



The Clothes Make the Plan

How the new construction of a distribution center in Dallas, Texas, for garment provider SanMar, relied on old friends.

By Adam Shafer

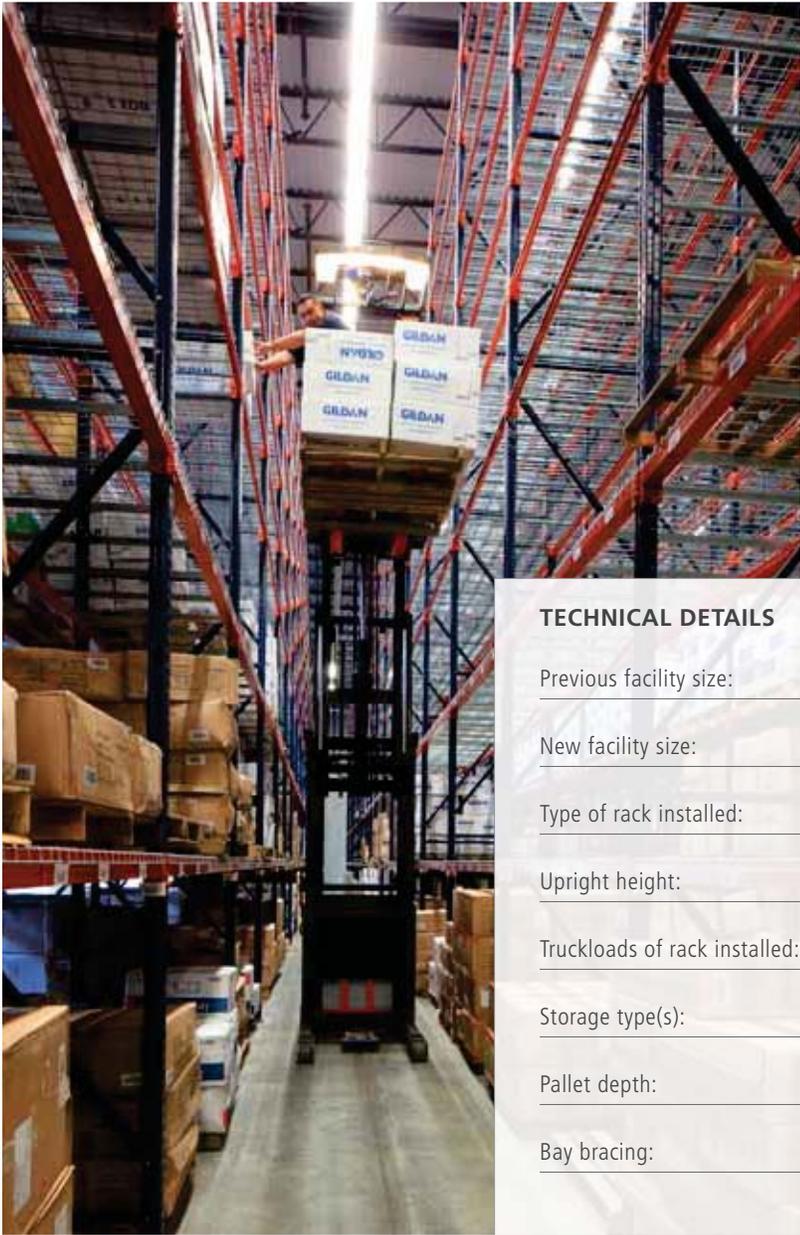
It is noon in Texas, and many warehouse employees throughout the state are preparing for lunch. For SanMar, however, the day is just beginning. The wholesale garment distributor, based out of Seattle, recently expanded eastward into a newly constructed Dallas distribu-

tion center. However, at SanMar, the company's regional distribution centers do not dictate operating hours: the home office does. So while most of Texas awaits 11:30 shifting into noon, it is functionally only half-past nine in SanMar's 700,000-square foot facility.

Ultimately, the company values efficiency and punctuality over all other qualities of a successful business, which is exactly why the company's busiest time is later in the afternoon when the day's orders are in and the personnel stays as late as necessary to see that each shipment makes it out the door. Scott Larsen, president

of RH Brown, the rack distributor and installer who collaborated with SanMar on the Dallas project, views SanMar's national synchronization as a boon to customer service. "It's awesome," Larsen says. "Whenever a company does something a little off the norm and they make it work successfully, it's worth noting."

