



# SPAR

## SPAR Distribution Centres Streamline Picking Processes Using Psion Teklogix Speech Technology

SPAR Distribution Centres (DCs) distributes millions of consumer goods a year to retailers around South Africa. In 2007, SPAR replaced the paper-based picking system it had been using at various South African DCs with a system that used Psion Teklogix' speech technology. The results were so significant — improved productivity, increased quality, and reduced costs — that SPAR has chosen to implement the same system at its distribution centres in Nelspruit and Cape Town.

*“With immediate and significant savings, increased productivity and improved accuracy, SPAR management are most impressed with Psion Teklogix’ product quality, service and support and we are confident that we will realize the same benefits with our future roll-outs.” – Trevor Currie, Group Logistics Executive for SPAR*

### The Challenge

SPAR Distribution Director, Glen Robinson, says SPAR DCs distributed approximately 27 million cases of consumer goods during 2006. Greg explains, “with 25,000 reserves in our grocery section and 2000 reserves in our perishable section, we pick a total of 110 000 grocery cases and 27 000 cases of perishables on a daily basis at our KZN Durban DC.”

This volume of orders created difficulties for the paper-based picking system used by SPAR as DCs were constantly faced with re-work, stock shortages, miss-picks, and a variety of other errors that affected its quality of service provided to retailers. Further complicating the matter was that SPAR did not want to invest in the quick rollout of a new system due to the risk of overwhelming workers with a radical technological change.

### The Solution

In an attempt to improve the quality of the pick and reduce re-work, shortages, miss-picks, and other errors, SPAR management decided to replace the paper-based picking system with a new system using Psion Teklogix' speech technology.

The new system made use of speech recognition and synthesis to translate data from the host computer into spoken directions for the picker. The picker's spoken responses are then translated into data for the host.

Enabling transmissions is an RF network that connects the host computer to a wireless, light-weight terminal carried by the picker. The picker then uses a headset to hear instructions and talk back to the system, and hence, real-time working dialogue results between the picker and system.

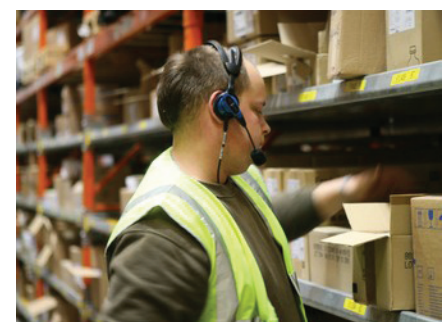
Another requirement of the system was that it doesn't decrease worker morale by pushing too much change upon them too quickly. SPAR embarked on a significant training and communication program to keep everyone affected by the speech implementation informed. The system was then rolled out over 6-to-8 weeks to allow staff the time to become familiar with the new equipment.

### The Benefits

Since implementing the new Psion Teklogix speech technology in its DCs, SPAR has realized a 100% increase in

picking accuracy. According to SPAR's Group Logistics Executive, Trevor Currie, the new picking system has also greatly improved the firm's relationships with retailers. He comments, “it is imperative that our retailers trust the accuracy of our DC systems. Speech has enabled us to significantly increase accuracy and improve our retailers trust in us.”

Another benefit gained by SPAR is that the support structures that were put in place to deal with the technological changes reduced the challenges faced by workers when switching to the new system. The result was improved worker morale, and according to Glen Robinson, “an increase in productivity between 5 and 10%.”





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