Expeditors®

TELECOMMUNICATIONS

CASE STUDY

A telecommunications company that provides network equipment for data, storage, voice and video services began its relationship with Expeditors as an Air Import customer over 5 years ago. Most recently they have expanded their partnership to include Distribution, Ocean Import, Customs Brokerage, Transcon and Air Export. This company's distribution needs have continued to grow the past two years, and as a result, Expeditors had to redesign the customer's distribution facility and process flow to accommodate their increase in business.

OPPORTUNITY

Expeditors originally set up a temporary order fulfilment solution for the customer in their transportation warehouse. While this provided an immediate solution, it quickly became apparent this business would sustain long-term and continue to increase in volume. Both the customer and Expeditors knew the process needed a permanent home that would provide the space needed to grow.

OUR SOLUTION

Expeditors' team of industrial engineers began using time studies and observations of the old facility design to devise a new layout. It was immediately clear order accuracy was not an issue, but instead the problem was a lack of capacity when larger orders were dropped by the client. To solve these problems, Expeditors worked closely with the customer and came to the agreement that we would build a worldclass space for their distribution process. The final result is a clean work environment located in Atlanta's Distribution warehouse. The new space allows for multiple processing lines which has dramatically increased the capacity of orders that can be completed.

THE RESULTS

The new space includes multiple process changes which include:

- 2 order processing lines which allows for double the throughput per hour

- 3 computer stations instead of one for the ability to simultaneously work on different orders

- Space capacity for an increase in business from the customer

However, the key improvement is the significant decrease in wasted time per device. Previously, there was excessive backwards and forward movement in the processing line, instead of a single direction flow, which accounted for approximately 50 seconds of wasted time per device.

- The new configuration line allows employees to stay in place and eliminates all backwards movement down the line

- Cycle time per device has decreased from 537 seconds to 487 seconds, which is a 9.3% decrease.

- As a result, on an average day with 550 devices to go through the processing lines, that saves approximately 7.6 hours, or the equivalence of an employee a day.

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