



## CASE STUDY

# New Warehouse Stand-up

## AramSCO

### PROBLEM / CHALLENGE

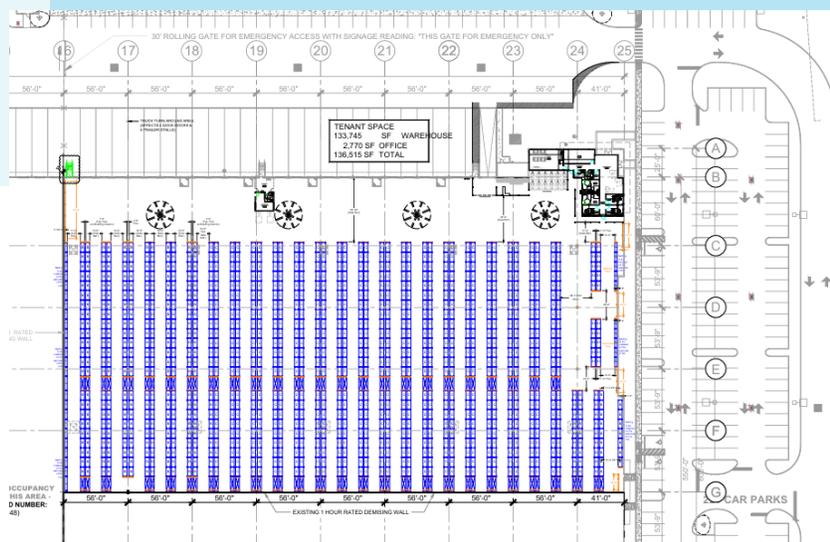
A distributor of over 40,000 SKUs of safety related products had an aggressive goal to open 2 large regional greenfield distribution warehouses in less than 9 months. They needed outside Lean Warehouse and Project Management expertise to facilitate standing-up of their Florida DC while they completed the stand-up of a DC in New Jersey.

AramSCO was founded as a regional supplier of industrial safety products in 1966. In 2023 it was acquired by Private Equity to update and consolidate its distribution network from with over 70 distribution locations to a hub and spoke regional distribution strategy.

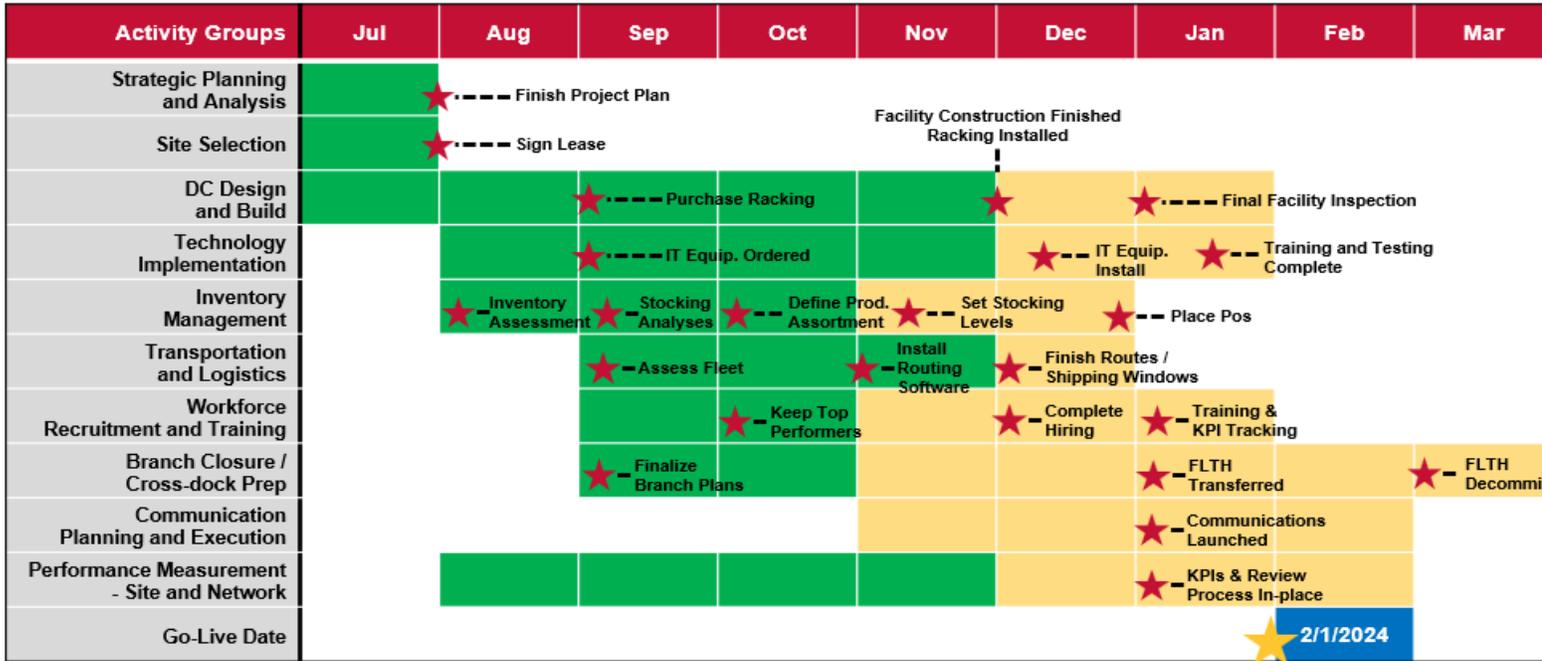
### Project Scope

The FL DC would occupy a greenfield shell with just over 136,000 square feet. Our scope included:

