

Case study: RADEC

Warehouse ready to distribute more than 1,800 orders a day

Location: Mexico



RADEC, an automotive components and aftermarket spare parts company, has renovated one of its largest distribution centres in Guadalajara (Mexico) with the introduction of pallet racks and shelving with walkways from Mecalux. The two solutions give direct access to products, which is a core element in achieving one of the company's objectives: preparing and distributing up to 1,800 orders per day.

About RADEC

Founded in Mexico in 1978, RADEC imports, distributes and sells a wide variety of components and spare parts for the automotive industry. It is present throughout the country and has distribution centres in Guadalajara, Villahermosa, Tijuana and Monterrey.

Its product catalogue, which includes items from the best manufacturers in the world, is constantly expanding. Currently, it carries more than 45,000 SKUs for all automobile models sold in Mexico.

Efficiency and careful handling of the goods

In the last few years, the company has achieved unprecedented growth. *"We are consolidating ourselves as one of the leading companies in Mexico thanks to our team's hard work and setting up the latest technology in virtually all processes, which has led to improved order delivery times,"* explains Carlos Enrique Malnar, operations manager at RADEC.

"That said, growth has resulted in a space shortage," he adds. Reinforcing its logistics was essential to accommodate a larger number of products, cope with possible market changes and satisfy customers. For this reason, RADEC decided to rework the design of its warehouse in Guadalajara in collaboration with Mecalux.



The commissioning took place over five months. *"It was a scheduled process and we experienced no interruptions,"* says the operations manager. The result has been very positive. The 22,000 m² warehouse is equipped with pallet racks and storage shelving with walkways that com-

prise four floors, providing large storage capacity. All in all, the warehouse has 42,884 storage slots for pallets, as well as boxes and smaller packages. *"We now have a much smarter product distribution designed to meet customer requirements faster,"* Malnar applauds.



Carlos Enrique Malnar
Operations manager
at RADEC

"The racking has increased productivity in our warehousing and order picking tasks. One of the advantages is the racks facilitate product handling and, in so doing, we have reduced the possibility of damage to our goods and storage systems."

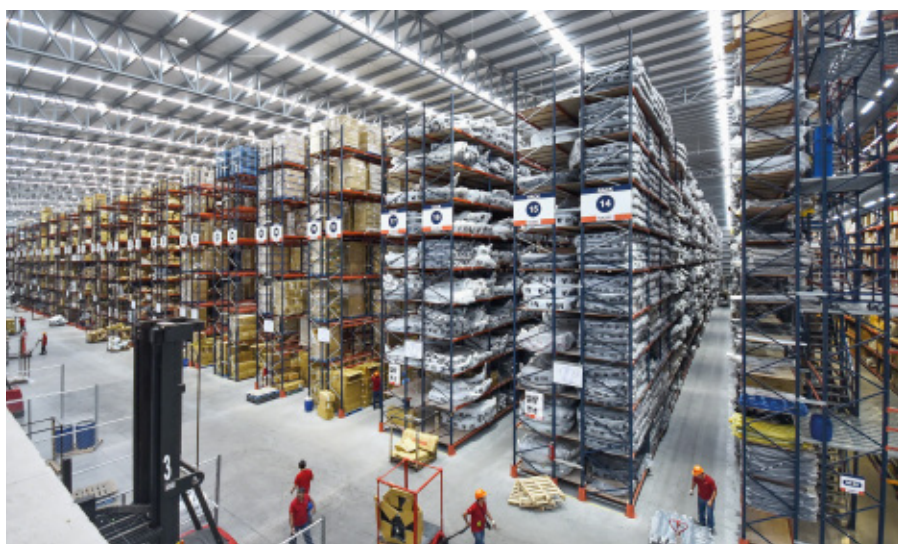
Versatility and accessibility

Mecalux racking systems are very versatile, as they are capable of accommodating automotive spare parts of different characteristics, dimensions and rotations. The levels include wooden shelves, yielding the appropriate load-bearing capacity so the goods rest safely on top.

Perfect stock control is guaranteed, as each location is allocated to a single SKU. *"We use a very meticulous criterion when distributing the goods in our warehouse, principally based on their physical characteristics and demand level,"* points out Carlos Enrique Malnar.

"We have control over the goods from the moment they arrive at the warehouse, we identify their SKU number and the quantity available," he adds. Every day between 300 and 400 pallets are received from component manufacturers in Asia, Argentina, Brazil and Mexico.

Another feature of the racking is the accessibility it gives to the goods, a fundamental factor in speeding up storage and order fulfilment activities.



Pallet racks and shelving with walkways provide storage capacity for 42,884 storage slots

Shelving for picking

Mecalux has supplied a block of shelves with built-in walkways for smaller products on one side of the warehouse. The shelves are 13 m high and, then, on top of

them are raised passageways that create each storey. Picking takes place in this area. Daily, anywhere from 1,400 to 1,800 orders are prepared. *They can consist of a single product or include up to a maximum of 700 items,"* notes Carlos Enrique Malnar.

The warehouse is sectorised in such a way that each one of the floors houses certain products. Moreover, each one has been assigned a specific number of operators, which may vary depending on the orders to be prepared.

Operators walk the aisles picking the products that comprise each order directly from the shelves.

They follow the order grouping method, which consists of preparing several orders during the same trip.

From these facilities, RADEC distributes products to 24 warehouses throughout Mexico and, at the same time, makes drop shipments to its customers.

"It has been a huge achievement for our company's performance," confirms the operations manager. The company has not only acquired storage capacity but has also achieved operations that adapt to its unique business.





Advantages for RADEC

- **Large capacity:** RADEC's warehouse has 42,884 locations, enough storage capacity to supply its points-of-sale spread throughout Mexico.
- **Optimal load management:** pallet racks are a good solution for sorting car parts according to their size and rotation, resulting in increased warehouse productivity.
- **Pick efficiency:** the distribution of goods, considering their characteristics and demand, helps to optimise the movements of operators and makes order fulfilment as fluid as possible.



Technical data

Storage capacity	42,884 locations
Racking height	13 m
No. of orders per day	1,800
Order lines per order	1-700

