

Jennifer™ Helps Southern Wine and Spirits Supply Top-Shelf Customer Service



ABOUT SOUTHERN WINE AND SPIRITS

Southern Wine and Spirits of America, Inc. ("Southern") is the largest wine and spirits distributor in the United States. Since its founding in 1968, Southern has grown to become a \$7B company, providing distribution services in 27 states with more than 10,000 employees. It represents approximately 1,700 wine, spirits, beer and beverage suppliers from around the world, and markets and distributes nearly 5,200 individual brands. During a typical week, Southern calls on or services over 130,000 different chain and independent retail and restaurant customers throughout the country.



Company Profile

The largest wine and spirits distributor in the United States

Headquartered in Miami, Florida

Over \$7B in 2006 revenue with 10,000 employees

Distributes over 5,000 brands in 27 states

Sixteen distribution centers throughout the United States

Customer Comments

"The Lucas development team has been very flexible in tailoring the solution to meet our needs while maintaining a stable environment."

"The divisions using Jennifer would be devastated if we took the system away from them."

"We didn't want to change the warehouse design to

THE OPPORTUNITY

Southern currently operates 16 distribution centers, including 11 large centers with state-of-the-art material handling systems. During 1998-1999, the company decided to evaluate solutions to further automate the individual bottle picking environment, which was primarily paper-based. At best, an average employee could pick about 220 bottles an hour using paper lists. A pick-to-light system was selected and installed in one facility. Mark Booth, Senior Project Manager, noted that the "system did provide some improvement." Then, in 2001 Art Perez, Vice President of Management Services, contacted Lucas Systems after becoming aware of the company's success in several bottle pick sites. Perez was interested in exploring whether a voice-based automated solution could provide the flexibility and productivity that Southern desired. After several meetings and customer visits, Southern decided to install Jennifer™, the voice-logistics solution from Lucas Systems, in its Miami, FL location, which was using a paper-based picking system.

THE SOLUTION

During this pilot, both Lucas and Southern learned to apply Jennifer's capabilities to meet the specific needs of employees picking bottles. Jennifer's flexible design and the ability of the Lucas team to fine-tune Jennifer for optimal efficiency at the Miami location proved that a voice-based automation solution could meet the high standards required by Southern. In early 2002, Jennifer was also installed in Tampa, FL and Chicago, IL, in conjunction with the installation of large scale material handling systems in both sites. Lucas worked closely with the Southern implementation team to meet the unique picking requirements of each facility. In some distribution centers, individual bottle picking activity could be twice as large as case picking activity.

"The Lucas development team was very flexible in tailoring the solution to meet our needs while maintaining a stable environment," states Booth. This tailoring centered on allowing each distribution center to achieve the optimal picking flow, as each warehouse is different in size and process. "We didn't want to change the warehouse design to implement a software solution", Booth commented, "and growing companies like ours are not cookie cutter." Southern has grown in part through acquisition, and many of those acquired companies had different warehouse structures, and in some cases, different host systems. Because of this, Jennifer interfaces with different host systems, depending on the location.

About Lucas Systems

Lucas has delivered more voice-directed logistics solutions for distribution centers on a wider variety of mobile computers than any other company.

We work with market leaders in many industries – food and beverage, retail, 3PL, manufacturing, and healthcare – to provide solutions that always increase accuracy, productivity and employee satisfaction.

Our solutions use best-of-breed voice technology and multi-modal, open platform mobile computers from vendors such as Symbol, Intermec, and LXE.

For more information, contact us at (724) 940-7000 or visit www.lucasware.com.

For Southern, Jennifer provides voice-directed bottle picking, quality control, and other functions that improve operations and customer satisfaction. As an example, after Jennifer receives the bottle orders, it cubes out each carton, generates a barcode carton contents label, and tracks all items placed into the carton by the picker. Jennifer can also check that the correct item has been placed into the racks through the use of periodic UPC checking by the picker.

To support replenishment, when pickers indicate that slots are low or empty, Jennifer generates a “shag sheet.” Product runners use these shag sheets to replenish the rack and to get any shorted bottles into the appropriate carton prior to truck loading. At the end of the bottle line, employees use Jennifer at a “Quick-Check” Q/C station. Here they scan out the cartons and check cartons requiring additional bottles and others that were slated for detailed audit.

To date, eleven Southern Wine distribution centers use Jennifer to help the employees pick individual bottles and fill orders in the most efficient and productive manner. More sites will be automated in the future.

THE RESULT

Using Jennifer, many employees can pick more than 600 bottles per hour. Across all locations, the company has more than doubled the volume of bottles it picks per hour to an overall average of approximately 420. Jennifer has also improved order accuracy, which has resulted in improved customer service.

Comments Booth, “There is a short training time. Employees can be productive using Jennifer on their second day. Employees also like the fact that they can track how fast they are working. This allows them to measure their work and compete in contests. And because Jennifer is hands-free, the employees can use both hands when they are handling heavy glass bottles.”

In addition, delivery truck drivers and customers benefit because the boxes are more organized and the labels generated by Jennifer clearly identify the stop and the carton contents. This saves time during delivery, and makes it easier for the customer to check in the merchandise.

In conclusion, Booth states that “the divisions using Jennifer have experienced an increase of productivity, reduction of picking errors, and improved customer service, which is what Southern Wine and Spirits is all about.”



Associates at the Southern Wine and Spirits DC in Louisville, KY use Jennifer running on multi-modal terminals from Motorola (formerly Symbol Technologies).

Jennifer is a trademark of Lucas Systems, Inc. All other product or company names are trademarks of their respective companies.