



Space Savvy: American Metalcraft Transforms Warehouse for Future Growth

Premier Restaurant Supply Company Improves
Space Utilization with Storage Type Analysis,
Layout and Inventory Reduction



American Metalcraft Inc was founded in the late 1940s by Archer Kahn, a visionary entrepreneur. Initially, the company focused on manufacturing hubcaps and gradually expanded its product line over the next decade to include pioneering deep-dish Chicago-Style pizza pans. In the late 1950s, the company broadened its offerings to include copper shapes and bowls. By the 1990s, American Metalcraft had diversified further, incorporating a wide range of items in kitchenware, tabletop accessories, and buffet supplies. Stepping into the 2010s, the company continued to expand its product lines, amassing an impressive portfolio of over 3,000 unique products through a blend of imports and in-house production.

The Challenge ▶

With a legacy spanning 70 years, American Metalcraft remains at the forefront of its industry, exhibiting unwavering momentum and an enduring commitment to being a trendsetter for distinctive products. The company takes great pride in providing exceptional customer service and prioritizing customer satisfaction.

One of the primary challenges faced by the company was a space constraint, given the extensive array of nearly 4,000 SKUs, ranging from pizza pans to copper shapes and an array of kitchen, tabletop, and buffet supplies. The existing warehouse boasted 5,760 Pallet Positions for Pick & Reserve, prompting a need for optimized space utilization.

The Process

To address this challenge, Alpine, a trusted partner, initiated a thorough analysis of outbound shipment records, item master data, and inventory snapshots. A comprehensive Storage Type Analysis (STA) was conducted to pinpoint the most efficient storage types for both Pick and Reserve Locations, paving the way for enhanced storage optimization and addressing the space constraint effectively.

In the process, Alpine uncovered and recommended the following to the customer:

- **Eliminate Replenishments for C cube moving SKUs by recommending one right-sized forward pick location for those items.**
- **Give A and B SKUs Pick and Reserve Locations with forward pick locations sized to optimize replenishment cycles.**
- **Set up Carton Flow racking to improve pick efficiency and to reduce replenishment for the A & B SKUs.**
- **Create multi-depth storage, including pushback racking in reserve, to increase pallet capacity.**
- **Arrange bin Shelving units for C SKUs to increase space utilization and reduce picker travel time by densely storing these products.**

Alpine was also asked to evaluate inventory options, by SKU, based on Minimum Order Quantity, Safety Stock, and Lead Times. Alpine developed nine unique inventory options that were reviewed with the customer, who eventually selected the option that optimized their business needs.

In this process of inventory calculation, Alpine also uncovered a large number of SKUs that did not ship over the most recent 12-month period.



In the end, Alpine Supply Chain Solutions and American Metalcraft worked together to all SKUs them in the same building to accommodate their future growth rates:

Problem: Space Constraint

3 Options were provided to increase the pallet capacity.

- **Option 1 (Least Change)**
6,602 Pallet Positions
(5% Increase)
- **Option 2 (Only Adding Pushbacks)**
6,104 Pallet Positions
(6% Increase)
- **Option 3 (Both)**
6,406 Pallet Positions
(11% Increase)

Outcomes:

- **Storage Type Analysis increased storage location utilization**
- **SKUs that did not ship were identified and removed from the warehouse.**
- **Removing dead inventory provided extra space for American Metalcraft to remain in the same building for an additional 3 to 5 years without any rack modifications.**

