

“IS OUR NEW WAREHOUSE FIT FOR PURPOSE - FOR THE NEXT 10 YEARS?” **Technology Supplies Ltd ask Gideon Hillman Consulting**



Investment into a New Build Warehouse is always going to be a substantial investment, regardless of the prevailing economic climate. It is the longevity of the facility design and the return on investment over time that is important; so how do you know whether you are building the right size facility for your business needs now and in the future?

It is equally undesirable to build a facility that is either too big for current requirements and/or too small for future ones and a “fear of the unknown” in some cases is the reason companies do not progress with their freehold purchase, or even commit to longer terms on leased premises, despite the benefits. The “risk” factor can be mitigated if you have a clear business vision and can rely on your growth projections over the 5 and 10 year planning horizon.



Technology Supplies Ltd is a leading supplier of Design & Technology and Art products and equipment (including full design and technology workshops and laboratories) to schools and colleges throughout the UK and overseas. As a result of the rapid growth of the Company, they are in the advanced planning stages for an investment in a modern new purpose built facility incorporating sales, administration and warehouse functions.

“Our biggest concern related to the size of the new facility and whether the proposed building would be sufficient to cater for the projected strong growth over the next defined number of years”, says Gordon Campbell, Managing Director of Technology Supplies Ltd, “particularly pertinent was the required size of our logistics operation taking into account the seasonality of the business.”

Mr Campbell appointed Materials Handling, Logistics and Supply Chain Management specialists, Gideon Hillman Consulting, to carry out a detailed review and assessment of Technology Supplies planned new facility to ensure that it was fit for purpose and met the company’s needs in terms of the planned organic growth. This required a provisional warehouse layout concept including type of racking, MHE and automation where appropriate.

To achieve this the specialist consultant team carried out a “current state” review and analysis of warehouse, picking, order build and despatch operations, the purpose of which was to establish current operations in terms of volumes and process.

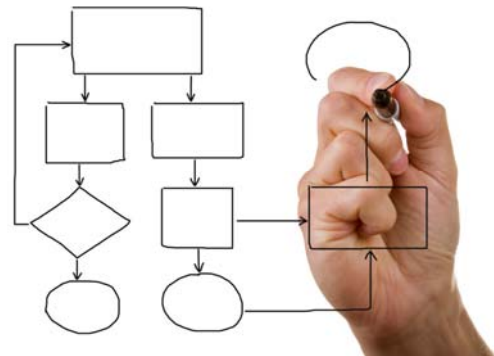


The review, requiring input from key operational personnel and management at Technology Supplies Ltd, included the interaction between various operations and departments within the business, not just limited to warehouse and despatch. It included the customer demand forecasting / planning process, methodology and customer order lead times, as well as the integration and operation of the Warehouse Management System module and stock control system and its interface with other parts of the business.

The team reviewed historical and projected data for volume of dispatches per day, week, month, year; either in terms of SKU, items or cases, or pallets. Key to the forward planning was the projected changes in product types and increased product lines, with seasonal demand fluctuations assessed for each product group.

The process reviews included product stowage, storage, picking dispatch procedures as well as stock and inventory management data analysis to determine the ABC movers and stock levels.

The outcomes of the “current state” review were then used to carry out “future state” analysis based upon Technology Supplies projections and criteria and enabled a full assessment to be made with provisional layout designs to suit the business needs.



“We were extremely impressed with the professionalism of Gideon Hillman Consulting and depth and analysis of the overall review and assessment,” adds Campbell, who goes on to say, *“Their review and assessment of our logistics operation has brought clarity to this design process and their proposals will be incorporated into the design of the new facility as we move forward with this major project during the next 12 months”.*



The final presentation and proposals that were made by the consultants exceeded the clients expectations and provided them with a comprehensive overview of suggested layout designs, material flow routes, storage system options and projected equipment costs. More importantly it has provided Technology Supplies Ltd with the ‘peace of mind’ that the proposed new facility enables them to optimise space utilisation and meets their requirements in terms of anticipated organic growth.

Gordon Campbell’s opinion of his choice of consultants to work with speaks for itself; *“Gideon Hillman Consulting comes highly recommended by Technology Supplies Ltd, they are a truly specialist organisation with an in depth knowledge of materials handling & supply chain solutions.”*