DESCARTES™

Connections

CDS is here
And this time, it's for real

Explore the benefits of an ETSF

Reducing Logistics Friction
in a post Brexit economy

Customs Warehousing Solutions

Welcome

Welcome to our new Customs and Regulatory Compliance magazine CONNECTIONS. Our software solutions combine innovative technology and powerful trade intelligence that help deliver the industry's most comprehensive cloud-based software.

Introduction by
Lars Persson,
VP Sales Customs
EMEA

Descartes helping to Streamlining cross-border trade with preparation, filing & visibility solutions

Welcome to this first edition of **CONNECTIONS**. We have produced this new magazine with the primary purpose of sharing industry insights, best practices and keeping our audience up to date on new developments within the Customs & Regulatory Compliance sector.

At Descartes we are lucky to count amongst our colleagues, some of the most highly experienced specialist in their field. And it will be these experts who will shared their industry knowledge in our new magazine.

We explore the migration from CHIEF to CDS when making import declarations, how prepared were businesses for this Import Declarations deadline? And how prepared are businesses for the next upcoming deadline for Export Declarations in November 2023, can lessons be learnt from the first migration?

Inevitably the answer to that last question is YES. The migration from CHIEF to CDS for Import Declarations did happen and so will Export Declarations next year so we are offering time critical actions to help understand the requirements needed to be prepared.

It's fair to say UK business has had a challenging few years. After a global pandemic, chaos at the borders, HGV driver shortage, ensuing supply chain chaos compounded by political uncertainty, inflation and a fuel and energy crisis we take a deeper dive into r**educing logistics friction in a post-Brexit Economy** on pages 15-18.

We are also looking into Customs Warehousing solutions and External Temporary Storage Facilities. And answering questions like, how do they operate? Can they really help improve cash flow?

We explore how Descartes Customs Warehouse Management (CWM) can help import and export operations and how our solution help users comply with the rigorous requirements of the customs warehouse procedures.

In this edition we look into whether an External Temporary Storage Facilities (ETSF) is the answer to post-transition UK import clearance chaos. And how for those industries that rely on just-in-time (JIT) distribution it could be the answer they are looking for.

We hope you enjoy our first edition of **CONNECTIONS.**

On page 15, Martin Meacock, Descartes VP of Product Management investigates reducing logistics friction in a post-Brexit economy
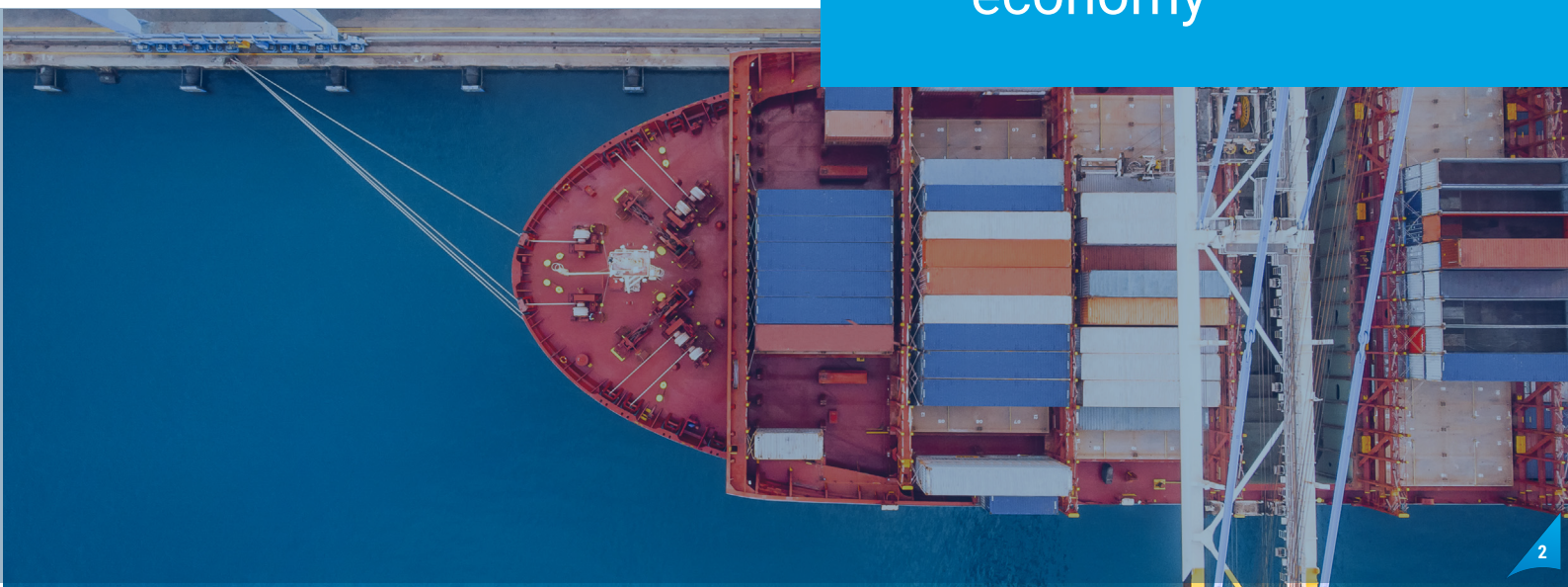
CDS is here - And this time, it's for real

By Martin Meacock, Vice-President of Product Management.

