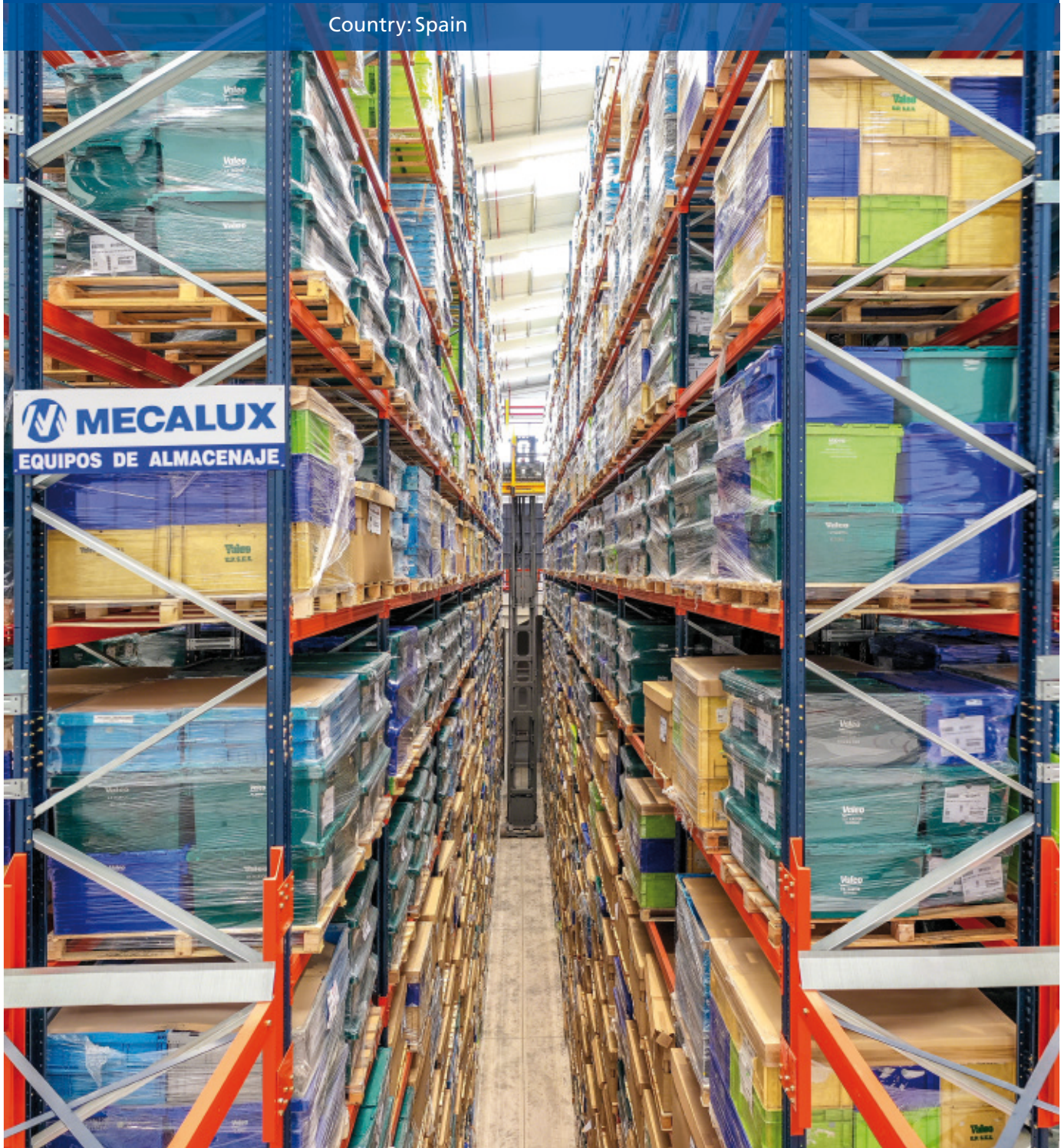




Case study: Francisco Martínez Piedras

Height is the answer to dispatching 18,000 car parts a day

Country: Spain



Francisco Martínez Piedras has centralized its logistics operations in two warehouses located next to its plant in Martos (southern Spain). Both have been equipped with narrow-aisle racks measuring up to 62' tall, thus optimizing both the surface area and height of the installation. Every day, a total of 7,500 SKUs are managed, while 18,000 car parts are dispatched in 1,200 pallets, which are then distributed to the company's customers in Europe, China and the US.