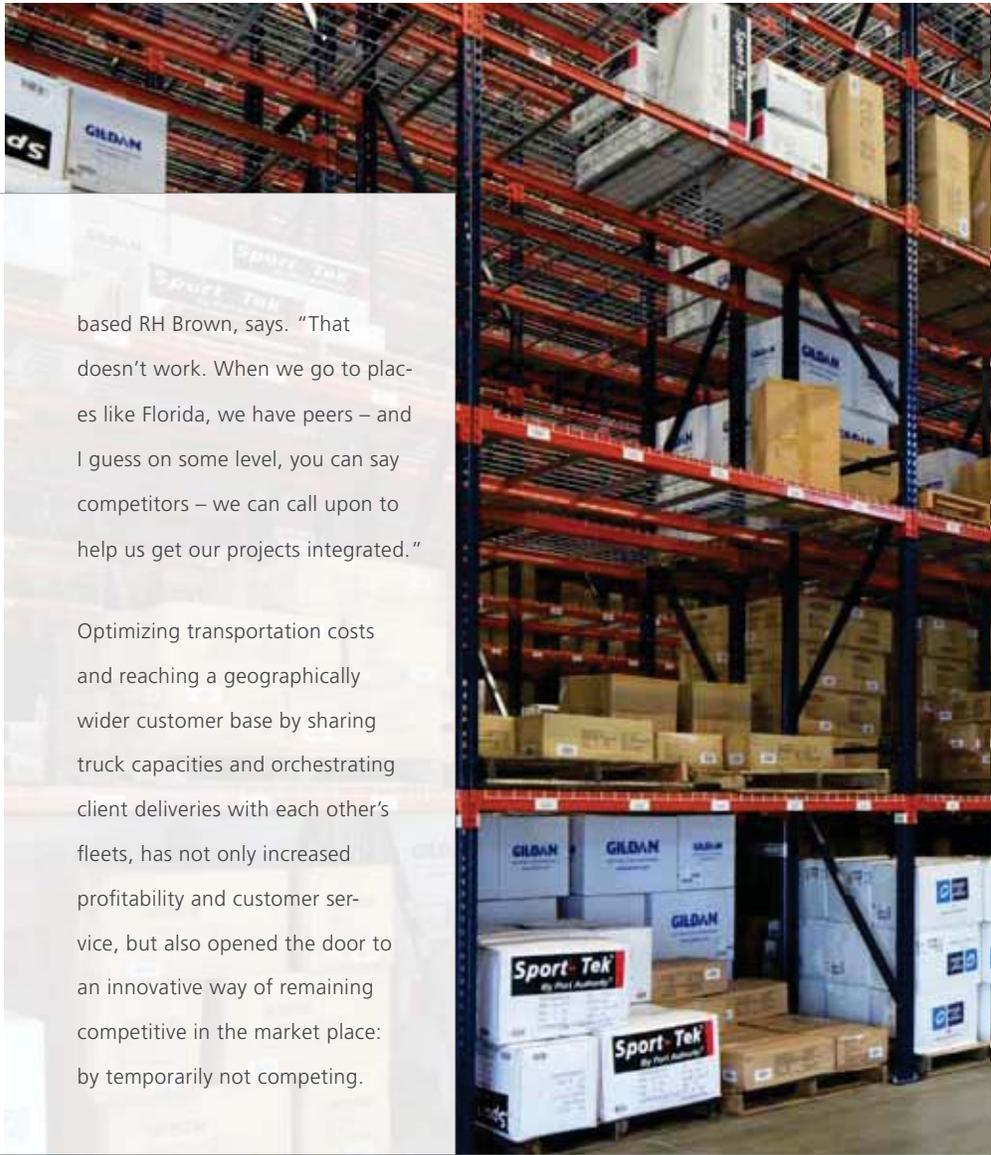
Also worth noting is the wholesale distributor's pattern of growth, which not only expanded outside the Washington area into Texas, but has veined into Florida as well. Nourishing that growth is the increasing footprint of clubs and corporations demanding high-volume garments such as embroidered t-



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TECHNICAL DETAILS

Previous facility size:	300,000 sq. ft.
New facility size:	700,000 sq. ft.
Type of rack installed:	High-capacity, high-height Selective pallet rack
Upright height:	38 ft.
Truckloads of rack installed:	45
Storage type(s):	full pallet, partial pallet, 24-inch span single-case
Pallet depth:	1-2 deep
Bay bracing:	z-beam



FRIENDLY COMPETITION

Competitors are finding an increasing number of reasons to rely on each other for logistical help as gasoline prices and carbon emissions remain high.

Known as both collaborative logistics or “horizontal collaboration,” an increasing number of partnerships are forming between industry competitors in order to optimize transportation operations, usually because one company has a geographical advantage over another.