With a global pandemic, chaos at the borders, an HGV driver shortage and ensuing supply chain chaos, compounded by political uncertainty, inflation and a fuel and energy crisis – it's fair to say UK business has had a challenging few years. And that's not to mention Brexit.

Since exiting the EU, UK traders have weathered the introduction, delay and ultimate abandoning of some of the rules and regulations for importing goods into the UK. They've adopted the new, full controls on exports in the other direction and adapted to new processes laid out by the Northern Ireland Protocol. To add to the disruption, the way UK Customs declarations should be filed is changing and a new customs declaration system (CDS), will take over from the legacy CHIEF.

After the best part of four years, HMRC has finally set dates, and the deadlines are

looming. Going by the current schedule, CHIEF will be withdrawn in two stages:

■ **After 30 September 2022, you won't be able to make import declarations on CHIEF.**
■ **After 30 November 2023, you won't be able to make export declarations on CHIEF.**

Lack of preparedness
HMRC recently sent letters to 220,000 GB VAT registered traders and although not all of them will be importers and or exporters, and many will use the services of a broker or forwarder, this communication is indicative of the lack of awareness – and lack of preparedness – for the impending move. An estimated 4,200 companies made customs declarations in 2017. That figure's only increased post-Brexit, with a number of new players entering the intermediary market from consulting and the IT world.
While some traders were early adopters (and Descartes was the first company to get

its customers onto the new system way back in 2018) a huge number have yet to make the switch.

Fear of the new system as well as scepticism about HMRC and trade readiness has been understandable – as too the expectation of further delays based on precedent – yet, the consequences of inaction are now speeding dangerously close to becoming a reality. It seems it's taken the announcement of two final deadlines to spur the remainder into action – to find out exactly what's required – and to many that's come as a shock.

From the latest data requirements and processes, to the sheer scale of the challenge associated with new systems and software; the move from CHIEF to CDS is far from straightforward. CDS is a dramatic shift away from the previous ways of working in CHIEF, right from the way the customs declaration looks, to the new data needed. HMRC has tried to introduce some simplifications. For example, a blanket document code to declare that no prohibitions or restrictions apply "999L" has been temporarily introduced under CDS to speed up onboarding. And, like other software houses, Descartes continues to make changes to ease the process; however nothing can replace the time necessary to learn a new system and there is nothing like real user experience to drive improvement.

"Companies will need significant help to make the change"

Training and education are essential as is access to test systems to ensure

organisations understand the new processes and steps required. In recent weeks, Descartes has seen an exponential increase in companies engaging to be ready for CDS, showing a new hunger for education and training that we expect to increase as we move ever closer to the end of CHIEF.

Changes are also necessary to ensure that brokers are able to act efficiently on behalf of traders, including where traders must ensure they have set up their duty deferment accounts properly, digitally allowing brokers to use them on their behalf and ensuring they have put new direct debit mandates in place.

Brokers will also be looking to get more specific instructions from importers, not only regarding any prohibitions or restrictions but also with regard to the trading relationship between buyer and seller, and whether any considerations have to be made about the valuation of the goods being imported.

For die hard customs geeks this is nothing new, but CDS has brought this back into focus with specific declaration elements and the risk of a broker being considered jointly liable for any customs debt, if they are unable to prove they received specific instructions and are acting under a 'direct representative' status.

With all the pressure on resources to reach the maximum efficiency, automation is key part of CDS. But unless companies have already put in place the level of integration or master data required, then it might be too late to benefit.

Reality bites

There is a great deal of source information available. HMRC has provided documents, such as declaration completion guidance; while systems providers such as Descartes have created online training courses, videos and other online guides as well as further technical solutions to guide users without making decisions for them. But those who have left it until now hoping for individual attention are going to find it difficult and it may be impossible to receive the attention they would prefer. With just a few months to go, group sessions from software providers on how to use the software, or external training organisations who can provide more generic CDS guidance are now the most likely to help.

And while both software providers' and HMRC's support teams have been bolstered in anticipation of the surge of questions and enquiries, it's inevitable that there will be delays in responding, which is why self earning and education is going to be vital.

