

DISCOVER TODAY'S DC AUTOMATION.

In the last 10-15 years there's been a drastic change in what consumers want, need and expect. E-commerce sales are projected to grow 2X from 2018 to 2022; from \$2.9 trillion to \$5.7 trillion.¹ This is forcing distribution centers (DCs) to rethink their business model. DCs now have to deal with an unprecedented level of operational complexity.

Just think about how a typical warehouse from the early 2000s would accommodate today's customer expectations: employees roaming the aisles, manually arranging and putting away products, and spending large amounts of time finding the right locations in DCs. Paper was used to

track and check inventory, and the worker was responsible for correctly and legibly taking down detailed information. This outdated distribution model, which some DCs still use, cannot keep up with competitors who use automated solutions. The automated distribution model directs workers exactly to where they need to pick and pack without any inefficiency.

To keep up with the digital revolution, the continuous expansion of e-commerce and fierce competition, DCs are turning to automated solutions to up their game. For 2019 alone, it's estimated that there will be 1.92 billion global digital buyers² and e-commerce sales are expected to account for 13.7 percent of retail sales worldwide.³

Digital buyers want real-time updates and accurate and speedy fulfillment, putting a strain on traditional DCs. Moreover, e-commerce is changing the material-handling dynamic from less case pick to more each pick, creating highly customized orders, which are more difficult to service. DCs also need to learn how to plan for both direct-to-consumer orders and retail orders.

In addition to these challenges, DCs are also struggling with labor shortages and finding the right talent. According to the Bureau of Labor Statistics, the estimated annual employee turnover rate in the warehouse sector is 40 percent. According to Logistics Management, finding workers with the right skill levels, education and flexibility is also an issue in Europe.⁴

To make matters more difficult, DCs will need to hire an additional 226,000 warehouse workers in 2019 just to keep pace with demand, according to a new report from CBRE.⁵

SOLVING CHALLENGES THROUGH AUTOMATION.

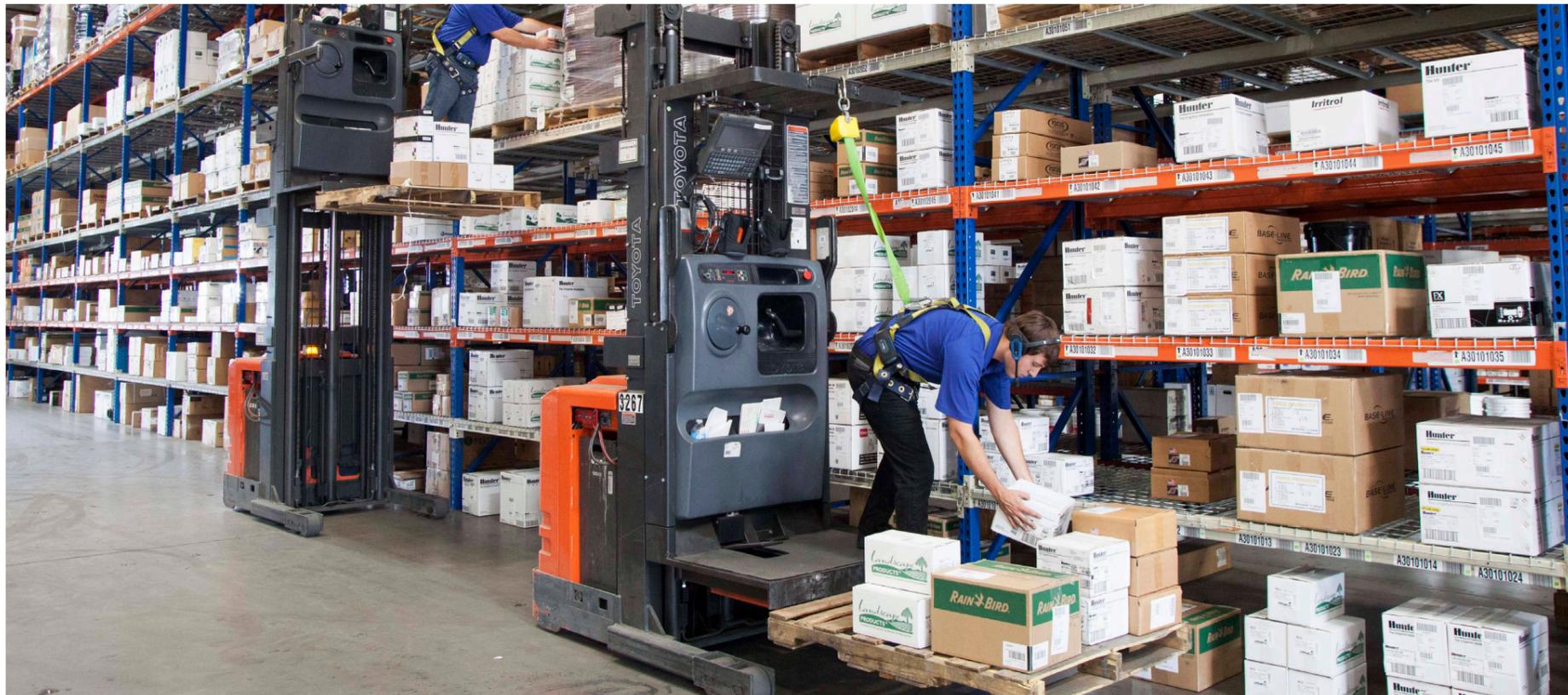
To contend with these obstacles, DCs are moving from silos to integrated solutions in their facilities. The need to have a single source of truth where information flows easily and can be accessed and leveraged by all stakeholders is becoming increasingly apparent.

