



# Keeping it cool and dry

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**The refrigerated storage industry** has come a long way since the times of horse drawn wagons delivering blocks of ice cut from frozen lakes or storing perishable products in root cellars. Today's modern warehouse companies use refrigeration systems that allow a great deal of flexibility in maintaining the proper temperatures to ensure your cheese ages to perfection and in the case of your dry ingredients, they make sure they stay that way--dry.

So you have made the decision to outsource your storage and distribution to a third party logistics provider (3pl), that was the easy part, making a decision on which provider is where the work comes in as there are a number of factors to evaluate. Consider that you are making or storing a food product that will be consumed by the general population so choosing the right storage partner should not be taken lightly and in fact should come under the same scrutiny that you would give to changing a critical manufacturing process.

If at all possible make a personal visit to see the facility and people you will be entrusting your products to, get to know them and begin building a relationship of trust early on. Whether you meet in person or interact through phone, email, or video conference there are several categories that need to be addressed.

**Sanitation/Safety** – Do not settle for satisfactory when it comes to the care and custody of your food products, insist on stringent controls and make your partner accountable.

- USDA and appropriate state inspections and approvals.
- 3<sup>rd</sup> party sanitation audit from ASI, AIB or other accredited organizations.
- 3<sup>rd</sup> party pest control program that covers both the interior and exterior of the storage facility.
- Do they have written policies and verifiable records to support their sanitation program?
- Eliminate any warehouse that does not have a fire protection system tied to a central alarm, it is simply not worth the risk...just ask your insurance company.

**Temperature recording and air movement**—keeping your products at the optimal temperature to develop those award winning flavors should not be a guessing game.

- There should be some tool in place to record temperatures; sometimes it is a computerized program and other times it is a paper chart—regardless, ask to see how temperatures are controlled and monitored.
- Make sure there is a process (typically in the form of ceiling fans) to mix the warmer air and the cooler air as this is critical to avoid hotspots or cold spots--maintaining +/- 1\* temperature throughout the entire cooler is the target. Proper airflow is central to ensuring that aging-cheese in particular will have a uniform temperature throughout its storage life.
- If your product requires a transfer from one temperature to another at some future date make sure the process is clearly communicated such as “move from 50°F to 38°F 180 days after date of receipt”; in most warehouse companies this would be a part of the WMS and temperature transfer notification would be done automatically.

**Technology**--The days of keeping track of inventory on spreadsheets are long gone. Your storage partner should be using a modern WMS (Warehouse Management System) to keep track of every detail as it pertains to your products.

- General product information should be maintained in an electronic database; this should include all the details about your product including Date of make, lot, vat, packaging, weight, temperature requirements and temperature transfers that occur in the future, and any other information you require...flexibility of information maintenance is the key.
- Product lifecycle tracking: Your provider should be able to document every movement of your product from receipt to shipment; to ensure their capabilities perform mock recalls and measure their performance.
- Web based inventory: You should expect to be able to access your inventory via the web anytime, in real time, and from anywhere you have web access. This technology gives you the ability to make strategic business decisions when you need to and not relying on a warehouse to fax you a report.
- EDI (Electronic Data Interchange): Make it a priority to send and receive order information electronically using EDI or some other form of data exchange; eliminating the redundant task to re-key data reduces the chances for human error when receiving or shipping product.
- Bar code scanning: Utilizing EDI and bar code scanning together is a near perfect solution to eliminate human error when picking and shipping products. When used in conjunction with EDI, bar code scanning will verify that the item about to be picked is

the same as what the EDI tells them to pick, if an operator attempts to pick a different item a message will alert them to the discrepancy and require further investigation before moving on. Far better to know at the time of picking that there is a discrepancy and not when the load arrives at your client...especially if that client is on the other side of the world.

- Metrics: Depending on the complexity of your business or if you plan to be storing, shipping, and generally interacting with your storage provider on a long-term basis you need to have tools in place to measure their performance. You should expect a “report card” of sorts that documents a variety of performance criteria or Metrics such as inventory accuracy, inventory turns, truck turns, shipping/receiving accuracy, and damage to name a few. Metrics are specific and measureable, and are mutually agreed to by the client and the provider.

### **Communication/Flexibility**

- Experience tells us one of the most overlooked opportunities to improve processes is to openly communicate about the good and the not so good. We may try to think one step ahead of the client but we simply have not mastered the art of mind reading. We cannot fix a process that we do not know is broken so talk to your service provider. If it is being able to get more trucks loaded, reducing damage, longer hours of operation, or driving out cost, if we keep an open dialogue we are more apt to find a solution together.  
Most importantly, seek out a warehouse partner that will treat you as a client and not as a customer.

There are very distinct differences; we are all customers in our daily lives buying gas, groceries, and similar items but we rarely have an attachment to the company we are buying from—they are simply fulfilling a need.

As a client you have a vested interest in seeing that the other party succeeds and flourishes, you want them to grow so you can grow with them, you help steer your clients free of pitfalls that may derail their business and you work together to improve processes and procedures to drive out cost and inefficiencies .