines an hour, hour after hour, working at a steady pace. If more output is needed, a second operator pre-stages the light shipping cartons and provides other assistance. With two operators, output rises to 700 lines per hour or so, depending on order profiles."

A typical Halo client has a database of several thousand consumers ordering products on an irregular basis. The average shipment is two lines totaling five items per carton. Halo's server receives orders from clients and fulfillment is completed by controlled induction of batched orders. Most products are relatively small and fit within one of three

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“FastPic4 inventory management system is controlling not only the material management, but driving the carousels, horizontal Pick Light system and the pick-to-light flow rack.”

standard carton sizes. In addition to retail, Halo is also serving a computer systems integration client. Halo ships components to the integrator’s customers for installation.

“We investigated a variety of product storage and picking schemes, and selected Remstar’s horizontal carousels and FastPic4 because they provided the highest productivity for the least cost,” Gilray related. “Carousels also demonstrate extremely high accuracy, are gentle in presenting inventory, and are efficient in handling restock and the few returns we see.” Other advantages: Low maintenance, high reliability, and fast easy operator training.

Every pick is automatically double-checked — first by the pick-to-light light bars on the carousels and flow racks, and second by the light bars on the batch table. Further, a conveyor scale in packing checks carton weights. Post-audits with clients have shown 99.82% accuracy levels.

all controlled by two operators.

“Should volume continue to grow and a larger DC be required, the carousels can be moved to a new distribution center relatively quickly and inexpensively,” the General Manager reported. “That’s a very important advantage of this type of storage/retrieval system.”



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To accommodate future volume increases, the warehouse is designed to accept two additional carousels and additional flow racks at floor level. For even more capacity, all four carousels can be lengthened to 40 carriers. To achieve the highest volume, a mezzanine can be added to provide a total of eight, 40 carrier carousels and 32 pick lanes;



Carousels demonstrate extremely high accuracy, are gentle in presenting inventory, and are efficient in handling restock and returns.



One operator averages 450 to 500 lines per hour and the carousels flexibility allows a second operator to be added to hit 700 lines per hour to meet peak demand with 99.82% accuracy levels.


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