

# CEVA consolidates wide range of small SKUs into compact storage solution



## CEVA Logistics Makes business flow

### Storeganizer solution improves picking key performance indicators (KPI) and enables 100% picking accuracy

*Recognising that they were not using their available warehouse space to the fullest, especially for one of their customers who required a large number of locations for small, mainly low-volume SKUs, the team at the CEVA Logistics site in Daventry started looking for a way to densify storage of this particular stock. In Storeganizer, they found the perfect fit to optimise their warehouse design.*

#### The challenge

CEVA Logistics is one of the world's leading non-asset-based supply chain management companies, ranking number five in contract logistics and number 10 in freight management. With divisions in over 160 countries, the company rightfully claims that it 'makes business flow'. The team at the CEVA site in Daventry was looking for a solution for one of its customers that would allow them to optimise the available warehouse space, which is 90,000 sq ft (just below 8,362 m<sup>2</sup>) in total.

"As this particular customer deals in multiple parts and materials, they require a large number of locations for small, mainly low-volume SKUs," explains Joy Cottrell, Contract Manager at CEVA Logistics in Daventry. "The modified racking and metal shelving solutions we had been using for their stock were flexible to a certain

As one of the world's leading non-asset-based supply chain management companies, they design and implement industry-leading solutions in both freight management and contract logistics.

With 44,000 employees, working in 10 regional clusters around the globe, CEVA Logistics delivers operational excellence - to provide viable answers to the most challenging supply chain questions.

CEVA applies its renowned operational expertise to provide best-in-class services across its integrated worldwide network, where their focus is equally on general business and the specialist needs of the automotive, consumer & retail, energy, healthcare, industrial & aerospace and technology sectors.

point, but their design was not modifiable. Locations had been created for smaller items, but a lot of space remained unused. We were especially looking to reduce the 50% of idle space under the racking. Also, stock used to fall through the mesh shelving and become tarnished and unsellable."

#### The solution

Researching a solution online, CEVA's business development team discovered Storeganizer. "They quickly recognised its potential to fulfill our need to optimise our space as well as our product handling, and believed this would allow us to consolidate a considerable range of SKUs occupying a large area into a more compact storage solution," Joy continues. "We agreed that a Storeganizer solution would enable us to make full use of the space below the racking, densifying multiple locations within a small area."

CEVA did consider other solutions as well, but found them lacking in robustness and visually unappealing. "Storeganizer combines sturdiness and flexibility, and looks very professional on top of that," says Joy. "The concept offered the possibility to mix a larger variety of differently-sized locations, based on our customers' requirements." To identify the optimal Storeganizer configuration, CEVA reviewed the dimensions of the customer's stock against the throughput of the goods. They came out at 26 bays with 5 different pocket sizes. The former issue of stock falling through the shelving was addressed by giving the pockets a slight incline to prevent items from rolling to the front and falling out.

The location of the bays within the warehouse was defined by function of KPIs and performance improvement, accessibility for foot picking rather than machine-handling equipment, and the client's stock profile. The bays hold a wide variety of SKU sizes. A screening on sizes,

# BEFORE 302m<sup>2</sup>



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# AFTER 73m<sup>2</sup>



To install the new solution, 2,547 locations were cleared, emptying 112 bays of racking in total. In the main area where Storeganizer was installed, the number of storage locations more than doubled, from 1,375 to 2,786 locations.

weights and pick frequencies determined for which SKUs Storeganizer would be the ideal storage match and served as the guideline for allocation to a specific pocket size. All non-moving or slow-moving goods were located at the back, saving the front rows for fast-moving goods, to facilitate picking.

### Easy to install, move or remove and a big contributor to warehouse optimisation

Storeganizer was originally acquired and installed for one specific customer. "However, due to the solution's efficiency, we had spare bays, and we were able to install those in another part of the warehouse, for another customer," says Joy. "Yet another advantage Storeganizer offers: being very easy to install and remove as required, as became clear when we decided to carry out the installation ourselves." That decision was made to remove pressure from the team and ensure that the operational functions were not affected, considering the amount of stock and locations that needed clearing or moving to install Storeganizer.

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to convert five aisles of inefficient small racking locations to bulk pallet pick faces. "That allowed us to reduce replenishments," says Joy. "It's clear that our picking KPI has improved, and our picking accuracy is currently at 100% thanks to Storeganizer"

When Storeganizer lived up to their expectations, CEVA immediately placed an extra order. "We identified that a smaller

“Based on the results and synthesis of this warehouse design, quite a few other CEVA sites and customers have already expressed an interest to add a Storeganizer solution to their warehouse configuration.”

Joy Cottrell, Contract Manager,  
CEVA Logistics Daventry

solution would support another range of products in the warehouse, enhancing warehouse utilisation even more, so we placed a follow up order. No need to think twice, since completing the installation ourselves left us with some spare budget. Anyhow, the customer we initially acquired the solution for is so impressed with the benefits he's gaining from this installation, that we are already considering further expansion on that site. And chances are small that we're going to stick to that site. Quite a few onsite tours have already been completed, showing off and recommending this solution to other CEVA sites and other customers. We have noticed a lot of interest based on the results and synthesis of this warehouse design," Joy concludes.



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