

Case study

Storeroom Services



Summary

Industry: Marine
Application: Stores relocation



World Class Stores

ERIKS relocate and improve the stores for a leading manufacturer of subsea umbilical systems

ISSUE

The customer is a world leader in the design and manufacture of subsea umbilical systems. They were undergoing major site development and requested help from ERIKS Storeroom Services (SRS) to relocate their existing engineering stores. Their current stores were located across three floors and they wanted assistance to relocate them to a newly acquired unit adjacent to their site. The objective of the project was to create a new storage facility to house an estimated 7000+ stock items and to also implement and train personnel on their new inventory management system, IFS.

A major issue in the old facility was the lack of space which meant that new stock items could not always be located and in many cases were not even added to the stock database. Over a period of time the traceability of new and old stock became difficult, many parts were duplicated and items were being ordered when there was already adequate on hand stock within the store. Full and accurate stock takes were not a possibility for the customer.

Outcome and Benefits

ERIKS successfully implemented a stores relocation over a period of five months to facilitate a warehouse move and the installation of a new ERP system. In addition ERIKS designed and carried out training for the customer on the new ERP and 5s.



The result is a department that, at the beginning of the project, was virtually hidden from sight - to one that has become a 'must see' for the customers blue chip customers.



ISSUE

As the stock transfer process to the new stores began, ERIKS took the opportunity to cleanse the stock of obsolescence and to find duplicated and missing items. This enabled the production of a new and accurate database to work from.

The stock transfer process identified 364 duplicates, over 700 items which were deemed obsolete and a further 1200 which were either in the stores, but not on the system – or were on the system but not in the stores!



The customer's bin storage before stores redevelopment

SOLUTION

New Store

The new storage area was prepared ready for the relocation: the building was cleared of any existing production stock; new lighting was installed and the floor was painted.

ERIKS designed and installed a complete storage solution for the customer, consisting of pallet racking, long span shelving, small parts shelving, COSHH cabinets and louvered panels with spigots to optimise the available space.



The newly designated stores area

Stores Transfer

The data for the existing stores was held on two separate stock systems, Oracle and Mainsaver. The two sets of information were downloaded and combined to create one spreadsheet containing the 7000+ stock items. This spreadsheet was then used to cross reference the stock items held within the store.

The customer's engineers and stores personnel were given the task to use the spreadsheet to identify any stock items that were obsolete. A system of RED (remove), AMBER (unsure) and GREEN (retain) was devised. This information was added to the spreadsheet and to labels which were then physically attached to the parts to make it clear what was to subsequently happen with that part. This process was started by the customer in advance of the ERIKS team arriving, to ensure a quick and efficient physical relocation of the stores when ERIKS arrived on site.

The first task for the ERIKS SRS team was to log and cross reference all items within the store. Any items not on the system and identifiable were logged as additions. Any unidentifiable items were placed in a separate area for assessing by the customer. Once the entire store had undergone this process the information gathered was used to commoditise all parts to enable a logical new store layout, grouping machine specific spares together and creating areas for Electrical spares, Pneumatic spares, Transmission and so on. From the commoditised spreadsheet a pick list number sequence was given to all the stock items. A label was produced for



The customer's new racking in place

each item showing its new temporary location and the sequence number. These labels were then fixed to the parts which ensured a fast and efficient process for transferring parts.

Two teams were used in the transfer process, Team 1 were in charge of picking the parts and placing them into containers. Team 2 would then unload the containers and use the transfer sequence label to identify the parts. These parts were then located and a final location added to the spreadsheet. This information was then uploaded twice weekly to the new IFS system.

Once the transfer process was complete a final barcode label was produced and fixed to the new storage bins. A full stocktake was undertaken and the results uploaded into the new IFS system

IFS System Implementation

To assist the customer with the implementation of their new Inventory Management System ERIKS made recommendations on what information to capture including:

- Which management reports to request
- Which KPI's to produce
- What system procedures and processes to implement

To assist the customer wherever possible in the relocation, ERIKS learnt the basics of the IFS inventory module so that they could help with the training. As

part of this process, ERIKS created an Operator Instruction Manual which was then used to train all of the customer's staff as part of the training program. This one day training session was developed and delivered by ERIKS staff to both assist with the IFS training but also to assist in the coaching and development of their existing stores personnel, so that they could operate more effectively within the stores function.

Finally, new work process flows for the main stores activities were produced and presented. This was a highly successful project which ran smoothly from beginning to end. ERIKS enjoyed a productive relationship



The racking being utilised by the customer after stores relocation

with all at the customer's site and delivered on time and in budget to the satisfaction of the customer. Towards the end of the project the customer invited some high profile managers from other divisions from within the company who were very impressed with the results and are looking to use the Stores as a standard across Europe.



Customer Testimonial

"We had grown rapidly over the previous years. However, the stores had not grown in line with the business. To that end stock was stored over three floors, with no bin locations, no uniform descriptions and no computer tracking.

A new Warehouse was designated for the stores and a new ERP system was to be installed and it was decided we would use ERIKS to facilitate the move. ERIKS worked on the stores relocation for a period of five months. In that time all items were identified and



An after shot of one of the shelving areas

Although the training had a sound theoretical basis, it was catered around the real-life situations that faced our company. It was delivered in a professional, entertaining format and perfectly matched my needs. Positively received by all stores personnel, it has now been implemented and the principals are being applied and adhered to within the Main Stores and has given the department a sound basis for further development.

During the project, I worked very closely with ERIKS staff of all levels and found them professional, approachable and easy to work with.

The end result was a department that, at the beginning of the project, was virtually hidden from sight - to one that has become a 'must see' for our blue chip customers. I would highly recommend ERIKS for any future projects."

Steven Slater
Stores Manager



New organised shelving storage

uniform descriptions applied. The 'new' stores was laid out in a professional and logical order, with all items logged and bin located ready for migration to the new ERP system - the project ending with a full stock take.

As part of the re-location of the Main Stores I asked ERIKS if they could assist me in providing training for the stores personnel. Mike Jackson subsequently produced and delivered three full day training sessions. The training included 'hands on' use of the new ERP system (which ERIKS had been unfamiliar with prior to the project), 5s and KPIs.

MORE INFORMATION

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