

HOW TO EFFECTIVELY ADD STORAGE SPACE TO YOUR EXISTING BUILDING

6 Reliable ways to improve your storage capacity

Sooner or later, every growing company runs out of space – if only temporarily. It does not usually happen overnight, but it creeps up, revealing itself in a series of conflicts between products, groups or divisions competing for the same space. Before leasing or building more space, it's a good idea to take a close look at how current space is being used. The following *6 reliable ways* to improve your capacity are intended to assist you in gaining more capacity within your existing facility.

1. Clear Out Unused Equipment

All manufacturing plants and distribution facilities typically have an area where redundant or obsolete equipment is stored. This equipment is the stuff that “we *might* use again... someday.” Companies should carefully consider the costs of keeping this equipment. There are real costs associated with storage of unused equipment: moving and rearranging, inventory and record keeping, and square foot storage costs. This is especially applicable if you are storing equipment in rented trailers or containers. Access to fully loaded trailers is poor and usually means that product will not be used because it is too hard to get out. By selling or scrapping this equipment, you may actually save money and increase your available storage space.

2. Remove Expired Product

Are there expired, obsolete, or discontinued items in your storage system? Consider updating or reworking the product to make it saleable or, if that is not possible, donating or scrapping it and taking the accounting write off.

3. Eliminate or Minimize Staging Areas

Products are often picked from the warehouse and staged near the shipping doors to be loaded into a trailer at a later time. This practice is common, but staging occupies floor space. The ideal situation is to pick product and place it directly in a waiting trailer, which minimizes space needs and eliminates double handling.

4. Stack Product Higher

If your product is packed in corrugated cases that are on pallets and can be stacked two, three, or four pallets high on the floor, then this may be the densest, most cost-effective form of storage, but this is not the case for most operations. The factor limiting the height of the stacks is the strength of the corrugated on the bottom layer. There are ways with different stacking patterns or stretch wrapping with support boards to make the stack stronger. If stacking can be increased from two pallets high to three pallets high, storage capacity is effectively increased by 50%. If direct stacking is not an option, the storage racks may be required to make use of the full height available in your building.

5. Use The Right Racks

Storage Racks can dramatically increase storage capacity. There are many types of racks, designed to satisfy different storage needs. The following list describes some of the more common types.

Common Types of Storage Racks

Single Deep Selective Pallet Rack is the most commonly used racking. It is most effective when there are small quantities of each SKU. An aisle is required along each rack, and usually more than 50% of the floor space is required for aisles.

Double Deep Pallet Rack stores one pallet behind another on a double set of racks. This rack limits access slightly more than selective rack and requires a special reach type lift truck. However, it can reduce the percentage of aisle space to less than 35%.

Drive-In Rack is used to store many pallets of the same SKU in lanes that can be many pallets deep and several pallets high, usually of the same SKU item. Access is from one side of the rack system, requiring a minimum of aisle space. Drive-In has a much higher storage density than selective racks. Retrieval from Drive-In Rack is always LIFO (Last pallet In is the First pallet Out).

Drive-Thru Rack is similar to Drive-In but with access from both sides of the rack system. Thus, pallets can also be retrieved on a FIFO basis (First pallet In is the First pallet Out). Because there is an aisle on each side, storage is not quite as dense as with Drive-In rack.

Flow-Thru Rack has a series of roller rails or conveyors running through it. Pallets are loaded from the back side and roll down the conveyor to the front side. This allows for FIFO retrieval and is often used for feeding picking operations. Flow-Thru is relatively expensive but can provide more SKU pick faces than Drive-In or Drive-Thru because each lane in height and width is accessible.

Push Back Rack is similar to flow through but product is loaded and retrieved from the front only, on a LIFO basis. Push Back is usually only two to four pallets deep. It uses less aisle space than Single Deep Rack and does not require a reach type truck like Double Deep Rack.

6. Analyze Your Warehouse Layout

The warehouse should be laid out to suit the inventory. Analyze your inventory to determine the ideal mix of selective rack, and deeper storage racks, then lay out the warehouse to provide that mix as closely as possible. This type of analysis and layout may need a consultant with special expertise to develop and implement, but the resulting benefits can easily justify the expense.

For questions or help with Improving your Space Utilization:

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