

Client Success Story: **Sporting Goods**

Lean Action Workout – **Driving capacity into shipping process**

Company Overview

This case study outlines LEGACY’s work with a leading sporting goods company. They have sold over 100 million units of their core product. In recent years, they have expanded their offerings considerably, offering many complimentary products within their field. Nearly 2 million units are manufactured each year, with an average of 3,000 units made each day at their main facility. During peak production time, the factory increases production to approximately 5,000 units per day.

The Challenge:

West coast distribution operation unable to meet demand in small parcel processing area during peak season.

Warehouse inefficiencies manifested challenges such as:

- Processing orders 5 days behind schedule – double space utilization
- Multiple areas of high demand made it difficult for staff to maintain the flexibility necessary to process overdue orders
- High degree of experience required in two key processing areas

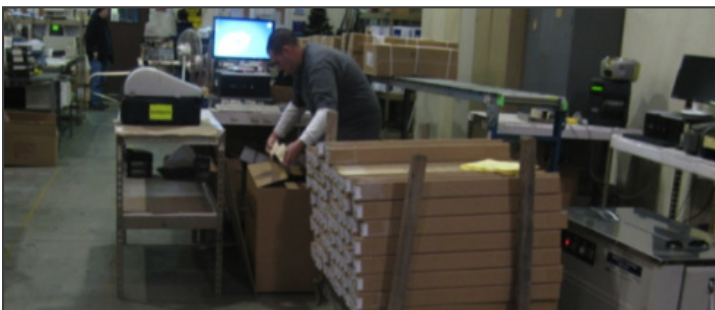
The client needed an immediate solution to restore small parcel processing to current processing.

The Solution:

LEGACY came in with an immediate response: a two-day focused support of lean platform leaders with a Lean Action Workout (AWO).

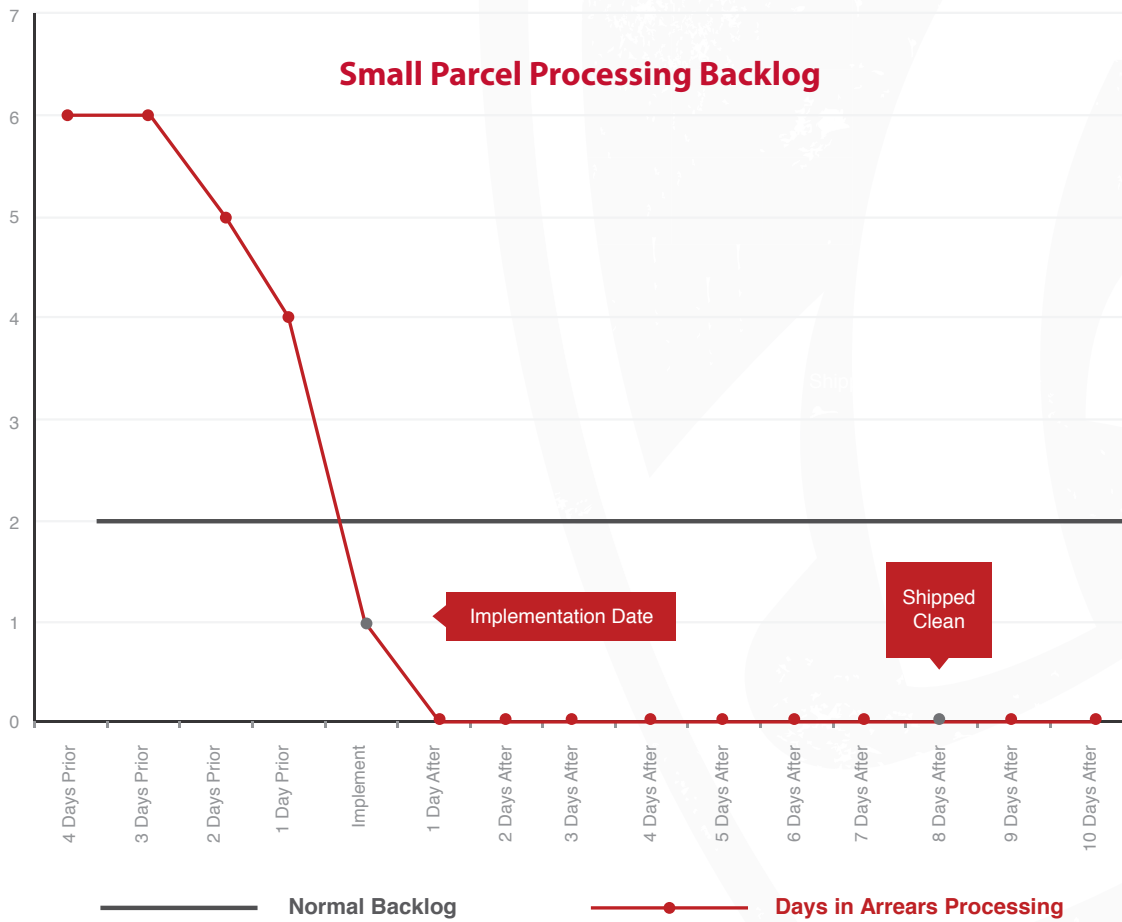
During this Lean AWO, LEGACY:

- Observed packing and shipping processes
- Stress-tested process output variability, process capability, and cycle times
- Separated work elements by task complexity
- Compartmentalized most complex tasks to skilled workers
- Created “waterspider” role to handle multiple tasks, allowing skilled workers to keep processing
- Identified 19 additional opportunities that should be addressed with future Lean AWO



Value and Results

As a result of the Lean AWO, there was an **85.74% improved maximum capacity rate** of small parcel processing at peak production.



Improvements included:

- Turnaround time was moved from 5 days behind schedule in small parcel processing to processing current deliveries within 48 hours of implementation.
- Staging area was decreased to two lanes: current day work and booking orders.
- Maintained processing current-day work for 12 consecutive data points

In addition to these improvements, the workout session also identified significant opportunities for future improvements in footprint utilization and overprocessing.

“We were proud to help our client improve shipment processing by over 80% during peak season and exceed service expectation goals.” – LEGACY Lean and Quality Team

Visit LEGACYscs.com to find out more about improving your supply chain efficiency.