

## CASE STUDY: WAREHOUSE DESIGN

### Medical Supply Manufacturer

#### The Challenge

A growing medical supply manufacturer with three distinct business segments (wholesale, retail, and home delivery), needed to construct a large distribution center. The client needed to determine the footprint required to manage the forecasted throughput and recognized the need to evolve its storage model from traditional layout of selective rack in order to gain efficiencies.



#### The Solution

PeakLogix was engaged to assess the project needs and provide alternative storage methods to minimize the investment needed for the warehouse footprint, while improving operational efficiencies. A detailed review of the client's SKUs was conducted to outline the product characteristics to be considered in turnover and inventory control. By implementing a PALLETRUNNER® storage system and creatively slotting products for pick and pack, PeakLogix was able to exceed the client's KPIs for this project.

#### Key Results

**40%**  
REDUCTION  
in footprint

**\$10M**  
SAVINGS  
in construction

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### The Results

The warehouse design **reduced the footprint requirements by 40%** by shifting from the historical operating model to the new operating model, **saving at least \$10 million** in building construction costs.



### The Solution in Detail

- ▶ Wholesale business segment: design includes a PALLET RUNNER® storage system, which is deep lane, dense storage that allows the client to input product on one end and pick from the other, which effectively manages the client's FIFO requirements.
- ▶ Retail and home delivery business segments: design effectively slots products based upon frequency of pick, size of an item, and location of an item on mixed pallet builds. In addition, the slotting greatly reduced travel, simplifying picker requirements and driving productivity.

### Integration in Phases

The initial phases of this integration included 27,648 pallets in deep lane storage systems. The upcoming phases will include pick-to-pallet and other automated conveyor solutions to facilitate efficient case and each picking.