

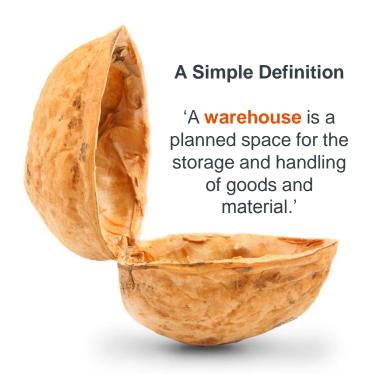


CHOOLS CONSULTING SERVICES

WAREHOUSE DESIGN & PROCESS FLOW

Warehousing in a Nutshell?







- Warehouses act as a buffer against surges in demand and act as a constraint to releasing stock to market to prevent collapses in demand.
- Enable buyer to gain from the economies of scale in terms of buying power.
- Alternatively, it allows for production of larger batch sizes which offsets setup costs, price fluctuations, and unreliable demand.
- Allows for the consolidation of goods from multiple vendors to multiple consumers.

Warehouse Location



Customer Focus

Start the selection process by realizing that a facility's location performs one main function:

→ Getting a company close to its customers ←



What are the objectives in site selection?

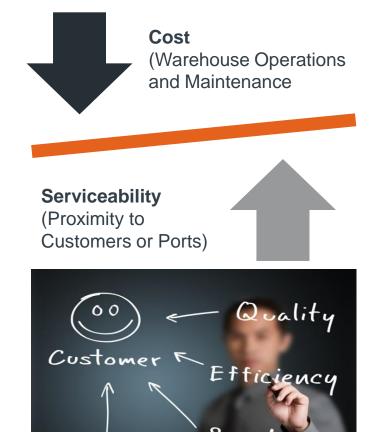
- 1. Customer service
- 2. Lower operating costs: the 4 primary areas of cost are:
 - Inbound & Outbound transportation costs
 - Inventory costs
 - Facility costs
 - Labour costs
- 3. To be superior to that of our competitors.

Warehouse Location



Factors to Consider:

The correct positioning of a facility will greatly impact both cost and customer service levels.



Reliability

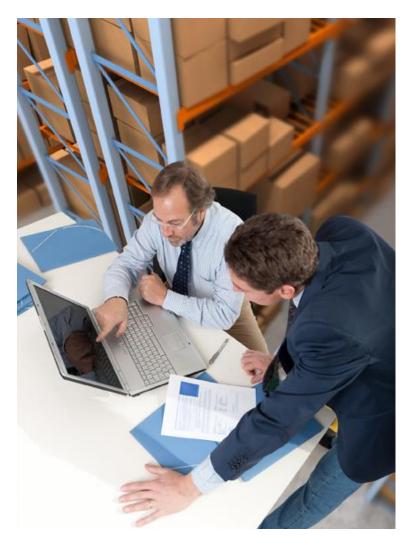
Influencing factors include:



Warehouse Design

Where do we start?





The Database

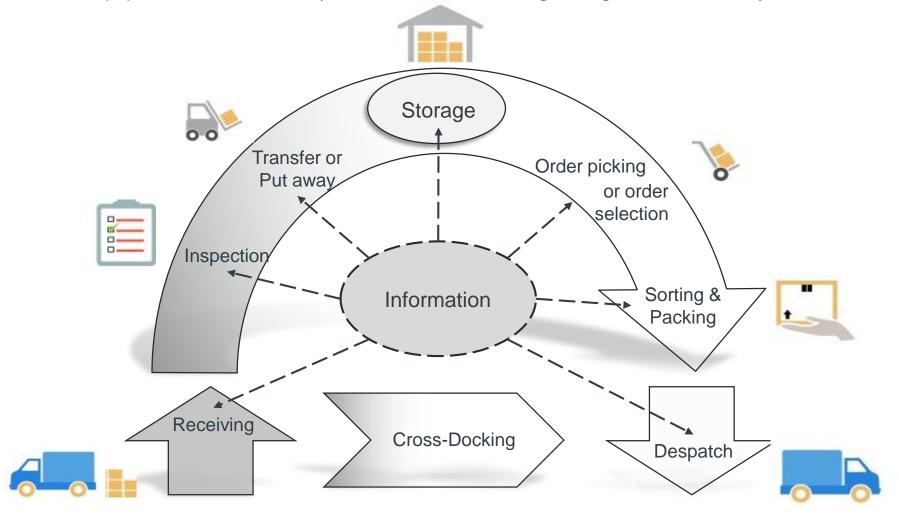
- Collecting operations data is often the first step in designing a warehouse.
- From the database, companies can model actual facility throughput, based on daily shipments and production/receiving cycles.
- Projecting inventory levels is the most difficult task associated with sizing and designing a warehouse to meet future operating requirements.
- In most facilities, inventory is the primary space driver companies must consider how much inventory they need
 to contain, and the associated pick faces needed to
 handle inventory.

