



# PERFORMANCE PROFILE

A DC VELOCITY SPEED CHALLENGE

Presented by Retrotech

## A clean start

Procter & Gamble has achieved dense storage and superior inventory control since it has taken an ACTIV role in distributing its fabric care products.

AFTER YEARS OF STEADY GROWTH IN ITS HOME FABRIC CARE business, Procter & Gamble realized it had to do something to consolidate the distribution of these products, which include well-known laundry brands such as Tide, Cheer and Downy. Until recently, P&G delivered these products from a warehouse adjacent to its manufacturing facility in Lima, Ohio, as well as six other contracted facilities, one as far away as 100 miles from the plant. Yet this capacity was still not enough to handle the growing demands of its customer base. P&G clearly needed an automated solution that would allow it to efficiently move its mix of pallet-based products through an increasingly complex supply chain.

That's when Procter & Gamble chose ACTIV, a high-density dynamic storage solution from Retrotech, to be the heart of a new mega distribution facility that opened in Lima in 2007. The 1.1 million-square-foot facility consolidated all operations under one roof and is the largest automated facility in North America.

With its 94,000 storage positions, the ACTIV system holds pallets of laundry products manufactured at the nearby production plant. These are very high-turn products that are held within the system for only 7–9 days before being assembled for customer orders.

Procter & Gamble is not alone in its use of ACTIV. Kraft Foods, Cargill, LiDestri Foods and many other leading producer companies rely on ACTIV daily to automatically store, buffer, optimize and then discharge palletized loads in sequence, efficiently and cost-effectively.

"The applications that are suited best for ACTIV are those types where the anticipated dwell time is relatively short," explains Pete Hartman, president of Retrotech. "For a lot of companies, this is a trend they are pushing towards – reducing inventory while at the same time increasing volume. ACTIV as a technology is well suited to high-turn inventory strategies."

Think of ACTIV as a giant Rubik's Cube, with dense pallet storage at every position in its height, width and depth. Besides the ability to dynamically store products in any location, ACTIV allows easy movement of products back and forth along deep storage lanes.

There are no aisles between lanes, as are found in many automated storage systems. Instead, pallets ride on carts that are pulled by cables. The carts slide under the loads and then automatically lift them for fast transport within the lanes. Since the carts themselves have no power, they are easy to maintain and extremely durable. All mechanical and electrical elements are located outside the rack structure for easy accessibility.



While the carts move pallets within the lanes, Cross Aisle Transfers inserted at intervals carry pallets from one lane to any other. Vertical transfer lifts within ACTIV further allow the pallets to move up and down to higher and lower lane levels. So in essence, the pallets can be densely stored, then moved to any other position. This permits a constant reshuffling of inventory to assure first-in/first-out delivery or

to accommodate any other order fulfillment strategy, such as sequencing. Highly intuitive software determines the ideal path that a product should travel within the system.

When pallets are needed for orders, ACTIV stages them in sequence and then delivers them to discharge stations, where lift truck operators can easily collect them for direct loading onto trucks. The system eliminates the need for any further buffering or staging at facility docks.

The ACTIV system at the P&G Lima facility runs continuously, 24/7 - reshuffling the loads and optimizing them for current and future demand cycles. Its unique ordering capabilities allow P&G to build loads for 500 trucks a day, consisting of some 16,000 sequenced pallets.

"One of the coolest things to me is its speed and efficiency," says P&G's Terry Bicknell. "It's doing what it took literally hundreds of forklift drivers to do before in a minimal amount of time and with speed and accuracy we just couldn't match doing those types of things manually."

For more information on Retrotech, call (585) 924-6333 or visit [www.retrotech.com](http://www.retrotech.com).



To watch a short video showing how Retrotech's ACTIV storage solution works at LiDestri Foods and how it can improve your operations, go to [www.dcvelocity.com](http://www.dcvelocity.com) and click on the Performance Profile Speed Challenge.