Welcome to Session 307

Sysco Guest Supply: The Value of a Voice-Centric Approach to DC Operations

Presented by:

Gary Glessner, VP - Americas Sales,
Vocollect

Jim Makowski, Director of Distribution,
Sysco Guest Supply, LLC

Richard Stewart, Principal
Vitech Business Group

Sponsored by:

Vocollect®
a business unit of *Intermec*

MODEX 2012
SOLUTIONS THAT MOVE SUPPLY CHAINS

The Value Proposition of Voice

- Voice allows the warehouse worker to perform his or her tasks **more accurately and productively** than with paper or handheld computers

- Voice is a very high ROI/fast payback solution based on the significant cost savings it delivers

- Additional benefits include reduced training time, improved safety and higher employee satisfaction

Real-World Results of Voice

- Voice-enabling picking has enabled:
  - » >20% improvements in productivity
  - » up to 99.95% order accuracy
  - » 50% reduction in training time

- Voice-enabling put away and replenishment have enabled:
  - » 20% improvement in staff productivity while increasing volume
  - » 52% improvement in replenishment rate (pallet/hr)
  - » 37% reduction in support needs
  - » 67% reduction in training time
  - » Saved over $30k/year in capital equipment

- Voice-enabling loading has enabled:
  - » >20% staff productivity while increasing volume
  - » Reduced floor space – doors turn faster

- Voice-enabling receiving has enabled:
  - » Eliminated double-check by a supervisor before receiving is complete
  - » Allowed implementation of labor standards with data capture

MODEX 2012
SOLUTIONS THAT MOVE SUPPLY CHAINS

The Voice-Enabled Warehouse
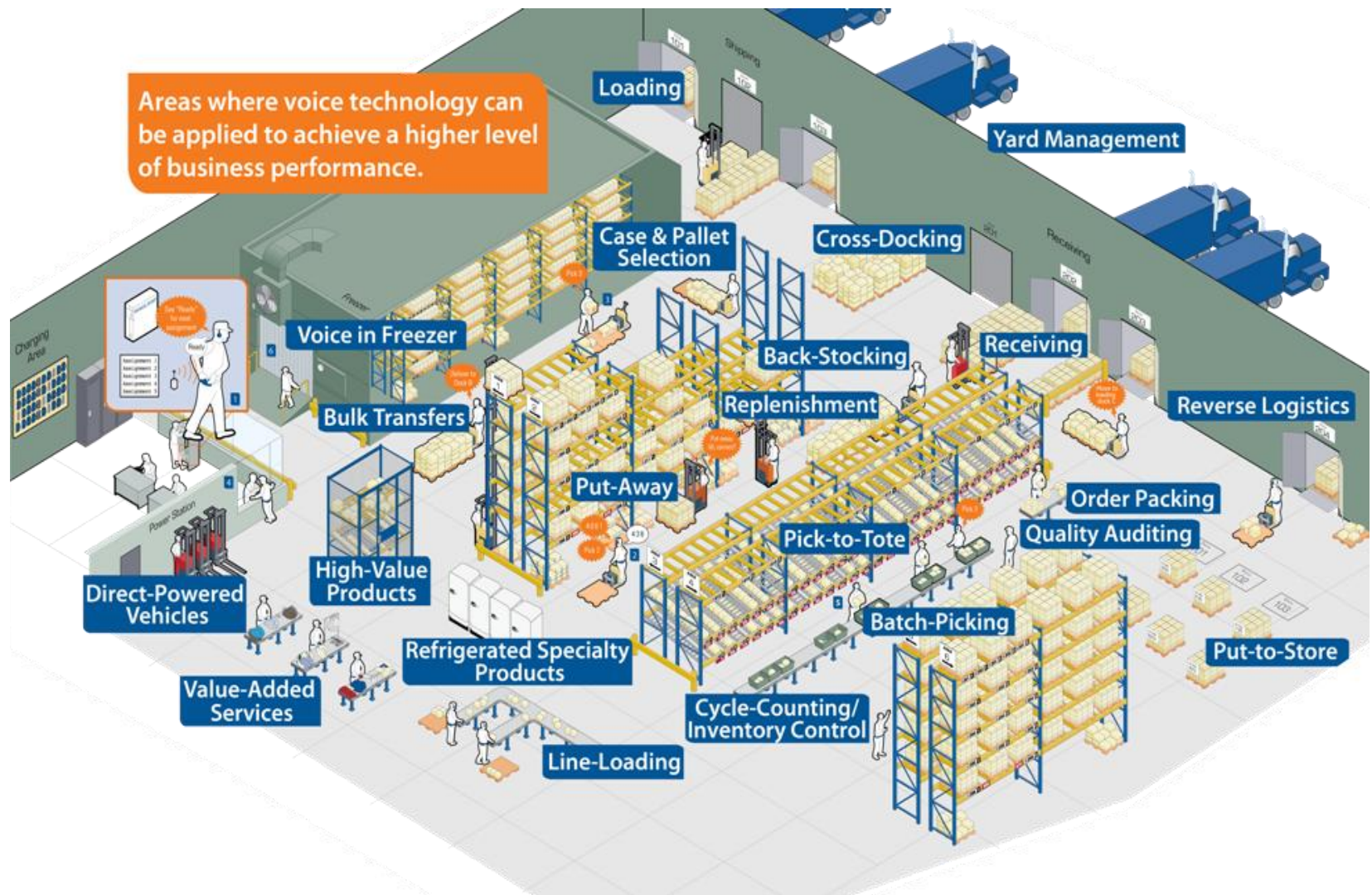
Enabling the Voice-Enabled DC

