



Best in Show Distribution at Pet Supermarket

PET SUPERMARKET

Pet products retailer keeps growth on track without adding staff or expanding its DC

Pet Supermarket is a growing pet retailer with 120 stores across the southeastern United States. With new store openings and increased sales at existing locations, the company's distribution center in Sunrise, Florida was facing rising shipping volumes and workloads. The DC was growing beyond the capacity of a paper-based picking process that restricted efficiency. The manual system also generated over 1500 sheets of paper a day, creating clerical work for three full-time associates, and making it difficult for front-line supervisors to react to shorts and manage production throughout the day.

"We couldn't keep producing this mountain of paper," says Mac Whetsel, VP of Operations. "Using paper and clipboards slowed us down. In the 'Dog Pound' [a pallet rack section where large sacks of dog food and similar products are picked], guys are slinging 40 pound bags of dog food, so they'd have to put their clipboard down every time they needed to grab something. And since we are growing, we didn't want to have to keep adding people. We needed a way to get more work done with the same number of people."

Adds Oscar Martinez, Director of Distribution, "Any time our picking volume exceeded about 45,000 pieces per day we would have overtime. And new store openings added to the overtime." Each new store represents 75-80 pallets of additional picking volume. To meet the growth challenge, managers wanted a more effective, efficient picking solution that would eliminate paper and help associates work faster and more accurately.

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Picking System Selection and Implementation

Pet Supermarket had been using barcode scanning in the receiving and replenishment process, but managers had determined that a traditional scan-based picking solution wouldn't provide the gains in productivity they were seeking. Whetsel and other members of the operations and IT team settled on voice directed picking as the best technology fit for their needs.

The Pet Supermarket team spoke to a number of vendors. They eliminated voice-picking systems that used server-based recognition due to the additional IT complexity and cost of those solutions. After a thorough selection process they decided to move forward with

the Lucas solution, which includes unique AI-based optimization that is embodied in Jennifer™, the brains, voice and orchestration engine of the solution. Additionally, the solution includes multi-modal voice-directed applications and a management console. According to Whetsel, Lucas offered a more complete solution that could best meet the requirements of the Pet Supermarket DC without customization.

In selecting a solution, Pet Supermarket also wanted to be sure the voice-directed applications could run on open, multi-modal mobile computers, in part to provide greater operational flexibility – the ability to combine voice and scanning in a single application and to run non-voice applications, if necessary, on the same hardware – and to provide the broadest possible number of hardware options. Compsee Solutions, a Zebra Partner, had introduced Pet Supermarket to Lucas Systems.

The quality of speech recognition was also important, since Pet Supermarket's DC employs people from over 30 Latin American and Caribbean countries, many of whom speak English as their second language. Lucas' speech recognition technology provides accurate, consistent recognition accuracy across the wide range of accents in the DC. "Also, voice training time on the application with Jennifer™ is less than with the other voice solutions," adds Whetsel.

After selecting Lucas, the first step in the implementation process was an engineering study, in which a team of Lucas engineers visited the DC and worked with supervisors and other personnel to document current processes and systems and develop a preliminary functional design for the new picking system. "The Lucas folks walked around and talked to the people who were doing the job, rather than just interviewing managers or supervisors," says Whetsel. "That turned out to be a great value. They documented to a tee how we operated." More importantly, the study identified the workflow and other systems configurations required to tailor the system to Pet Supermarket's operational needs, including dialogue options and management tools.

After the engineering study was complete, Pet Supermarket and Lucas developed an implementation timeline with a targeted install date in early December, the busiest time of year in the DC. In addition, Pet Supermarket had several new store openings planned in December, adding to the volume.

Some people were concerned about the December install date, says Whetsel. "It had to work out of the gate or we would stay on paper. We couldn't be down, so we worked closely with Lucas to ensure we wouldn't have any surprises."

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Accelerated Roll Out

As the Lucas-Pet Supermarket team completed system configuration, integration with the Pet Supermarket WMS, and testing, DC managers and supervisors were preparing DC associates for the move to voice. Says Whetsel, "We told them we weren't doing this to reduce the number of people. We wanted to be able to grow with our existing warehouse space and workers."