Warehouse Design



Typical Warehouse Flow

Designs should address material flows, picking and storage modules, materials handling equipment, information systems support, building configurations, and layout.

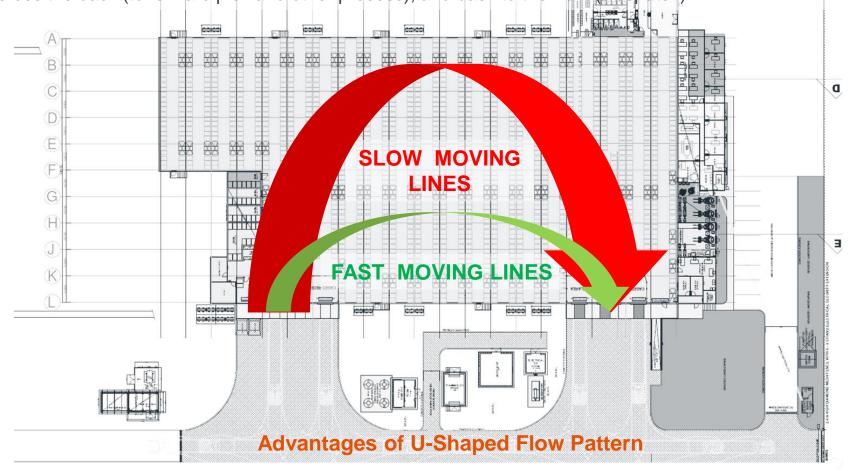


Warehouse Flows



U-Shaped Layout

U-Shaped Layout - Product comes in one side of the building, moves to the back (pallet storage), moves across the back (to forward pick and other process), and back to the front (Despatch)



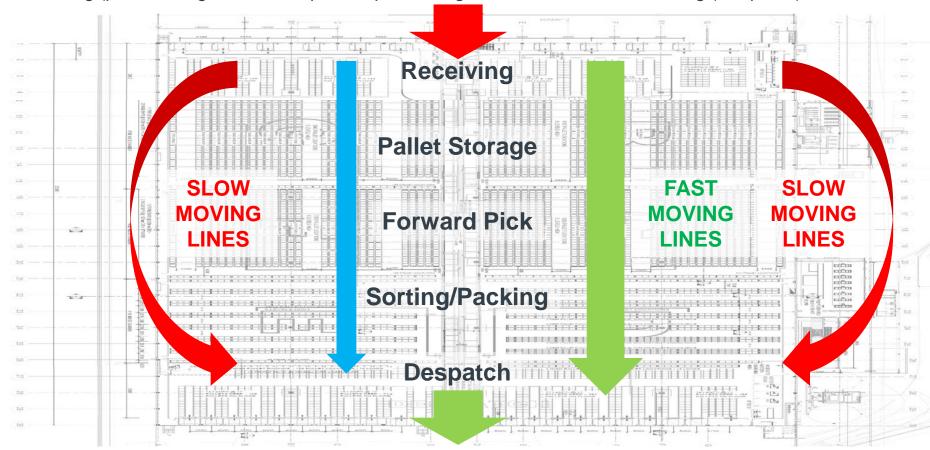
Facilitates cross-docking, best use of dock space (receiving and shipping can share dock doors), allows for expansion.

Warehouse Flows



Flow Through Layout

Flow Through Layout - Product comes in one side of the building (Receiving), flows directly through the building (pallet storage to forward pick, to processing, to the far end of the building (Despatch).



Advantages of Flow Through Pattern

Best for heavy cross-docking operations and operations with very systematic processes (production plant or manufacturing).

