



Application for IFOY Award

Entry title: InfoLink Fleet Management System

Entrant: Crown Gabelstapler GmbH & Co. KG
Moosacher Str. 52
80809 Munich
GERMANY

Category: Forklift Truck Solution

Title:

Crown the five star choice for leading stationery wholesaler Spicers, reducing their damage costs by over 90%

Customer:

Spicers Limited

Realisation phase: from August 2012 to current

Summary of the solution (max. 2500 characters)

Executive summary:

Offering over 17,000 items from its product portfolio, including leading stationery brand 5Star™, and operating from eight strategically located distribution centres, Spicers is one of the UK's largest wholesale providers of stationery and office supplies.

Following acquisition by venture capitalist firm Better Capital, Spicers wanted to improve efficiency and reduce cost in its MHE fleet – and after an extensive tendering process chose a fleet of new Crown materials handling equipment, all fitted with the latest version of Crown's innovative InfoLink® fleet management system.

Infolink has enabled Spicers to reduce the size of their forklift truck fleet from 154 units down to 86 units with maintenance and damage billing reducing from over £11,000 per month to less than

£1000.00 per month – a reduction of over 90%. Further fleet utilisation will result in a further 15% reduction in the fleet size, down to around 73 units.

Spicers – the application:

With a turnover in excess of £330M, Spicers is exclusively wholesale, supplying office products to a network of authorised dealers across the UK, supporting them through a market leading e-commerce solution. All products come in from manufacturers to Spicers' Central Distribution Centre (CDC) at Sawston, Cambridgeshire. The CDC then replenishes goods stocked at the six Regional Distribution Centres (RDCs) on a daily basis, which in turn provide a same or next day service to office products dealers in their geographic area. Finally a Dealer Distribution Centre (DDC) based in Smethwick, West Midlands provides a service whereby products are picked, wrapped and dispatched on behalf of dealers and sent directly to their customers via an independent delivery service.

The Crown solution:

The new fleet of Crown equipment has been acquired on a 5 year contract hire basis and has already made a significant improvement to the operational efficiency at Spicers. "We owned our previous fleet of materials handling equipment and due to age, a lot of the equipment had become very expensive to maintain," explained Spicers' Operations Improvement Manager, Bobby Arman. "We went out to investigate the marketplace, embarking on a tendering process for new equipment to be acquired on a contract hire basis. We are not fork lift truck people – we needed professional advice to get the correct fleet for our business and this is where Crown shone. Working with Crown's National Account Manager, Steve Rumbelow, we assessed the operational activities across our eight sites and quickly realised that through better utilisation of our MHE fleet, huge efficiency savings could be made. This would bring an immediate and dramatic reduction to our running costs as well as reducing the number of units we required."

During the tendering process, Crown delivered a number of demonstration machines to site for evaluation by Spicers. Bobby Arman continued: "My perception was that Crown produced very strong and solid trucks, but they would be big and bulky. When the demonstration machines arrived, I was surprised to see they were no bigger than their competitors. Our experience with our previous fleet was of plastic covers that get knocked and damaged very easily – which meant that they began to look worn out in their first couple of years. The Crown trucks are different – they're manufactured

to a much higher standard with lots of metal covers instead of plastic. This was a key point for us as we felt the trucks would last better and be more reliable in our busy working environment.”

For Spicers, cost of maintenance and repairing damaged trucks had become hugely expensive as their fleet became older. Steve Rumbelow, Crown’s National Account Manager explained: “When we initially looked at the Spicers’ fleet, in many cases they had more than one truck on site to ensure availability when they had a breakdown. Crown’s proposal reduced the number of trucks through a combination of better utilisation of the fleet and supplying key trucks with two batteries, ensuring availability across double shifts. All trucks were fitted with the InfoLink® fleet management system, giving Spicers a common reporting platform across all sites, and visibility so they can identify how trucks are being used and ensure they are being optimised to the full. The upshot of the evaluation process was that we proposed reducing the fleet by over 40% - down from 154 units to only 86. We predict this will reduce further – by around 15% - as Infolink identifies areas where efficiencies can remove another truck”.

The Crown equipment:

Spicers’ Central Distribution Centre at Sawston receives products direct from manufacturers and operates a mixed fleet of Crown equipment including WP 3000 powered pallet trucks and WT 3000 rider pallet trucks for loading and unloading, GPC 3000 low-level order pickers for bulk picking and the ESR 5000 reach truck. The revolutionary design of the ESR 5000 Series has given Spicers’ operators a distinct performance advantage: class-leading ergonomics, superb visibility and application flexibility allow operators to work faster and more comfortably without compromising safety.

