



Enterprise mobility a healthy ingredient in Sanitarium's warehouse



Giving staff mobile access to SAP, using Motorola MC9000 has meant they can easily find products, and are always aware of the best place to pack away products. And the real-time update of inventory on our system ensures that we can manage stock levels accordingly.

- Alan Myers, IT business projects manager, Sanitarium



Company Overview

Since 1898 Sanitarium has developed a reputation for manufacturing quality health food products. Its vision is to help people 'learn to stay well' - the meaning of the word Sanitarium - by linking good diet with good health. The most recognised brand in the Sanitarium stable is Weet-Bix, which has remained one of Australia's most popular breakfast cereal for over 30 years.

Sanitarium Australia and Sanitarium New Zealand work together under the Sanitarium brand to produce over 150 products and employ close to 1,700 people in manufacturing and distribution sites throughout the region. Sanitarium, including its international businesses & export trade, has an annual turnover of around AU\$500 million, and its Cooranbong manufacturing site in New South Wales, is one of the largest cereal production plants in the Southern Hemisphere.

The Challenge: a post-it-note warehouse

To overcome the challenges of managing four separate warehouses, Sanitarium Australia made the decision to consolidate the four warehouses into a single warehouse. At the same time Sanitarium planned a complete overhaul of its warehousing and supply chain processes.

However, moving into a single warehouse capable of holding up to 14,000 pallets would significantly increase stock movement and throughput, placing considerable pressure on Sanitarium's manual and paper-based warehouse management systems.

Alan Myers, Sanitarium's IT business projects manager, explained, "We introduced a new warehouse management system so we could handle the expanding volume in our distribution centre more efficiently. Consolidating our warehouses required a 50 per cent increase in the physical size of the distribution centre."



Customer profile



Company
Sanitarium

Industry
Food manufacturing

Challenge
Replace manual, paper based processes with real-time mobile access to a warehouse management system

Solution
Motorola's MC9000 mobile computer enables real-time access to SAP system

Benefits

Scanning capability has increased efficiency and accuracy, and real-time inventory updating simplifies stock management

Solution partners

Skywire worked closely with Sanitarium to deploy all MC9000 handsets

"Warehouse staff had been relying on post-it notes to label stock and keep track of use by dates, as well as manually using picking slips to pick and pack orders. It wasn't a very efficient or accurate way of working. It presented problems in terms of managing use-by dates, ensuring that the correct stock was being packed for delivery and also made it difficult to locate particular products. We needed to introduce a new system that made the picking and packing process more efficient," said Myers.

Sanitarium realised it needed to introduce a real-time system that would accurately track the location of products, assist staff with order packing, and update the inventory system instantly so that stock levels were always accurate.

The solution: Mobile warehouse management

Sanitarium realised that besides needing to implement a new system for warehouse management, staff would need access to this system at the location where most of their work took place - on the warehouse floor. Mobile devices that featured radio frequency bar code scanning capabilities were the obvious answer to ensure staff had access to warehouse systems on the move. The challenge for Sanitarium was choosing the best device.

"We knew that we needed to give staff on the floor mobile access to our SAP warehouse management system, but we also needed a rugged, secure and reliable device capable of achieving this," said Myers. "Initially we had an IT technical person reviewing mobile devices. The unit they presented was very nice technically - it had a great colour screen and the latest version of Pocket PC - but when our General Manager tested the device, its scanning capabilities were pretty unreliable."

"So we took a step back and reviewed our business requirements. These included consistent scanning and the ability to withstand harsh environments, but most importantly, the device had to be powerful enough to let staff scan pallet barcodes without leaving their forklifts. We only found one device that met this requirement, and that was when a Sanitarium staff member happened to get into a discussion with Motorola at a trade show event."

"We were introduced to Motorola's MC9000 mobile computer, and in all the tests for our business requirements, the device performed better and was more cost effective than any others we had looked at."

The MC9000 is an extremely durable device with IP64-rated seal protection to ensure continuous operation in harsh conditions. The MC9000 combines bar code reading, imaging, 802.11 connectivity, a full 1/4 VGA screen and alphanumeric keypad, and has the flexibility to provide real-time access to information so that inventory employees can pinpoint the exact location of an item at any time.

Results: mobility creates a healthy warehouse

Motorola Enterprise Mobility business partner, Skywire, worked with Sanitarium to implement 27 handsets for use by its 40 warehouse workers. Myers continues, "Skywire were happy to help us achieve all our requirements, and have made numerous trips to our warehouse on the NSW central coast to fine tune the implementation."

"The warehouse contains up to 14,000 pallets of material, and some of this stock is in foil lined packaging which can interfere with scanning and wireless coverage. Skywire has worked closely with us to help overcome some of these implementation challenges."



The Motorola MC9000 allows Sanitarium to track all stock movement by scanning pallet barcodes. The SAP warehouse management system not only identifies what needs to be done with the product being scanned, but automatically updates inventory records on the system in real-time. Using the MC9000 mobile computer with real-time access to SAP, staff are directed to the exact location of the required stock. This has increased the efficiency and accuracy of Sanitarium's picking and packing processes.

Additionally, it's now much easier for Sanitarium to verify that customers' orders are correct before delivery. Once products have been picked and packed, they are cling-wrapped onto pallets for dispatch. Previously, staff relied on visually matching a product code with a pallet code to ensure the right products had been packed. Staff now use the MC9000 mobile computer to verify

that the correct products are about to be dispatched for delivery, significantly reducing any margin for human error.

"The system is user-friendly, and easy to learn," says Myers. "We can start a casual staff member on a Monday, and have them working unaided by Tuesday morning."

"The fact that the Motorola MC9000 has delivered on its promise for Sanitarium is evident in our plans to add another four devices in our Australian warehouse and our preparations to introduce the devices into our New Zealand warehouse as well. We look forward to continuing to leverage the benefits of enterprise mobility in the future." Myers concluded.



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