

# Distribution Center Expansion Boscov's Department Stores, Reading, PA

References

Nº 53





## Retail Cross Docking

### Initial Situation

Boscov's Department Stores was comprised of 40 retail stores at the time of the initial project with a distribution center located in Reading, PA. The DC processes a wide variety of products with a broad range of sizes with significant seasonal peak periods for various products throughout the year.

Boscov's wanted to expand their chain, but the DC was already operating at peak capacity with a significant bottleneck at shipping. The DC was handling 120 cartons/minute, but could only ship 65 cartons/minute.



### System Solution

viastore systems, Inc. worked with Boscov's to develop a multi-faceted solution to increase the speed of cross docking, give the DC flexibility for peak periods and future growth, and increase tracking and manifesting accuracy.

The original sorter would divert shipments through a row of 40 docks for the 40 stores. Completely replacing the equipment was too costly, so viastore worked to utilize as much of the existing equipment as possible. By dividing the sorter into two units (sorter A and sorter B) and installing a pre-sorter, travel time and distance to the docks were cut in half. Conveyor was also added before the sorters A and B to aid accumulation, justification, and spacing.

In addition to designing new equipment, viastore also developed a warehouse control system that included an RF Scanning system. This software works with the conveyor tracking and manifesting system to more effectively track shipments and increase manifesting accuracy.

### The Result

In the first five months following the completion of installation, the DC's Units Per Hour increased by 12%, the Cost Per Hour dropped by 9%, and manifesting accuracies increased by 16%.

The shipping system cross docking time decreased to 7 minutes and due to viastore's software implementations, manifesting accuracies have increased from 82% accuracy rate to 98-99.6%. Due to the newly implemented pre-sorter, Boscov's now has a greater flexibility to handle those various peak periods that were previously a strain on their system.

Boscov's operational expense savings were \$886,634.00 in the first 30 months following installation.