

hen two major energy players, Synergy and Verve (now under Synergy), merged in 2015, it represented a unique opportunity to streamline operations and create efficiencies.

Management reviewed the operations of both businesses and made the decision to combine two existing warehouse operations (Kwinana and Kewdale) into one location to create economies of scale and further efficiencies for Synergy. The Kwinana warehouse was selected, and a timeline of six weeks was decided to streamline the two warehouses into one.

## The engagement process

Synergy had been referred to Abbott's through an industry connection. An initial meeting was arranged at Synergy's premises with the design consultancy team to understand the overall objectives for Synergy.

After taking a detailed brief and gathering vital information, including project timeframes, layout and site specifications, daily warehouse activities, peak times, etc., stock levels and minimum requirements, key contacts throughout the project, and budgets, a detailed proposal was created that included multiple concept designs and feasibility, recommended products and their associated benefits, a detailed plan of the project including milestones and deliverables, and a cost structure.

Upon acceptance of the proposal, Abbott's operations and installation team coordinated logistics and site works throughout the whole project – staging the process to accommodate the operational requirements of Synergy, while keeping to the agreed timelines.

## What made the move a success

To make sure that the rationalisation of the two warehousing operations was a success, Synergy planned the move carefully.

- Partner selection: Synergy chose to work with a professional warehouse storage partner, Abbott Storage, who could provide a turnkey solution, from warehouse design to installation and post-project support.
- Planning for the future: The new warehouse needed to make the most of the current infrastructure and equipment while providing a configuration that would support long-term growth. Working with an expert partner who could provide planning services as well as execute the project was key.
- Fit-for-purpose design: The Kwinana warehouse layout and configuration needed to be designed to utilise the existing material handling equipment (forklifts) from Kewdale. This also enabled the aisles to be reduced in width so more rows could be added, increasing the pallet holding capacity of the warehouse by around 70%. Having a partner who had a deep understanding of the space, but also its function and material handling meant that Synergy could achieve its operational goals.
- **Minimal disruption:** All existing racking was traded in, and a new fit-out installed. This

enabled Abbott to stage the new installation within the Kwinana site before any affect to Kewdale (no interruption to the Kewdale operation) and minimal impact to operations at Kwinana.

- Flexibility: it was imperative that Abbott
  worked around Synergy's timelines and
  workflow. Following completion of the new
  installation, Synergy was in a position to move
  stock from Kewdale to Kwinana at its own
  manageable pace before Abbott then returned
  to Kewdale to dismantle and remove the
  existing racking, and clear the site.
- Communication: Consistent communication between all stakeholders at all levels ensured clarity and regular focus on key milestones.
- Post-project support: After the move, a site inspection was scheduled to review the work completed and answer any queries and discuss any potential future projects.

## The results

The warehouse merger was delivered on time and with minimal disruption to the newly merged Synergy. The team achieved 1,250 standard pallet storage locations with the racking fit-out of the Kwinana warehouse of 1,450 square metres.

Abbott Storage Systems is a storage company that has been providing warehousing storage products and services since 1981. Abbott designs and manages entire fit-out projects, from initial planning and space consultancy, through to the installation and completion of project. For more information visit www.abbottwa.com. mhd