Time critical

It's never been more important for declarants to understand the requirements to submit the customs declarations they need to, and be aware of changes in the codes used or information required.

If you choose to use a broker rather than submit your own declarations there are still five steps that should be taken:

■ Register for a Government Gateway account if you do not already have one;

■ Apply for an Economic Operator Registration and Identification number if you do not already have one;

■ Register for the Customs Declaration Service via www.gov.uk/hmrc/cds-get-access . This will allow you to obtain your Import VAT and Postponed VAT statements as well as authorise declarants to use your deferment, cash or security accounts;

■ Choose which payment method to use and ensure you have set up the correct Direct Debits or authorisations;

■ Set up a process to ensure your broker has clear instructions and information about your consignment.

For example - the incoterms, awareness for all values, the location information, and nature of transaction information.

Traders using brokers should also be prepared for the fact that the type of evidence and data they receive today will change – the old CHIEF prints just don't exist anymore, the C88 is dead and the data is structured differently.

Conclusion

So even if there is a further delay to CHIEF decommissioning, or perhaps you only submit export declarations, it remains vital to take action today and be CDS ready; even if you do not plan to go live immediately you can both get on the front foot and take advantage of any dual-running possibilities.

Over time of course, CDS will become the new normal. Until then, let's not fool ourselves that it'll be a smooth ride, it's a bumpy road to progress.

Are you CDS ready?

CUSTOMS CHANGES ARE HAPPENING FOR EXPORT DECLARATIONS IN 2023

Are you prepared for the upcoming changes in submitting customs EXPORT declarations via CDS? After 30th November 2023 companies will not be able to make EXPORT declarations on CHIEF.

We are ready to guide your company through those changes and our software solutions are CDS ready. Get in contact with our local customs experts to discuss how these changes affect your business.

descartes.com/uk/cds | info@descartes.com

The benefits of ETSF

Introducing the **External
Temporary Storage Facilities**
by Mark Phippen,
Customer Success Mananger,
Pentant CSP

Could External Temporary Storage Facilities (ETSF) be the answer to post-transition UK import clearance chaos?

The increase in customs checks and declarations through UK ports is having a significant impact on industries involved in just-in-time delivery of goods.

For those industries that rely on just-in-time (JIT) distribution, such as pharmaceutical, perishable goods, manufacturing, spare parts and low-value high-volume e-commerce, it's imperative to get goods through customs clearance without delays and file the required declarations with ease.

However, instead of completing declarations at the border and adding delays to what is an already busy and chaotic environment – what if there was a way to complete customs declarations inland at your own facility?
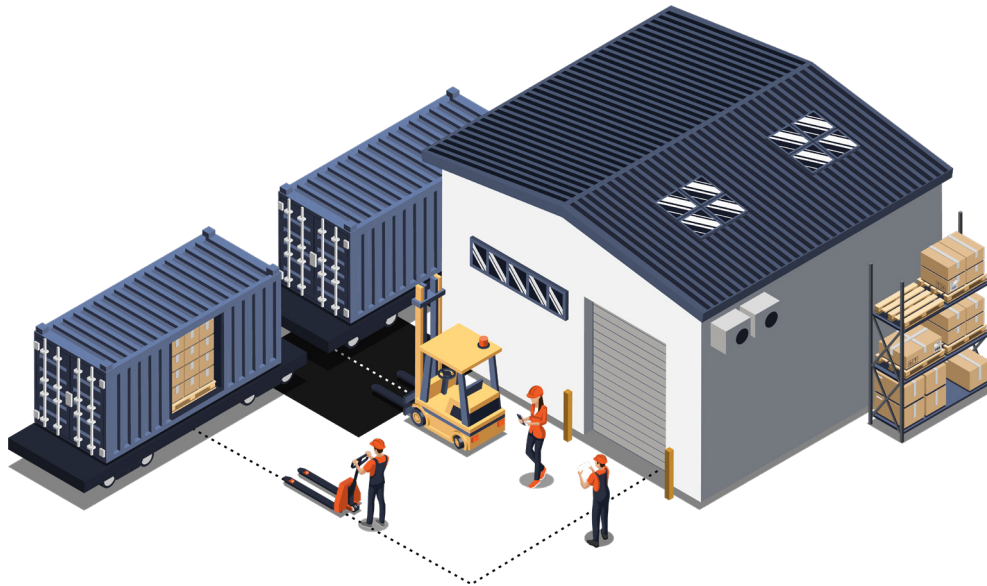
Moving the border inland

With an ETSF (external temporary storage facility) located at your own business's site, away from the port, the entire customs process could be significantly accelerated. Your goods arriving into the UK can be taken to your site (a business' premises or distribution centre, for example), where the customs formalities can be managed electronically.

