

Mid-Mountain Foods: Voice Moves Mountains of Food Everyday

Mid-Mountain Foods is the distribution and warehousing center for the entire network of Food City supermarkets. That's 86 stores throughout Kentucky, Virginia and Tennessee; 86 and counting, as parent K-VA-T Food Stores continues to acquire and build new stores throughout the region. It's the kind of growth that has earned the company its solid ranking among the Forbes 400 largest privately held companies in the United States. ...The kind of growth that can get a big boost from voice-directed picking.

The Challenge:

Do It All, Do It All Better

It's a big job providing every type of product for scores of Food City supermarkets: everything from frozen foods and perishables to dry grocery, plus health and beauty items, cigarettes and other products that shoppers expect to find in their favorite stores today.

And it's an even bigger responsibility: Mid-Mountain has to run at peak performance to support all those stores fully — and help boost the company's bottom line.

The volume of products that Mid-Mountain has to move on a daily basis has made it the largest grocery distribution center in its geographic area. It takes 500 people, including 150 order selectors, and an operation that runs round the clock, seven days a week, to keep the shelves stocked and customers shopping at Food City.



It also takes four warehouses in Abingdon, VA, totaling 1,000,000 square feet: four warehouses with conditions ranging from -20° F (X°C) freezer rooms to summertime heat south of the Mason-Dixon line, and operations ranging from pallet- and piece-picking to repack.

Plus each area has its own, special requirements. The "cigarette room," for example, is a limited-access area with strict controls for state and local tax stamps. Each order has to be matched with the proper tax stamps from three states and/or 14 different municipalities, and the cartons have to be set up properly to run through the stamping machinery.

Given the accounting nightmare it is to deal with tax errors, let alone the wrath of smokers who can't find their favorite brand at the check-out, this operation *must* be virtually perfect.

"We banked ROI on improved accuracy. Talkman exceeded our expectations there and brought us a 10-12% increase in productivity."

Paul Widener

Distribution Systems Manager
K-VA-T Food Stores

Voice Results

Application

- Dry, perishable, deli warehouses

Installation

- 100 Talkman® terminals
- EXceed® WMS from EXE Technologies
- Proxim RangeLAN2 wireless LAN; Intermec backbone

Objectives

- Increase operation-wide accuracy
- Improve productivity, cut "pick and stick" time

Results

- Cut errors by as much as 90%
- Achieved accuracy of 99.97%
- Increased productivity by 10-12%

ROI

- Payback in less than 1 year

Future Improvements

- Voice picking for HBC
- Tie system into labor standards

"Based on our pilot, we knew we'd get the results we were after. The surprise was how much farther we've been able to push them."

Paul Widener

Distribution System Manager
K-VA-T Food Stores

The Solution:

Voice Does It All

Mid-Mountain installed the Talkman® system by Vocollect, *the* leader in voice-directed distribution applications. It did so after a 60-day pilot earlier in the year in which Talkman clearly demonstrated what a difference it would make operationally.

The installation included 100 Talkman terminals running Vocollect's newest and most advanced voice recognition software. Vocollect's base system and functionalities were a good fit for Mid-Mountain and provided the interface required to push data down to the selectors. QuickPick™ software added capabilities for real-time picking, and Print Manager gave selectors convenient access to labels for tagging pallets by customer and loading dock.

Voice was integrated with Mid-Mountain's existing warehouse management system, EXceed® by EXE Technologies, and Proxim's RangeLAN2 wireless LAN, running on an Intermec backbone. One custom function for Talkman is informing selectors of base picks. As specified for this installation, the Talkman system does not alter the sequence of picks that has been optimized by the WMS. However, selectors are alerted to large, bulky items, so that they can save room on the pallet.

To complete the installation, the Vocollect site team created voice templates and supervised training for all 150 selectors. Within three weeks, all picking was being done by voice in the dry grocery, perishable and deli warehouses, which comprise the vast majority of footage.

The HBC warehouse, largely a piece-picking area, was slated to go on-line in the next phase. However, the cigarette/tobacco area, because of its physical location, was included in the initial installation. That area added 800-1,000 SKUs: nearly every brand in every variety, running down a 125' aisle of flow racks.

Results:

Accuracy and Productivity

According to Mid-Mountain, the Talkman system won people over immediately and gave them a clear sense of ownership and pride in voice technology. Work processes have benefited in many ways; when Talkman makes jobs easier physically, it makes them easier mentally too.

For example, without having to hold onto a pick list now, cigarette selectors are pulling cartons by the double handfuls, scooping up as many as 700-1,000 cartons per hour. And, according to the checker/stampers — people who cannot and will not allow errors to get by them — selectors are working much more accurately. Even people who had problems in the past with accuracy are going days now without a single error. That's tens of thousands of perfect picks!

Elsewhere, the results are just as impressive. In the perishable warehouse, the rate of mis-picks has dropped to .0005 — an improvement of nearly 78 percent. In the dry warehouse, where pickers are generally less experienced, improvement has been even more dramatic: accuracy is up 90 percent.

More Results:

- Accuracy reaching 99.97%
- Mis-pick rates as low as .03%
- 10-12% increase in productivity

There's still more, including major benefits for HR, a huge concern for labor-intensive businesses. For "starters," Mid-Mountain expects to cut a full day, if not two, from its training program; that's a big savings on indirect labor costs and another boost for productivity. ✂



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Vocollect. Voice-Directed Distribution.

Since pioneering voice recognition for industry in 1987, Vocollect has set the standard for warehouses and other business settings. Together, its market-leading Talkman wearable mobile computer and integrated software suite cut operating costs by eliminating errors and improving worker productivity shift after shift.

Leading WMS providers, material handling integrators and specialty voice solution providers around the world choose the performance and reliability of Vocollect to deliver integrated voice-directed distribution solutions. And every day, over 60,000 workers around the globe rely on Vocollect's integrated voice solution to help improve their operations.