- Permitting
- Warehouse, racking, and office, layout and design
- Construction build out Project Management
- Sub-contractor management
- Inventory analysis and slotting
- Procurement of facility equipment, material handling equipment, racking and internal and external signage
- IT design and installation
- Financial management and control
- Communications with senior management and local personnel
- Work with HR for staffing
- Provide a Lessons Learned Playbook for future DCs



# General Timeline and Overlaid Milestones



## 2 examples of communications and planning tools:

Above Gantt chart was used as a high-level milestone plan when presenting to management.

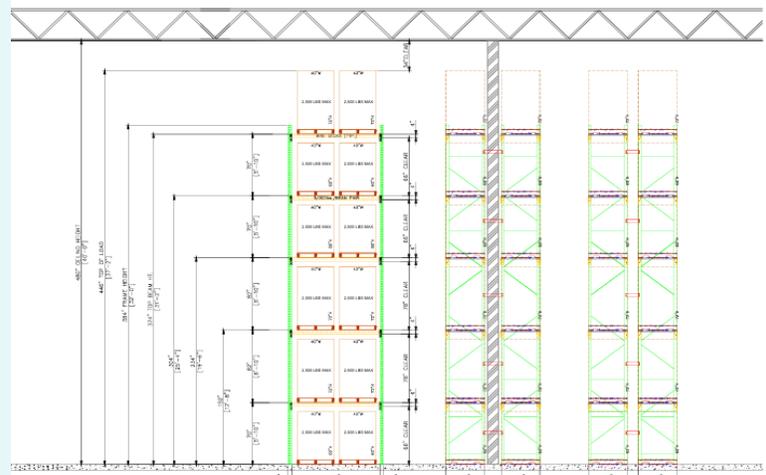
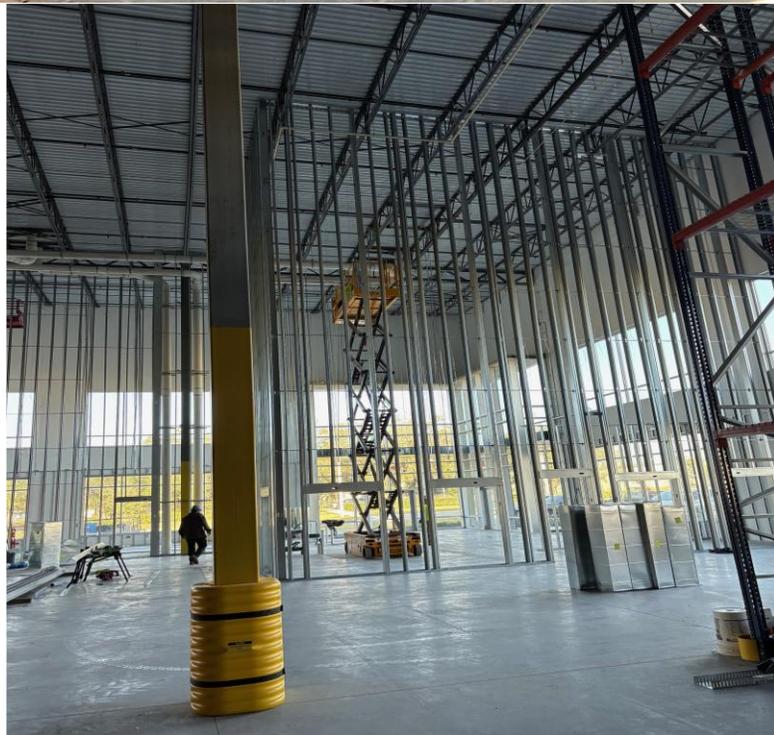
Below is a detailed Project Task list with contingencies, start and end dates, with owners identified and notes.



