

Shipment of 1.56 million boxes a year

The 3PL provider transforms its Atlanta warehouse to manage the goods of a major US airline.

Country: **USA** | Sector: **transportation & logistics providers**



CHALLENGES

- Provide a **comprehensive storage solution** within a tight lead time.
- **Streamline order** shipment for a prominent US airline.

SOLUTION

- **Bolted pallet racking.**

BENEFITS

- Installation of a storage system in just five months, **increasing capacity by 6.3 times.**
- Distribution of over **1.5 million boxes a year.**



Many companies entrust their supply chains to logistics and transportation services provider Covenant. The firm's primary capabilities in expedited, dedicated warehousing and managed freight transportation are executed through a blend of management systems and employees empowered by a unique values-based corporate culture.

» **Founded: 1986**

David Parker grew up around trucking. As a boy, he regularly watched trucks navigating terminal yards, given that his entrepreneurial father had founded a successful long-haul trucking firm. In 1986, David and his wife, Jacqueline, had a vision to create their own trucking company. They invested their hard-earned seed money to start Covenant Transport, with 25 trucks and 50 trailers.

Decades later, Covenant has grown its portfolio of logistics and transportation solutions to help customers engineer value-driven supply chains to get products where they are needed quickly, cost effectively, and seamlessly. The business's growth has been unstoppable: in 2022, its adjusted net income rose 8% to \$19.5 million.

When one of its new customers (a major US airline) required a storage solution for a new location in Atlanta, GA, Covenant turned to Interlake Mecalux for help. "Our customer needed a cost-effective, single selective racking solution for its new facility," says Leslie Price, Warehouse Project Specialist for Covenant. Interlake Mecalux worked with Covenant on the layout of the warehouse and devised the best solution to provide the storage density Covenant required. "Covenant supplied the storage needs and a layout to Interlake Mecalux, which then modified and installed the solution," says Price.

From start to finish, the design and installation process took only five months to



complete, two months before the stipulated deadline. "Our customer had to house its products in the new storage system, and lead times were tight. The project was installed quickly and ahead of projected dates," says Price.

With the Interlake Mecalux storage solution, Covenant is now prepared to ship 1.56 million boxes a year for the prominent US airline. The Warehouse Project Specialist for Covenant says: "Every day, we prepare between 70 to 100 orders containing anywhere from one to 20 lines. We also receive and ship up to 500 pallets daily, both domestic and international."

Elevated capacity and throughput

When designing the installation, Interlake Mecalux and Covenant considered the square footage of the building (900,000 ft²), the loading docks (73 in total), process flows, and racking requirements. The companies also calculated the storage system's number of levels (three to five) by taking into account product specifications and building height.

The solution installed for the airline provides a total capacity of over 25,000 pallets — 6.3 times more product in the same space. This storage system is ideal for working with



"Our customer, a major US airline, needed a new storage solution for its products, and lead times were tight. The project was installed quickly and ahead of projected dates."

Leslie Price
Warehouse Project Specialist, Covenant

many pallets of varying characteristics, volumes, and weights. The racks also stand out for their strength, versatility, and adaptability to any type of load.

The new facility's pace of work is high. Every day, operators are busy unloading trucks in the goods receipt area; they then sort the merchandise, palletize it, and store it. Picking is one of the warehouse's key operations. When it comes time to prepare orders, the operators pick products from the racks according to the person-to-goods method, stage and audit them, and prepare them for shipment.

Scalable solution

The Interlake Mecalux solution is scalable and can be tailored to changing needs. For example, the company could incorporate a new picking method or house unusually sized SKUs. Covenant will be able to reconfigure its bolted racking system should the airline require this.

The partnership between Covenant and Interlake Mecalux responds effectively to the airline's storage challenges. Moreover, it has transformed the Atlanta warehouse into a logistics center capable of shipping up to 1.5 million boxes a year.