

How AMH Helped a Manufacturer Solve a Storage Issue & Improve Picking Efficiency by 200%

When AMH began working with one of the largest towing recovery equipment manufacturers in the world, the manufacturer was having a storage issue at one of its three North American factories located in Tennessee. The company was renting an offsite building because there was no more storage space at their facility.

AMH Visits Warehouse to Assess Storage Situation

The first step in developing a customized solution was to visit the plant, assess the situation, and look at the offsite



warehouse and the types of materials and equipment that were being stored there. The AMH team developed ideas right away on how to best solve the storage challenges.

AMH Takes Customer to Three Other Plants

AMH decided to invite the manufacturer to visit three other manufacturers and their plants where AMH had installed equipment. AMH wanted their potential new customer to see the automated equipment in action and to better weigh the different equipment options.

AMH later discovered that this was one of the main reasons the manufacturer chose to work with AMH. Here's what the general manager at the towing recovery equipment manufacturer had to say in their own words about the two reasons the company chose to work with AMH:

“One was that they had the ability to provide all three types of equipment that we wanted, and two, the fact that they invited us to go visit three other factories with them, and were very open and candid about letting us talk to them. They went out of their way to make sure that we were comfortable with the equipment that we were buying. That tells you a lot when they let you walk in and talk to their other customers.”

After making recommendations and taking the manufacturer to visit past customers and view equipment options, AMH proposed a solution and developed a turn-key implementation plan.

The Implementation

During the project, AMH installed:

- 8 Kardex XP Vertical Lift Modules
- PowerPick Global Warehouse Management Software
- Safe-T-Rack Moveable Rack System
- Automated Storage & Retrieval for Pallet Storage

We asked the general manager a series of questions on the implementation. Here are the questions and his responses:

How did you work with AMH to finalize the implementation plan?

“They came up with the quotes. We got approval from the board, cut them the purchase orders. They were always one step ahead of us, which was a good thing because the project took a little longer than we anticipated, but it wasn’t due to anything that they had done or not done. We took a couple of very large government contract orders that had to slow down the project timeline a bit. And they really worked with us on our timeline, so that was good.”

Once the process started and you started to implement, how did that go?

“They were extremely flexible the whole time. I can’t say enough about how flexible they were. If we got behind, they didn’t push us. They were great.”

Can you tell us what they did in terms of software integration?

“We have three systems. Each system has its own standalone software system. And they did a good job of getting those three systems talking.”



The Results Speak for Themselves

We asked the general manager a series of questions about the results for his organization. Here are the questions and his answers:

How have the new systems benefitted your organization?

“We’ve completely moved out of our offsite warehouse. They gave us the amount of cubic feet that we needed to get out of that rented warehouse, so less transportation, truck driving, and people to man the place. We’re completely out of that warehouse and our pick efficiency’s up! It’s been good.”

How long since the AMH systems were installed and how would you rate AMH’s service and support?

“We’ve had the products in for probably a year...had a couple small kinks from an IT standpoint. AMH was always extremely receptive and actually helped leverage their relationship with Kardex to get things done if we had any problems. It was never that we couldn’t get hold of AMH. They always stepped up to the plate and really held Kardex’s feet to the fire. AS/RS has probably been in about nine months. Same thing here...they were great. If we had any problems, issues, they held AS/RS’s feet to the fire. The mobile racks, we probably finished up about 3 months ago and haven’t had any problems with them yet, so all good.”

You’ve been able to move out of your offsite facility and pick efficiency has improved, but how does that translate into ROI?

“We shoot for 30% ROI and I don’t see why we won’t be able to pull that off. Our customer service level has increased considerably, especially since we got the Kardex, because we can pick, package and ship much faster than we could before. So, our overall customer satisfaction is up, too.”

