

THE BEST TECHNIQUES TO DEAL WITH SLOW MOVING ITEMS

Slow Moving Items

- What problems do they cause?
- How do you identify slow movers?
- How do you get rid of these Slow Moving Items?
- Where / how do you slot them?

What Problems do They Cause

- They extend the pick path!
- They cause short on truck, loaded on the wrong truck or loaded in the wrong place on the truck if pulled separately and merged!
- They take up valuable space in the warehouse that could be used for items that actually sell!
- Dealing with them wastes valuable time!

Problems They Cause - continued

- They show up in warehouse damage just because there are so many of them!
- Getting rid of them is costly and difficult!

How Do You Identify Slow Movers

- We classify any item that moves less than 3 cases per week as a slow mover.
- This typically represents 20% of cooler items, 33% of dry items & 24% of freezer items in our broadline opcos.
- We average around 1,800 cooler items, 5,200 dry items & 3,700 freezer items in a typical warehouse, so we are talking around 3,000 slow moving items!

How Do You Get Rid Of These Slow Moving Items

- Meet with merchandising constantly to address slow movers.
- Old items that are being replaced by 'like' new items should be completely sold out before new item is made available for sale.
- Work out a two (or more) for one trade with your vendors. They take two old items to bring in one new one.

Getting Rid of Slow Movers – continued

- Return them to the vendor.
- Meet with customers with dead proprietary items and eliminate or possibly special order.
- Mark dead items down and incent sales and customers to move them.
- Have a “fire sale” to employees.

Getting Rid of Slow Movers – continued

- Write off old inventory and discard.
- Sell to Salvage dealer.

Where/How do You Slot Them

- Separate Hi-rise – pulled separately.
- Separate Low-rise – pulled separately.
- Hand-stack locations within appropriate place in the pick path.
- Slot in upper reserves and fork pull when/if ever ordered.
- Make virtual locations within one physical location and slot multiple items on one pallet.





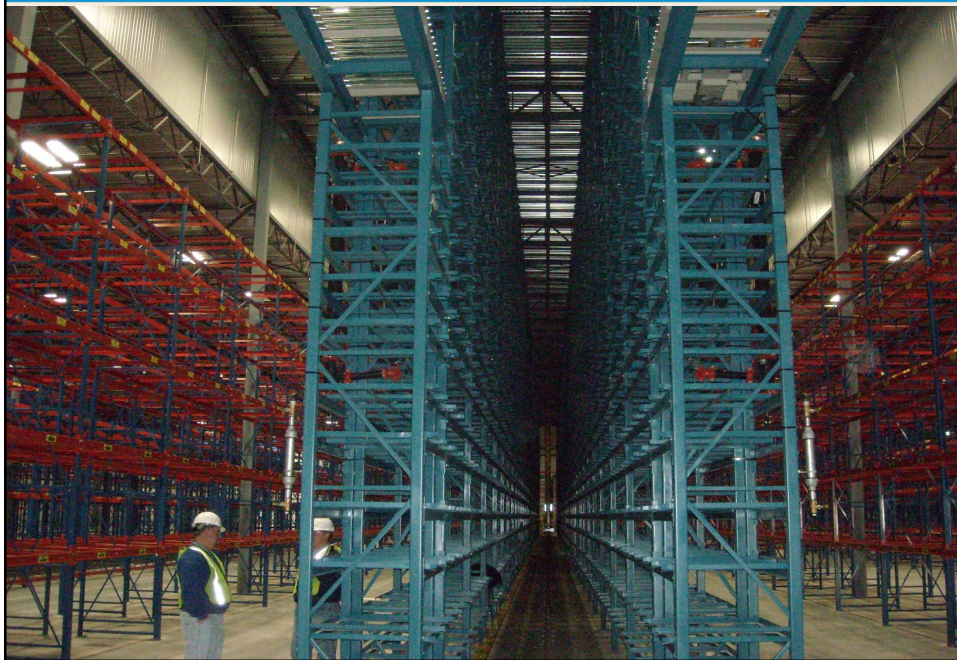


Where/How do You Slot Them – continued

- We began using the Mini-Load concept several years ago to handle slow moving items in our new warehouses or facilities that were being expanded.
- Currently we slot up to 2,500 items in one aisle with about 1,000 pick locations. The system slots only what is needed that night.
- Part of regular pick path so no merge!

Current Mini-Loads

WHSE Area	Miniload Pick Locations	Most Picks Used in 1 Night	Miniload Reserve Locations	Miniload Total % Occupied	Area % Items in Miniload	Area % Pieces Shipped Miniload
		94% Goal		85% Goal		15% Max
D	1080	62.04%	5544	61%	34%	12.40%
F	1032	59.30%	5310	73%	36%	11.37%
D	1064	53.85%	4100	80%	24%	7.73%
F	1026	50.97%	5268	70%	24%	4.23%
D	1084	64.94%	5439	72%	32%	10.75%
F	1026	54.87%	5226	74%	32%	9.94%
F	1026	66.08%	5356	75%	28%	5.35%
F	898	58.91%	4680	68%	25%	5.94%







QUESTIONS?