

# Rotary Transforms Fulfillment Operations To Meet Next-Day Delivery Demands While Reducing Labor Costs



Rotary Corp., based in Glennville, GA is the world's largest supplier of outdoor power equipment parts, tools and accessories, serving mass merchants, OEMs, repair shops and domestic and international distributors. In the face of rising demand and shipping volumes, Rotary's management team recognized that their current fulfillment systems and processes would not be able to scale to continue to meet their customers' next-day delivery demands.

Rather than building from scratch, the company embarked on a seven-month project to reconfigure its 250,000 square foot central DC and reengineer its fulfillment processes. Part of the solution was the Lucas Warehouse Optimization Suite which provides intelligent voice-directed picking and replenishment alongside Rotary's legacy LogPro WMS.

## Labor Benefits

- » Reduced training
- » Reduced picking hours 25% while increasing volume
- » Replenishment productivity increased over 10%
- » Eliminated seasonal temps
- » Increased wages and reduced total labor costs

"We began the journey with a detailed assessment and financial analysis of multiple alternatives," says Ed Nelson, Rotary president and CEO. "This ultimately resulted in a new and enhanced process flow for our shipping operations including warehouse inventory management, automated voice selection, advanced handling equipment and a redesigned conveyor system."

The reconfigured DC includes a new two-level split case picking module, reconfigured full and split case picking areas and automated conveyors to QC and packing on a mezzanine. An outbound sortation system completed the infrastructure retrofit.

## Warehouse Optimization at Rotary Corp.

On the software side, Rotary made some changes to the WMS and added the Lucas solution to enable optimized picking workflows across multiple order types. The Lucas solution includes unique AI-based optimization that is embodied in Jennifer™, the brains, voice and orchestration engine of the solution.

The Lucas system receives order, inventory and task information from the WMS and Jennifer™ creates units of work to optimize pick density and throughput. Jennifer™ then orchestrates the picking across the reconfigured warehouse areas. Prior to the redesign, orders had to be segregated and picked by transport type (small parcel, LTL, etc.), using an RF process directed by the WMS. Jennifer™ directs workers through a multi-modal voice-directed mobile application. The application provides a hands and eyes-free process while enabling the creation of new workflows like bucket brigade and pick-to-tote styles for fast moving piece pick items. Additionally, the Lucas solution includes a management console that gives managers and supervisors real-time visibility into work in process, associate productivity, and exceptions, helping them to efficiently allocate staff and manage work.

## Customer Service Benefits

- » 99.9% same-day shipping
- » New records for daily and monthly shipping volumes
- » Increased picking accuracy

## The Results

The reconfigured DC has met all of the company's goals. Rotary has set new daily and monthly shipping records while improving order accuracy and achieving 99.9% same-day shipping rates on all orders received by 4 pm. Prior to the reconfiguration and addition of the Lucas solution, it would take up to twelve hours to complete picking all orders. Today, the same staff is able to pick a higher number of orders in 9 hours or less, a reduction of about 25% in picking hours. Replenishment productivity has increased at least 10 percent, and the Lucas solution has significantly reduced stock outs in forward pick locations.

With the improved efficiencies, Rotary no longer needs temporary workers for their busy summer season and they have not had to add any new workers, despite increased throughput. Finally, Rotary has steadily increased hourly wages while annual hourly payroll costs in the DC have declined due to the improvements in efficiency and productivity with fewer employees.



## About Lucas Systems, Inc.

Lucas Systems helps companies transform their distribution center operations and continuously adapt to changing market dynamics. We dramatically increase worker productivity, operational agility, and customer satisfaction.

Our solutions are built on 23-plus years of deep process expertise and smart software using AI and voice technologies. Our solutions feature Jennifer™, the brain, voice, and orchestration engine that drives performance improvement gains. Make the smartest moves at the lowest cost with Jennifer™.

For more information, visit [www.lucasware.com](http://www.lucasware.com).