



AT A GLANCE

Objectives:

- Upgrade from manual, paper-based processes
- Optimise current processes with voice technology
- Gain visibility and control of warehouse operations
- Improve utilisation and management of labour.

Applications:

- Picking
- Put Away
- Replenishment
- Cycle Counting

Installations:

- Vocollect® Talkman® A730 Mobile Computing Devices
- Vocollect® SRX2 Series Wireless Headsets
- Vocollect® VoiceDirect® ERP for SAP®.

Results:

- 15% warehouse productivity increase
- 100% warehouse visibility
- Less product wastage
- Increased order fulfillment accuracy
- Higher levels of customer and distributor satisfaction
- Fast and easy voice technology training
- Increased worker safety.

Parmalat milks their new warehouse system to exceed order targets and achieve a 15% productivity boost

HONEYWELL SENSING & PRODUCTIVITY SOLUTIONS, DEMATIC AND ICON INTEGRATION UPGRADE PARMALAT'S LIDCOMBE DC FROM PAPER TO VOICE-DIRECTED PROCESSES

Parmalat is a global provider of world-class dairy and other food products, with more than 36,000 employees in 29 countries around the world, and annual revenue in Australia in excess of \$1.4 billion.

Parmalat Australia has 2,500 employees who work closely with around 500 Australian farmers to produce leading dairy products, including Pauls Milk, Ice Break Iced Coffee, Vaalia yoghurt, Oak and Breaka flavoured milk.

Parmalat is one of Australia's largest dairy producers and in 2014 was named Woolworths' Core Fresh Supplier of the Year. Part of their Mission is to invest in and grow the Australian dairy industry, while also promoting Australia as a high quality producer for the Asia region.

“Under the new WMS and voice-directed picking system, we’ve experienced a 15 percent improvement in terms of our litres per man hour.”

— Guy Romeo, National Logistics Transformation Manager, Parmalat

Honeywell

The need for better visibility to speed things up

In the past, Parmalat's Lidcombe distribution centre (DC) relied on manual, paper-based processes to direct their pickers. The disadvantage of Parmalat's old system was a lack of visibility of the warehouse operations.

Parmalat was seeking improvement in the utilisation of labour and in order to achieve that, it needed greater operational visibility and control. Increased visibility and control would offer Parmalat the ability manage which tasks were completed by which worker and in what order.

Seth van Dijk, Sales Manager, Real-time Logistics at Dematic, said Parmalat initially enlisted them to investigate how technology could help them optimise their current processes.

"The basis of Dematic's initial investigation on the DC floor was for us to look at what was traditionally a paper-based process, and to determine how we could implement technology to help speed that up," Seth said. "Following the consideration of a number of different technologies, it was determined that voice picking was the optimal solution."

Voice gives Parmalat a fresh start

"The Lidcombe DC is very important to our business as we service a number of high profile customers across a wide area, and it is imperative that our warehouse runs as effectively as possible in order to deliver perishable dairy goods fresh and on time," explained Guy Romeo, National Logistics Transformation Manager, Parmalat.

The new voice picking process is paperless, which means operators no longer need to look away from what they are doing or go back and forth picking up new pick slips. It is also easy for workers to be trained up, so they can hit the warehouse floor sooner.

"With our new voice system, when an order drops into the system the operator will pick up the transfer order, they will then go to the location, confirm with the check-digit that they are at the right location," explained Tony Behan, DC Trainer, Parmalat. "The system will then tell them to pick a certain amount of crates or units. From there they'll pick it and the voice system will ask the worker if they picked the right amount. The system will keep going through this process until the order is finished."

"Shipments are also now allocated and sent to several pickers on the floor, rather than just one under the previous system," added Tony. "Picking is completed by multiple workers simultaneously, which greatly enhances Parmalat's warehouse efficiency and productivity."

The new voice-directed smart SAP WMS solution also facilitates a real-time, two-way data flow between workers on the distribution floor and the WMS, making it easy for managers to generate reports, and to provide them with comprehensive and accurate insights on the operation – right down to an individual's performance.

"Parmalat's business is fast-moving consumer goods with a short shelf-life, therefore it was vital they introduced automated processes that led to less travel time, better rotation of stock, less wastage and ultimately an increase in the litres per man hour," explained Jason Nalewabau, Director, SAP Logistics

Execution Solutions, Icon Integration. "We automated Parmalat's new smart WMS design and on top of that we overlaid the voice system to get the visibility and speed of execution in the warehouse."

The results speak for themselves

By adopting the new voice-directed smart SAP WMS solution, Parmalat has achieved visibility of its processes, as well as productivity and safety improvements by adopting the "hands-free and eyes-free" voice technology. The DC also is better organised with stock moving a lot more efficiently since the new system was deployed.

Order fulfilment accuracy has also increased, which has helped Parmalat achieve higher levels of satisfaction from their customers and distributors. And Parmalat's workers have also embraced the change to a voice-directed system.

"Under the new WMS and voice-directed picking system, we've experienced a 15 percent improvement in terms of our litres per man hour," Guy Romeo said. "As a result we're not only reaching our targets, but exceeding them, even during peak periods such as the Christmas. For a fast-moving picking environment, using voice with your WMS is the only way to go."

Parmalat's new voice-directed picking solution has not only been designed for use in its warehouses distributing milk in nondescript crates, like Lidcombe, but also Parmalat DCs that distribute other product categories including cheese, soft dairy and UHT milk.

"We are thrilled to see Parmalat is already reaping the rewards of enhanced efficiency, productivity and accuracy that are delivered by voice technologies," said Paul Phillips, Regional Manager – Australia/New Zealand for Honeywell Vocollect Solutions. "Customers supplied by Parmalat's Lidcombe warehouse are also benefitting from the enhanced order fulfilment performance Parmalat are now able to offer."

For more information:

www.honeywellaidc.com

Honeywell Sensing and Productivity Solutions

9680 Old Bailes Road

Fort Mill, SC 29707

800-582-4263

www.honeywell.com