

Cold comfort for Netto

The fast moving floor space of a purpose built distribution centre (DC) is a thoroughfare often only rivalled by a fast moving freeway. Just-in-time goods and temperature sensitive pallets and cargo must be moved, monitored and dispatched with absolute precision. Read how European supermarket giant Netto set about building what it thinks is an ideal solution to the above problems - a multi-purpose DC recently opened in Koge, Copenhagen.

The first Netto foodstore opened in Denmark in 1981 (although the story of the Dansk Supermarket Group started in 1906 when Ferdinand Salling opened a draper's shop in Arhus).

Today, there are 340 stores in Denmark, 200 in Germany, 125 in the United Kingdom, 70 in Poland and 20 in Sweden. The main group is owned by F. Salling and the A.P. Moller Group (better known to most of the logistics world as Maersk). In addition to the Netto Foodstores, the Dansk Supermarket Group also own the Fotex supermarkets, Bugatti footwear shops, Bilka hypermarkets, Toj & Slo clothing and footwear shops, A-Z quality non-food stores and the Salling department stores. More than 30,000 employees, over 700 outlets and sales in excess of £3.9 billion.

Split decision

A giant automated distribution centre is now in the final stages of construction at Koge, a district of Danish capital Copenhagen. This is on a site totalling 52,000 square metres with the ambient and chilled/frozen stores comprising 33,300 square metres – the chilled/frozen section is split into two parts with

8,200 square metres at ground level and 4,500 on an upper level.

Netto has expanding its business over the last few years and had reached maximum capacity in its existing systems. So that they can both increase their current capacity and also match future expansion plans this new centre is the first phase in the modernisation of the company's European supply chain.

Automation is considered the way to go forward and the centre is equipped with Daifuku equipment – 32 automatic stacker cranes, two tilt tray sorters, three automatic layer depalletisers, 40 STV's (sortation transfer vehicles) and a warehouse management system.

Damage limitation

An important part of this distribution system is the use of Olivo portable insulated containers – in this case the Roll90 Europallet model mounted on pallet dimension "feet" to fit in with Netto's systems instead of the more usual castors. Netto have evaluated this type of container over the last few months and tested several from different manufacturers.

With the exception of Olivo, these suffered from unacceptable levels of damage and were simply not strong enough for Netto's operations – and it must be stated that they are not misused as can sometimes be the case in the distribution world. Netto could see also the various advantages for their operation by the use of containers.

As a result of this evaluation and testing, Netto decided to use only Olivo containers.



Servicing the new Netto DC at Koge, palletised goods are moved on a fully automated platform, designed by Daifuku.