

UNEX CASE STUDY



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- Shaun O’Halloran, Director of Operations at Atlas Distributing

customer: ATLAS DISTRIBUTING

operation: Beverage Distributor

goal: Make room for craft beers without additional floor space

solution: Span-Track from UNEX



Solving the Beer SKU Squeeze

A beverage distributor makes room for an influx of craft beers without adding a single inch of new floor space.

How did the distributor do it? Span-Track from UNEX helped roll out the “amber” carpet for New England’s growing cast of flavorful brews.

At Atlas Distributing, Inc., Director of Operations Shaun O’Halloran faced a conundrum: His inventory of craft beers had steadily increased in the past year and more were on the way.

“We had anticipated growth in the craft beer industry,” recalls Shaun. “Inventory was growing in the cooler, and it seemed like we were getting new SKUs every day.”

In late 2013, Atlas Distributing was awarded the distributorship for Yuengling, a popular lager from a brewery in Pennsylvania. “Yuengling had not been distributed in Massachusetts since the early 1990s, so this was a big deal — and a big line, which meant we needed to plan accordingly for the most efficient and effective use of our warehouse space,” says Shaun.

Inside the World of Atlas

Atlas Distributing, Inc. was founded in 1933 and distributes more than 1,500 types of alcoholic and non-alcoholic beverages, including kegs and cases to customers in central Massachusetts. Beer makes up approximately 1,100 of those SKUs, including a growing list of craft beers that creative breweries churn out at a rapid clip.

“Long gone are the days when you walk in to a bar and see four handles for beer on tap. Now, some bars have as many as 25 handles,” says Shaun. “Once consumers try craft beer, they appreciate the flavor profile and want to try others.”



The variety is great for beer lovers but creates challenges for distributors who have to make room for full and partial kegs, like the 1/2, 1/4 and 1/6 kegs warehoused at Atlas Distributing, Inc.

In the beer distribution industry, space isn't the only challenge in the cooler. Picking the 165-pound 1/2 kegs and 60-pound 1/6 kegs (sixtel) is also a heavy burden for workers.

Between space constraints, inefficiencies for pickers and safety issues, the problem in a beer distributor's cooler area is anything but pint-sized.

Calling in the Pros of Pickability

Shaun called John Chauncey, Sales Manager at 1 Stop Material Handling, to help solve the space squeeze, improve keg flow and productivity, and make room for all the cranberry concoctions, blueberry brews and caramel crafts the industry had to offer.

John already knew that in warehouse areas outside the cooler space, Atlas Distributing, Inc. was successfully using multiple UNEX solutions to improve space utilization and manage carton flow. For example, in one section, the UNEX Span-Track Roller Rack solution allowed the beverage distributor to house 10 times more cases in the same footprint than the previous solution.

To help address space and efficiency issues in the cooler area, John put in a call to Bill Link, Northeast Regional Manager at UNEX. "I contacted Bill at UNEX because if anybody can solve a problem with keg or case flow, Bill can do it," says John.

Together with Atlas and 1 Stop, UNEX mapped out a Span-Track system to accommodate existing SKUs and create space for future growth. Using over 800 feet of durable tracks, the distributor was able to get SKUs off the floor and into organized gravity-fed rows and racks, resulting in multiple benefits:

- More efficient order picking — Workers now locate and retrieve long tail SKUs faster and easier because they are densely housed together in visible rows.
- Simple replenishment—SKUs are easily restocked from the back.
- Flexibility and diversity — Racks are configured to accommodate a variety of SKUs and can be reconfigured as SKUs change.
- A clean, clutter-free warehouse — When customers visit, they see a cooler area that is neat and orderly.

But the biggest benefit is the space savings. "Without the Span-Track from UNEX, we would have had to expand our cooler area by another 5,000 square feet, and that would have been very costly," says Shaun.

"You can't go out and build a new warehouse every day or expand your existing warehouse," adds John. "You have to optimize your space, which is exactly what UNEX helped us do for Atlas Distributing."

A Safer Solution — for People and Products

"Storing SKUs on pallets can create a dangerous maze," say Bill, who has helped UNEX imagine and create customized solutions for manufacturers and distributors for more than 3 years.

He says UNEX solutions are designed to:

- Get product off the floor to prevent tripping hazards and poor space utilization
- Create a safer and more convenient pick
- Protect product integrity

Because the area is now so well organized, Shaun says he no longer needs 20 workers to pick product from the cooler. Instead, he has two experts managing the entire cooler area, which keeps 18 employees out of the 38-degree temperatures in the cooler. Those 18 are now working in other growing areas at the facility.

Span-Track has been good for workers, and it's good for SKUs too. The pitched rollers ensure that SKUs of all shapes and sizes flow smoothly without hanging up, falling over or getting damaged. The durable rollers create a sturdy platform for the product, regardless of weight, height or width. Customized roller stops prevent kegs from falling forward.

But as all beer drinkers know, what really matters is taste. With the newly organized cooler area, workers can keep close tabs on the ever-evolving menu of brews and their expiration dates, since shelf life is incredibly important when it comes to crafts. Nobody likes a skunky beer.



Big Wins with Span-Track

- Space Optimization
- Organized, easy-to-find inventory
- Safer work environment for order pickers
- Greater pick density
- Reduced footsteps
- Higher productivity
- Easy SKU replenishment
- Easy installation of UNEX solution



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