



In this issue of Moving Forward:

[Message from the President](#) | [Guest Spotlight](#) | [Service Tips](#) | [In The News](#) | [Industry Events](#) | [Fun Fact](#)

Message from the President



It is hard to believe 2008 has come and gone, perhaps a year we will all remember for a host of reasons including the tough times encountered for most as we continue to struggle through tough economical times.

As we anticipate what 2009 has in store for us, we find ourselves asking the same set of questions over and over again. When will things turn around? When will the economy hit bottom? How long can this go on? The answers to these and many other questions continue to go unanswered. Do they go unanswered because we are not asking the right person or is it simply no one really has the crystal ball and can provide us with conclusive answers? I'm leaning to the side no one knows for sure. So now what? Well the one thing we know is to continue doing what we do best, taking care of you our Guests. We will continue reaching out to you to determine how AHS can assist with your current and future plans. We will spend time working with you to compliment process improvement. We will ask questions to better understand how your customer buys, why they buy from you, and how we can assist you in cost reduction measures to keep you competitive in the market place.

Our commitment to you is to continue offering cutting edge ideas, staying abreast of current technologies, and submitting justified solutions with strong R.O.I.'s so that the capital spent provides the return your stakeholders expect. In turn, we are reaching out to you, our Guest, asking you to communicate with us, keep us abreast of what we need to do to earn your business. Share with us what we need to do to keep you competitive in the market place, and keep in mind how important you are to us. Times are tough, competition is fierce, the market is weak, and 2009 is going to be full of challenges. What do you say we stay focused on each other and recommit to ongoing long term success. The synergies of working together will make us stronger and get us through these tough times.

We look forward to working with you throughout 2009. We are a phone call away, keep us in mind, call us often, and let us know how we can help.

Until next time, thanks for all you have done for us and

will continue to do.

Best Regards,

Chuck Frank, President/CEO

Help Us In Welcoming Our Newest Team Member:

We are happy to announce a new team member eager and excited to assist you with all your product and parts needs. Please help us welcome:



Andy Frank
Product Sales
Specialist

[back to top^](#)

Guest Spotlight

When Less is More

We are highlighting a recent implementation for a guest that just completed a very successful holiday season. Coming off of a very challenging 2007 holiday season our guest was faced with SKU proliferation and projected increased volume for 2008. Fortunately, they had the foresight to plan early in the calendar year so they would be ready for the 2008 peak. They engaged AHS to assist with the evaluation of the existing process and optimization implementation. This undertaking involved three areas for consideration: 1) the current process benchmark 2) the physical systems 3) the culture. The end result yielded huge gains in productivity at reduced operating expense. Our guest found out that in this situation “less was more”.

The 2007 process involved discrete order picking. One order was picked at a time and was routed on conveyor through a pick module consisting of flow rack and shelving. Another condition which hampered the process was the use of flow rack. While flow rack serves a purpose, in this operation it lengthened the zone making the need for zone passing more prevalent and thus reducing throughput. The SKU mix activity had relatively flat activity across all SKU's. Based on the process of discrete order processing we immediately identified the restriction and a significant labor component.

This evaluation led us to study the walk time of the picker and the physical limitations that existed in the pick module. While flow rack certainly has its place, the activity of the SKU base indicated that flow rack was overkill as it related to demand. Adequate supply within one carton would satisfy the demand of the given period. A simple conversion of eliminating the flow rack and bisecting the bay with shelving doubled the SKU capacity within the same distance. The conveyor process supporting one order at a time was changed to a “cluster pick”. By converting the process, this guest was able to reduce travel through the pick process by an average factor of 8:1. The cart would support multiple orders and eliminate the pacing by the conveyor system. The existing conveyor was repurposed to deliver orders to a remote pack area and no capital was required for new equipment. Shelving replaced the flow

rack at minimal expense. Carts were added to support the new process.

The result of the effort satisfied the SKU proliferation problem by doubling the capacity within the existing foot print and drove efficiency for the operation by reducing travel time and the restriction of throughput resultant of the old process. Our guest's business requirements changed dramatically and they were able to react in time at a minimal expense. By reducing the use of flow rack and the dependency on the conveyor they were able to do significantly more with less.

[back to top^](#)

Service Tips

Winter 2009

Now that you have made it thru the peak season you should schedule some time for service on your equipment. This is a good time to check all of your motors and gearboxes. The motors should be amp probed to make sure they are operating within the manufacturers specifications. The fluid in the gearboxes should be checked. If you find they are low you can add fluid, but be careful not to over fill. You can do as much damage by over filling as you can by running them low.

[back to top^](#)

AHS in the News

[AHS wins "Emerging 30" Award Second Year in a Row.](#)

AHS was awarded the Emerging 30 Award from the Northern Kentucky Chamber of Commerce. This award recognizes local businesses making a significant economic impact on the community based on annual revenue growth.

[Cincinnati Business Professional Elected to Serve as Treasurer of National Trade Association](#)

Chuck Frank, President/CEO, AHS, Inc., has been elected to serve as Treasurer of the Material Handling Equipment Distributors Association (MHEDA).

[At Your Service: Matt Witte Works Hard So Customers Don't Have To](#)

Learn how Matt Witte goes "above and beyond" in his project management role to provide outstanding customer service.

[back to top^](#)

Industry Events

National Conference on Operations and Fulfillment (NCOF)

- March 23-26, 2009 — The Rio All Suite Hotel & Casino, Las Vegas, Nevada

Warehousing Education Research Council (WERC)

- April 26-29, 2009 — Atlanta Marriott Marquis, Atlanta, Georgia

Council of Supply Chain Management Professionals (CSCMP)

- September 20-23, 2009 — McCormick Place West, Chicago, Illinois

LogiPharma 2009

- September 21-23, 2009 — Loews Philadelphia Hotel, Pennsylvania

International Foodservice Distributors Association Conference & Expo 2009

- October 19-21, 2009 — Baltimore Convention Center, Baltimore, MD

[back to top^](#)

Fun Fact

Do you know the answer to this question? You could be the winner of our quarterly Fun Fact trivia contest.

Once in the White House, each President made his mark in different ways. In fact, before the 26th President came to office, the White House wasn't even called the White House! People called the building the President's Palace, President's House, and the Executive Mansion. Who officially named it the White House in 1901?

To submit your answer, send an email to kthompson@ahs1.com for your chance to win AHS apparel. Everyone who responds correctly will be placed in the Fun Fact Jar and a winner will be pulled at random on March 1, 2009. The winner will be notified via email.

Congratulations to our Fun Fact winner from last quarter: **Troy Heavrin**

Troy successfully answered the question: By placing this item on your front door during the holidays; you symbolize a sign of welcome and long life to all who enter. What is this item?

The answer is: **A Wreath**

Thank you to everyone who participated in our Fun Fact Challenge! Troy, we hope you are enjoying your new AHS apparel.

If you have a fun fact challenge question, please submit it to kthompson@ahs1.com to have it published in our next Moving Forward e-newsletter.

[back to top^](#)