Yard Design





Truck types affect building options

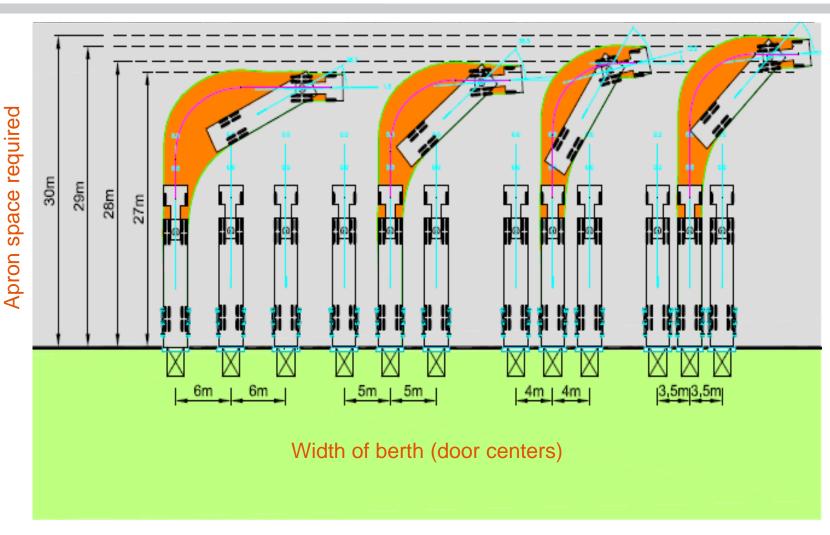
In Planning the Number of Docks:

- Number of Receipts & Shipments.
- Type of Loading & Unloading.
- Type and sizes of vehicles.
- Number & timing of carriers.
- Different areas in which materials will be utilised, stored, prepared for shipment.



Simple | Smart | Speed HOOLS

Dock Apron and Door Centers





Materials Handling Equipment Selection

What happens when you don't design with the operation in mind?

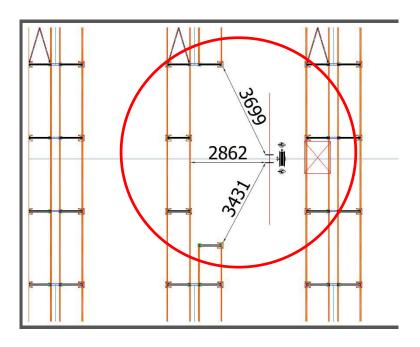




Simple | Smart | Speed HOOLS

Getting It Wrong!





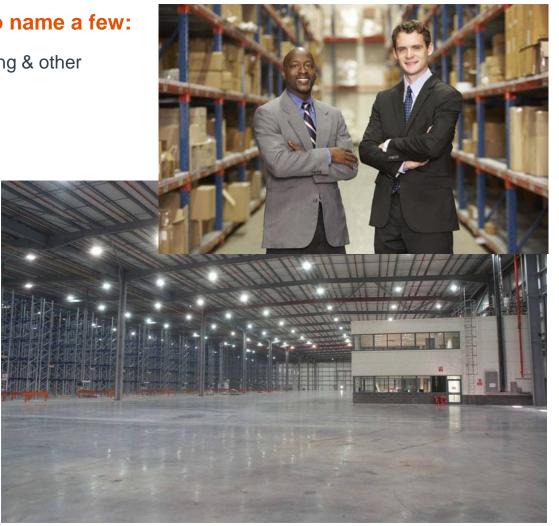
Warehouse Specifications

If its not written...it was never said!



Typical Building Specifications to name a few:

- Clear heights canopies, eaves, lighting & other services.
- Lighting LUX levels.
- Operational offices.
- Client specific electrical requirements.
- Future expansion.
- Contractual agreements.
- Offsetting the environmental cost of the building by applying greener practices:
 - Rain & Grey water harvesting
 - Solar energy
 - Natural lighting & ventilation



Warehouse Specifications

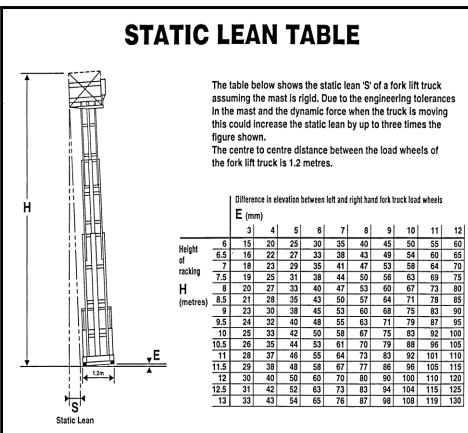
Floor Specifications



A Warehouse Floor

Integral part of the warehouse system. It is the **Table Top** on which that system will operate.





Floor Specifications must consider:

- Flatness
 Specification
- Joint layout and joint design
- Construction methodologies

Warehouse Specifications

Fire Specifications



Fire Specifications:

- SANS (ex.SABS) legal compliance.
- ASIB & FM Global are guideline standards and not legislated but can be a client's insurance requirement.
- Rational Fire design requires a Fire Engineer executing for life preservation.
- Local Fire and Council authority variances.





Fire Specifications must consider:

- Goods and product fire risk categorization.
- · Rack design and layout.
- Fire escape route planning in conjunction with operation.