

CASE STUDY

Reference Kerry Logistics, Malaysia:
Redesigning the existing warehouse operation
into a modern and organised fashion retailing
logistics hub

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KERRY
LOGISTICS



SSI SCHÄFER

CUSTOM-MADE SOLUTION FOR RELIABILITY, SPEED AND CUSTOMER SATISFACTION

Found in 1981, Kerry Logistics is a full-service transportation and logistics provider with the strongest coverage in Asia and a global presence across 59 countries and territories. Began operations in 2004, Kerry Logistics in Malaysia focuses on providing integrated logistics and international freight forwarding solutions to many retailers in the FMCG and Fashion & Lifestyle industries. Since its establishment, Kerry Logistics demonstrates an extensive network with branches strategically located across Malaysia.



A leading British clothing and homeware brand was one of the recent retailers who had entrusted Kerry Logistics to manage their distributions for the operations in Malaysia, Singapore, and Hongkong. Together with SSI SCHAEFER, Kerry Logistics refurbished the seventh facility in Johor to handle the storage and receiving, order picking and shipping of e-commerce orders for the three countries.



Quick and direct access to every SKU – discover more information about pallet racking system

https://pages.ssi-schaefer.com/en-ph/kerry-logistics_pallet-racking

Selective pallet racking for storage of shoes, cosmetics, toiletries, and food items

In the age of e-commerce and on-demand retail, fashion supply chains often have to respond rapidly to meet consumer’s growing demand for convenience, value and choices. Together with SSI SCHAEFER, Kerry Logistics remodelled their existing warehouse operation into an agile process to keep up with the changes – yet keeping the cost to a minimum.



“SSI SCHAEFER did a great job in developing a detailed project plan and executing the installation of systems in phases. This allows us to efficiently transfer our products from Kuala Lumpur and Singapore to Johor’s facility with minimal operation disruptions.

The Garment on Hangers system has proven to be cost-effective and has improved our order picking processes to handle and ship fashion garments quickly to our customers.”

**Patrick Wong, General Manager
Kerry Logistics**



THE CHALLENGE

To support in-store and online retailers with an agile warehouse operation process that would enhance their customers' shopping experience.

Kerry Logistics understood that omnichannel distribution for Malaysia, Singapore and Hongkong markets is the strategy towards fulfilling the consumer demands in the area. In their previous warehouse layout configuration where all products were stored as bulky cargo in a pallet rack, and retrieved using forklift trucks, it was ineffective in fulfilling the e-commerce demands that are now changing the retail landscape. With numerous small orders lining up for delivery, the new warehouse that uses piece-picking method would be more effective in handling 40,000 SKUs and delicate fashion garments.

PROJECT GOALS

- Cost-efficient and quicker order fulfillment processes through retrofitting of existing square footage
- Improves picking efficiency and storage density of garments in both open-flat boxes and GOH by utilising the warehouse's vertical height
- Protect the integrity of garments through GOH storage for minimal wrinkles
- Completion of the project within 240 days with minimal disruption of processes



THE SOLUTION

Whether an apparel gets the box or hanger storage treatment, Kerry Logistics' new warehouse storage system can accommodate for garments in flat-packed boxes and on hangers alike.



Optimising the warehouse space effectively and safely – learn how you can ensure a safer working environment.

https://pages.ssi-schaefer.com/en-ph/kerry-logistics_warehouse-safety

Netting system - A safety feature to protect employees working on mezzanine levels

With the right approach in expanding Kerry Logistics' existing warehouse, the new 3-storey high Mezzanine Shelving System is built on the existing square footage. Fitted with shelving systems and further improvised with the mounted Garment on Hangers (GOH) rails, this simple yet effective system provides customised storage for carton boxes and hanging fashion garments. With storage and picking of both types of goods in one place, this well-thought-of solution also improves the speed of order fulfilment of smaller orders typically for e-commerce. Furthermore, the Mezzanine came with a netting system installed as a safety feature to protect

the warehouse staff who are working on higher ground, ensuring a safer working environment in the warehouse. Transferring all products from Kuala Lumpur and Singapore into Johor's facility with minimal operational disruption during the installation process was no simple feat – especially when dealing with multiple sales channels. Following Kerry Logistics' plan to combine all orders into one facility, the SSI SCHAEFER project management team carefully breaks down the project scope, developed a detailed project plan and executed the installation of systems in phases.

THE RESULT

With the new solution from SSI SCHAEFER, Kerry Logistics is now able to store and pick a variety of apparel and other goods in the 7,013 m² storage area. The space-saving solution made it possible to centralise a couple of warehouses into one while managing all the orders for storefronts and e-commerce customers efficiently and cost-effectively.



Garment on Hangers system keeps garments in display-ready condition

In order to optimise the material flow in the warehouse, the layout of goods is an important consideration. The location of goods, whether in the mezzanine or on the selective pallet racks are categorised to the product type and order type for a quicker order picking process. The project was executed over two phases and handed over to Kerry Logistics within 240 days.



Multiple uses of available space through storage platforms – discover more information about mezzanine shelving systems

https://pages.ssi-schaefer.com/en-ph/kerry-logistics_mezzanine



Mounted Garment on Hangers railings with safety nets



Cargo hoist for goods transfer between mezzanine floors

FACTS AND FIGURES

Scope of Supply and Services by SSI SCHAEFER

System Key Figures	
Warehouse size	480 x 122 x 10 m (L x W x H)
Storage area	7,013 m ²
Installation	Phase 1 (4 months completion) Phase 2 (3 months completion)
Stock keeping units (SKUs)	40,000 SKUs

Large-load storage system	
Pallet racking system	430 pallet locations
Air-conditioned area	375 m ²
Ambient area	328 m ²

3-tier Mezzanine	
Size	67.5 x 57.4 x 10 m (L x W x H)
Interlock 600 long-span shelving	77 bays x 5/6 shelf levels per storey
Goods on hangers	1,600 m of garment rails, total 8 rail levels
Accessories	staircase, goods hoist, safety netting



Storage of hanging garments for men, women, kids and lingerie



Case study:
A cost-effective Garment on Hangers Mezzanine system for faster handling and shipping of fashion garments

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SIX REASONS FOR CHOOSING SSI SCHAEFER

- **Stability**

As a financially independent family business, SSI SCHAEFER is committed to long-term solutions. You can trust that our team of experts will be there for you today, tomorrow and in years to come.

- **Efficiency**

SSI SCHAEFER solutions are scalable and able to grow with your business. You can always upgrade or retrofit.

- **Quality**

As a systems specialist and original equipment manufacturer, SSI SCHAEFER provides tailor-made and high-quality solutions from a single source, specifically designed to meet your challenges.

- **Reliability**

Thanks to our worldwide Customer Service & Support network, SSI SCHAEFER ensures smooth operation of your system, both during and after installation.

- **Know-how**

SSI SCHAEFER solutions are always up-to-date with the latest technological standards and can be easily integrated into an existing (IT) landscape.

- **Internationality**

As a global organization, SSI SCHAEFER has local offices worldwide. With over 70 operative subsidiaries, our team of experts speak your language.



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