The customs border is effectively moved to your own premises, so customs declarations can be pre-lodged ahead of the goods arriving. This enables the site to operate from a HMRC and Border Force perspective, as if it were the Customs frontier so long as it is running an approved ETSF solution.

A haulage or courier company with perhaps 1,000 different consignments on one truck doesn't want to have to fill out that number of declarations in the short period of time from leaving Europe and arriving at a UK port. With an ETSF, they can create more time and stay ahead of the game by filling out the declarations at the end destination in advance, and therefore not delay the physical movement of the goods with queues, inspections and processing at the border.

Another solution which can augment the ETSF setup is having an inventory system that is designed to group goods at truck level, instead of typical systems today that are designed for flight or vessel-based arrival. With a truck-based system, once a vehicle physically arrives at your site, it triggers the clearance of all consignments so they can be unloaded and handled.

An ETSF also gives electronic visibility and audit records to HMRC and Border Force, so if they do want to put a hold on any consignment, the site operator knows immediately which goods are on hold awaiting paperwork or physical inspection – this can also be conducted at the operator's site.

Taking back control

Any clearances that can be moved inland will benefit supply chains greatly, especially those looking to quickly clear and distribute or sell products on.

Many organisations operate with JIT arrival of parts on trucks. Having the uncertainty of delays at the border will have a big impact on their ability to do this, increasing costs and revenue loss.

There will still be certain product categories that will require clearance checks at the border for safety reasons, such as meat and dairy products. But, moving as many clearance checks as possible inland not only speeds up the process for those vehicles that can go straight to the ETSF, but also unlocks efficiencies for those that will still have to complete clearances at the border.

A win-win for those companies that transport different items across multiple categories. Businesses need to take back control of their own clearances and create efficiencies where they can, but how?

Don't get caught out
Like many processes, setting up an ETSF requires applications and approvals which can take time. Any warehouse keeper that is approved for customs warehousing, which could be virtually any importer, can apply to have premises approved as an ETSF. Premises would need to be checked and approved, inspection areas setup and an inventory provider nominated.

But this won't be such a challenge for those that prepare now and work with a provider that can support the setup process in line with the inventory system that connects straight to HMRC.

This is where Descartes Pentant CSP Inventory System can help.

The Descartes Pentant CSP Inventory System has been specifically designed for road transport operations into inland temporary storage facilities anywhere in the UK.

■ Descartes Pentant is an approved Community Service Provider (CSP)

■ With an accredited interface to HMRC's new Customs Declaration Service (CDS) for customs declarations, as well as the previous CHIEF system.

■ Descartes Pentant will speed up the process of getting your ETSF approved by HMRC by providing an already approved inventory system.

EXPLORE THE BENEFITS OF A EXTERNAL TEMPORARY STORAGE FACILITY

The Descartes Pentant CSP Inventory System has been specifically designed for road transport operations into inland temporary storage facilities anywhere in the UK.

Descartes Pentant is anapproved Community Service Provider (CSP) with an accredited interface to HMRC's new Customs Declaration Service (CDS) for customs declarations, as well as the previous CHIEF system. Descartes Pentant will speed up the process of getting your ETSF approved by HMRC by providing an already approved inventory system.

Get in touch with one of our Pentant experts today to find how your business can benefit from an ETSF.

descartes.com | info@descartes.com

Customs Warehousing Solutions

What is a Customs Warehouse? How does a Customs Warehouse operate? And can it really help improve cash flow, reduce supply chain lead times, improve stock management, and give complete product traceability throughout the supply chain?

Quite simply a Customs Warehouse is a site used for the storage and processing of goods being imported into a new market. While goods are in a Customs Warehouse, customs duties and import VAT are suspended, making a Customs Warehouse more like duty free zones.

At Descartes we believe streamlining your import and export trade management is the best way to improve productivity and increase financial stability thereby increasing your bottom line.

If you're importing goods into the UK using a Customs Warehouse can help both defer the payment of duty and VAT on imports and negate the need to pay duty twice on items which you ultimately intend to export again. Duties will become payable when products are delivered onto their next destination.

Can using a Customs Warehouse help with supply chain lead times?
Utilising a Customs Warehouse often means supply chain lead times and stock management are improved, offering

companies greater flexibility for stock availability and more efficient delivery times.

As with all things there are advantages and disadvantages to using a Customs Warehouse, the cost for storing products in a customs warehouse will add up over time. And if products being stored need special care and controls such as those which are fragile or contain hazardous substances, they could also be liable for higher storing costs.

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INSIGHTS

How can Descartes' Customs Warehouse Management (CWM) help our import and export operations?

