

# Green and lean warehousing

WOW Logistics benefits from energy-saving and efficiency initiatives

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Imagine planting 53 acres of trees, removing 41 cars from the road or reducing your gasoline consumption by more than 28,000 gallons of gas each year.

For WOW Logistics, an Appleton-based warehousing company, that kind of environmental impact is a reality. During the fall of 2007, WOW replaced all of its high-pressure sodium lighting and mercury vapor lighting with 6,000 fluorescent lighting fixtures in all of its public-owned distribution centers.

Lights are also now set on five-minute timers and

equipped with photo sensors. This ensures that when part of the warehouse is in use, it's lit up appropriately for employees. On the flipside, for those areas not in use, energy is not wasted.

The energy savings resulting from the project is significant: In each distribution center, the new fixtures decrease air pollution and environmental damage by 43 pounds of carbon dioxide, 722,779 grams of sulfur dioxide and 1,676,848 grams of nitrogen oxide each year.

One unexpected benefit of the new lighting is

the improved employee morale. "The light is a cleaner, brighter light versus the sodium lighting that put out a yellow cast," says Matt Oswald, executive vice president of WOW Logistics.

"This was a big initiative but definitely worth it. To be able to demonstrate to our clients that we are moving forward on green initiatives means a lot to them," says Oswald. "While the upfront investment was large, we are able to recoup those costs after one year. The environmental impact is long-term."

In another energy-efficiency move, WOW Logistics installed large, industrial-size ceiling fans that decrease significant floor-to-ceiling temperature variations in each warehouse. The fans range in size from 6 to 24 feet in diameter. When heat rises and gathers up toward the top of the peaked ceilings, the fans push the air down to increase circulation. The fans minimize temperature fluctuation to only one degree, reducing overall heating costs.

## Leaning toward process improvement

WOW Logistics has also implemented Lean Six Sigma practices to measure the company's processes, such as workflow and building layouts. Measuring warehouse operation metrics is critical in running an efficient operation and has helped provide a clear vision for opportunities

and improvements.

Since identifying objectives to improve efficiency, WOW has maintained its shipping and inventory accuracy metrics to greater than 99 percent and is measuring damage control at less than .01 percent.

By implementing green and lean initiatives, WOW Logistics sees it's a win-win situation: The company and employees will enjoy long-term benefits, as will customers.

Cody Wickersheim, vice president/general manager for Birchwood Lumber & Veneer Co., has identified WOW Logistics as a critical partner in the company's journey toward its own lean manufacturing initiatives.

"We use WOW Logistics for our import and domestic raw material receiving and warehousing, and in turn, a part of our growth and success is because they help us manage our inventory, and receive material promptly and intact every day."

The lean and green initiatives that WOW Logistics has implemented throughout its 25 locations in Wisconsin, Illinois and Idaho, will ultimately reduce energy costs and create more environmentally friendly and efficient public distribution centers. Oswald is excited about the initiatives that the company has established and is determined to continuously identify ways to increase efficiency through alternative methods. **M<sub>p</sub>**



WOW Logistics installed large industrial-size ceiling fans in warehouses to decrease temperature variations from floor to ceiling, which, in turn, increases circulation and reduces heating costs.