“You can’t just fly your people all over the country all of the time,” Scott Larsen, president of Seattle-

based RH Brown, says. “That doesn’t work. When we go to places like Florida, we have peers – and I guess on some level, you can say competitors – we can call upon to help us get our projects integrated.”

Optimizing transportation costs and reaching a geographically wider customer base by sharing truck capacities and orchestrating client deliveries with each other’s fleets, has not only increased profitability and customer service, but also opened the door to an innovative way of remaining competitive in the market place: by temporarily not competing.

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With business expanding nationally, SanMar recognized the necessity to expand its warehouse space, too. Under the current product flow, SanMar receives product by the truckload that is then divided by storage

location. Red shirts, for example, go with red shirts; black sweatshirts go with black sweatshirts and so on. As the product comes off the containers into storage locations, the company then re-palletizes the product according to SKU. The products are then stored on Interlake Mecalux high-height, narrow-aisle, selective

pallet racking according to whether or not they are high-turnover or low-turnover items. The Dallas facility has a primary pick area, which necessitated the bulk storage or full case picks. Part of the 38-foot high-height racking is full pallet, part of it is partial pallet and some of it is single-case.

The company’s desired turnaround speed dictated that each distribution center inventory enough stored product to facilitate getting anything out the door with minimal lag time.

Whether the item in question is a size XXXL neon-green polo shirt or a medium-sized plain white tee, the company’s desired turnaround speed dictated that each distribution center inventory enough stored product to facilitate getting anything out the



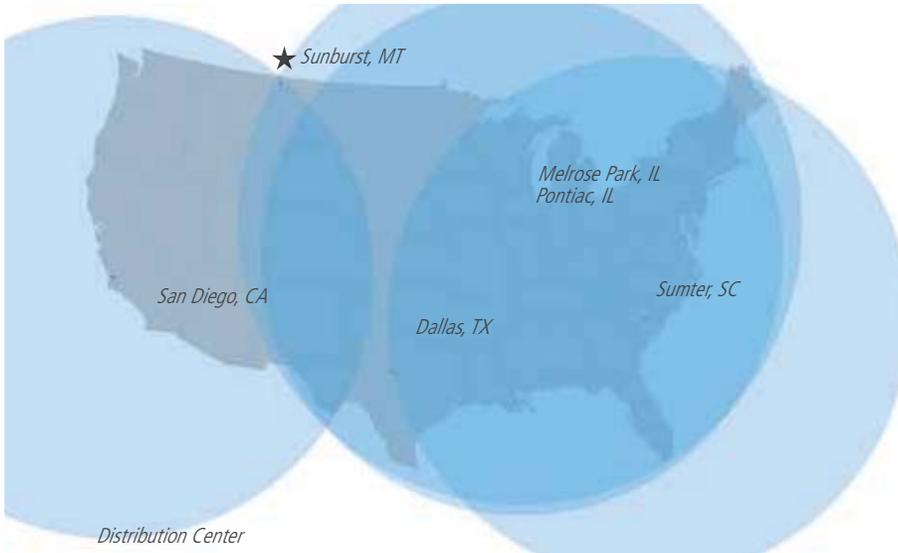
door with minimal lag time, most of the time with less than a day's turn-around. To do that, a lot of product must be on the premises; and to do that, SanMar needed to build out and up.

Pattern of Growth

Few organizations understand SanMar's growth as much as RH Brown, which has worked with the wholesale garment company since its first 2005 retrofit collaboration in Seattle. RH Brown, the systems integrator specializing in turnkey conveyor and storage packages, also calls Seattle home and synchronized with SanMar's patterns of growth enough that after the garment company identified the need to expand into larger facilities in Dallas and Jacksonville, Florida, RH Brown had the goods to expand right along with them. "[SanMar] was looking to build bigger facilities and they needed a partner they could turn to to handle both facilities," Larsen said referring to both the Texas and Florida warehouses,



INTERLAKE MECALUX TAKES THE U.S.



The circles show IKMX's expansive reach throughout the U.S., a fact that RH Brown said made the company most attractive to doing business in both TX and FL. IKMX can even deliver to Sunburst, MT, the farthest geographical point between distribution centers in the continental United States.

ranges, number and volume of SKUs and cube space. Also of notable importance, was the manner in which SanMar wanted to organize the project. The garment wholesaler wanted this installation project organized around its materials and wanted their distribution center managers to be able to continue working unabated throughout the installation. "It was important to SanMar that they had a partner able to insulate the existing operations from having to get involved, while also involving hundreds of other on the contract," Larsen said.

With the design in place, RH Brown worked closely with the contractors in charge of the building's construction in order to ensure the product would come in on time and had a place to go once it arrived. "We actually interfaced quite a bit with the contractor," Larsen said. "A big part of it was the coordination facilitation of the on-site schedule for shipping and receiving product."