In its Greenwich Regional Distribution Centre, Spicers have adopted a fleet of Crown TSP 6000 VNA trucks. Featuring Crown’s MonoLift™ mast, the TSP Series reaches lift heights at faster speeds (up to 0.61 metres/second), enabling Spicers to gain maximum benefit from every pallet location. Spicers’ operators are also noticing the benefits of the new equipment. Within the operators cabin, Crown’s MoveControl™ seat features integrated armrest controls for shift-long support and four seating positions for unsurpassed visibility and comfort while maintaining safety with precision control of all truck functions. Safety-first floor presence pedals require the operator’s feet to be in place before the truck can commence work - there’s even a microcellular anti-fatigue floor mat to reduce the risk of discomfort and back stresses. Multiple compartments provide convenient storage for documents, tools and other operator needs. During picking operations, postural support for the operator is provided by a work-assist rail and side gates which need to be lowered for operation. The Crown

Intelligent Braking System (IBS) automatically adjust braking force to allow for lift height and other key variables to give better control and minimal mast sway.

A fleet of TSP 7000 VNA trucks with a lift height to 15 metres is currently on order and due for delivery into the Smethwick Dealer Distribution Centre early in 2013.

The Crown WP powered pallet truck features at all sites. Dubbed the “workhorse of the warehouse”, the WP combines power and performance with manoeuvrability and ease of operation and is at home whether unloading from the back of a lorry or moving loads across the dock. Spicers also use the truck for order picking in the Regional Distribution Centres.

The benefit to Spicers – Health & Safety benefits combined with productivity improvements:

A key factor in the decision to award the new contract to Crown was the opportunity to install Crown’s innovative fleet management system – InfoLink®. Bobby Arman explains: “InfoLink allows us to monitor exactly what each truck is doing so we can manage our fleet better. Our last fleet had a simple keypad access system – now our drivers have access cards and InfoLink® stores all the data. If a driver does not have the correct driving licence for a truck, InfoLink® won’t let him move it – a driver can no longer just jump on the truck. The result is a significant reduction in damage to the trucks, the racking and the building itself. Whereas accidents might not have been reported, InfoLink® now monitors, records and reports on everything that is happening with the truck and driver.”

As well as the health and safety benefits, Spicers also experienced a significant improvement in driver productivity. Bobby Arman explains: “With InfoLink, we can now clearly monitor what the drivers are doing, ensuring their productivity is correctly managed and challenged – it has given us visibility. We can also monitor our truck utilisation and compare site performance. This allows us to identify what is working or not working at each location and ensure best practice is consistent across our sites.”

The benefit to Spicers – cost reduction:

Bobby Arman continues: “As well as the operator efficiency improvements, there have been additional financial benefits as we’ve experienced a huge reduction in damage billing – over 90%. For example, in our CDC at Sawston, prior to adopting the Crown equipment, our monthly repair and damage costs were running at over £11,000. By monitoring our operation using Infolink, we have seen this fall to well under £1,000 per month. Our quarterly maintenance costs have also significantly reduced as the Crown fleet is far more reliable and robust.”

Spicers – the future:

The Crown trucks have been operational at Spicers sites for approaching six months and InfoLink[®] continues to help improve efficiency. Going forward, efficiency improvements through better fleet utilisation and improvements in reliability when compared with the previous equipment, will see the Spicers fleet reduce further – by an additional 15%.

Applying the solution to other Crown customers:

The solution installed and operational at Spicers is not unique to this one customer. Crown customers all over the world are experiencing the combination of a robust, durable product coupled with an innovative fleet management system. This is helping to drive down Total Cost of Ownership (TCO) in their business operations.

Sustainability through product design and sustainable manufacturing:

Crown designs materials handling equipment and technologies to maximise their lifespan, conserve resources and help customers achieve environmentally friendly business results. Product design is one of the most important steps for influencing sustainable, green products with decisions during the design stage affecting a product's end of life management.

From the outset, Crown's trucks are manufactured using more than 60% recycled steel and when they reach the end of their usable working life, up to 99% of the truck is recyclable. The use of steel instead of plastic in vital areas of the product ensures less replacement parts are required and customers like Spicers benefit as they see significant reductions in their TCO.

Intelligent product design also reaps sustainability benefits. Crown's MonoLift™ mast has proven durability and long-life characteristics, while Crown's e-GEN[®] braking system uses AC motor torque instead of wearable brakes - eliminating the need to replace wearable parts. As demonstrated at Spicers, InfoLink[®] data quickly identifies areas where operational efficiency can be improved whilst also identifying maintenance issues – allowing equipment to be proactively managed for optimal use and a longer life.

Conclusion:

Spicers are reaping the benefits of Crown's intelligent product design and the application of innovative technology to dramatically improve their efficiency and reduce their TCO.

Spicers Bobby Arman concludes; "It's fact – Crown really has helped to reduce our operating costs and improve our efficiency."