

VELOCITY VIDEO CASE HISTORY

A DC VELOCITY SPEED CHALLENGE

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In the comfort zone

A wireless infrastructure and a shipping software solution help to make American Hotel Register Company's product distribution to hotel chains much more hospitable.

AS ANY FREQUENT TRAVELER KNOWS, HAVING a comfortable room at the end of a busy day can make a huge difference in the success and enjoyment of a trip. Making sure that happens is the role of American Hotel Register Company. This 112-year-old company started as a print shop producing hotel registry books. Today it has expanded into a distributor that provides

hotels with everything they need for successful hospitality. That includes beds and other furnishings, sheets, appliances, and housekeeping supplies—even the little mint that goes on the pillow.

American Hotel Register operates 11 distribution centers within North America for supplying these goods to major hotel chains, as well as colleges and hospitals. Distributing all of the supplies the hospitality industry needs has been much easier following two major changes in its distribution processes.

About five years ago, American Hotel Register had a need to change its shipping operations. Needless to say, when you ship everything from bellhop carts to bars of soap, there is a wide range of product sizes to handle and a variety of carriers needed for their transport, including parcel and less-than-truckload.

American Hotel Register contacted UPS, who put them in touch with ADSI, an integrator, designer, software developer and value-added reseller of supply chain systems. ADSI designed a shipping and manifest system that utilizes the ConnectShip solution, coupled with Motorola scanners and Zebra printers located at packing and manifest stations.

"ADSI took the standard offering ConnectShip and modified it for our use," explains Darrin Peterson, regional distribution center manager for American Hotel Register's Chicago DC. "We are now able to manifest every type of shipment with all of our carriers. We can list multiple bills of lading on one manifest, and we have better tracking of our outbound shipments."

The automated and configurable shipping solution provides routing, carrier compliance, labeling and full documentation on all

of its shipments. The solution was quickly adopted at all 11 American Hotel Register distribution facilities.

Printer goes paperless

The success of that rollout encouraged American Hotel Register to have ADSI implement a wireless system within its DCs. The solution, working in conjunction with its International Business Systems ERP, now provides paperless processing in all of the company's operations. The ADSI implementation included a complete site survey at each facility, and the installation of a wireless infrastructure and Motorola data collection terminals/scanners, including truck-mounted and handheld units.

Receiving, replenishment, picking and truck loading are all among operations that are now RF-directed, creating huge improvements in overall performance. The facilities have been able to accommodate the increasing volumes that have resulted from steady double-digit annual growth without needing to add personnel. The systems have also allowed them to track individual worker performance, improving productivity and accuracy. Visibility has also improved.

Other results have been impressive as well. The throughput of its receipts at each facility, measured from the time products hit the docks until they are available for sale (dock to stock), is now 45 percent faster. In addition, inventory accuracy is 30 percent better across the board, and picking accuracy has increased from 99.5 percent to 99.74 percent, with a reduction in errors of 50 percent. The improved accuracy alone has accounted for \$1.1 million in annual savings.

"We know when the work is done and the status of the work at the end of the day. It is much easier to control now," adds Peterson. "It has allowed us overall to streamline our business. ADSI has been instrumental in helping us achieve our goals."

For more information on ADSI, call 847-884-1940 or visit www.ADSIonline.com.



To watch a short video showing operations at American Hotel Register's Chicago distribution center in Vernon Hills, Ill., go to www.dcvelocity.com and click on this month's Velocity Video.