

LAA LTD SITE VISIT – SEPTEMBER 28 2007

On Friday 5th October, Super Cheap Auto Group provided an in-depth tour for 13 LAA members of their Supply Centre located at Lawnton, Brisbane.

I have been a keen fan of Super Cheap products since they first opened a store near me back in the 90's, and have a shed full of useful tools and gadgets to enable me to perform my oil changes! So it was with great delight that I was able to visit the very busy Lawnton Supply Centre and view how Super Cheap Auto group performs warehousing and distribution. Our tour guides for the site visit were Paul Wilson (National Planning Manager), Terry Coleman (Pick/Replenishment Operations Manager) and Troy Williams (Inwards/Outbound Operations Manager).

Paul provided LAA members with an opening brief on the statistics of the Distribution Centre (DC) which includes 200 personnel, operating the DC for 18 hours each day over five days. He also stated that Super Cheap Auto Group owns BCF (Boating, Camping and Fishing), with the DC warehousing 10 000 SKUs for Super Cheap auto and 500 line items for BCF. The Distribution Centre supply throughout Australia and New Zealand to approximately 280 retail outlets and sales are already in excess of half a billion dollars this year.

From the initial brief it was then into the warehouse for the tour to begin. I joined Paul's team who explained that Super Cheap began operating in the current facilities in 2001 and have been expanding ever since to keep up with demand. He also indicated that Dexion had been responsible for providing and installing the pallet racking and shelving for the DC as well as the advanced order fulfilment system which works in conjunction with RF picking. This assists in automating the movement of orders via conveyor systems to pick modules.

Paul highlighted that the automation and racking changes that have been made over the years have helped to increase productivity as well as storage capacity. However Paul was quick to note that there is still improvement required, and that they are looking at better utilisation of cross docking to reduce unnecessary storage time for items. They are also looking at inventory optimisation and ensuring they review their slow moving stock policy. Do you really need to keep 100 brake pads for a Holden EH ! Paul also indicated that the Distribution Centre has a top 200 product range that mainly consists of car care products being closely managed to ensure a high order satisfaction rate.

During the tour, Paul commented that Super Cheap Auto Group will soon be opening a DC located at Altona, Melbourne. A lot of the lessons learned from the Lawnton Distribution Centre will be applied to the new DC which will also feature Dexion racking and RF picking.

The tour ended with a discussion with Graham Chad, General Manager of Group Logistics and his outlook on the future of Super Cheap, which includes continued expansion of both Super Cheap and BCF stores. The tour was concluded with Graham receiving the LAA plaque to thank Super Cheap Auto Group for the opportunity to visit and the excellent information provided by the tour leaders. Graham also suggested we stop by the Super Cheap Auto retail store on our way out, which of course I did and came away with a set of wiper blades, but it could have been much much more !



[L-R]: Graham Chad, General Manager, Group Logistics, Super Cheap Auto with George Hodgson, LAA Committee member.