

BRIGHA S

A T W O R K

'Taking The Cost Out of Business' Means The Right Lift Truck Fleet for Dollar Tree Stores, Inc.

Product
Reference
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Dollar Tree
Stores

The nation's largest \$1 discount variety chain, Dollar Tree Stores, Inc. believes in strategic partnerships. As the company continues to build new distribution centers, the long-term relationship with Crown Equipment Corporation and its lift trucks becomes even stronger.

"Crown shares many of the same values needed when providing quality and reliability to its customers. Our partnership has been strengthened because Crown maintains a commitment to product excellence, pricing, customer support, training and nationwide support," says Chief Logistics Officer, Senior Vice President Stephen W. White.

Dollar Tree Stores have a fast paced nationwide operation that utilizes more than 255 Crown lift trucks. Eight distribution facilities, six of them automated, process and deliver a wide range of general merchandise to more than 2,500 stores in 47 states. Sales for this rapidly growing company are projected at \$2.8 billion and future plans include more distribution centers.

In the dollar business, White says Dollar Tree Stores are challenged daily "to take the cost out of doing business." Company leadership views efficient distribution center planning and lowering the operational costs of their lift truck fleets as ways to make Dollar Tree Stores more profitable.

"We design our buildings for throughput and cost efficiency," he says. "The more volume we put through our buildings, the more productive we get."

Thinking to the Future

Dollar Tree had the future in mind when building its regional distribution center in Marietta, Oklahoma. This center serves as a prime example of the Dollar Tree philosophy. This facility operates 27 Crown lift trucks, which move more than an estimated 13.2 million cartons annually. Materials are shipped to stores serving a seven state area.



Dollar Tree expectations are high with its facilities and the company emphasizes performance, benchmarking and accountability. Here SP 3000 Series stockpickers, PE 3500 Series end-control rider pallet trucks and the RR 5200S Series rider reach trucks perform in 117-inch aisles.



The distribution center handles high-velocity and high-turn products. Quick moving goods like those shown above are headed for an over-the-road trailer with a specific store as a target. Pallets are transferred using a Crown FC 4000 Series lift truck.

“When we build a new facility our expectations are to have the highest level of performance possible of any distribution center operation,” says White, adding the company emphasizes performance, benchmarking and accountability.

Pallet movement within each distribution center is designed for maximum efficiency. During two shifts of operation this equates to more than 38,000 pallet movements throughout the network.

The Marietta facility puts the following Crown lift trucks to work:

- Crown RC 3000 Series (RC 3020-40-TT-190) counter-balanced stand-up riders;
- SP 3000 Series (SP 3020-312) stockpickers;
- FC 4000 Series counterbalanced sit-down riders;
- PTH 50 Series (PTH 27-48) hand pallet trucks;
- PE 3500 Series (PE 3540-60) end-control rider pallet trucks with double length forks;
- RR 5200S Series (RR 5265S-45) rider reach trucks.

Dollar Tree Stores understand the highest cost on a lift truck remains the operator. Operator comfort and productivity were also factors in the final selection. “The ergonomics of the Crown lift trucks are considerably better than the competition. Not just a little better, but

a lot better,” says General Manager Hugh Buford. “When you’re standing all day that puts a lot of fatigue on the driver. With the Crown ‘S’ class reach trucks, you have room and multiple locations to put your feet without impacting safety.”

The Crown reach truck’s multi-function control handle is another productivity enhancer. “Because of the control handle, operators can do a lot more,” Buford says.

At the Marietta operation, all of Dollar Tree Stores’ powerful Crown RR 5265S-45 reach trucks have AC traction control. The reach trucks remain in the aisles, shuttling short distances with lots of plugging. “We have optimum productivity with the RR 5265S Series because we can cover shorter distances quicker with greater acceleration. When long distances need to be covered, they offer the fastest travel speeds in the industry,” says Buford.

The Marietta Operation

Almost 60 percent of the incoming cartons at the Marietta facility require palletization prior to check in and put away. The Crown RC 3000 Series, equipped with pallet clamp attachments, unload the bulk product and position it on pallets for future transportation. The Crown PE 3500 Series and the RC 3000

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Dollar Tree Stores’ Chief Logistic Officer Senior Vice President Stephen W. White and Vice President Distribution Center Doug Drews: the daily challenge is taking the cost out of doing business.



The Marietta, Oklahoma Distribution Center. This 603,000 square foot facility handles products shipped to Dollar Tree Stores in seven states.

Series transport the pallets within the receiving dock for check in and slot assignments. Then PE 3500 Series rider pallet trucks move pallets to drop zones or pick locations.

The Crown RR 5265S reach trucks are used to place pallets into one of five vertical reserve locations with a top beam level reaching 26 feet. The Crown reach trucks are also used to remove reserve pallets from the rack in 117-inch aisles and transport the pallets to a pick module, capable of holding pallets three deep on flow rack on four levels.

Associates check inventory accuracy by driving the Crown SP 3000 Series Stockpickers to a randomly-selected storage location. There they conduct a cycle count and enter the findings on an RF unit.

