

the speed challenge

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Voice feeds grocery distribution

Productivity at Associated Grocers in Baton Rouge is expected to be as much as 10% higher since moving to voice-directed systems. The ROI? Less than 12 months.



FOLLOWING SEVERAL YEARS OF STRONG GROWTH, ASSOCIATED Grocers, Inc. sought distribution technologies that would allow it to handle greater volumes while also improving customer service. After investigating a number of order selection alternatives, the company chose a voice-directed solution from Vocollect. The new system has improved picking accuracy, optimized labor, increased productivity and provided better inventory control.

Associated Grocers is a cooperative that serves the distribution needs of 300 independent retail grocers in Louisiana, Mississippi, Texas, Arkansas and Alabama. Providing these customers with accurate, on-time deliveries is the top priority at the company's 575,000 square foot distribution center in Baton Rouge.

"We are customer driven and service driven," says Randy Fletcher, vice president of logistics and supply chain management. "Our primary objectives for the voice selection implementation were to improve our efficiencies and accuracies."

And, as Fletcher knows all too well, mis-picks in the grocery business can be very costly.

"In the case of perishables, if you make an error, you basically lose the value of the product," he explains.

Since the company installed the voice-directed system, picking errors have been virtually eliminated. Associated Grocers uses the system to select full cases from pallet racks. It also uses voice for picking individual items in its repack area, where it replaced the pick tickets previously used for less-than-full-case orders.

Most products are stored in pallet racks within three areas at the DC — dry goods, freezer and cooler. The bottom two levels in each area are used for picking full cases. Replenishment to these levels goes on continuously and has also been improved

since incorporating data from the voice system.

"The voice system integrates with our warehouse management system to continually update inventory in real time. This allows us to anticipate our replenishment needs," says Clyde Bohne, distribution manager.

To make full case picks using the voice system, a worker is first given the location number where the selection is stored. Upon arrival, the worker finds a check digit posted on the rack. He speaks the number into his microphone to report his location. If the correct check digit is spoken, the voice system then directs the worker to pick the required number of cases, which he places onto an order pallet. Repack orders (less-than-full

case) are picked in a similar manner from flow racks, with individual items selected into totes.

Another advantage of using voice-directed technology is how quickly new workers can become productive.

"The ease of training is amazing," says Bohne. "Within the first hour a new person can be selecting with the accuracy of a worker who has been here for five years. That's because of the way the system checks their picking. It guarantees their work."

Improved picking has also reduced the number of returns.

"Since we're getting it right the first time, we're not receiving as many returns. So we see savings there, too. Our retailers

are getting more accurate products so they are also seeing savings," says Fletcher. "We were originally looking for a payback in 18 months, but we actually achieved that in less than 12 months."

—By David Maloney, Special Projects Editor

For more information on Vocollect voice-directed systems, call 866-862-6553, or visit www.vocollect.com/agbr.



A voice-directed system guides a worker in selecting repack items at Associated Grocers. The system relays instructions using a headset and the worker responds by speaking into his microphone. The interaction between system and worker results in hands-free picking with very high accuracy.

To see a three-minute video of Associated Grocers' Baton Rouge distribution center, go to www.dcvelocity.com and click on The SPEED Challenge.