However, 25 percent of DCs are still paper based, according to WERC's global survey.⁶

A lot of progress has been made in recent years in developing cost-effective solutions that replace paper-based processes and deliver vital information on things like device health and performance in real time.

Additionally, investing in DC automation — like robots in warehouses and mobile scanners — can help counterbalance labor scarcity by boosting the productivity level of the existing workforce.⁷

However, some DCs may not understand that automation is not just a solution for the largest or newly built warehouses, or for those with budgets for advanced robotics. There are automation solutions attainable and impactful that can be successfully applied by workflow within small and midsize DCs — partial automation processes with worker augmentation, where workers are empowered through the latest technological capabilities.



¹eMarketer, Prologis, IHL
²<https://www.statista.com/statistics/251666/number-of-digital-buyers-worldwide/>
³<https://www.statista.com/statistics/534123/e-commerce-share-of-retail-sales-worldwide/>
⁴https://www.logisticsmgmt.com/article/european_update_logistics_hubs_key_to_e-commerce_efficiency
⁵<https://multichannelmerchant.com/operations/labor-shortfall-distribution-fulfillment-centers-growing-acute/>

⁶<https://werc.org/store/ViewProduct.aspx?id=11535540>
⁷<https://www.mhlnews.com/warehousing/labor-shortage-hurts-logistics-industry>

IMPROVE CRITICAL WORKFLOWS WITH INNOVATIVE TECH.

RECEIVING/CROSS DOCK



One of the most pressing problems in DC workflows is reducing the “dock to stock” cycle time — particularly where paper processes cause problems. This can be achieved through efficient real-time inventory management. Deploying a mobile solution with advanced imaging technology is 25 percent more productive and 50 percent more accurate than paper or manual methods in the warehouse, reducing “dock to stock” cycle times and effectively managing DC capacity.

The Dolphin CK65 mobile computer offers fast, accurate scanning and integrated task management. It delivers unmatched asset life with Android R compatibility, best-in-class ruggedness and up to 28 hours of battery life.

