

MERGER PROMPTS IMPROVEMENTS

The logo for Raymond, featuring the word "RAYMOND" in a bold, red, sans-serif font. The background of the entire page is a grayscale photograph of a large warehouse filled with numerous pallets stacked high with boxes, likely containing wine or liquor cases. The warehouse has a high ceiling with a complex steel truss structure and several rows of industrial lighting fixtures.

RAISING THE BAR ON WAREHOUSE EFFICIENCY

OVERVIEW

Empire Merchants North LLC (EMN) is a locally owned wine and liquor distributor in upstate New York born out of the merger between Service Universal Distributors Inc. and Colony Liquor & Wine Distributors. After consolidating three facilities, the company's new home now encompasses 22,000 square feet of office space, 15,000 square space of merchandising space and a 220,000-square-foot warehouse and distribution center.

CHALLENGE: EFFICIENCY WITH GROWTH

Because EMN was merging three facilities, the company looked to maximize its square footage and improve operator productivity. Activity never ceased during a day's shift. Once pallets of wine and liquor cases arrived and were unloaded, they were moved to a staging location and distributed throughout the facility. They were then scanned and prepared for outbound shipping. This encouraged EMN to better develop its process and material flow handling.

SOLUTION: ADVANCED SYSTEMS AND FLEET

EMN partnered with Pengate Handling Systems, an authorized Raymond® Sales and Services Center, to devise an efficient distribution center floor and fleet plan.

Pengate evaluated EMN's new facility and recommended implementing:

- Raymond Model 4700 sit-down counterbalanced lift trucks equipped with AC-powered motor for improved control, increased productivity and reduced costs.
- Raymond Model 5000 Series orderpickers, which reach heights up to 390 inches — an advantage for EMN's 32-foot tall racks.
- Raymond Model 7000 Series Reach-Fork® lift trucks to help operators process more inventory in narrow aisles.

Pengate helped ensure efficient spacing, bulk lane sizing and a layout for lift charges were made while the building was under construction.

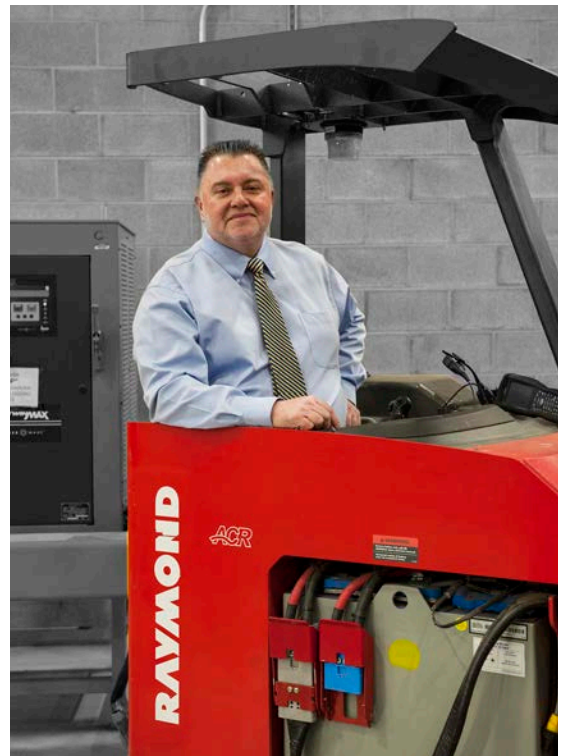
RESULTS: EFFICIENCY AND PRODUCTIVITY

Increased uptime — The change is driving increased daily warehouse efficiency and operator productivity. The EMN operational teams now perform the same amount of work with fewer lift trucks.

The sit-down lift trucks increased uptime, and the AC-powered motor requires less battery changes while maintaining a high level of performance.

Decreased costs — Advancing from propane powered lift trucks, the fully electric Raymond fleet is reducing fuel costs and the sit-down lift trucks decreasing maintenance costs. Pengate and EMN also signed a comprehensive labor and repair agreement, reducing maintenance costs by 8 percent.

Raymond designed a maintenance program for EMN to handle the scheduled maintenance for EMN's machines and has instituted a fixed pricing schedule, resulting in improved cash flow and aiding the EMN billing processes. Overall, EMN saw a huge return of investment with an annual savings of more than \$70,000 across the fleet.



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