

# Nebraska Furniture Mart

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#### Challenge:

Vastly improve Nebraska Furniture Mart's traditional approach to managing receiving activity from the gate to the dock in preparation for its newest and largest-ever home furnishing store and distribution center.

#### Solution:

An integrated, system-directed approach using 4SIGHT Logistics Solution for yard management and dock management combined with the decades-long expertise of Serco loading dock products.

#### Results:

Highly efficient and productive distribution center operation that is successfully handling up to 65 inbound trailers and trucks per day through 24 receiving dock doors, as well as an integrated and high-volume, 12-lane customer product pick-up area.

#### Establishment:

Nebraska Furniture Mart-  
Texas

#### Environment:

Retail Furniture, Appliances  
and Electronics Showroom  
& Distribution center

#### Geography:

The Colony (Dallas), Texas

## Integrated 4SIGHT™ System at Nebraska Furniture Mart–Texas Ensures Highly Efficient Yard, Dock & Gate Operations (and more)



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Omaha-based Nebraska Furniture Mart (NFM) is widely known for conducting business on a very large scale compared to most home furnishing companies. However, that wasn't always the case.

A devastating tornado that leveled NFM's West Omaha store in 1975 taught NFM's founder an important lesson. Instead of laying off her employees during the store's rebuilding process, Rose Blumkin—affectionately known in NFM circles as "Mrs. B" ever since she started her company in 1937—moved all store personnel to NFM's main store in downtown Omaha.

Once NFM's newly rebuilt and larger West Omaha store reopened, NFM soon realized customers preferred to shop at one NFM location instead of two smaller locations. In 1977, Mrs. B closed the downtown store and the larger West Omaha store became NFM's new business model. That model has served NFM well for decades along with Mrs. B's down to earth credo, "Sell cheap, tell the truth, don't cheat nobody."

When NFM decided to go big—really big—with its latest furniture showroom and distribution center, it couldn't find a better location to call home than The Colony, just north of Dallas, Texas. And thus, NFM-Texas, the single largest home furnishing store in the U.S., was born in early 2015.

At nearly 2 million square feet, with 1.3 million square feet alone dedicated to a sprawling distribution center the size of nine football fields, NFM-Texas is certainly living up to the notion and popular phrase that "everything's bigger in Texas."

#### 4SIGHT™: the secret sauce behind the scenes

With a 168 dock door distribution center the size and scope of NFM-Texas—which handles 45 to 65 inbound trailers and trucks as well as hundreds of outbound delivery trucks every day—NFM needed a robust automated system to avoid the chaos that would exist without it. You might even say 4SIGHT is the "secret sauce" that's working behind the scenes 24 hours each day to ensure that NFM-Texas' distribution center runs as smoothly and efficiently as possible.

4SIGHT not only manages a high volume of inbound and outbound trailer traffic—from NFM-Texas' gate to 24 receiving dock doors and everything in between—the system also provides a unique solution to efficiently processing the amount of retail customer traffic flowing through the store's 12-lane-wide, 100-plus bay product pick-up area.

The 4SIGHT team worked hand-in-hand with NFM-Texas to incorporate the dedicated software that runs both 4SIGHT™ Yard management and 4SIGHT™ Dock management systems, a wide array of Serco brand loading dock equipment, associated hardware, and integrated security, along with numerous industrial HVLS fans throughout NFM-Texas' distribution center. The 4SIGHT team also worked closely with NFM-Texas to custom-design the unique system that manages and oversees half of the store's visitors who prefer to take their purchased items home in their own vehicles instead of having their items delivered.



***“Receiving up to 65 trailers a day simply can’t be managed using an Excel spreadsheet.”***

– Pat Evers, Process Improvement Supervisor, Nebraska Furniture Mart–Texas, The Colony, Texas



### What exactly drove the need?

“Prior to our newest store in Dallas, NFM was like most other businesses with expansive warehouse operations; we were still living in what seemed like the 1980s,” said Pat Evers, Process Improvement Supervisor, NFM–Texas. “We were inefficiently tracking yard equipment moves with Excel spreadsheets and using markers on an erasable white board.

“Based on the projected size of our new distribution center and an initial target sales volume of \$1 billion in our first year, we knew that instead of receiving 25 trailers a day that we would be receiving up to 65 trailers a day, and that simply can’t be managed using an Excel spreadsheet.”

Evers explained that it quickly became critical that NFM “move into the 21st century” in terms of its approach to yard management and dock management. NFM then embarked on a search to help the organization achieve that goal.

After closely looking at a few major retail distribution centers in the Midwest U.S., Evers said his team’s search eventually led NFM to MHC Systems in Kansas City, Mo., an Omaha-based distributor of Serco loading dock equipment.

“We were talking to MHC Systems and working with them on a few dock equipment and door-related projects for our Kansas City store, and that’s how we got introduced to the folks at 4SIGHT and started down that path,” Evers explained.

When NFM–Texas embarked on its construction plans, Evers said that growth expectations were designed into every decision. In fact, NFM–Texas’ entire infrastructure is built in such a way that the store, along with its attached distribution center, can handle a lot more activity than it currently does. Along with that level of forward thinking, NFM–Texas was also designed—from the loading docks to how the store manages time—to maximize productivity.

“Compared to our previous operations, and before 4SIGHT, we could have never experienced the same levels of productivity that we’re now witnessing at NFM–Texas,” Evers noted.

Along with 4SIGHT working behind the scenes, NFM–Texas process adjustments at the dock even include a variety of simple, yet highly effective improvements. NFM–Texas now uses 4-foot by 8-foot steel carts with custom-engineered braking systems to unload trailers. Instead of one person loading the cart and another holding the cart steady, now only one person is required to load the cart which has led to a 50% improvement in productivity.

