

# PRESS INFORMATION

## **iForce Increases Power in eFulfilment with The Logistics Business**

In 2002 outsourced efulfilment specialist iForce was facing a good problem to have – increased business from key customer John Lewis Direct. Following the Christmas peak in 2002, the twin targets for the following year were increased throughput to cope with the volume of orders, and higher levels of customer service.

“We recognised that the warehouse configuration was not going to be up to the demands of the next peak,” said Harvey Swain, site manager of iForce, commenting on the distribution centre in Birmingham, which operates the fulfilment for John Lewis Direct. “We also wanted developments to deliver higher levels of service and efficiency.”

Also recognising that outside expertise would add to in house skills in the major development required, iForce called in supply chain consultants The Logistics Business. “They brought some fresh thinking and key insight into how we could service the customer more effectively. The company provided a lot of analysis of the operation and this influenced the final solutions. They then saw the project through, effectively turning that theory into reality.”

One of the most visual changes has been on the physical layout of the site. Picking activities have been changed from multi level picks in pallet racking using vary narrow aisle warehouse trucks, which were going to present something of a bottleneck in the forthcoming peak.

The revised solution changed this to pick from shelving and ground floor racking, increasing the maximum picking throughput dramatically. Around 50% of the thousands of product lines are now picked from the new shelving. This despite the wide variety of goods the operation has to handle, from key rings to furniture and high value items.

Processes supporting the picking operation were also changed on recommendation from The Logistics Business, with a move to a replenishment regime including direct put away in pick locations from goods in. The remaining stock is then placed in bulk reserve, rather than the previous system of storing all goods and picking only from bulk.

“The key change was to recognise that picking is for individual customers, so replenishment has been reorganised to be closer to a retail store, rather than a traditional warehouse,” observed Simon Tomlinson of The Logistics Business.

“This has been a significant change,” commented Swain. “With the pressure to reduce inventory and have more rapid stock turn, up to fifty percent of goods go straight to the pick face, speeding up replenishment by hours and resulting in better product availability for customer orders.”

Development has also touched iForce’s in house warehouse control systems. Tomlinson commented; “We carried out a lot of pick face profiling and developed rules which could be translated into the IT system. We spent a lot of time with iForce’s IT staff as the system was developed.”

Picking takes place into order totes and the system now includes volumetric calculation so that the correct size of tote is used from the start of the order picking process. “We also now batch customer orders and can set up picking waves, speeding up the process of despatching the thousands of orders per night we have at peak times,” added Swain.

Order picking is done using specially designed picking trolleys, allowing staff to pick 12 orders in one tour of the picking area. Packing has also changed, with the introduction of packing benches supplied by conveyor. The changes combined with the high level of functionality and responsiveness of iForce™’s SMaRT system have resulted in what Swain claims is “phenomenal productivity.”

The total transformation took just three months. The Logistics Business followed up on designs and recommendations with project support including equipment tender documents, supplier meetings and tender evaluations. Throughout the project, which included moving 90% of the warehouse stock, the operation continued to serve John Lewis Direct.

A vital approach for iForce was staff involvement from the start in the warehouse improvement programme. Staff input into recommendations was supplemented with a thorough training programme. "This sort of thing very often doesn't happen in a busy working warehouse, but we made the staff time available. It's also about team building," claimed Swain.

With the future growth in mind, The Logistics Business and iForce designed the warehouse to cater for many more peaks, with a marked increase in throughput performance. The company used the iFlow modelling tool, which maps projected flows of product into, out of and around a distribution centre. Different layouts were assessed and labour modelling used to prove congestion would no longer be a problem. The detail of The Logistics Business' approach looked into changes in product groups as well as total demand. This allowed for comprehensive sensitivity analysis to prove the operation would cope with considerable future growth.

The result was that the new operation 'sailed through' an increased Christmas peak in 2003, and iForce were able to move the date for last orders before Christmas later.

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Words 830 approx.

13 April 2005

File Ref: relb04-03 iForce increases power in efulfilment with The Logistics Business.doc

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