

# The Case of the E-commerce Crawl

High volume e-commerce fulfillment operation realizes significant productivity improvements, and decreased materials and labor costs with streamlined pack automation.

#### The Problem:

This high volume fulfillment operation with over 350 full time employees relied heavily on hand-packing stations because of diversity in more than 75,000 SKU parts. The process in their "table packs" was manual and slow at a UPH of just 0.8 per minute.

The process included box selection, erecting, filling, closing, labeling, taping, and placing the package on a wooden pallet for takeaway. Packing was the most manual part of the entire operation and needed to be addressed to eliminate bottlenecks, reduce the overall CPP, and improve lead-time -- all to drive a better customer experience.

#### **The Solution:**

IQpack engaged with the project by first understanding the operational flow and goals of the customer. They quickly broke down the vast array of parts into families by size & handling requirements, and then created semi-automated packaging stations that removed menial tasks from the packer's responsibility.

Featuring an automated tray former upstream, three new pack lines were individually set up to run certain size parts, with no changeover using a common tray or box size. A line could be set up to run other sizes with a minimal changeover in less than 30 minutes - often done at lunch or shift changes.

Variables in inner pack were also accomplished in guick order at the same time. There was an automated taper and labeler at end of the line. The new streamlined process only required the packer to place an item and dunnage into the box and close the box.

## The Outcome:

Productivity realized a 137% improvement, increasing from 0.8 to 1.9 UPH. There were 28 box SKUs removed, in addition to warehouse space and additional handling. Material spend dropped almost 15%, attributed to using a tray blank instead of a premade box. The bottleneck in table packs was lifted and metrics were **improved on both** service and lead-time by 8%. Each line took the place of several pack tables and netted a decrease in actual floor space needed to operate.

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