



**Commonwealth Inc.**  
*Seamless Distribution Solutions*

## Case Study – Procter & Gamble

- History:** In 1997 Procter & Gamble awarded Commonwealth Inc. a contract to operate a 106,000 square foot research and development warehouse located in Cincinnati, Ohio. The previous management had unfortunately routinely disregarded best warehousing practices and the facility itself was in shambles. Deficiencies included poor lighting, illogical or non-existent inventory location tracking, and insufficient rodent control measures. Most pallets were stacked upon themselves and piled into a giant, inaccessible mountain. This storage method was extremely inefficient. In order to reach certain pallets the warehouseman would have to move literally a dozen or more pallets to access the requested pallet. To further complicate matters the inventory was recorded in a buggy, DOS-based WMS with limited capabilities. Commonwealth Inc. was given 30 days to fix what had become a major problem.
- Solution:** Commonwealth Inc. worked a 3-shift schedule for the entire month to transform the warehouse into an efficient, clean, and organized facility which met or exceeded Procter & Gamble requirements. Improvements included the following:
- Integration of new Standards of Procedure (SOPs) based on Procter & Gamble's own internal quality assurance program, QAKE.
  - Installation of a narrow-aisle rack system to maximize space and increase total overall storage capacity to 10,000 positions
  - Implementation of a modern, verifiable WMS with expanded functionality
  - Implementation of a complete pest and rodent control management program
- Results:** The changes Commonwealth Inc. initiated were immediately noticed and greatly appreciated by all warehouse users. At the end of the year Procter & Gamble awarded Commonwealth Inc. their prestigious *Pinnacle* award given to the facility that executes the best turnaround in overall performance.
- Furthermore, Procter & Gamble performs site audits using their QAKE quality assurance program as its basis of evaluation. Commonwealth Inc.'s 2004 audit resulted in a perfect 100% QA rating. In 2006 they received an unprecedented back-to-back 100% QA rating. Commonwealth has averaged a 97% QA rating since Procter & Gamble began performing audits in 2002, ranking them as a top 3PL supplier.
- Scope:** A general summary of the contract operation is below:
- A dedicated 106,000 square foot warehouse facility located in Cincinnati, OH
  - Average monthly inventory level of 9350 pallets
  - Over 360 unique user accounts
  - Medium velocity inventory turn requiring both full and partial pallet handling
  - 90-minute turnaround time from order placement to pallet being loaded onto truck