

Case study

Odom Corporation



At a glance

Profile:

- Leading wine distributor in Alaska, Eastern Washington and Northern Idaho, with 13 warehouses

Business Problem:

- Without order verification, some orders faced errors
- Three separate devices were being used in the warehouse
- Workers had to use two hands for order picking, which slowed down the process

Goals:

- Improve order accuracy
- Minimize number of devices needed in the warehouse
- Increase worker productivity

Solution:

- Intermec CK3
- Vocollect Voice

Results:

- Attained 99 percent perfect orders
- Equipment expenditures were reduced by 75 percent
- Picking productivity increased almost 50 percent
- Bottle rate improved from 360 bottles per hour to 500 bottles per hour
- Case pick rate improved from 90-95 cases per hour to 156 cases per hour
- Fulfillment rate improved from 76 percent to 99.93 percent



Odom Creates Perfect Warehouse with Intermec CK3

As his shift begins at The Odom Corporation's beverage warehouse in Fife, Washington, Ron Kelly grabs a label from his list, applies it on a spare box along the floor, and sets the box on a conveyor belt. He calls out a printed number on the label, which initiates a computerized voice that tells him through his headset where to go. His Vocollect Voice headset is attached to an Intermec CK3 rugged mobile computer holstered on his back, and upon calling out a check digit, the voice tells him the kind and quantity of wine he needs to pack. With both hands, he grabs the right bottles two at a time before sending the box down the line for shipment.

"I don't have a lot of time to try carrying a handheld and pick bottles at the same time, plus label and put boxes on the belt," Kelly said. "We're the labelers, and this is the aggressive side of the line."

In operations such as these, quickly selecting the right product for order shipments can determine the success of a warehouse. This process, called picking, sees vast accuracy and productivity improvements when mobile computer and voice technologies are implemented.

"Our productivity was good to begin with, but when we went to voice pick, it really went up," said Bob Jenness, Vice President of Information Systems at Odom. In fact, by implementing the voice system, Odom saw its picking productivity increase by nearly 50 percent.

"Obviously, we believe we have one of the best handheld systems in the country."

The Case for Perfection

With 13 warehouses, The Odom Corporation has a majority of the wine market share in Alaska, Eastern Washington and Northern Idaho. Odom's Fife warehouse ships between 30,000 bottles and 7,000 cases each night. Since adopting the Intermec CK3 rugged mobile computers and Vocollect Voice last year, the Fife location now has a bottle rate of 500 bottles per hour, compared to 360 bottles per hour before the implementation. The case pick rate is 156 cases per hour, compared to 90 to 95 cases per hour before. And the fulfillment rate has reached 99.93 percent, compared to 76 percent before. Voice picking eliminates errors because the device tells the workers exactly where to go and what to pick.

"It's actually pretty neat because it allows the user to select if he wants a male or a female voice; he can slow down the voice or speed up the voice," said Julie Taylor, Manager of Mobile Systems at Odom. "It tells the picker to go to a certain location and to pick up a certain quantity. That picker then goes to that location and reads a two-digit check digit back to the system that confirms they have the right product."

Perfect orders – customer orders that are 100 percent accurate – help a warehouse avoid reshipping and restocking fees, inaccuracy fines, and lost productivity

time. The implementation of the Intermec and Vocollect solution has helped the Odom warehouse attain near-perfection.

“Before we implemented this system, I’d say that there was probably on average at least one missed pick per order,” said Jason Meier, Odom’s Fife Warehouse Manager. “Right now, 99 percent of the orders that are leaving out of here are perfect.”

Odom maintains its market share and stays competitive in the distribution business by keeping its customers happy, with orders that are accurate and on time. For some warehouses, a difference of as little as 5 percent imperfect orders can drive customers away.

“Before the implementation, we’d have complaints of wrong items on the orders and wrong quantities,” Meier said. “Now, we’re getting really positive feedback from all of our customers that their orders are accurate and on time.”

Selecting the Right Solution

The Odom Corporation has used Intermec devices for years throughout its supply chain – with CV30 vehicle-mount computers coupled with SR61 scanners for forklift use and other units employed for delivery and sales. However, with the EX25 near-far imager, a platform capable of leveraging voice, and a keypad for key-based entry, the Intermec CK3 provided the functionality to reduce the number of devices needed inside the warehouse.

“We were looking for a product that we could use during the day shift and the night shift in our warehouse,” said Taylor. “Now, instead of using three different devices, we can use one.”

By replacing three devices with the multifunctional Intermec CK3, Odom estimates it has reduced its equipment expenditures by about 75 percent.

“The cost decrease was really the home run for us,” Taylor said. “It was a very practical decision to go multimodal.”

“The CK3 really allowed us to combine the best of both worlds,” Jenness said. “You can not only pick with this. You can put away with this device. You can receive product into the warehouse with this device. You do not have to go to different devices to do different things.”

The near-far imager is especially important for high pallets, where workers once had to use a cherry picker to read barcodes. Now, they can capture the data from the ground or a forklift.

Warehouse-Ready Equipment

The Intermec CK3 was selected in part because of its rugged form factor, which provides a longer life cycle than consumer devices. Jenness has seen competitors use iPhones and other smart phones, which lead to replacement costs when workers drop them.

“Ruggedness is huge for us,” Taylor said. “We’re on a cement floor, and we have seen [CK3] devices fall out of cherry pickers – which are 20 to 25 feet in the air – and bounce off the floor and still work. To give a warehouse person, who has never had a handheld and never had a computer, something that’s not rugged would be a disaster.” Moisture sealing is also important in a beverage distributor’s warehouse because a broken bottle of burgundy could destroy lesser devices.

“We know they handle moisture, because people spill stuff on them,” Jenness said. “So you need to be able to seal the keys, the surface of the screen, and the battery on the back, because if they’re not sealed, the liquid will get in there.”

The Intermec and Vocollect solution has lowered total cost of ownership and provided a strong return on investment for Odom. Because of its success, the beverage distributor intends to implement the solution at additional warehouses in the future.

“We love the devices,” Jenness said. “We have looked at a lot of different devices, not just Intermec devices. We’ve even had locations with non-Intermec devices, and we believe Intermec truly does have the best product. This is the latest solution from Intermec that has clearly been a home run for us.”



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