

Understanding the Types of Non-Putaway Distribution Models

**The Goal is to Reduce Picking Costs
and Product Touches**

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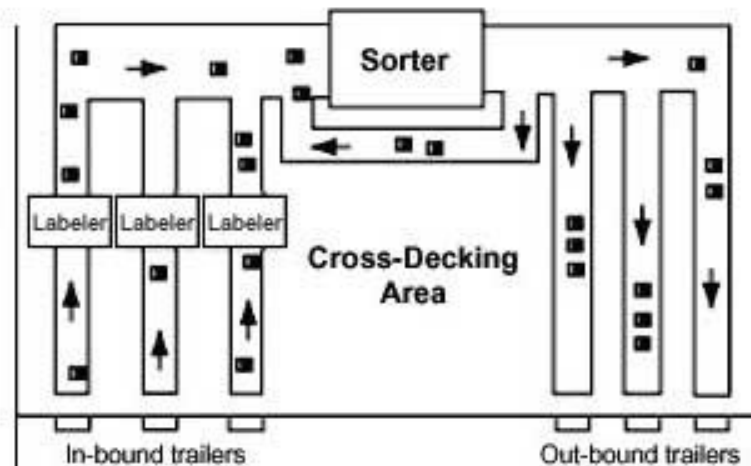
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Distribution Cross Dock:

Product that is received in one door is taken directly to staging/outbound doors without re-packing or value-added services.

This approach generally requires an advanced shipping notice and a pre-allocation of the incoming goods to specific customers or retail stores.

Example Automated Cross Dock System

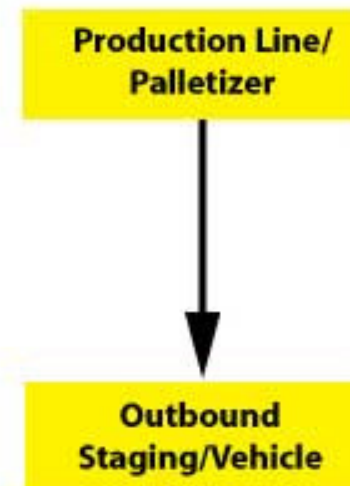


Manufacturing Cross Dock:

Product is taken directly to staging/ shipping from production lines.

This can be true for internal shipments (plants to a company's own DCs) or to a customer.

This obviously requires that product allocation to DCs/customers be known at the time of production. Typically, a pallet of goods receives a serialized bar code, and when identifier is scanned into the Warehouse Management or other system, it directs where to take that pallet.



Flow Through:

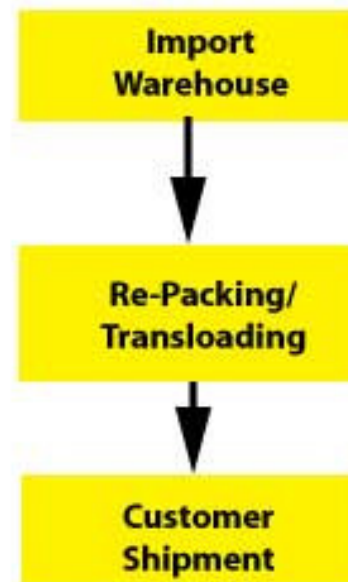
Similar to distribution cross dock, except that it implies some level of repacking or value-added services are involved between receipt and shipping.

Some European retailers have a flow through model where the DC starts empty each day, receipts are brought in and put to pallets for store delivery, and the DC is empty again at the end of the day.



DC Bypass:

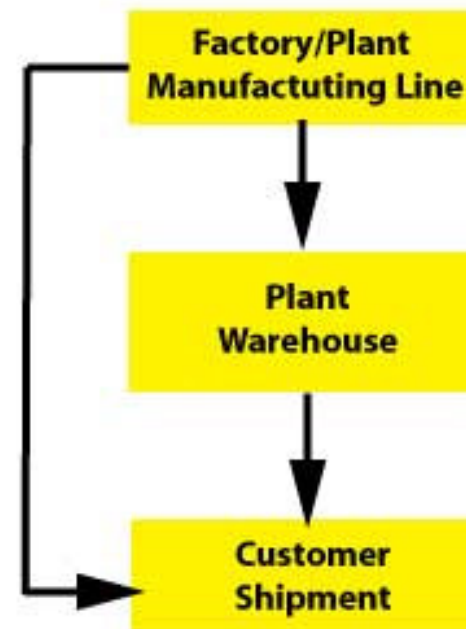
Product sourced internationally is received into import warehouses, sorted and transloaded for shipment directly to customers without going to the importing company's own DCs.



Plant Direct Shipments:

Product is shipped to customers directly from manufacturing plants, rather than from a downstream distribution center, eliminating significant distribution costs (though it may result in multiple shipments/ deliveries to a customer for each order.)

Plant direct shipments could be used with manufacturing cross docking, but usually the product is first stored in a plant warehouse and then shipped.



For a More Detailed Description:

For the more detailed article up which this slide show was based, go to:

www.scdigest.com/assets/On_Target/08-11-25-1.php

[or Click Here](#)

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