"and had the capacity to manage and install both facilities as well as turnkey projects from their entirety."

Saddled with a 300,000-square-foot building in Dallas that was straining

The trick, in this instance, was creating a design and completing the installation before the building was fully erected.

at the seams to handle its product flow, SanMar relocated to a new construction more than twice the size of the old building that allowed a more even flow and efficient operation. The trick, in this instance, was going to be creating a design and completing the installation before the building was fully erected. It was no small trick.

Operating Room

RH Brown identified SanMar's business objectives and enacted a design plan that would encompass those goals. The plan aggregated a number of factors including product capacity, shipping

The difficulties of working around an unfinished building proved myriad: construction of the warehouse went on for weeks with neither an asphalt path (which made deliveries from truck to dock quite difficult) nor a roof (which made safely storing materials risky). In a pinch, RH Brown safely blanketed the rack in tarp outside the facility until it could be relocated indoors. "You can imagine we were taking in about six to eight deliveries a week for a couple months because we didn't have room on-site to store a lot of materials," Larsen says, reflecting on his biggest challenge of the installation.

Inside Out

Once the product made it inside the facility, the installation went smoothly and SanMar was pleased with RH Brown's decision to use Interlake Mecalux shelves. "One of the reasons we turned to Interlake Mecalux for the racking solution," Larsen said. "We needed a solution for the high-bay shelving. A lot of this rack is 38 feet tall with beams every two feet. It isn't high capacity." The solution, in this case, came in the form of z-beams at the ends of the bays. SanMar had been using pallet rack beams to store its products in the previous facility, which was not as reliable.

More than the rack bracing, Interlake Mecalux proved to be the best choice for the installation because, as Larsen

put it, the company had a wealth of regional distribution centers from which to ensure the product could be manufactured and "the logistics to deliver the volume of product." As Larsen went on to explain, the original plan was to complete the SanMar installation in Dallas first and then immediately complete a similar installation in Jacksonville, Florida. After several schedule changes related to weather or other unforeseeable matters pushed the Dallas installation back and forced both installations to coincide with one another, Interlake Mecalux proved to be the right choice again. "These two projects combined for the biggest job we've done [with SanMar]," Larsen said. "Mecalux had the capacity to get that material out. I'm sure there are people out there that wouldn't."

Almost immediately, SanMar saw its efficiency rise and its daily turnover capacity skyrocket. Today, the garment wholesaler turns over more than four times the orders it did in the original Dallas facility, a feat only partially explained by the increase in storage space. It isn't just the space, but the optimal layout, the durability of the rack and the company's increased storage capacity.

As the clock creeps ever closer to noon in the garment distributor's new facility, there's a chance that despite working as if they are running on Pacific Standard Time, these SanMar employees will clock out at Central Standard Time, as they've become just too efficient to necessitate staying any later. 





A ROLLING CENTURY

What started as a small wheel manufacturer has evolved, 100 years later, into a full-scale systems integrator with a few new tricks up its sleeve.

Scott Larsen is a fourth-generation owner of RH Brown, a racking distributor celebrating its 100th anniversary. Actually, Larsen would almost certainly take issue with the term “racking distributor,” as the Seattle-based company has worked tirelessly to become better known as a systems integrator; essentially

a turnkey provider of not only services, but of finding hidden value. “We get to know what our customer’s objectives are,” Larsen said, “and really get to know their business so that we can really help the client decipher what their options are for material handling systems and how they may benefit their business.”

Founded in 1911, RH Brown began manufacturing industrial wheels, wheelchairs, bicycles and the like – a division still present within the company. As time passed and industries became increasingly segmented, the company branched out from simple wheel production to create conveyor systems for industrial use starting in the ‘60s. By the 1990s, RH Brown absorbed industrial steel rack distribution into its business. In the last 10 years, the systems integrator adopted more systems to integrate by not only distributing industrial shelving, but installing it as well. “That’s been a huge asset to our business,” Larsen says about that particular expansion. “Bringing those services in-house gave us control over the projects and job sites. So if the project is not so large that it’s just a full-time management position, we can actually return some value to the customer by leading and helping with the installations.”

About 2/3 of RH Brown’s clientele hail from the Washington/Oregon area, but the company’s recent expansion eastward is proof positive that its dedication to adding value has been successful; as company’s expand, they bring RH Brown along to help them. Indeed, some clients cannot remember a time they were without RH Brown’s services. “One our suppliers,” Larsen says, “they’ve been a supplier of ours for, I think, 97 years. It’s pretty crazy that we’re both even still around.”