PUTTING AWAY/REPLENISHING



The cost of unproductive time is high in DC workflows. Twenty-two minutes is the average number of unproductive minutes per eight-hour day per worker, according to Honeywell research. DCs need efficient real-time inventory management and enhanced worker productivity to keep up with demand.

To minimize downtime, DCs need to achieve a high level of performance in stock put-away. Promoting worker well-being, for instance, is known to improve productivity. DCs can promote employees' well-being by implementing time-saving solutions like mobile printing, which helps save unproductive minutes in the eight-hour workday and makes employees' jobs easier.

Thor VM1A built on Mobility Edge is a compact VMC that minimizes obstruction and eliminates downtime. Mobile printing saves unnecessary worker actions.

PICKING



DCs need to improve pick accuracy and on-time shipments to 99.99 percent to keep pace with competitors who are achieving such results. The average to midsize DC loses \$400k every year because of mis-picks.⁸ When talking about the impact on the consumer, this workflow is responsible for the greatest number of errors and has the lowest productivity.

Faster, more accurate fulfillment can be achieved with mobile devices. Directing a picker to the right spot in a warehouse faster and with more information and loading boxes or pallets on a truck in the right order are just a few of the benefits of using mobile devices. Moreover, wearable devices increase throughput and fluidity and reduce operator fatigue by enabling hands-free, voice-guided workflows.

8680i Wearable Mini Mobile Computer ensures data is always at hand and offers cost savings versus the standard mobile computer. Features ergonomic scanning, a rugged design and workflow analytics that manage battery life.

Guided Work Solution using voice increases throughput and reduces operator fatigue through hands-free and voice-guided picking. Increases productivity up to 35 percent, while decreasing error rates and training time up to 50 percent.

⁸<https://blueharbors.com/how-mis-picks-mistakes-cost-companies-close-400000-year/>

CYCLE COUNTING



Physical inventory is one of the most expensive processes in a DC. It's also the least efficient if done on paper, because employees have to write down information in the correct spot and order, and manually verify if it was done correctly.

DCs can be transformed into high performers with a more efficient real-time inventory management solution. Handheld scanners easily slot in cycle counting with other work assignments and maximize worker efficiency and productivity.

Handheld Granit scanners improve productivity and deliver fast and accurate scanning, plus efficient task management and damage recording. Granit scanners are also rated IP65 for harsh working conditions.

PACKING



In the packing workflow, faster and more accurate fulfillment that ensures on-time delivery to customers is a must. Mobile printers, media and scanners translate into better accuracy and worker efficiency. More and more retailers are relying on automated mobile solutions for their distribution and fulfillment centers. Sixty out of 100 of the top U.S. retailers rely on Honeywell automation solutions for their distribution and fulfillment centers.

PX900 series printers deliver outstanding performance in the most rugged and industrial environments. Featuring multiple interfaces, secure wireless connectivity, and support for IPv6, these printers ensure easy integration and long-term scalability.

SHIPPING/LOADING



Loading trucks at the dock can be hectic – while items are staged, they may not be in front of the door or in front of the truck onto which they are to be loaded. The last thing a DC wants to do is leave a pallet behind and not load it on the truck.

To make sure this never happens, DCs can rely on high-performance scan verification. Granit scanners scan verification and printing to ensure the DC never loses a pallet and that all pallets are loaded into the truck.

Granit scanners' scan verification and printing ensure your DC never loses a pallet, and always loads the truck on time. The IP65 rated Granit scanner is built to survive 5,000 3.3" tumbles and 50 drops to concrete from 6.5 ft. These printers ensure easy integration and long-term scalability.

SUCCESS BEGINS WITH A STRONG PARTNERSHIP.

Honeywell customizes solutions by working closely with clients to identify their unique needs, challenges and goals. Along with offering more than 100 years of industry expertise, our team of innovators solves real problems and drives breakthrough results through better data insights and connected technology.

Learn more at honeywellaidc.com or call a knowledgeable representative at 1-800-934-3163.

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