

# PEARSON CASE STUDY

## Introduction

UBD is the wholly owned warehousing and distribution division of Pearson Australia Group (PAG), Australia's largest book publisher. PAG is in turn part of Pearson PLC, an international media company with market-leading businesses in education, business information and consumer publishing.

According to Sebastian Parkes, Managing Director, UBD's core responsibility is to receive, hold and distribute books and related goods on behalf of PAG, its agencies and third-party logistics clients. Its distribution operations are 22,000 m<sup>2</sup> (235,000 square feet) under roof with usable floor space increasing to 29,000 m<sup>2</sup> (312,000 square feet) as a result of its three level 7,000 m<sup>2</sup> (75,000 square foot) order picking mezzanine. UBD's distribution operations are located at Scoresby (Melbourne), Victoria, Australia.

In 2009, UBD's automated and paperless operations will pick, pack and dispatch in excess of 42 million books to its consumer and educational customers throughout Australia and New Zealand. The site presently accommodates approximately 25 million books across 54,000 titles.

## CubiScan® 100 and CubiScan® 30

UBD employs two CubiScan 100s and an additional four CubiScan 30 units. Located in the receiving area of the distribution center, these units are exclusively used to dimension and weigh received books and related materials as part of the business' internal handling processes. The CubiScan 30s are used to dimension and weigh a representative book or unit item while the 100s handle that same title's carton or case pack.

Once the dimensions are ascertained the information is then fed via an automated interface directly to the site's warehouse management system, Logistics Pro. Logistics Pro retains that information in its item master file and applies it when locating, staging, replenishing, stock moving, selecting or allocating packaging, check-weighing and quality checking, order picking, determining freight carrier and reporting, among other tasks. Our 100 and 30 units are simple and fast to use. They're also surprisingly reliable and require very little maintenance despite being employed in a warehousing environment.



## Benefits

Our selection of the CubiScan technology is wholly in keeping with our operational design philosophy to deliver high levels of service and efficiency through accuracy, cycle-time reduction and the elimination of resource and material waste.

Once goods are received and after they are CubiScanned, they are then accurately allocated to an appropriately sized empty storage location or one which holds existing same items that can accommodate them. This greatly assists us in optimizing storage space as well as eliminating wasted conveyor utilization or driver and forklift effort. These same benefits apply elsewhere on our site whenever goods are moved between storage locations or staging areas as part of the numerous operational activities and cycles that occur each working day.

Our order fulfilment and cartonization processes are greatly benefitted by the use of CubiScans. Each of our thousands of daily orders which include a loose-pick component has packaging materials of the appropriate size accurately and automatically selected for them before they are filled. This minimizes our consumption of packaging material and reduces freight costs, as goods are consolidated into the fewest cartons possible. Our loose-pick goods are also much more likely to reach the end customer in better condition, as they are tightly held together and require minimal or no void fill, which allows them to be loadbearing and not crush.

Completed goods departing the picking process are also check-weighed to ensure accuracy, invariably trapping 1-2% of cartons that would otherwise have gone on to customers with picking errors, impacting our goodwill and incurring additional customer service, freight, and fulfilment costs associated with replacing items and correcting the order.

In purely financial terms, it's quite feasible that CubiScan's dimensioning and our other system's use of that information deliver savings in the realm of 10 or more percent of our distribution cost.

