

CASE STUDY:



BACKGROUND

The TJX Companies, Inc. is the leading off-price apparel and home fashions retailer in the U.S. and worldwide, with over \$17 billion in revenues in 2006, eight businesses, and more than 2,400 stores. TJX's off-price concepts include T.J. Maxx, Marshalls, HomeGoods, A.J. Wright, and Bob's Stores in the U.S.

Due to a decrease in output from one of their major distribution centers, TJX required a redesign of this facility's material handling system. An aging and often disabled system coupled with an inefficient layout was forcing TJX to embark on a major project to allow this facility to operate at full capacity.

CHALLENGE

TJX operates 18-20 hours per day, 6 days per week and does not have the option of missing any shipments to their stores. The Beacon Group (TBG) needed to implement a new system that would allow for TJX to continue transacting business while replacing the current equipment. Planning, scheduling and implementation would be critical elements to this project to ensure the client did not suffer from any unnecessary operational downtime. In concert with TJX's Engineering team, Beacon tailored a solution that would allow TJX to achieve these needs.

SOLUTION

The system that TBG procured included an array of equipment and technologies. A dual sided sorter would be installed to allow TJX to divert to shipping doors located on both sides of their distribution center. The design of the divert spurs located adjacent to the sorter created staging space for outgoing shipments that tripled the amount of products that could be staged prior to truck loading. This new layout allows TJX to service more stores from this particular distribution facility. Basically, better technology incorporated to an operation while also increasing valuable floor space at the same time.

RESULTS

The new system was designed to double the output of the previous system while maintaining system 'up time' of 99.8%. The additional throughput combined with the ability to stage and ship from both sides of the facility allows TJX to increase the number of stores serviced from approximately one hundred and eight (108) to one hundred and twenty-five (125).

Paul Gialanella, TJX's Engineering Project Manager, made the following statement;

"When we needed to completely re-engineer and replace the system for one of our major facilities the Beacon team delivered a cost effective and practical solution to our needs. Our business can not afford downtime and TBG ensured that our operation did not 'miss a beat' during this critical transition time."

For more information this project and The Beacon Group go to www.tbqintl.com