# Uncovering the secrets of fresh goods – Ahorramas’ chilled logistics centre

**Imagine frozen and chilled grocery goods moving around with high speed – in totes, containers and pallets. High quality grocery goods are a prerequisite for the Spanish grocery retailer Ahorramas. For their central warehouse in Spain, they ordered an extensive logistics system at TGW. Grab a thick jacket to discover the new distribution centre of Ahorramas, we are entering arctic temperatures and chilled areas.**

Since their foundation in 1979, the Spanish grocery retailer Ahorramas has been growing continuously. With about 200 stores located in and around Madrid, the company generated a revenue of almost 1.4 Billion Euros in 2013. The concept of “the store in your neighbourhood” is followed meticulously by pursuing the wish of reliable replenishment of fresh goods in all areas. TGW helps to pursue this strategy and implemented a complex logistics centre in Madrid, Spain.

**The Arctic in the middle of Spain**

What happens before the stores receive roller containers full of fresh and frozen food? We invite you to uncover this logistics secret with us. As you can imagine, grocery goods are highly sensitive and they need to be handled immediately after their arrival at the logistics centre in order to provide the best and freshest quality for the customer. Thus, Ahorramas defined a ten hour order batch regarding frozen goods for approximately 200 shops with bundled expedition time slots due to difficult shop access in some areas.

400 SKUs are stored in the frozen area, where 28,000 cartons per day are handled. Ahorramas’ employees prepare 680 roller containers per day, using 14 hours for picking and 10 hours for replenishment. Quite a lot of numbers? Yes, but these numbers are crucial not only for the performance of a distribution centre, but also for the customers. As soon as the goods arrive in the distribution centre, they are sent to the pallet warehouse. After that the pallets find their way to a depalletising station and the cartons are stored into the warehouse. Finally, the roller containers are loaded with the cartons of frozen goods.

33 pallets are received per hour. The system is prepared for the acceptance of bad pallets as well, as transport conditions might be rough. In the goods-receipt area the ambient temperature is +3°C. In the pallet warehouse, the pallets can be stored double-deep in three aisles with 4,500 storage positions. TGW Magnus stacker cranes handle the pallets. In addition to this, there are three pallet lifts, where about eight pallets per hour can be handled. The buffer positions are chilled down to -23°C. This procedure assures that the Spanish customers of supermarket chain Ahorramas have best quality of fresh products on their plates.

**Mini-load warehouse: -23°C**

TGW implemented three manual stations for the mini-load replenishment with a performance of up to 600 cartons per hour. This means that the pallets need to be de-palletised and cartons are transported directly. In this area, there is a temperature of +3°C.

Right after that, the cartons are taken over by the automated carton warehouse with six aisles. The Mustang stacker cranes with Twister load handling device especially made for direct carton handling serve 41,450 storage positions, where cartons and trays are stored quadruple deep. With a performance of 1,800 cartons in and 1,300 cartons out per hour, the required high-performance is secured.

**Roller Container loading: +3°C**

To assure the safety status of the frozen goods, the temperatures are very strict in the distribution centre. At a temperature of +3°C, approximately 430 cartons per hour are loaded onto the roller containers at three stations. As soon as the three doors open, the goods are prepared for their transport to Ahorramas’ supermarkets and the customers will soon hold their frozen goods in hands, which were surrounded by arctic temperatures until their loading into the trucks.

**It is getting slightly warmer**

In addition to frozen goods, Ahorramas’ customers eagerly demand that chilled goods arrive without any damages at the Spanish supermarkets. They arrive there in roller containers, too, however, 300 stores are served in the first phase, and 100 additional stores in phase 2. There are 1,230 SKUs that go through a performance of 103,000 cartons per day with a possible upgrade to 137,000 cartons per day. As soon as the goods arrive in the distribution centre, they are sent to the pallet warehouse in batches. Afterwards, there is a shop classification where the orders are consolidated for each shop. Right then, the roller containers are already loaded and sent to the stores.

On four manual stations 860 cartons per hour are handled. There are two pallet lifts per picker, thus no time is lost during the pallet exchange. The pallet supply takes place on the ground level, the pallet exits on the first floor. The store classification is done automatically by a 95 metre long TGW Natrix Sorter with 19 exits. The Natrix sorter handles approximately 6,900 cartons per hour. Before the roller containers are loaded manually, another picking process takes place: Pickers are guided by a pick-to-light strategy and prepare the goods for 200 shops in batches. They can also see the goods on their screens, in order to avoid picking errors.

**Back to natural temperatures – shopping fresh quality**

TGW helped Ahorramas to create a distribution centre near Madrid to replenish their shops in this area. The system allows for a great number of usages and for covering all required goods – from frozen to chilled. All of them are stored within one building, yet in various parts. They are handled carefully with a focus on the sensitivity of grocery goods. Now, it is time to take off the jacket. You won’t need it anymore. Because now you are able to enter a Ahorramas supermarket of your choice and just put the fresh goods in your shopping bag to take them home and cook fresh and delicious meals. Now you know about the very short journey your fresh goods are going through and can enjoy your meal with a feeling of assurance.

www.tgw-group.com

**About TGW Logistics Group:**

TGW Logistics Group is a global leading systems provider of highly dynamic, automated and turn-key logistics solutions. Since 1969 the company has been successfully implementing different internal logistics solutions, from small material handling applications to complex logistics centres worldwide.

With about 2,300 employees worldwide by now, the Group implements logistics solutions for leading companies in various industries, such as adidas, H&M, Esprit, Jack Wolfskin, Bentley, Amazon or Kärcher for instance. In the business year 2014/15, the TGW Logistics Group generates sales revenues of 450 million Euros.

**Pictures:**

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