In late November, the Lucas implementation team went on site for final testing, installation and training. The Lucas team included individuals from the original study team, providing

continuity from start to finish. They trained the Pet Supermarket managers, supervisors and team leads, both on the management console, as well as the Lucas voice-directed mobile application which was installed on rugged lightweight mobile computers. The team leads were going to be responsible for training and mentoring the rest of the associates in their areas. They also played a critical role in ensuring associates bought into the new technology and processes, according to Whetsel.

The first area to start production picking with the solution was the Dog Pound, in which users with powered pallet jacks pick sacks and cases onto pallets. Managers felt the Dog Pound was a good test area in which users could get up to speed quickly. The original plan was for the Dog Pound team to begin using the application in December and then to introduce it to the rest of the DC in January.



Within days, however, the team in the Dog Pound was up and running without a hitch and managers quickly decided to start bringing users on the system in other areas, starting with the Outer Ring (a bulk item picking area), and then the split-case picking modules. “In less than two weeks we had the whole warehouse running on the Lucas application,” says Whetsel. “This was the smoothest implementation of any technology I have been involved with in my 28 years.”

Productivity Gains Delivered

Pet Supermarket was counting on productivity gains with the Lucas implementation, but Whetsel says the focus at first was on ensuring people were comfortable with the system, rather than pushing them to increase picking rates. “At the very beginning, people were taking their time and being very methodical,” he says. “Pretty quickly, once they started working with the application and Jennifer™, the productivity started rising. After about the first week you needed to get out of their way.”

Since implementing the Lucas solution, the same number of pickers can pick one-third more pieces per day, according to Martinez. “We can now do more than 60,000 pieces without overtime.” The productivity improvements were greatest in the piece picking areas, where there is less travel time between picks. He adds that the biggest improvements in individual performance were made by the pickers who were average pickers using the paper-based process.

The solution also makes it easier and quicker to train new associates, says Martinez. “Before Lucas’ mobile applications it took us at least two weeks to train someone how to pick. Now we spend far less time on that and more time talking about the post-pick process. And they get up to speed faster speaking with Jennifer™. One guy that started last week is already on a par with the other workers in his area.”

Using the productivity module of the management console, managers also now have a handle on individual and area-by-area productivity rates in real time, which was unavailable with the paper-based system. Managers track the productivity numbers and view them throughout the shift to see if there are any issues. They also project the productivity statistics on large displays in the warehouse, giving workers immediate performance feedback. This has raised some friendly competition among workers.

“There’s one guy in particular, when I move him to the Dog Pound, he wants to beat the other guys and they want to beat him,” says Martinez. “They check their productivity at every break to see who’s ahead.”

Better Insight and Control

In addition to productivity metrics, managers can view exceptions and work in process, eliminating paperwork and freeing two full-time staff for other tasks. Prior to Lucas, day-shift staff had to reassemble and review each and every pick sheet for shorts or other exceptions, and make adjustments after the fact by entering the information in the back-end systems. With the management console, supervisors can view stock outs, manage mark outs, and order let-downs immediately, reducing shorts. Likewise, they have immediate insight into the status of picking, so that workers can be moved from one pick area to another to ensure all the orders get picked across all areas in a timely fashion.

“Lucas delivered everything they promised, and we’ve exceeded the results we expected when we started looking at voice,” concludes Whetsel. “We are doing more work with the same number of people, and we have more time for cleaning and keeping the facility in order.”

Adds Martinez, “You can’t overestimate how much our associates appreciate picking with Jennifer. They’d probably quit if we tried to take it away.”

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About Lucas Systems, Inc.

Lucas Systems helps companies transform their distribution center operations and continuously adapt to changing market dynamics. We dramatically increase worker productivity, operational agility, and customer satisfaction.

Our solutions are built on 23-plus years of deep process expertise and smart software using AI and voice technologies. Our solutions feature Jennifer™, the brain, voice, and orchestration engine that drives performance improvement gains. Make the smartest moves at the lowest cost with Jennifer™.

For more information, visit www.lucasware.com.