

Major Pharmaceutical Distributor LOW CAPEX Order Assembly

Location: Northern Mississippi

Project Challenge

Client wanted to improve the overall efficiency of their operation and reduce requisite supervision and head count in the operation. Additionally, the client was looking to increase capacity and system throughput, process orders same day, and decrease the overall footprint of the operation all with a low level of capital investment.

Project Solution

VARGO® designed and implemented an entirely new operational process based upon sound "lean" practices that drive efficiency by reducing waste and movements of excess. VARGO®'s Continuous Order Fulfillment Enterprise (COFE™) management and control system was used to manage and execute the tasks required to fill an order. Low cost but industrial strength work cells we're developed fabricated and installed by VARGO® to help execute the processing of orders at each stage in the process. Having a system based upon "lean" practices to pull orders through the system provided tremendous flexibility to simultaneously work high priority orders while not interrupting the overall daily volume of work.

Result

The client is experiencing approximately a 30% reduction in the overall workforce while having the ability to process the same amount of work in 25% less space. The "lean" end-to-end process implemented via VARGO®'s COFE™ system significantly reduced the overall amount of work in progress (WIP) thus simplifying the operation and reducing the need for costly material handling systems needed to accommodate the processing of WIP. Same day and priority orders are pulled through the system and processed in the same stream of work as the daily production mass resulting in the lowest possible order cycle time and increased customer satisfaction.

Plans are underway to roll this system out to the remainder of the client's network.