Scan   Voice   Display
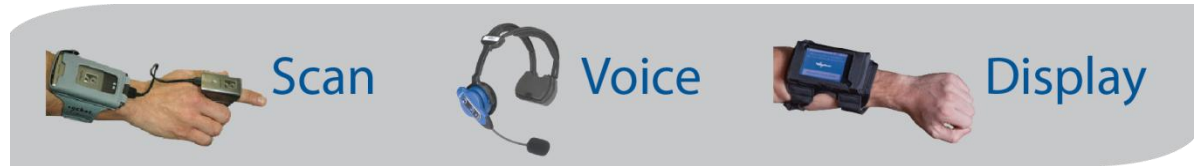
- Let the workflow process and business requirements drive the technology "solution" configuration

- Offer device-options ONLY where they provide a quantifiable value-add

It All Starts With A DC Walkthrough

- Understand your operation – "why" you do what you do and how it compares to "the norm"

- Maximize your results via process transformation, not just by "adding technology"

- Deliver a personalized value proposition, not just present "generic benefits"

- Contribute to and to be evaluated on your business results, not just the technology provider's offering

A Unique Challenge

at Sysco Guest Supply

- Network of smaller branch DCs

- Smaller group of cross-trained employees

- Variety of process flavors

- Multilingual workforce

A Unique Approach

at Sysco Guest Supply

- Thorough process observation/design

- Detailed cost savings analysis

- Uncovered process improvement opportunities

A Unique Solution

at Sysco Guest Supply

- Voice-enablement of nine

  different processes

- Elimination of all visual aids
  - paper, screen

- Multiple check digits per location

- True direct integration

About Sysco Guest Supply, LLC

- Founded in 1979, owned by Sysco Corporation, the global leader in selling, marketing and distributing food products to restaurants, healthcare and educational facilities, lodging establishments and other customers who prepare meals away from home.

- Headquartered in Monmouth Junction, NJ, Sysco Guest Supply is the largest full-service provider of personal care amenity programs and room accessories to the lodging industry

- Company services virtually every large hotel worldwide

- 1000 employees at Sysco Guest Supply

- Non-union

Sysco Guest Supply
Distribution Operations

- 10 domestic DCs using voice

- 150 DC workers, 130 on voice

- Typical DC size 100 ft²

- 2500 SKUs per DC – including custom products specific to geographic area

- 13M cases per year

Sysco Guest Supply
Distribution Operations con't.

- Use voice for following workflows:

  - regular order-picking

  - house truck-picking

  - parcel zone-picking

  - zone-picking

  - item demand/replenishment

  - put-away

  - count-check (precursor to cycle-counting)

  - item consolidation

Strategic Business Challenge

- Extreme peak volumes the first week of every month and during summer holidays

Distribution Operational Challenges

- Need to stay on the cutting edge of technology to optimally manage fluctuating order velocity and accuracy

- Need flexible technology solutions for just-in-time inventory strategy

- Accommodating hotels' lack of storage capacity

- Do more with less

MODEX 2012
SOLUTIONS THAT MOVE SUPPLY CHAINS

Our Investigation

- Based on current industry trade information, determined voice was the right technology

- Long-term technology partner recommended voice provider

- Technology partner drove pilot and two internal presentations

The Implementation

- First deployment took five days (after design, configuration, and testing)

- I drove the other nine pilots myself; they typically took only four days to become fully operational

Project Goals

- Deploy quickly, without disruption to operations

- Increase productivity

- Increase accuracy

Results to Date

- Productivity

  Selection – increased by 16%

  Put-away – increased by 24%

  Replenishment – increased by 80%

  Total Throughput – increased by 26%

Lessons Learned

1. Compared to our RF implementations eight years ago, implementing voice has been relatively seamless.

2. The more workflows you can voice-enable, the more efficient you will become. Voice works well for so many more workflows than just picking.

3. Voice works equally well with different languages and regional dialects.

4. Look at your project as one DC at a time, not the entire project.

MODEX 2012
SOLUTIONS THAT MOVE SUPPLY CHAINS

For More Information

Speaker: gglessner@vocollect.com

Home Page: www.vocollect.com

Speaker: jmakowski@guestsupply.com

Home Page: www.guestsupply.com

Speaker: richard.stewart@vitechgroup.com

Home Page: www.vitechgroup.com

Visit Vocollect MODEX 2012 Booth 1318