

## CASE STUDY



**routeique®**  
Cloud-based Logistics & Delivery Management

# WAREHOUSE OPTIMIZATION

[WWW.ROUTEIQUE.COM](http://WWW.ROUTEIQUE.COM)



## OVERVIEW

One of Canada's largest craft breweries was experiencing explosive growth. They enlisted Routeique® for consulting and technology support. They needed to upgrade their warehouse's infrastructure, processes, and the technology supporting them. They were also considering adding new facilities to their network.

By addressing their underlying barriers to efficiency before implementing technology, Routeique enabled them to de-risk the decision to add a new dedicated distribution facility to the network by first allowing them to maximize capacity at the existing facilities.

## CHALLENGES

1

### Inefficient Processes

Due to rapid growth, the management team found that the existing infrastructure, processes, and technology used within their warehouses weren't sufficient. As a result, they struggled to keep up with demand.

2

### Warehouse Congestion

Without a solid facility expansion and contraction strategy to support peak season volumes, the facilities were often over occupancy. This reduced efficiency and inventory accuracy.

3

### Past Failures Implementing Technology

The brewery's initial focus was on procuring updated technology to meet their growing needs. However, it became quickly apparent when working with their existing technology partners that technology alone would not solve their problems.

4

### A Lack Of Certainty Around Next Steps For Expansion

Due to a lack of data, Operations and Sales teams were unable to agree on the level of investment required to scale facilities, processes and technology to meet increased production and sales forecasts and their new 3PL business unit. service levels.

## COMBINING CONSULTING AND TECHNOLOGY

Guided by Routeique, their team reevaluated their entire operation. This included people, processes, facilities and infrastructure, in addition to technological considerations.

To determine the optimal way to serve the brewery's growth, Routeique used Digital Twin technology to create accurate to scale models of their facilities, and MotionMiners AI-driven Manual Process Technology to evaluate the efficacy of current processes.



Technology was considered only after all underlying challenges were addressed. This ensured technology solutions would fit their long-term ideal state instead of just their current short-term needs.

Routeique created a plan to:

- Reconfigure their warehouse operations
- Add additional short-term 'emergency' storage space while determining their long-term permanent needs
- Update Standard Operating Procedures (SOPs) to accurately reflect the current state while still maintaining an eye towards the ideal future state
- Re-examine all processes to determine areas for improvement
- Launch technology to support these changes



By examining every aspect of the brewery's operations at a holistic level, Routeique uncovered opportunities for improvement, quick wins, barriers to scale, and dependencies.

## KEY RESULTS

This exercise resulted in immediate, impactful improvements to the operation.

1

### Effective Use of Space

Routeique's analysis:

- Created layout strategy that maximized storage capacity while also allowing for optimized, efficient fulfilment processes.
- Reduced unnecessary movement of goods in the warehouse caused by over congestion
- Reduced 'honeycombing' (lost usable storage capacity) caused by inefficient storage and inaccessible stock
- Provided a recommended number of SKUs for sales & marketing to plan their product portfolios

2

### New, Efficient Processes

Routeique's guidance resulted in:

- Reorganized picking operation to reduce time and effort
- Better batch control for inventory cycle counts and picking operations
- Improved coordination between product and finished goods for improved count accuracy
- Reduced lag between events and the recording of those events

3

### Using Technology To Support New Strategies

Once the brewery launched these improvements in physical infrastructure, people, and processes, they chose a new WMS. Routeique supported them in selecting best-fit technology by helping them evaluate options that would help scale, digitize, and manage these new processes in coming years.

4

### Increased Insights and De-Risked Decision Making

Routeique enabled the brewery to de-risk their investment in a new space by modelling each scenario before making the investment in a new space.

## ROUTEIQUE DELIVERED THESE RESULTS:

Increase facility capacity by **14%**

Increase the number of available pick slots by **68%** within the existing pick floor



**2X**

Provide a slotting strategy to double SKU on the pick floor while maintaining the same pick time per order

Estimate the space requirements for their new facilities based on a 5-year plan

2021 2022  
2023 2024  
2025

## CONCLUSION

Scaling requires a unified strategy that incorporates people, processes and technology. The Routeique supply chain optimization approach considers processes, people and challenges first. This identifies the root causes of barrier to scale, and then considers technology as part of the solution.

This brewery client is currently implementing the Routeique WMS alongside their strategy to scale by adding several new facilities to their network. The optimization strategy provided the foundation behind all these decisions, ensuring all departments are operating in lockstep.

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