### Solution-oriented thinking leads to competitive advantages

That same level of solution-oriented thinking also applies to 4SIGHT at the dock. In fact, 4SIGHT plays a critical role in assisting NFM–Texas system-direct the pick and move of trailers off the dock. 4SIGHT manages receiving, or inbound,

activity at 24 doors, four of which Evers refers to as “receiving pods”. Those four pods are sandwiched on either side by seven outbound doors.

That “four and seven” configuration then repeats along a total of 118 dock doors located on the south wall of the store’s distribution center. Most of the distribution center’s remaining 50 dock doors are used for outbound deliveries. A handful are used for processing returns and some dedicated for recycling.

“Based on the design of our receiving and outbound dock configurations, we were able to divide our distribution center roughly into four warehouses,” Evers said. “With 4SIGHT directing the movement of incoming goods, we can easily manage the entire process of inventory entering each of those individual warehouses based on product type.”

Evers further explained that with past receiving approaches at other NFM facilities, a driver would enter the yard and dock personnel wouldn’t necessarily even know when the driver had arrived at the dock door because the doors didn’t contain a window for visibility. Without a window in the dock door, dock personnel would need to physically open the door to check if a trailer had arrived.

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“Having windows in dock doors seems like a really simple solution, but it makes vast improvements in productivity,” Evers pointed out.

Due to the company’s growth plans, the NFM–Texas yard is large enough for and can adapt to any future changes, including an expanded distribution center, if needed. Currently, the yard is being used at 50% of its potential. And due to various efficiencies, including 4SIGHT, NFM–Texas’ initial 6-½ full-time equivalent yard drivers has been reduced to 2-½ full-time equivalents.

Evers added, “Labor cost is our highest expense in the organization. You have to increase your gross margins on the goods you sell, but you also have to decrease your cost of operation to remain profitable. That’s what 4SIGHT does for us. By helping us increase productivity while lowering operational costs, that’s what provides our distinct competitive advantage.”



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#### Increased safety at the dock a key benefit

The 4SIGHT team also helped integrate and customize 4SIGHT to work with NFM-Texas’ third-party dock security system. Unless a dock employee is certified to operate specific dock equipment via a proxy card, that equipment will not operate. “That’s been one of the real positives working with Eric Breen and his team,” Evers pointed out. “They’re very open-minded and provided a high-value ‘let’s see if we can make that work’ approach.”

Integrating yard management to NFM-Texas’ dock equipment has not only eliminated manual processes that took enormous amounts of time, it has increased safety as well. Communicating via 2-way radios alone can cause mishaps. A yard driver might be instructed to get a trailer at door 6, but mistakenly back into door 7 and try to pull that trailer away with loading dock personnel still inside. “Integrating 4SIGHT with Serco loading dock equipment has been a huge plus from a safety standpoint.”

#### Customer product pick-up area is custom-designed

In addition, 4SIGHT has integrated well with NFM-Texas’ warehouse management system. “Our yard management system essentially does the same thing as our WMS,” Evers pointed out. “I send a directed pick to my shag driver who is similar to my stock picker. I send him to the door which is like going down an aisle. I tell him exactly which trailer to pull, just like I tell my machine operator which piece to pull. Productivity has increased because of that directed movement.”

Interconnected with NFM-Texas’ WMS, and custom-designed by the 4SIGHT team, is the store’s customer pick up area. The highest traffic periods for customers who want to take products home in their own vehicles—essentially 47% of the store’s distribution network—is between 10 a.m. and 10 p.m.

As a result, Evers said most of the distribution center’s receiving activity happens overnight so there’s no overlap with customer traffic during the daytime. This ensures that once a customer arrives at the NFM-Texas pick-up area, their wait time is less than 10 minutes. The same is true even on Saturdays when NFM-Texas’ customer pick-up area typically handles 2,000 customers.

#### HVLS fans provide cost efficient air movement

At NFM-Texas, comfortable personnel in the distribution center—especially on hot summer days—means happy and satisfied customers. To ensure a high level of comfort at the loading dock and throughout the NFM-Texas distribution center, numerous HVLS fans keep the air moving and indoor temperatures to a manageable level. That helps to the lower risk of heat stress and also increases safety at the loading dock, helping to keep floors dry that might otherwise stay wet without HVLS fans.

“When you install as many HVLS fans as we have at NFM-Texas, cost is obviously a driving factor,” Evers said. “We looked at several fans from various manufacturers, but we were impressed with what we saw at the Serco fan lab in Carrollton.”

Evers explained that Serco HVLS fans run at 75% volume and only draw four amps, which results in highly cost-effective operation over time. Because NFM-Texas initially decided to connect the Serco fans to its Trane building management system, it ran into a few communication issues. The 4SIGHT team, however, was able to find the right solution. Working together with Trane, they eventually solved that issue.



### Couldn't ask for a better business relationship

Evers mentioned that he has been more than satisfied with the initiative and dedication that the 4SIGHT team demonstrated while working with NFM-Texas.

"We spent a lot of time one-on-one with Eric, along with Brett Walford and Lori Traylor who were both very involved," Evers pointed out. "Lori, in particular, was a driving force behind the successful implementation. The follow-up that the team provided at start-up was unbelievable."

Evers added "Lori might as well have had an NFM-Texas time card. She was here for us, sometimes seven days a week. She kept her phone on virtually 24 hours a day and stressed along the way, 'If you guys need anything, please call me,' especially when it came to the customer pick-up system, which she was heavily involved in. From that standpoint, I don't think we could have asked for a better business relationship with any company that we've done business with so far."

For more information about 4SIGHT Logistics Solution's benefits, or to request an online product demo, log on to [www.4sightsolution.com](http://www.4sightsolution.com), or contact us at 866-691-1377.



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