Order selecting occurs when an associate walks the pick module with bar coded labels, picks the product and places the label on the carton. The carton is placed on a conveyor for transporting to the central merge where lines from other pick locations are combined into a single line.

Cartons then pass under a bar code scanner that reads the label information; the system computer directs the carton to be sent down one of 30 shipping lines. Each line extends into an over-the-road

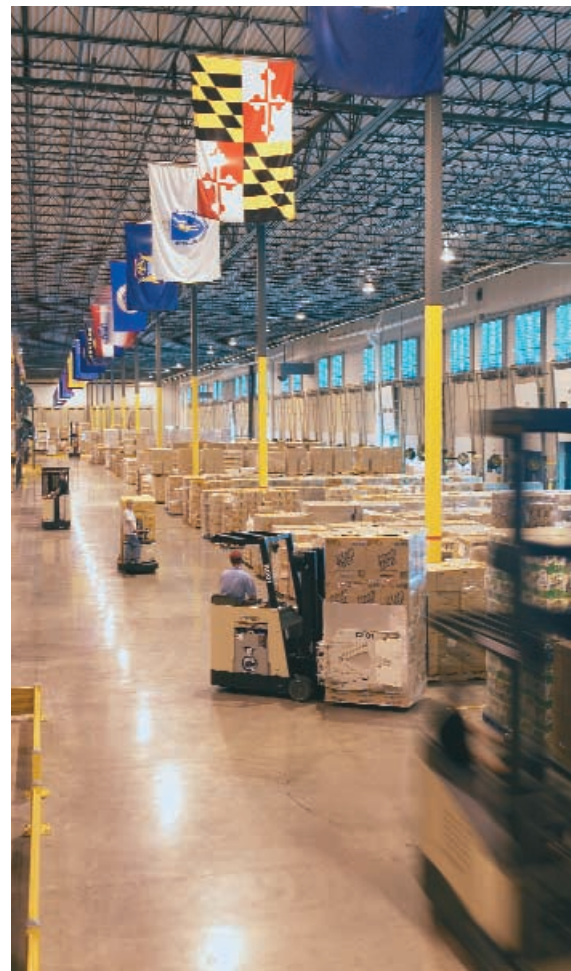
trailer destined for a particular store. As the carton reaches the end of the conveyor, it is manually stacked in the trailer by an associate. When an order calls for a full pallet of a particular item, the pallet is loaded with either a PTH 50 hand pallet truck or a PE 3500 Series rider pallet truck.

Safety and Training Important Factors

Despite being a start-up operation, the Marietta facility has an excellent safety record and has experienced limited product damage. Although the facility began with a relatively inexperienced workforce, the learning curve was short. "The handling and performance of the lift trucks and the training programs from Crown have quite a bit to do with that," says Buford.

Extensive training for operators and mechanics is important in ensuring the equipment performs as safely as expected. Operator driver training consists of the required classroom work with a heavy emphasis on operating the lift trucks in controlled practice situations.

Moving more than 13 million cartons annually in-and-out requires a fleet of lift trucks with a solid uptime record. More than half (60 percent) of the incoming cartons require palletization prior to check in and put away. The Crown RC 3000 Series unloads bulk product and positions it on pallets for future transport. The PE 3500 Series and also the RC 3000 Series keep the products flowing in as shown in the receiving dock area.





The Marietta operation offers a clean and efficient maintenance area. The easy-to-maintain Crown RR 5200S Series Rider Reach Truck only adds to the company's efficiency.

Assistant General Manager Mitch Long takes pride in the Marietta operator training program. He was part of the Dollar Tree Stores' team, which was involved in the first RR 5200 Series demonstration.

Long also points out the entry bar on the RR 5200S Series reach trucks is another excellent safety feature. The entry bar, with sensors to automatically slow truck travel, encourages safe foot positioning within the truck.

"We put some of our operators on the equipment and I thought they would never get off the truck. They loved the RR 5265S Series," says Long.

Maintenance, Battery Rooms Impressive

The lift truck performance and Crown's solid uptime record means a great deal in Marietta's daily operation. When the facility opened its doors in early 2003, Buford and his staff carefully scrutinized Crown and the competitors before choosing Crown.

"We thoroughly examined maintenance and the up-front purchase costs as well as the performance of the lift trucks in our application," he says. They recognized Crown's lower operational costs.

As the fleet continues to grow, parts support and unit life expectancy will play an even bigger role in the Dollar Tree Stores-Crown partnership, according to White.

"We constantly monitor operating costs and downtime for each unit and it plays an important role in determining when replacement is justifiable," says White.

Higher Resale Value

Dollar Tree Stores have found another major benefit in purchasing Crown lift trucks – higher resale value. By properly maintaining the lift trucks, the company has learned a better return can be obtained on Crown lift trucks than other trucks.

"It's the common sense side of the business," says White. "Let's maintain what we have so it stays in service longer and when we go to sell there's a higher residual value with it."



Crown Equipment Corporation
New Bremen, Ohio 45869 USA
Tel 419-629-2311
Fax 419-629-3796
crown.com

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