



Voice-Powered Results

VOCOLLECT CASE STUDY

Australian Pharmaceutical Industries

Established as a cooperative of chemists in 1910, Australian Pharmaceutical Industries, Limited (API) is an integrated healthcare services company with four core business operations – pharmaceutical distribution, manufacturing, retail pharmacy brands and hospital and medical distribution. API boasts annual sales in excess of \$1.2 billion and has built an Australia-wide distribution network that is among the best in the world.

In order to maintain high customer service levels, pharmacy distribution requires that orders be processed accurately, quickly and economically. Additionally, the physical characteristics of many products makes the process more difficult.



“The initial level of operation was around 94% efficiency on day one... but within 6 months of operation, we already exceeded our projected productivity and associated cost savings that were projected for 12 months.”

David Glance, NSW State Manager, Australian Pharmaceutical Industries

Australian Pharmaceutical Industries: Setting a New Benchmark

The Challenge

API's NSW distribution warehouse was 18 years old, and the technology was making it difficult to keep up with customer demands. API wanted to develop a World's Best Practice facility and felt that going wireless would allow them to achieve their supply chain objectives: fulfilling service obligations, supply chain cost reductions and ROI.

API decided the best solution was to build a new facility, and use it as a model for the rest of their DCs. They believed that a highly automated DC would provide the best results for accuracy, speed and cost-per-item, as well as provide them with the capacity to support business growth over 20 years.

The pharmacy market is extremely time-sensitive. Urgent orders have to be delivered within a couple of hours of API receiving the order, so API ships orders via couriers and a number of owner drivers.

The Solution

API selected Siemens Dematic Australia, a certified Vocollect Partner, to design the overall material handling system. It took just eight weeks to get everything up and running.

In addition to selecting the Vocollect voice-directed system, an integrated hardware and software solution, for split and full case orders in the brand new facility, API implemented a wide range of technologies. They included an A-Frame for automatic order picking, an automated carousel, RF-directed operations, and a "smart" conveyor system to deliver order to the dock doors.

Siemens Dematic's software platform, PickDIRECTOR™, manages and integrates all the various components, including voice, providing a single software platform and giving managers floor-level visibility. Since the upgrade, the warehouse moves around 6,000 cartons daily, and has the capacity to handle up to 20,000 a day.

The Result

The Vocollect voice-directed system makes it virtually impossible to pick the wrong product due to the use of random digits, or check digits, to confirm the correct location. As a result, order accuracy levels of 99.99% were reached, allowing API to move from regular quality checks of all orders to checking random orders.

The new automated solution runs very efficiently and has removed costs from the supply chain. Productivity levels reached better than expected levels after just six months of operation and will continue to rise as API seeks ongoing improvements in performance.

API's highly integrated system proved to be the best way for them to grow their operation. The combined IT system helped API increase their order fulfillment rate to around 99.8% on prescription lines and around 98% on OTC goods.

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Vocollect. Voice-Powered Distribution.

Since pioneering voice recognition for industry in 1987, Vocollect has set the standard for warehouses and other business settings. Together, its market-leading Talkman® wearable mobile computer and integrated software suite cut operating costs by eliminating errors and improving worker productivity shift after shift.

Leading WMS providers, material handling integrators and specialty voice solution providers around the world choose the performance and reliability of Vocollect to deliver integrated voice-directed distribution solutions. And every day, over 60,000 workers around the globe rely on Vocollect's integrated voice solution to help their operations.