

# LEAN KAIZEN News

Together we lean smarter

Client success story

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**Before** : Messy warehouse. Multiple handling is common. Parts are temporary stored in passage aisle

**AFTER** : Different parts are kept at designated areas according to the frequency of use.

## LEAN your Warehouse

**The final verdict: the team requested to put a stop to Warehouse Expansion.**

When your business grows three fold in past 18 months, it is logical to expand your warehouse. That was the rationale of the management team from the maker of famous food brand in Thailand . A budget of THB 5 million have been approved for first phase expansion.

“ We should build the warehouse extension as soon as possible. We are running out of space. That why the warehouse is so packed and disorganized.” The warehouse manager, made this statement before any improvement. Apparently unhappy with the result from the recent 5S audit.

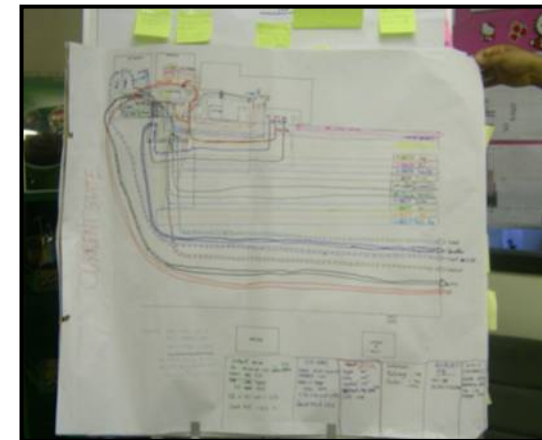
Pamalex Consulting was involved in a Plant Assessment exercised earlier. While we are identifying potential improvement area, the plant director highlighted this issue to the project leader.

Sensing the potential saving, we proposed to the plant director to conduct a Continuous Improvement Workshop for the warehouse.

A cross functional team was formed, with the warehouse manager leading the project. A special training session on Lean Warehouse was conducted. Ideas of improvement flourished after the training session.



A study of Forklifts travel distance review a daily travel distant of 48km. A new plan will cut this distance to under 10km



Sub teams were established to collect data and investigate various options. Among major initiatives were:

1. **5S Improvement: Sort and Label**
2. **Glenday Sieve Exercise**
3. **Space & Movement study**
4. **Loading & Unloading practices**
4. **Pull System with FIFO & two bins concept.**

New procedures and ideas were developed. Various vendors were called to check with the feasibility of new practices. Implementations were taken

immediately without delays.

The warehouse was transformed with cross docking, staging, FIFO aisle, signage and material movement control.

The team then recalculated the total space requirement, taking into consideration of new forecast and future expansion plan. The final verdict: no need for the warehouse expansion at least 2 years. Therefore the team requested to put a stop in warehouse expansion which the management accepted gladly.

