

## PRESS RELEASE

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### Dematic's innovation rewarded by Coca-Cola Amatil

In recognition of its contribution to the success of Coca-Cola Amatil's (CCA) new Distribution Centre (DC) at Eastern Creek in western Sydney, Dematic was presented with the *Innovation Award* in the beverage distributor's inaugural *Supplier of the Year Awards*.

Celebrating the outstanding performance of CCA's top suppliers, the new national awards program is designed to improve suppliers' understanding of CCA's business across all functions to enhance and facilitate innovation and continual improvement.

The awards recognise excellence in six categories: Account Management, At Work Business Partner, Customer Service, Innovation, Process Improvement and Sustainability. An overall CCA Supplier of the Year was also selected, with this award going to packaging supplier Visy.

The winners were announced at an award ceremony and dinner held at the Powerhouse Museum in Sydney. CCA Group Managing Director, Terry Davis, and Managing Director of Australian Beverages, Warwick White, spoke about the importance of the relationship between CCA and suppliers, and pledged to provide external support to valued partners, including references for and advertisements endorsing the *2009 CCA Supplier of the Year* award winners.

Dematic was represented at the awards by CEO Glen Borg and Industry Logistics Manager David Rubie.

"For Dematic to be recognised as the best from amongst hundreds of CCA suppliers in such a highly contested category, is an outstanding achievement," said Mr Rubie.

"The excellent results being achieved at the Eastern Creek DC were only made possible thanks to the incredible support we received from the various Dematic and CCA project teams throughout the design, development and implementation phases of the project," he said.

The CCA award is the second time the Eastern Creek DC has received recognition, with the site winning the prestigious *Manufacturing Logistics Award* in last year's Supply Chain & Logistics Association of Australia's national awards.

#### CCA Eastern Creek DC

The Eastern Creek DC services CCA's 14,000 Route Trade customers in New South Wales from Bega to Coffs Harbour, an area covering about 1000km.

Route Trade customers range from corner stores and convenience shops through to service stations, small grocery and fresh food outlets, as well as an increasing number of liquor shops and wholesalers, and account for close to half of CCA's throughput during the summer peak.

Within just eight weeks of operation, CCA was achieving record-breaking productivity rates of more than 1400 picks/hour at the Eastern Creek DC thanks to a world-first order picking methodology developed by Dematic.



## **Dematic's Innovative Negative-PUT concept**

Dematic's new Negative-PUT process optimises case picking productivity in mixed pallet order assembly by pairing suitable orders and fulfilling them through ergonomically-designed 'Goods to Person' pick modules. Dematic's patented Negative-PUT software re-sequences orders to generate the highest quantity of negative pick opportunities and the optimum order fulfilment sequence for any batch of orders, creating substantial productivity gains.

"Around 70% of the DC's orders pass through the Negative-PUT module, with about 35% of the orders complete when they exit," explained Grant McClean, CCA's Major Projects Manager.

"The net effect of Negative-PUT is that around 20% of the cases for mixed pallet orders are despatched without ever being picked," he said.

Other key Dematic solutions at the Eastern Creek DC include:

### **Inbound Logistics: RO-RO auto truck unloading**

To ensure efficient goods receiving and minimise forklift operations, the DC features three roll-on, roll-off (RO-RO) automated truck unloading docks, each capable of unloading 22 pallets in under 15 minutes. Pallets are automatically scanned, check-weighed and transported by integrated pallet conveyor to a pick-up station near their reserve storage put-away location.

### **Outbound Logistics: Faster, safer truck loading**

An Auto Despatch System featuring Dematic's Pallet Runner storage system gives CCA the ability to pre-pick, assemble and stage orders for up to 144 truckloads of up to 12 pallets at any one time, providing a buffer of around 16 hours during peak periods. Staging orders takes order assembly off the critical path, ensures efficient, reliable truck loading, and minimises truck turnaround time in the busy despatch area.

### **OH&S Initiatives: A safer workplace**

The DC incorporates a number of innovative storage design features including wider than normal aisles, a higher first beam level plus additional space between and around pallets. Wider aisles ensure safer forklift and pallet truck flow and more space around the pick face provides quicker and easier access to stock whether it is at the front or rear of a pallet, reducing the potential for the picker to trip or stumble while reaching for and lifting cases.

### **Benefits**

CCA's Eastern Creek DC has substantially improved the efficiency of CCA's mixed pallet order fulfilment. As well as reducing distribution and transport costs, CCA expects the DC to provide consistent productivity and throughput gains of around 20% to 30%.

Other key benefits include:

- Improved customer service through increased pick and invoice accuracy and pallet build quality
- Fewer errors, reduced returns and damage



- Substantial reduction in truck mileage from old supply chain to new, with significant reductions in greenhouse gas emissions
- Integrated IT including WMS, Negative-PUT and voice-directed picking
- Satisfies CCA's NSW supply chain requirements until 2015.

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## About Dematic

*Dematic is one of the world's leading suppliers of logistics systems and solutions. Dematic provides automated materials handling products, systems and solutions for retail and wholesale distribution, consumer direct, grocery, food and beverage, and manufacturing industries. As a systems integrator, Dematic delivers a full range of products and services, from individual products and systems to complete turnkey solutions, as well as comprehensive after-sales service and support. Its Real Time Logistics group delivers best of breed, integrated logistics IT systems. Its storage division, known in the market as Colby Storage Solutions, provides outstanding value and service through a national network of storage professionals. Dematic's expertise has been acquired over decades of innovative logistics solution development. Dematic Pty Ltd is part of Dematic Holding S.à r.l., Luxembourg. Globally the company employs around 3,000 people and has a business volume of around \$1.4 billion. For more detailed information about Dematic, please refer to [www.dematic.com.au](http://www.dematic.com.au).*