An integrated Customs Warehouse Management (CWM) solution can play an integral role in simplifying procedures, while taking advantage of the maximum available benefits. The more automated and integrated the procedures, the greater the likelihood that those goods can be processed and transported effectively and efficiently. The Descartes Customs Warehouse Management™ solution helps users comply with the rigorous requirements of the customs warehouse procedure. The right solution can also offer a secure and

time-efficient way to manage imported goods regardless of the type of customs warehouse in use.

Descartes Customs Warehouse Management is an on-demand solution specifically designed to allow users to manage goods stored under the customs warehouse procedure, by keeping information on imported goods and accounts, tracking all movement and activity, and enabling accurate and timely electronic declaration processing. e-Customs from Descartes has a module to manage both customs and free circulation stock, allowing traders, forwarders, warehouse operators and customs brokers

Customs Warehousing

Fulfilling your compliance obligations to HMRC

to efficiently manage their customs warehouse and fulfil their compliance and reporting obligations with Customs.

Importing and exporting is expensive business, supply chain lead times are a growing, cash flow is more important than ever and staying ahead of compliance and reporting to Customs is growing ever more complicated. Descartes Customs and Regulatory Compliance software solutions can help ease your importing and exporting journey.

With Descartes software solutions you can:

- Create stock independently or from an import declaration

- Create import declarations or appropriate periodic reports based on outbound orders / removals.

- Use smart picking to ensure the most duty efficient stock is picked

- Handle stock amendments and adjustments

- Integrate with ERP/Commercial Systems or manual

In the UK we also offer a standard Excise Warehousing solution to:

- Create stock independently or from an Import or EMCS movement

- Link from EMCS receipt to existing stock or create stock

- Create and submit W1, W5 returns and submit via ATWD

- Integrate with ERP/Commercial Systems or manual

Customs Warehousing functionality is available in multiple countries.

Take a look at our webinar from 23rd June 2022

Descartes software is CDS compliant and ready for the upcoming customs changes. This is an excellent opportunity to take a good look at the Descartes software in action as we take look at CDS export and import customs declarations.

We also discussed what steps you need to make to be ready for CDS.

This free live webinar is primarily intended for those companies who are seeking a CDS software solution. But it is also aimed at current Descartes users, especially those that are using the HMRC CHIEF system and haven't yet migrated to CD.

Now is the chance to take a second look at the webinar if you were able to join us on the day or feel free to watch the webinar for the first time.

WATCH WEBINAR

Don't miss out - prepare your customs operations for upcoming changes.

Are you ready? CDS Export Migrations must be completed by 30 November 2023. **Download our updated eBook for the latest information, news and guidance on UK customs compliance and processes.**

DOWNLOAD EBOOK

Find our how to save money for your business with UK Freeports.

Have you explored all the opportunities that a UK Freeport could offer your business? Process imported goods with simplified customs documentation. Store stock temporaily and benefit from customs warehousing.
Download our eBook for a complete overview of UK Freeports.

DOWNLOAD EBOOK

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ARTICLE

Reducing Logistics Friction in a Post Brexit Economy

By Martin Meacock, VP Product
Management, Descartes Systems UK

> Pre-Brexit, the biggest issues facing hauliers and logistics managers in getting goods between the UK and Europe were occasional strikes by French Customs officials, ferry delays and roadworks on the M20. Halcyon days. Most journeys were fairly frictionless – goods were picked up, transported and delivered without interruption or delay. And, as a result, pricing was consistent and supply chains optimised.

Since then, life has become more complex due to the regulatory friction introduced as a result of Brexit. Added to widespread global supply chain disruption; driver shortages; rising fuel costs; and an increasing focus on sustainability, the on-going overhaul of the UK's customs declarations system is creating a daunting environment for fleet and logistics managers. With costs spiralling, the pressure is on to move goods with as little friction as possible. But with constantly changing rules, how can any business feel confident in forecasting either the cost or timeline for shipments?

New Rules
The UK government has attempted to minimise friction through the decision not

to apply certain checks at the UK side of the border, including the safety and security requirements introduced post 9/11. Importers and exporters still face an array of regulatory requirements, however. Before making any journey across either the Channel or the Irish Sea, firms have had to learn new customs declarations and authorisations and get used to different systems and processes. In Europe the impact started from day one, with import and export declarations required immediately. In the UK there was a period of relaxation and a phased approach intended to allow companies to adjust.

In addition to the French Logistics Package, the Pre-Boarding Notification (PBN) required

to enter Ireland and the Goods Vehicle Movement Service (GVMS) required when bringing goods into the UK, there are specific requirements for food – especially meat and dairy – and plants. All of the relevant documentation needs to be in place before a lorry can board a train or ferry.

