Vocollect Case Study

Connect Logistics Services

First Choice Logistics Partner in the Canadian Beverage Industry

Voice Results

Objectives
- Accurate orders without extensive auditing

Application
- Order selection
- Case Picking

Installation
- Vocollect VoiceLink® seamlessly integrated with JD Edwards WMS
- Vocollect Talkman® T2 Mobile Computing Devices

Results
- Accuracy level of 99.997% achieved

ROI
- Payback in less than 12 months

Future Plans
- Replenishment Voice Application
- Receiving Voice Application

Setting the Highest Performance Standards in the 3PL Industry

Connect Logistics Services (CLS) provides third-party warehousing and beverage distribution services and is solely responsible for the warehousing and distribution of spirits, wine, coolers, and imported beer in Alberta, Canada.

CLS was founded in 1994 when the Canadian province of Alberta privatized its liquor distribution and warehouse system. Since then, CLS has served the Gaming and Liquor Commission, supplying spirits, wines and beers to 1,500 retail outlets throughout the province. The company is a subsidiary of internationally acclaimed Tibbett and Britten Group Americas (TBGA), a $2 billion company dedicated to providing physical distribution, logistics and associated services. True to its lineage, CLS upholds the highest performance standards and strives to be a model in the third-party logistics (3PL) business. That's why CLS put voice technology to work.

The Challenge
Getting Orders Correct - The First Time

As the first Canadian jurisdiction to privatize its liquor distribution and warehouse system, Alberta became a model in many ways. And so did Connect Logistics Services, the service provider charged with making the new system not only work, but work exceedingly well, while under close supervision by the Liquor and Gaming Commission.

Among CLS' tasks was to work with agents and suppliers to receive products for sale throughout Alberta, accepting orders from retail outlets, and assembling those orders and shipping product out to the storefronts.

More than 1,500 stores, hotels, casinos and other establishments rely upon CLS to ensure they have what they need. In order to manage to their customers' expectations, the company operates a 430,000 square foot distribution center, carries 20,000 registered SKUs, and keeps 11,000 or more in stock at any given time. The DC works five days a week and runs two shifts a day, each with 20 or more full-time order selectors. On average, CLS ships nearly 800,000 cases a month; shipping 35,000 - 40,000 cases each day! At that volume, and with the expensive nature of its products, order accuracy is imperative. That's why, even in a fast-paced environment, CLS' standard procedure had been to double-check every order; every case on every pallet was checked at the end of the trip and then again at the dock. The result was exceptional accuracy going out to customers, but at a substantial cost. Moving forward, the challenge for CLS was to keep the former - and lose the latter.

"If you're perfect, no one can be better. That's why we're so committed to accurate orders at CLS — and why we're running Vocollect Voice."

Rainor Webb
IT Manager
Connect Logistics
Services

The Solution
Voice Picking 35,000+ Times a Day

After investigating voice technology, CLS launched a pilot to see what voice could do for its operation; they knew exactly what they wanted - 99.99% accuracy — or they would not proceed.

With this requirement in mind, CLS selected Vocollect, the global leader in voice-enabling distribution systems. Vocollect's experience and proven results were among the deciding factors for CLS. Using Vocollect VoiceLink middleware, the system integrated seamlessly with their existing JD Edwards warehouse management system (WMS); the warehouse implementation process was completed in 15 days.

Actual deployment time was only 10 days, as Vocollect Voice makes work processes, as well as communications with the WMS, easier and more natural. Each worker created a "voice template" and, in a matter of minutes, the Vocollect system knew how he or she pronounces the entire set of requisite vocabulary words.

The voice implementation quickly proved itself, achieving 99.99% accuracy in the pilot. At that point, there was no doubt about moving on to a complete roll-out. During the pilot, and since, there have been many instances when CLS exceeded 35,000 picks a day without a single unidentified picker error; resulting in a 99.997% score on accuracy.

Most errors have been eliminated through the use of random numbers as check digits at each location. For CLS' application, the Vocollect system was easily configured to withhold a command until the worker confirms the correct location by reading the assigned digits. CLS also requires an automatic "count-back" function as a second check. After completing an assignment, order selectors must count and report back the correct number of cases on their pallet; an "over" or "under" sends the order to the trouble area for a full audit.

The Results
Unbeatable Accuracy at a Reduced Cost

Once the Vocollect Voice system was fully implemented, CLS switched over to partial audits for orders selectors who achieved high performance standards for three consecutive months. The bar has been set at one error in 10,000 cases picked (99.99% accuracy) or 7,000 picks per month without a single error.

By moving to a random-audit system that checks approximately 10% of orders, CLS has been able to reduce their full-time auditors from five to three, without compromising the extraordinary level of service customers have come to expect.

With Vocollect Voice, CLS encounters four to five times fewer errors at the internal stage. With fewer trips to a 'trouble area' and fewer problems to deal with, there's less re-work - and even less chance for "out the door" errors.

For a 3PL handling expensive items and serving brand-loyal consumers, delivering the right order is the bottom line. In addition to accuracy, CLS is enjoying other significant benefits; worker retention is up and training costs are down. Real-time visibility into many warehouse functions has been improved, and managers have a clear sense of the manpower required to complete the day's orders.

Another big plus for a firm serving the beverage industry? Breakage is down at CLS, now that workers' hands are free for lifting and stacking cases that weigh 40 pounds or more. And, if a mishap does occur, whether in picking cases or maneuvering pallet jacks, all a worker has to do is tell the system about it and pick up his replacement(s). Pallet counts are automatically adjusted — and always correct.

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About Vocollect

Vocollect, a business unit of Intermec, is the number one provider of voice solutions for mobile workers worldwide, helping customers achieve a higher level of business performance through voice. Every day Vocollect enables over 300,000 workers worldwide to distribute more than $3.5 billion dollars' worth of goods from distribution centers and warehouses to customer locations. A global team of over 2,000 supply chain reseller and channel partner experts supports Vocollect Voice offerings in 60 countries and in over 35 languages. Vocollect's VoiceWorld Suite integrates with all major WMS and ERP systems, including SAP, and supports the industry's leading mobile device solutions.

For more information, visit www.vocollect.com