

Moonen builds new efficient and sustainable warehouse

Interview with Roland van Bussel, Chief Operating Officer at Moonen Packaging, by Marcel te Lindert



Moonen Packaging is currently building a completely new 20,000m² warehouse in the Dutch town of Weert. The packaging wholesaler asked

Groenewout for advice on the warehouse design, which has resulted in a flexible, efficient and sustainable plan for a warehouse with sufficient growth potential. Roland van Bussel, COO of Moonen: "We initially considered a fully automated warehouse, but Groenewout advised us against it."

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Packaging is not usually associated with sustainability, but at Moonen Packaging they are making a big effort to change that. The Netherlands-based packaging wholesaler is listing more and more packaging solutions produced from renewable raw materials. "Our aim is for 50% of our customers to be ordering packaging made from renewable resources by 2020, and we want that figure to be 100% by 2030," states Roland van Bussel, Chief Operating Officer (COO) of Moonen Packaging.

Orchestrating the supply chain



Roland van Bussel

Moonen has segmented its customers into two groups. The first group comprises food companies and retailers such as bakeries and supermarket chains. The Dutch packaging wholesaler supplies all the packaging materials that they need for in-store use, ranging from bread bags and meat trays to bin bags. "Grocery chains place their orders via EDI. We pick the orders at store level and ship them to the retailer's DC for crossdocking so that they can be added to the relevant store delivery," explains Van Bussel.

Van Bussel refers to the second customer group as 'industry'. It includes e-tailers and logistics service providers, and even steel companies and car makers. "In addition to plastic films for shrink-wrapping pallets, we also supply bubble wrap to protect car bumpers during transport and cardboard boxes for medicines. Half of our range is made up of customer-specific products: ones with a special logo or produced in line with the customer's specifications.

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We orchestrate the supply chain for our customers. We draw up an overview of their packaging requirements, find the right suppliers and then hold stock of the relevant packaging materials for them.”

Need for a new warehouse

Moonen’s inventory is currently stored in a warehouse that has become much too small following the wholesaler’s rapid growth. Van Bussel has already had to rent extra storage capacity externally, which has resulted in a lot of movement back and forth between the facilities. “We’ve been in this warehouse for 25 years, during which time we’ve regularly extended or redesigned the building to increase the storage capacity, but we’ve now reached the absolute limit. The capacity utilization rate of our warehouses is often 95% or more, which leads to inefficiencies; the shortage of storage locations means we can’t put away the goods received fast enough, for example.”

In the summer of 2017 Moonen concluded that an entirely new building was the only solution to make the company’s logistics operation efficient and sustainable again. One of the first things the wholesaler did was approach Groenewout for logistics advice. “Before buying a plot of land and getting a new building designed, the first step was to think about the ideal logistics set-up. We invited five consultancy firms to pitch. We chose Groenewout, partly because it was one of the only consultancies able to not only define the logistics processes but also translate them into a blueprint for the new warehouse.”

Designing logistics processes

In January 2018, the Groenewout specialists set to work to prepare an overview of the existing logistics processes. They used the 2017 dataset to gain insight into the fluctuations in orders and volumes per day, week and month. They then worked together with Moonen’s board of directors to forecast the growth per customer group and product group over the next five to ten years. “Groenewout used that information as the basis for redesigning the logistics processes and designing the layout of the new warehouse,” recalls Van Bussel, who is still more than satisfied with the results. “As a company, we had perhaps developed a blind spot – we no longer saw ways to improve the operation. In that case it’s good to bring in a partner with lots of knowledge and experience of projects like this.”

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The Groenewout team presented their ideas in June 2018, just as Moonen was in the process of being acquired by the Swedish OptiGroup. “We’d initially hoped to start looking for a suitable site before the summer of 2018, but the takeover meant that the whole project was put on hold. Needless to say, the new owner wanted to take a look at the construction plans first,” continues Van Bussel, although he was never afraid that the plans would be cancelled altogether. “Quite the opposite, in fact. OptiGroup sees lots of growth potential for Moonen throughout the whole of Western Europe. That’s partly the reason why we purchased a plot of land not far from here in Weert for a 22,000m² warehouse with space for a 6,500m² extension in the future.”



Artist's impression of Moonen Packaging's new warehouse, developed by HVBM Vastgoed and designed by Quadrant 4 (Source: Quadrant 4)

Not fully automated

The new warehouse will have 25,000 pallet locations spread across two areas: one with narrow aisles and the other with wide aisles. The narrow-aisle warehouse is intended for bulk storage, while in the wide-aisle warehouse the orders will be picked from ground-level pallets. A mezzanine floor with racking is being constructed for the storage of small items, and there will also be an area with no racking for 'oversized' pallets. “The existing warehouse is in a very long and thin building. The new warehouse will be square, which allows us to set up the operation much more efficiently, including an extra-large dispatch area. Soon we will also be able to bring processes that we currently outsource back in-house, such as sorting the supermarket orders at store level.”



Artist's impression of Moonen Packaging's new warehouse, developed by HVBM Vastgoed and designed by Quadrant 4 (Source: Quadrant 4)

In the new warehouse, Moonen has opted for 'area picking': the WMS divides the orders into sub-orders which are picked in the various storage areas. The sub-orders are then combined together in the dispatch area. "We initially considered a fully automated warehouse, but Groenewout advised against that plan. We work with between 400 and 500 suppliers who all supply their goods completely differently, which makes it difficult to fully standardize and automate the process. Furthermore, we want to stay flexible with a view to future growth. Having said that, our design does take account of the use of AGVs, including for internal transportation from the various storage areas to the dispatch area. We also want to utilize voice picking, so Groenewout is currently helping us to adapt our warehouse management system with that in mind."

BREEAM Very Good

Construction work got underway in the spring of 2019 and Moonen hopes the new facility will be operational by 1 April 2020. Just like Moonen's product range, the building will be as sustainable as possible. "The new warehouse has a BREEAM Very Good rating and the roof will be full of solar panels. In fact, we're currently exploring whether we can upgrade the warehouse to an Excellent rating; we only need a couple more points," says Van Bussel.

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At Moonen, they are happy with the new-build project so far and the role Groenewout has played. "Right at the start, Groenewout set up a dedicated team comprising a senior consultant and a consultant. That kept the lines of communication short, which fosters good collaboration," he comments. "Besides that, they take a proactive, problem-solving approach and aren't afraid of being critical of our suggestions. Their extensive knowledge and experience comes in very useful. If I had to do the whole project again, I'd still choose Groenewout."

Text by Marcel te Lindert

Marcel te Lindert is a journalist with over 15 years of experience in the logistics industry. He was editor-in-chief of the Dutch magazines *Transport+Opslag* and *Logistiek*. Nowadays he works freelance for trade magazines including *Supply Chain Magazine* and *Warehouse Totaal*.

More information

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