Slower and More Expensive

The impact on the haulage market has been marked. Not only are price differentials between goods much higher, with food and plants costing much more to carry due to the additional checks and controls applied – but no company will set off on a journey without proof the 'digital paperwork' has been completed. The resultant slow-down in the supply chain has affected fresh goods, especially fish, with items having far less time on the shelf before 'best before' dates are hit. On the plus side, the combination of reduced demand and pre-planning has avoided delays at customs – which has at least avoided another area of potential friction.

Indeed, capacity is holding up well, despite the lack of drivers. With logistics managers allowing extra time to ensure documentation in is order, the actual journey is frictionless.

The challenge, therefore, is to reduce the cost and time associated with customs declarations.

Is CDS Better?

In the UK, the replacement of the CHIEF customs system with the new Customs Declaration System (CDS) is well underway. All new customs import declarations and customers wanting to submit import declarations must now use CDS and traders will not be able to make export declarations on CHIEF after 30 November 2023. So, will this make a difference?

CDS is certainly not being introduced to make the process easier for hauliers. Its goal is to collect information and taxes and maintain supervision of goods; its intention was to replace an old system and at the time to be compliant with the new EU UCC regulations. As such, it places greater demands on organisations to provide information. Indeed, businesses opting to work directly with the Customs' provided system are reporting it is laborious, requires development and lacks support. For any organisation making a multi-item customs declaration, the process is incredibly slow.

Streamlining Customs

However, dedicated customs technologies that integrate with CDS are easier to use and can radically streamline the process. Regular traffic can be managed simply through the use of integration, automation and templates, making it much quicker to generate declarations for repeat activity. In addition, the use of well-prepared master data, as well as functionality to streamline processes, can significantly reduce the time taken to make declarations.

Furthermore, these solutions can come with both support and training – including dedicated CDS clinics and group sessions to help companies understand the declarations process. The entire process can be automated if required, or information uploaded from an Excel spreadsheet if that is the way a business prefers to work.

Value Opportunity

While there is still some delay to the full implementation of the food and plant declaration systems, the post-Brexit regulatory landscape and processes are far clearer now than in the beginning, with less imagination and more reality. Now that hauliers have access to CDS, two distinct business models are emerging.

Some hauliers are expecting importers and exporters to make or arrange for all the customs declarations and will only set off on a journey once provided with the reference numbers to prove the relevant declarations have been made to customs authorities, including the GVMS.

There is, however, an opportunity to offer a premium service by offering to remove the pain of customs declarations from customers and undertake the process on their behalf.

For any company that has got to grips with the customs declarations processes and systems, this approach offers both a clear differential and a chance to generate additional revenue.

It will be important to determine how key information is provided and checked – such as ensuring the correct HS code is used. But there is likely to be strong demand for this level of premium service, especially in more complex areas such as food and plant distribution – as well as providing services to the SMEs that lack dedicated in house logistics expertise.
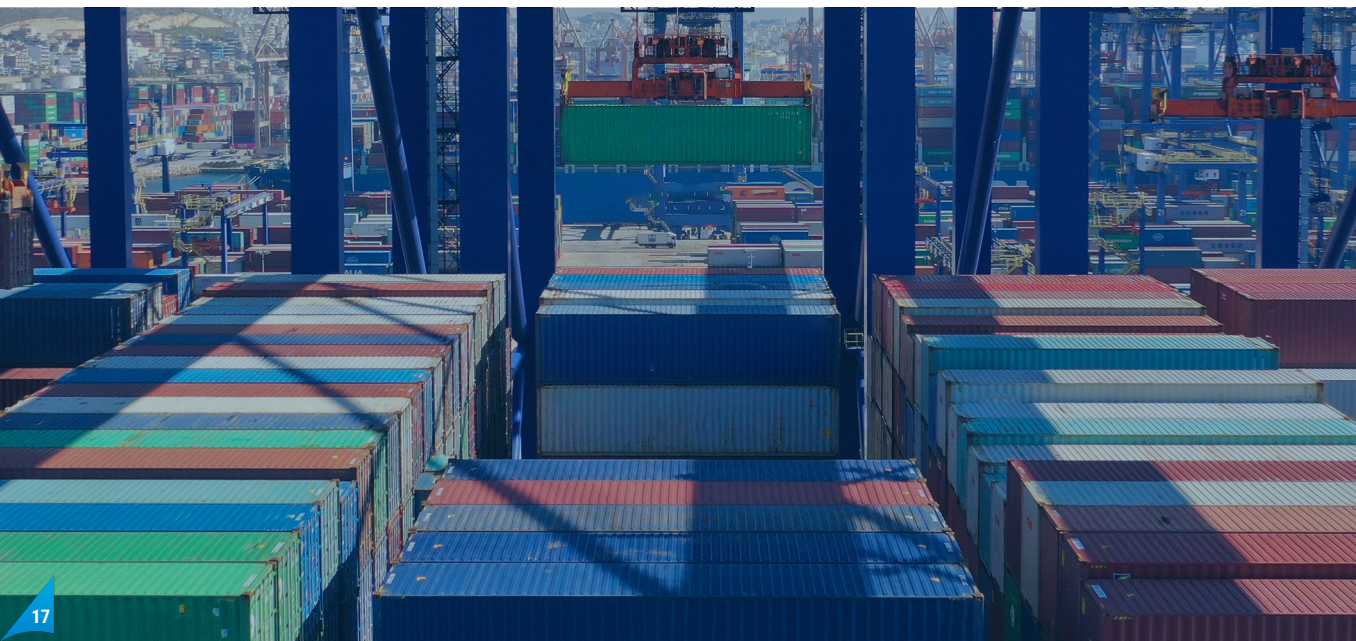
Opportunities also lie in move customs processing away from the border. This can take the form of either Temporary Storage facilities if only short term storage is required, whilst paperwork is put into order - or full Customs Warehousing if longer term storage and deferral of customs duties is sought. Use of these with gaining authorised consignee and/or consignor can be used to avoid some of the friction at the border.

