

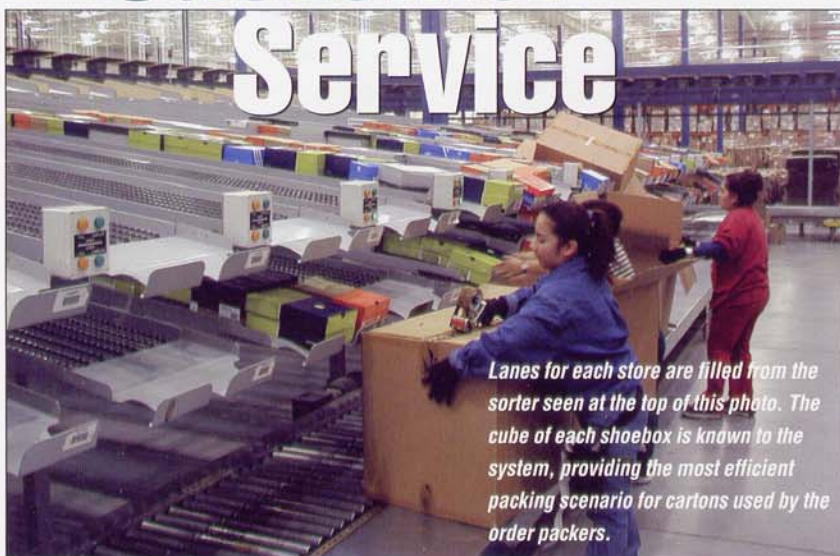
Material Handling

MANAGEMENT

Sortation

Sortation for Customer

Service



Lanes for each store are filled from the sorter seen at the top of this photo. The cube of each shoebox is known to the system, providing the most efficient packing scenario for cartons used by the order packers.

By Clyde E. Witt

Sorting for retail distribution means considering last things first.

When the Finish Line (Indianapolis) set out to modernize its retail distribution center, it created a change of methodology—from pick-to-order fulfillment to a batch-pick sort-to-order process—as well as a physical change. (See *Material Handling Management*, February 2005, “Sorting Out Sortation” for more details on this installation.) The company sells a complete line of sport footwear and related softgoods through more than 600 retail outlets and an online store.

The new distribution center expansion, opened in May 2004, has proven capable of meeting the company’s aggressive retail store growth initiatives. Cur-

rently, this distribution center is designed to service as many as 800 stores as the company’s growth continues.

The distribution center features a Crisplant (an FKI Logistex Company) tilt-tray sortation system to move a mix of footwear and softgoods from four induction platforms.

“We pick product for each store location every third day,” says Bob Edwards, senior vice president. “Our Internet business is handled just like another store order until we reach the shipping point, then it changes.”

The difference in how Internet orders are handled happens at the end of the process. Because orders have been batch picked and sorted as if they were a retail store, they must be unpacked in the Web processing area. Each item is scanned when it is removed from the carton. The difference is, when the UPC is scanned, the order is allocated to an individual, not a store.

“When the person orders more than one pair of shoes or softgoods items,” explains Edwards, “the first unit is placed in a numbered bin until the second unit reaches the processing area and is also scanned. Then the system software tells the order filler to combine the two units into a carton for ground shipping, or however the customer requested.”

Sorting for retail

Steve Schwiertert, director of integration systems, Advanced Handling Systems (Cincinnati), says planning a sortation system for a distribution center serving retail stores has to take into consideration the end of the story, first. “In the retail world, especially de-

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Bob Edwards, senior vice president

partment stores, many things are driven off the departments' needs. In planning, we first look at how the goods will be received at the retail store for putaway.”

Floor space is limited and stockrooms nonexistent for some retailers. Most retailers want incoming cartons to be packed in some finite way to limit the handling at the store level. This might require all clothing to arrive from the distribution center on hangers and pre-priced. Cartons for the men's department must be clearly marked and the clothing packed in the order it will be put onto the shelves or racks. This all has to be part of the sortation process explains Schwietert.

“Finish Line is a bit different and a bit easier in this regard,” he says, “because it distributes two distinct items, footwear and softgoods, these items wouldn't be shipped in the same carton.”

Schwietert says working with Finish Line was also different in establishing its Internet order piece of the sortation process. “Often, retailers with an Internet store and a brick-and-mortar store, run them as separate

entities with separate distribution centers, even though the inventory has a 60 percent to 70 percent commonality. They look at the businesses as two distinct brands.”

Finish Line, however, differs. It runs both businesses from the same location with a common inventory. This offers some advantages when it comes to customer service says Edwards. “The system software is designed so that when an Internet order comes in, it first looks to fulfill that order from the distribution center. If the item is not available here, it looks out over the stores' inventories and we can fill that customer's request from a store location.”

The system looks at postal codes or regions from where the order has been placed. The system also works from the retail store end. If a customer's request is not on the shelf, it can be fulfilled, overnight, from the distribution center or another store in the region closest to the shopper's home. The order will go directly from the retail store to the customer, thus avoiding extra time sitting on a delivery truck or on the shelf waiting for the customer to return.

The retail business is dynamic, product mix is always changing and how orders are fulfilled from the distribution center have to meet that challenge. The heart of a company's ability to respond to changes at the end of the supply chain is in the flexibility of the sortation process at the distribution center. **MHM**



Footwear is selected in batch waves and automatically inducted to the Crisplant sortation system from two platforms in the distribution center.

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