



Expanding to match growth

Case Study: Urban Apparel Customer Karmaloop

Since 2006, with a constantly changing and rapidly growing SKU base, ODW has met the increasing growth of on-line urban apparel customer Karmaloop.

Challenge

Internet retailer Karmaloop.com has been an ODW Logistics customer since 2006. In that time, the company has experienced rapid growth. In addition to increasing its warehouse space from 6,000 square feet to 40,000, the company's SKU base grew from 4,500 to 30,000. Monthly order volumes increased 400% as well, with 60% of those orders coming from multiple lines versus 60% single lines previously. Keeping up with that growth demanded innovative thinking and new strategies. That's just what ODW provided.

Solution

ODW's customized solution for Karmaloop involved both physical and technological changes to give the company flexibility, greater outward and upward capacity, and expandability to better serve customers now and in the future.

First, additional storage equipment and shelving units were installed to accommodate immediate needs.

ODW also employed a Zone-Picking work process, and changed the pick method from discrete order picking to batch picking to improve productivity.

New Voice and RF scanning technologies were integrated as well, combining both scanning methods into a single device. RF scans and assigns while voice technology routes associates through their pick sequence, allowing team members to walk down an aisle only one time to pick multiple orders.

ODW implemented a pick pass conveyer for Karmaloop. Designed and installed by Columbus design firm Hy-Tek Material Handling, the system's voice unit directs each picker to the correct location sequence, identifies the next zone to be picked, then directs the picker to that zone. Once the order is complete, a conveyer system sends the order from the pick area to the pack-out station area. A parcel shipping station was added as well to improve outbound order processing.

Key Challenges

- Rapid growth
- Increased SKU base from 4,500 to 30,000
- 5,000 to 7,000 orders a day
- Monthly order volumes increased by 400%
- 300 vendors

Solution

- Zone Pick-Batch Picking
- Voice and RF scanning technology
- Pick pass conveyer
- Inclusion of Pick cart system
- Varsity shipper parcel station
- Wide span shelving units
- Scalable team and increased multiple shifts

Results

- Increased pick productivity by 12%
- Decreased damage to product
- Increased outbound processing capacity

“ODW’s customized solutions for Karmaloop gave the company flexibility, capacity, and expandability to better serve their customers both now and in the future.”

Jeff Clark
Vice President Sales & Marketing
ODW Logistics, Inc.

Some personnel changes were implemented, too, including scaling from a single shift to second, third and weekend shifts as seasonal demand warranted.

Results

The results were remarkable. The warehouse layout and process changes made a positive impact. The batch pick process has eliminated backtracking, stopping and re-tracing of steps. And the new voice and RF scanning tools have reduced touches and travel. Overall, produc-

tivity has increased 35%, with team members now picking up to 70 lines per hour.

The expanded physical layout the pick pass conveyer provided increased efficiencies and decreased handling, reducing product damage in the process.

Now Karmaloop is not only positioned to manage the growth it’s already witnessed, but prepared for the growth that’s forecasted to come.



About ODW

ODW Logistics, Inc. is a third-party logistics provider serving the unique needs of the retail, electronics, medical devices, food, health and beauty, and apparel clients. Dedicated locations include Urbana, Ohio; Chicago, Illinois; Battlecreek and Lansing, Michigan; and Dallas, Texas. The company has transportation offices in Columbus and Hamilton, Ohio. With more than 500 employees and over three million square feet of warehouse space, ODW provides unparalleled distribution, e-commerce fulfillment, import logistics, yard management, and manufacturing line support services. ODW is both an asset and non-asset based provider offering highly responsive, personal service to a variety of customers ranging from international Fortune 500 companies to locally owned and managed companies. [For more information visit www.odwlogistics.com.](http://www.odwlogistics.com)

