

The Key To Curing Your Parts Department's Ills Could Be In Storage

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In an automotive dealership, the parts department is central to the profitable operation of the dealership. An organized, smooth-running parts department is critical to supporting the service and body shop departments as well as being an important location for interacting with customers.

To Bob Crete, Operations Manager and Parts Manager at Boston, MA's Boston Volvo Village, it's all about the "flow." "When you're running a huge volume automotive dealership parts department with over 9,000 different parts," he explains, "you can't have anything that's going to disrupt the flow. You never want to put a stick in the wheel."

Disorganization means employees can't find the items they need when they need them. It is also a direct link to inaccurate inventories, unexpected stock-outs, and overcrowded or inefficient use of space.

Boston Volvo Village sells and services Volvos, but a substantial portion of their business is a parts operation that's in the top three nationwide to the tune of about \$9 million a year. However, Bob Crete doesn't take any great satisfaction in the size of this department. It's his parts department's ability to meet customer needs that gratifies him.



"Our customers expect the parts shop to produce, and so do we," he said. "We try to have everything that anybody wants every single time they come to the counter. It's easier said than done, but with the combination of the right computer system and the right storage system, we've been keeping things flowing to everyone's satisfaction."

If disorganization is the disease from which a parts department is suffering, an improved storage system is a likely cure. The benefits of

implementing an advanced hardware and software storage system are many, and can include:

- A more efficient and productive workforce
- Lower inventory costs
- Faster and easier inventory process
- Faster parts picking
- Improved use of valuable floor space
- A more aesthetically pleasing environment and more professional image



Take stock of your options.

In general, there are three types of storage systems that a parts manager can consider: conventional, automated and high density.

Conventional storage.

Conventional storage, with principle components that include shelving, racks, bins, or some variation of these elements, is most appropriate for large bulky items and items that are slower moving. Large quantities of products that don't require daily access and/or are stored and distributed in bulk are examples of items well suited for conventional storage. Larger, bulky items such as batteries and tires are usually stored in this manner.

Automated storage and retrieval systems.

This category includes vertical carousel and lift systems, and control software. These systems store a lot of items in a relatively small footprint,

particularly the vertical systems. Vertical systems also offer exceptional security access, and so are well suited for the storage of valuable and/or limited access items. But vertical systems are expensive upfront and can have a high maintenance price tag. These are machines with moving parts, and carousels require a precisely balanced weight flow, so by their very nature they have a potential to break down.

High-density storage.

This is the ideal solution for storing medium-to small-sized items. In this category we are talking about modular drawer storage cabinets, mobile cabinets, and other systems that feature sub-dividable drawers as their centerpiece. High-density storage is a perfect cure for a part department's disorganization. High-density storage is also more affordable than automated systems. In short, it is the most effective and cost-effective option.

Storage configuration options.

Both high-density and conventional storage can be stacked or used in mezzanines to take advantage of a room's full height while making maximum use of floor space. This can be a relatively inexpensive alternative to building an additional floor.

All of these systems, from conventional shelving to the most advanced high-density system, are most effective when combined with some sort of integrated software system. Today's software does an exceptional job of managing inventory

levels and determining key performance indicators; both of which aid in predicting future needs.

In Bob Crete's parts department, a modular storage system is home



to a vast array of parts, including air filters, headlights, lamps, lenses, gaskets and brake components, all in the drawers and on adjacent shelves, and heavier items like bulk brake fluid, antifreeze and heater motors on roll-out trays.

“Just in one month alone,” Crete said, “we moved over 18,000 pieces out of these drawers. In and out. And the process of restocking is a fraction of what it used to be. That’s how you gauge the value of your equipment.”

Aesthetics is also important to the modern car dealer, as customers often have clear, picture-window views of both parts and service areas. Boston Volvo is not an exception.

“Our customers have a clear line of sight into our parts department, so keeping it clean and attractive is essential,” Crete continued. “It’s essential for our image and it’s great for employee morale.”

Get it right from the start.

It is important to set up a storage system correctly at the outset. Even the most sophisticated software and inventory systems are based on the principle of knowing where an item can be found, and returned. Space planning is an essential first step, whether coordinated by your own staff or with the assistance of storage consultants or the manufacturers themselves. Taking advantage of free design planning surveys by the manufacturer or its representatives can be a real cost-saver.

The power of the drawer.

As mentioned earlier, the best high-density storage solutions are modular in design, letting you select components that exactly suit your



needs. For example, these can include cabinets of varied heights and widths which offer many different drawer height combinations. The modularity of these systems not only allows for custom-fitted storage, its interchangeable parts provide flexibility for future change and growth.

Modular high-density storage systems come in a huge range of sizes and shapes. You can also choose large wall units, which combine drawers, shelves and even roll-out trays for storage of, and easy access to, heavyweight items. These units let you store large, medium and small items together; you can store according to need and use vs. storing merely by size.

It’s all about the drawer.

The heart of high-density storage is the drawer, and not all drawers are made alike.

The best high-density drawers make the most use of full cubic capacity while providing easy, direct access to all your parts and other stored items. These drawers should be able to handle a lot of weight – some feature 440 lb. load capacity. And even with this load, they should be 100% full extension, allowing every inch of space to be used and easily accessed. Look for drawers that have full-height sidewalls and backs, so that height as well as width and depth are available for storage.

Giving each part a “home” is essential for enabling auto parts departments to function efficiently. Drawers that are easily sub-dividable into compartments allow such separation of individual



parts. The most preferable drawer dividers allow easy identification of compartment contents, including bar code labeling.

To clearly understand the advantages of high-density storage, compare it to the conventional shelving alternative.

High-density drawer storage uses all available cubic space and frees up floor space; conventional shelving, on the other hand, can waste as much as 80% of that cubic space while consuming floor space. Full-extension drawers, an important component of a high-density storage system, provide complete easy access. Upper levels and the rear of conventional shelves are hard to see and reach, and often wind up unused. Items on shelves are often stacked, difficult to retrieve, and easy to lose.

Inventory control is easy in compartmentalized storage because there is clear visibility. Shelving provides no efficient parts location.

Maximizing limited space.

"We definitely take advantage of the high density storage system's 440 lb. capacity and full extension capabilities with these bulkier items," Crete explained. "And because of the system's use of maximum cubic feet, we actually have 30-35% capacity available for expansion. Not only does this system offer floor to ceiling storage, it's extremely efficient storage."

John Alfieri, Vice President of Sales at Lista International Corporation, Holliston, MA, has been in the storage industry for over 30 years. He spent over ten years in field sales, assessing customer needs and solving sticky storage problems.



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