FL Distribution Center Project Plan														
Task	Sub-task	Activity Grouping / Tasks	Subtask	Owners			Start By	Complete	T - Go-Lk	Executi	Critical	Status	Risk	Notes
				Responsible	Accountable	Consulted								
3.5		Purchase and Install Racking		Roy	Mark B.	Jeff J.	8/19/2024	10/15/2024	135	57				
	3.51		Purchase Racking (~12 wk lead time)	Roy	Mark B.	Jeff J.	8/19/2024	8/30/2024	185	11	Y	Complete		
	3.52		Receive Racking	Roy	Mark B.	Jeff J.	11/1/2024	11/15/2024	105	14	Y	Complete		started receiving racking week of 11/4
	3.53		Obtain Permit for Rack Install	Roy	Mark B.	Jeff J.	9/1/2024	10/30/2024	120	59	Y	Complete		
	3.54		Install Racking (except for 3 bays)	Roy	Mark B.	Jeff J.	11/6/2024	12/15/2024	75	39	Y	Complete		due to complete mid December
	3.55		Complete racking installation	Roy	Mark B.	Jeff J.	1/20/2025	1/25/2025	35	5	Y	in process		due to complete mid January
3.6		Tenant Improvement Construction		Roy	Mark B.	Jeff J.	11/1/2024	2/1/2025	30	92	Y			
	3.61		HVAC	Roy	Mark B.	Jeff J.	11/25/2024	2/15/2025	15	82	Y	in process		
	3.62		Electrical	Roy	Mark B.	Jeff J.	11/25/2024	2/1/2025	30	68	Y	in process		
	3.63		Lighting	Roy	Mark B.	Jeff J.	11/25/2024	2/1/2025	30	68	Y	in process		
	3.64		Plumbing	Roy	Mark B.	Jeff J.	11/25/2024	2/1/2025	30	68	Y	in process		
	3.65		Dock Levelers	Roy	Mark B.	Jeff J.	11/25/2024	2/1/2025	30	68	Y	in process		
	3.66		Outside Fencing	Roy	Mark B.	Jeff J.	11/25/2024	2/15/2025	15	82	Y	in process		
	3.67		Office Finishes	Roy	Mark B.	Jeff J.	11/25/2024	2/15/2025	15	82	Y	in process		
3.7		Material Handling and DC Equipment		Stacy	Mark B.	Jeff J.								
	3.71		Identify Equipment Needs for New Facility	Stacy	Mark B.	Jeff J.	8/12/2024	8/23/2024	190	11		Complete		
	3.72		Assess Existing Equipment and Ability To Move To	Stacy	Mark B.	Jeff J.	8/12/2024	9/15/2024	165	34		Complete		reallocate to other locations in the fi
	3.73		Submit Approval For New Equipment Buys - Or	Stacy	Mark B.	Jeff J.	8/12/2024	9/30/2024	150	49		Complete		
	3.76		Purchase New Equipment	Stacy	Mark B.	Jeff J.	8/12/2024	10/15/2024	135	64	Y	Complete		
	3.77		Receive New Equipment at New Facility	Stacy	Mark B.	Jeff J.	10/15/2024	1/6/2025	-	83				
3.8		In Rack Sprinklers		Roy	Mark B.	Jeff J.								
	3.81		In Rack Sprinkler Design	Roy	Mark B.	Jeff J.	11/15/2024	12/6/2024	-	21	Y	in process		Hanes' review of design identified so
	3.82		In Rack Sprinkler Install	Roy	Mark B.	Jeff J.	1/10/2025	2/1/2025	-	22	Y	in process		
	3.83		In Rack Sprinkler permit inspection	Roy	Mark B.	Jeff J.	2/1/2025	2/14/2025	-	13	Y	in process		
3.9		Warehouse Labels		Stacy	Mark B.	Jeff J.								
	3.91		Develop BIN Locations	Stacy	Mark B.	Jeff J.	9/5/2024	9/15/2024	-	10		Complete		
	3.92		Order WH Labels & Aisle Signage	Stacy	Mark B.	Jeff J.	9/15/2024	10/1/2024	-	16		Complete		delayed due to challenges getting cre
	3.93		SS / Safety signage	Stacy	Mark B.	Jeff J.	1/1/2025	2/15/2025	-	45				
	3.94		Install WH Labels	Stacy	Mark B.	Jeff J.	1/1/2025	1/30/2025	-	10				

## ■ Racking Design

- Racking bin design to accommodate target inventory plus several years of growth
- Multiple rack profiles to optimize vertical space
- Aisle widths set for standard material handling equipment



96" Wide Pallet Bays  
42" x 32' Frames  
Profile A (0 Bays)

With Building  
Column in Flue

Without Building  
Column in Flue

## ■ Inventory Reduction

A key goal of the hub and spoke network was to reduce overall inventory in the network without negatively impacting the ability to fill customer orders

- Analyzed historically stocked SKUs and their sales across different branches
- Updated SKU classification across the region; reviewed with sales and incorporated strategic SKUs
- Developed targeted MIN / MAX levels for the region rather than branch level
- Consolidated inventory from branches into regional DC

## RESULTS

- Despite 2 hurricanes within 3 months of the target completion date, the DC opened on schedule and at budget
- Reduction in overall inventory; slower moving inventory consolidated into DC; obsolete inventory cleaned out of branch locations

Reference: Kevin Cuozzo, DC Manager for North America