About Francisco Martínez Piedras

Founded in 1986 in the city of Martos, Spain, Francisco Martínez Piedras is the official supplier of Valeo Iluminación, a leading business in vehicle lighting systems. Francisco Martínez Piedras manages all logistics activities related to the firm's spare car parts (headlights, bulbs, indicator lights and components), in addition to handling, wrapping and packaging.

Centralized logistics

The company essentially needed to consolidate its logistics. Having goods spread across several warehouses not only makes goods flows and control difficult, but also leads to high logistics costs. Enrique Gutiérrez Melero, CEO of Francisco Martínez Piedras, acknowledges, *"We needed to take all the goods we had stored in eight different installations and regroup them in one or two warehouses to optimize both logistics flows and stock control."*

In view of this situation, the company moved to a new 107,639 ft² installation divided into two large warehouses right next to its production plant. The purpose of this was to manage 7,500 SKUs efficiently and, at the same time, provide a space where the firm could prepare and dispatch 1,200 pallets a day to its customers in Europe, China and the US.

Different operations take place at each of the warehouses. One of them serves to store the goods, while the other is used to subsequently package and prep the orders. Both installations have been equipped with pallet racks.

Up is the way to go

Pallet racks have been installed to make the most of the available space in the warehouse. On the one hand, the height has been optimized by setting up racks measuring 62' tall; on the other hand, the



storage area has been leveraged by narrowing the working aisles to the fullest extent. This has enabled the firm to maximize storage capacity in the smallest possible area. Francisco Martínez Piedras can store 6,606 pallets and access them all directly, thus facilitating goods flows and order prep.

Operators use trilateral forklifts to insert and extract pallets from their locations. These machines run exclusively inside the 134.5-foot-long aisles to prevent interference with other operations. In addition, four levels of consoles have been set up. By means of reach trucks, operators deposit the pallets on the consoles; in this way, the trilateral forklifts can pick the pallets without having to leave the storage aisle. According to the CEO of Fran-

cisco Martínez Piedras, Enrique Gutiérrez Melero, "with this solution, not only have we gone from having eight warehouses to two, but inventory errors have decreased from 4% to 0.02%."

Order preparation

The warehouse for packaging and order prep has an enormous surface area in which both tasks are carried out. Orders are prepared at tables, where the final product control and packaging processes also take place. Every day, approximately 18,000 spare car parts are prepared and shipped. Once the goods are palletized, the orders are sorted by transportation route just in front of the loading docks. This speeds up the process of loading a total of 1,200 pallets a day onto the trucks.

A competitive warehouse

With this new installation, Francisco Martínez Piedras has a much more productive and efficient logistics system. It has succeeded in improving stock control, reducing inventory errors, minimizing logistics costs, and, at the same time, speeding up order preparation. The high-bay pallet racking installed by Mecalux is ideal for both the type of goods managed by Francisco Martínez Piedras and the physical space available.

The 62-foot-high racks leverage the height of the warehouse, while the narrow aisles optimize its useful surface area.



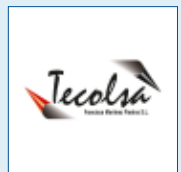
Enrique Gutiérrez Melero CEO of Francisco Martínez Piedras

"We are extremely satisfied with Mecalux's highbay pallet racking, as it has more than met our expectations. We have reduced storage and transportation costs, minimized order prep times, and we now have more reliable inventory control."



Advantages for Francisco Martínez Piedras

- **Space optimization:** pallet racking optimizes both the warehouse height and the storage area, thus providing capacity for over 6,000 pallets.
- **Goods management:** a more efficient logistics system results in better stock control. Francisco Martínez Piedras has reduced inventory errors from 4% to 0.02%.
- **Streamlined order prep:** direct access to goods and organized operations ensure the daily dispatch of 18,000 spare car parts on 1,200 pallets.



Technical data

Storage capacity	6,606 pallets
Pallet sizes	39.4" x 47.2"
Max. pallet weight	1,764 lb
Racking height	62'
Aisle length	134.5'

