



Where Materials Flow by Design

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Forklift Free Justification

Fact: Major OEMs are converting to Forklift Free. Justification approaches include:

Accident/Injury Avoidance

- Reduced injury/accidents involving forklifts.
- Insurance and litigation costs associated with forklift injury/death claims.
- Improved safety and injury record with tug and properly designed carts.

Material Flow and Flexibility

- More material per train than with forklifts.
- Reduced replenishment cycle times.
- Reduced coordination required between production operators and material handlers
- Easy reconfiguration of tug and carts compared to moving traditional support equipment requiring more space, utilities, and riggers.
- Improved flexibility for sequencing operations.
- Flowing/presenting small lots eases proliferation and complexity changes and improves throughput

Inventory Improvements and Plant Space Savings

- Reduced WIP (work-in-process) inventory line-side and in warehouse.
- Removing large old equipment and excess WIP uses less plant space (beachfront)
- Ease of controlling FIFO (first in, first out) of parts at line-side.
- Less physical damage using tug and cart system.

Labor Improvements

- Production operator does more value-added work---every part in operator ergo range—smaller footprint.
- Reduced manpower for route replenishment using tug and cart system.
- Eliminate forklift operator certification costs and labor rates.
- Reduced forklift driver manpower in market area.
- Possibility for additional manpower reductions using market conveyor system.

System Maintenance

- Lower maintenance cost for cart system.
- Lower maintenance cost using cart system line-side support equipment.

Alternative Investment Costs

- Investment savings for tug and cart system compared to leasing and maintaining forklift trucks.
- Cost savings due to less expensive line-side in-out conveyors, eliminating 4-station turntables etc.
- Cost savings of reduced line space required for forklift free replenishment freeing more “beachfront”.

Project Summary - First Year Net Affect and Ongoing Years Net Affect

- First year net affect is new investment less forklift leasing and maintenance, plus beachfront (line side) savings, minor maintenance cost, etc. from above.
- Ongoing net affect same as above except no investment cost.

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