

Arla Foods increases efficiency with Voice Picking

Arla Foods' Logistics Manager Rudi Petersen says that since Arla introduced Voice Picking they have made considerable improvements in ergonomics, efficiency, administration costs and health and safety.

Arla Foods is one of Europe's largest suppliers of milk-based products. While it may not be as well known as other brands in the FMCG industry such as Unilever, Kraft and Parmalat, it is actually bigger in terms of total turnover. Arla has aggressive expansion plans for its business, particularly in Scandinavia and Germany, and needs to make its logistics more effective to achieve its goals while at the same time cutting costs.

Arla's goal is to be at the forefront of logistics management, a route that with take it to the top of its industry. With 30 years of experience of working with picklists in FMCG (Fast Moving Consumer Goods) Arla had not seen any revolutionary solution on the horizon except for bar-coding and PDA solutions for mobile workforces. When Arla investigated the possibilities of what voice picking could offer it changed its mind overnight.

Arla had seen the potential of voice picking and had been monitoring the technology's progress for some time. When the company

felt that voice solutions had reached maturity, it decided to start a pilot project in Denmark starting late June 2005 and rolling out in the rest of Denmark and Sweden in 2005-2006, and possibly the UK in 2007.

Clear objectives

Arla had very clear objectives from the beginning. The company's goals were: increased picking accuracy, increased efficiency, better health and safety and reduced administration costs for customer service and for paper and labels (paperless picking). Arla also had very clear ideas of how voice picking would help it achieve these goals. Pickers would no longer have to concern themselves with reading or writing, as tasks would be accomplished with voice commands. This same advantage meant that pickers had their hands and eyes free and could focus on their core task of picking. Quality was built into the picking system by a series of check digits and a logical series of commands was built in so the pickers did not receive any superfluous information.

Quick action

Arla discussed the project idea in autumn 2004. The go ahead was given in January and all project management, mapping and programming, hardware procurement and training was completed in just six months. The pilot project got under way in June of this year.

One thing that really pleased Arla was staff reaction. Everyone bought into the idea straight away. All staff were interested and curious about the benefits that voice picking would bring and everyone accepted the objectives. One thing that really helped in this process was giving staff direct involvement and a feeling that they were contributing to progress.

Impressive results so far

Despite the fact that the test project has only been going on for two months, Arla has already seen very good results. Picking efficiency, administration costs and health and safety goals have already met the expected targets. Picking errors have improved by 40% while the target is 80%, distribution correction costs have decreased by 30% against a target of 80%, and it is too early to register the effects on customer service.

Voice picking has been identified as one of the real “hot issues” for logistics management in the next few years. It’s good to see the technology is off to a flying start at Arla Foods.

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