Conclusion

It has taken a while – and the pandemic didn't help – but the post-Brexit customs landscape is taking shape. Organisations are getting to grips with the new declarations requirements and, as a result, recognising that if a business can ship in and out of Europe, it can work with the US, Africa or Australia, providing the chance to expand market reach.

The shift to CDS is also likely to create a larger number of third-party service offerings – from hauliers offering a complete end-to-end solution to those partnering with brokerage services to support customers. Others will stick with the core haulage business and put the onus on customers to undertake the customs declarations.

Should anyone feel this is a UK-only problem though, will perhaps take some comfort that CDS is the forerunner of what is happening across Europe. New Customs systems are being implemented to meet those same UCC regulations - from DMS in the Netherlands through to TESS in Sweden. Even non-EU countries are not immune, with new Passar system scheduled for implementation in Switzerland. As with CDS, many of these are struggling to meet their original implementation schedules.

Whichever route organisations take, with the right systems in place it is possible to automate and streamline the customs declaration process, creating a logistics model that is far closer to the frictionless experience of the past.

Descartes are here to help you navigate your UK customs Imports and Exports; whatever changes get thrown your way. Stay on top of changing processes and regulations with cloud-based software solutions for every aspect of UK customs, from declarations to customs warehousing. www.descartes.com/uk/cds. Or email info@descartes.com

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Warehouse efficiency is everything! Our top 5 tips revealed…
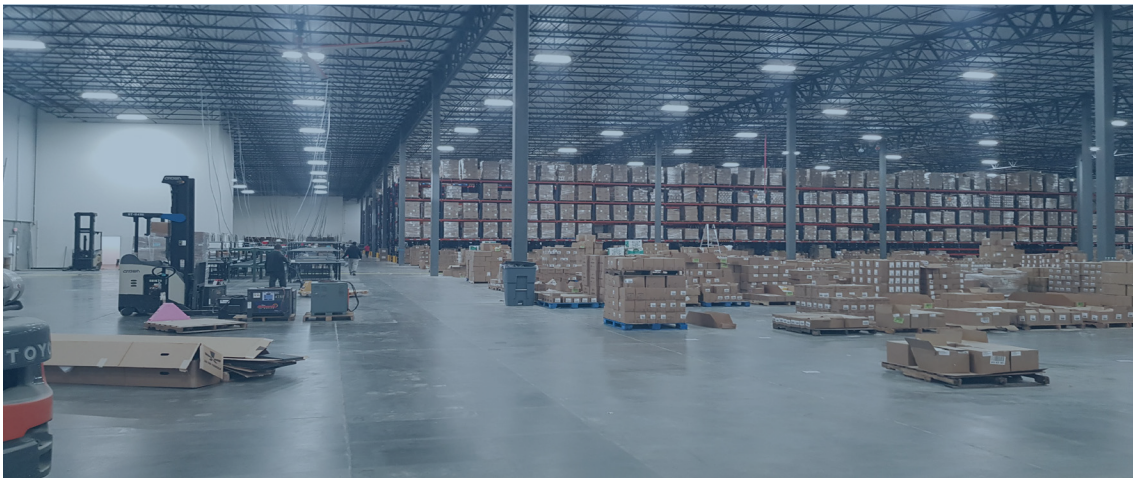
We've put together our 5 best warehouse efficiency tips to improve your operation during the current economic downturn.

Why? Inflation is up whilst consumer appetite to spend is down. Ecommerce experienced its biggest ever boom through 2020-21, and now we face a downturn. Now is the time to focus on margins, efficiency and sustainable growth. Instead of inflated sales targets and spiralling ad spend to reach the few spenders still out there, we are recommending online retailers to safeguard their operations.

