

navigating the warehousing maze



As the Christmas season approaches, it will be a busy time for UK warehousing. Andrew Williams, Managing Director of CW Logistics Ltd, offers advice and guidance on identifying the right warehousing solution for your business.

Warehousing is continuously developing and as many giftware businesses will use outsourced warehousing at some time, it is important to find the one that best suits your company. Warehousing comes in many guises, this article will help you to identify the important elements and know which questions you should be asking any potential provider.

For many businesses, outsourcing the warehousing, order processing and despatch side of the organisation can be a complicated process. There are a few key areas that should be addressed which will immediately identify a high quality facility with the necessary skills to service your needs.

The site visit

Firstly, cost aside, the most important part of the decision making process is the site visit.

- Make a checklist and take it with you.
- Identify your criteria and make distinctions about your particular product and operation. If your product includes breakables or small components; if you pick to carton or piece level; if you consolidate lots of items on to one order or multiple orders onto one delivery; or you need additional services for repackaging or labelling, then it is essential that the warehouse has experience in dealing with similar items and can demonstrate this during the visit.
- Check that the warehouse is clean, tidy and that health and safety legislation is being adhered to. All of these are positive indicators of a well managed and efficient warehouse.
- In regards to service, ask for statistics that show how accurate their picking is. It should always be running at a minimum of 97per

cent, a good warehouse should be able to provide you with this information and guarantee a minimum level.

- Ask for a demonstration of their warehouse / stock management system, then ask how many claims they have received over the past 12 months for breakages or misplaced stock. These may be uncomfortable questions to ask but they can prevent misunderstandings in the future.

Staffing

Your warehouse facility must operate as an efficient department within your own business. Ensure that you meet the staff and managers who will be dealing with your contract and be clear about your expectations. You may or may not be an expert on warehousing but you do know your product and how you like it to be handled.

Testimonials

Do your research - due diligence is imperative. Get references from the customers who are already using the service, if these are not readily available; ask to be put in touch with some of their clients, any reluctance tells its own story.

Guarantees

Ensure that you are asking what type of service guarantee they are offering, and what solutions are put in to place should anything go wrong. In addition to this you should be offered a service level guarantee which outlines timescales for confirmations of order receipts and despatch.

Costs

Finally, keep the overhead to a minimum

and keep the charging mechanisms simple, preferably to a unit level that you operate at (carton, pack or piece). The most cost effective method of storing is the "pay as you use system" as opposed to buying a fixed amount of warehousing space that you are invoiced for regardless of how much of it is filled. Often customers with larger quantities of stock prefer to know that their space is reserved and pay for a fixed amount of storage, but there is no reason why you can't have an agreement in place to ensure your peak stock holding can be covered and still only be charged for what you use. Be aware of the options on offer, carefully consider which system is best for you and question any additional costs, remember, in the main your product moves three times. It is received, picked for an order and then despatched for delivery and that is all you should be charged for. Ensure that you get at least two or three quotes so you know the current storage rates, but remember the distance from the port, major cities or the centre of the country will have significant effect on these costs. Consider transport arrangements and charges to complete your picture, ensure the provider is capable of arranging your preferred distribution method whether parcel carrier, small numbers of pallets on a pallet network or full loads.

With these tips you can be assured that you will confidently choose a suitable facility for your stock and relax in the knowledge that your giftware is in careful hands.📞

For further information call **+44 (0)1379 871 437** or visit the website **www.cwlogistics.co.uk**.