So, how to hunker down in this 'winter' and build back up for future growth when the economic conditions allow?

There is success to be had in making a few smart investments rather than lots of risky ones, and spending money on ROI-bankers rather than one time shoppers. One smart investment is transforming your warehouse into the efficient, powerful hub of your business it can be. It needs to be flexible for current and future circumstances, both lean and scalable.

Tip #1 for warehouse efficiency - automate what you can and take 'local knowledge' out of the equation

When you consider the end to end operation of your warehouse, what is currently manual? Do things grind to a halt if that one person who knows where everything is or how everything works is away? To become more efficient, you need to work in a way that doesn't require experience. Less staff, as well as new / temporary staff, should be able to run your operation if they can follow simple processes while letting automated technology handle all the 'thinking'. It's an up front investment to get an automated warehouse system set up, but once it's in, the operation can run itself with far less manual intervention.

Tip #2 - Deal with delays the smart way

Delays and hold-ups are inevitable, especially as the global supply chains continue to struggle post COVID. You may

well currently be facing issues with your suppliers' goods not arriving as expected, or even at all. Firstly, if possible, avoid stocking things on your website if you don't actually have the stock in your own inventory. Even if it's supposed to be arriving and will be ready to ship on time, the supply chain is not as trustworthy as it was 2-3 years ago. Ideally, you have a system in place that allows you to sync stock to go live on your ecommerce channels the moment it hits your goods-in location.

Moreover, if these scenarios crop up, and for some reason you have a backlog of customer orders that need fulfilling, do everything you can to cut that backlog down to size. The longer the customer is waiting for their order, the more vociferous their complaints are going to be on social media and review sites.

Tip #3 - Make the best of your current space

A lot of growth stage retailers run through warehouse spaces at a heady rate, going larger and larger each time. Moving every year as you grow can happen, however, with rent rising and profitability falling, it isn't necessarily a goal to aim for. Instead, we'd recommend making your warehouse more efficient by using your current space to its full potential and capacity. A quick win - are your products all in fixed locations, or do you have the flexibility to store items dynamically and use 'slotting'? By allowing more than one item per location, you can cut out dead space and wasted 'empty locations'. We wrote a whole article about the concept here, you can check it out. Amazon do this, so it probably works!

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Warehouse efficiency is everything! Our top 5 tips revealed…

Tip #4 - Walking time is wasted time

The thing warehouse operatives spend the majority of their time doing? It's not handling items, sorting them or dispatching the orders. It's all the walking between these actions. Not only is a day spent covering 10s of KMs bad for morale, it's terrible for warehouse efficiency. Where possible, you should try to cut down walking time across the operation. Pick routes should be optimised so that your team can collect all the items they need on their run in one pass of the warehouse, rather than going back and forth, up and down the same aisles repeatedly. Moreover, you absolutely need to stop picking one order at a time. This creates so many repeated journeys, when instead, you could be batching up multiple orders and picking them all at once, followed by a sort at the pack bench (or sort as you go, with something like a Pick and Sort to Trolley.)

Tip #5 - Let those data flow

It doesn't matter how smooth your logistics processes are for things like goods-receipt, multi-order picking or labelling up packages if the information required to move those items on doesn't flow through equally well. Manually importing orders from your store to your warehouse, exporting stock levels from inventory back into your e-commerce site, or typing out addresses and customer details into your shipping platform are all productivity killers. Any form of doubling up on work, or copy and pasting information that should just come through automatically via platform integration, is going to slow down your operation to no end, get worse as you get busier, and kill the morale of your staff. Instead, look for platforms with Open APIs that can be integrated together directly or through an iPaaS solution, and let information flow automatically from customer order all the way to shipping, reporting and beyond without human intervention.

Read More:

WMS Buyers' Guide

Learn everything you need to know about Peoplevox WMS with our new guide

Check out our brand new Buyers' Guide

DESCARTES™

Uniting the People and Technology That Move The World

Descartes (Nasdaq:DSGX) (TSX:DSG) is the global leader in providing on-demand, software-as-a-service solutions focused on improving the productivity, performance and security of logistics-intensive businesses. Customers use our modular, software-as-a-service solutions to route, schedule, track and measure delivery resources; plan, allocate and execute shipments; rate, audit and pay transportation invoices; access global trade data; file customs and security documents for imports and exports; and complete numerous other logistics processes by participating in the world's largest, collaborative multimodal logistics community.

Our headquarters are in Waterloo, Ontario, Canada and we have offices and partners around the world.

Learn more at
www.descartes.com and connect with us on LinkedIn and Twitter.