NEWCASTLE SYSTEMS

LEAN LABELING

The Warehouse Guide to Lean Labeling

Why "Lean Labeling"? From our past experience at Newcastle Systems, our biggest challenge has always been about helping our customers see a problem they didn't know they have. While Receiving has permanently changed by solving a previously unknown problem, the warehouse has plenty of other similar challenges that are not necessarily "ignored", but just not considered big enough to gain the attention it may deserve.

Labels are apparently one of those challenges that doesn't get enough attention, but now is the time to change that, as doing so will make a big difference in your business.

WHAT IS LEAN LABELING?

Lean Labeling is no different than any other process to which you would apply "Lean" analysis and the changes that come from it. The reason we call it out here with the name "Lean Labeling" is mainly because even as a "sub-process" in most other warehouse processes, it is rarely given the attention it requires and even then, it is often not "intentional", but a result of a very visible problem or emergency. When a problem crops up suddenly, the fix is often a band-aid that don't address the core problem.

One other aspect to remember. We don't like to think about the question of "the right label" or not, but it's about "the right labeling SOLUTION" which means getting the right printer, ribbon AND label combination." For a short-term solution where updating the printer is not an option, most improvements you will find here can be implemented with a re-evaluation of your label and ribbon combination.

Identify and Diagnose Your Labeling Issues:

Where to start? Unlike other processes, we want to focus first NOT on the journey of the worker, but the journey of the ORDER and where the labels come into play. Start with a "Gemba Walk" to identify potential problems, AND potential improvements.

But why now? When you are picking full cases for distribution, you are likely adding the one 4x6 label that includes the data required to help it reach the right pallet before it goes on to a truck headed for a retail destination.

You will likely have an additional label, probably a dedicated pallet label that would be bigger, 8.5" x 5.5" that will contain the information needed to make sure it gets on the right truck and that the truck leaves it at the right location.

In most cases, the pallet won't be wrapped very long, nor will it be exposed to the elements by being stored in a yard or in extreme temperatures. A typical "journey" for the products in this case would involve just two labels. For others, it might be just one.

Let's walk through three labeling "Gemba Walks", but from three different angles: Order/Product) Journey, the Label Journey and the "Exception Journey".

There are many ways to getting a label on right! [CC BY-ND]

THE ORDER JOURNEY

1. **Receiving** – While the "Receiving" process does not normally include applying labels to individual products, there are two possible labeling scenarios that may be required for Ecommerce: For cases that may need to be directed directly to picking, pick reserve or deep reserve OR for products pulled from cases that were diverted to Quality Assurance before being put back into inventory.

2. **Picking** – the most common application used in picking is the use of a smaller label that a picker would apply to an individual item. The label will usually include any data indicating a wave, batch, order #, designated packing station, packing batch, etc. but may also include data points intended to help the picker both locate the item (aisle, rack and bin) and the quantity (for an individual order or for the entire wave).

Picking processes vary wildly by industry and product mix, and so do the labels.
(Photo credit: Modern Material Handling)

3. **Packing** – this is where it gets interesting. There are a LOT of possibilities for printed items in addition to the labels here:

    a. **Packing slip** – which may or MAY NOT be a label itself. Labels like the Zebra Zip-ship label use both sides of the stock, so the packing list can be used by the packer prior to being applied on the carton as the actual shipping label (which is also perforated so the recipient can remove it and see the packing list underneath).

    b. **Return Label –** if you have a return policy that covers shipping for your products, you might also include this label INSIDE the outbound package.

    c. **Others –** if some products require special instructions or warnings, you might also have a label produced at the packing stage to be matched up to the product.

The scenario above demonstrates that you would generate anywhere from 2 to 8 labels for a single product being shipped to a customer. How many labels would your "Order Journey" generate?

The most modern and efficient printers in the world still waste money for you if it is sitting in one place making everyone walk to it.

THE LABEL JOURNEY

While the "Order Journey" is easier to document with Gemba Walks, looking at each label's journey THROUGH all the different process steps to understand its environment and impacts is important too. For example, did you know?

- Labels designed to STAY on in the cold do not necessarily have the right adhesive to be APPLIED in the cold.

- Humidity is also a force of nature to deal with as common stock labels are prone to falling off where they are applied to boxes stored in high heat and humidity.

- While you might source a label that is designed to stay on even with exposure to moisture, having the wrong ribbon could lead to the printed information smearing, fading or washing off prematurely.

- If you are in an industry that relies on labeling something more complex than the standard shipping and picking labels, then hopefully you are already working with an expert who can help you choose the right labeling solution. Products requiring paint or finish to be baked on, or barrels that end up in the ocean, and even rockets to Mars all have specialized labels designed for all the potential risks that exists to their readability and applicability.

Whether your labels speed through the process or not, according to [Kevin Ledversis in his webinar](#), they generally "get no respect" – until it's too late!

THE LABEL JOURNEY

Now, follow the label – from BEFORE the process:

1. Where is it stored before it gets loaded in a printer? What is the environment like in the store room? Does it differ significantly from the room where the printer is being used?

2. Does the label get applied in an environment similar to where it is printed?

3. Do the labels look or behave differently in the different locations (i.e. is the stock curling up more in one location)?

4. Where does the label go when it leaves the facility? Or does it NOT leave the facility and go on a container in the warehouse – or the yard?

5. Are labels being pre-printed and put away for another day?

6. The takeaway here is that you need to account for EVERY possible element encountered by a label, even if it appears NOT to be a problem before it leaves your warehouse. Depending on where it goes next, your issue may be just beginning.

THE "EXCEPTION" JOURNEY

Never underestimate the DIY spirit behind solutions to an unexpected problem. Some turn into great ideas (we even turned a client idea into an actual product!), but some cover a problem rather than really "solving" it. Find the "Exceptions" where problems are disguised as "solutions":

The "Exception" Journey – Examples

1. Clear labels fail to scan on dark surface, so workers add another blank, white label underneath – doubling the use of labels!

2. Labels are falling off, or not adhering completely, so the DIY spirit on the floor brings in the tap and glue!

3. The labels are too hard to read efficiently or accurately, so your team has already worked out the benefits of color visual cues!

4. Your RFID tags aren't reading on metal, so the staff applies them to a bag they then attach to the metal item?


What Do You Find On Your "Journey"?

OTHER THINGS TO LOOK FOR:

1. **Printing multiple labels for the same package or product**
   Sometimes you might need multiple copies of the SAME label that goes on different parts of the product or package. But if they don't all need to be the same size, or carry all the same information, then consider getting a "Label Set" which is a custom label where the label stock has been scored into two or more pieces so what was once a single label can be used as two, three or more. While a single label set will cost more than the original stock label, it saves quite a bit over using 2 or more stock labels.
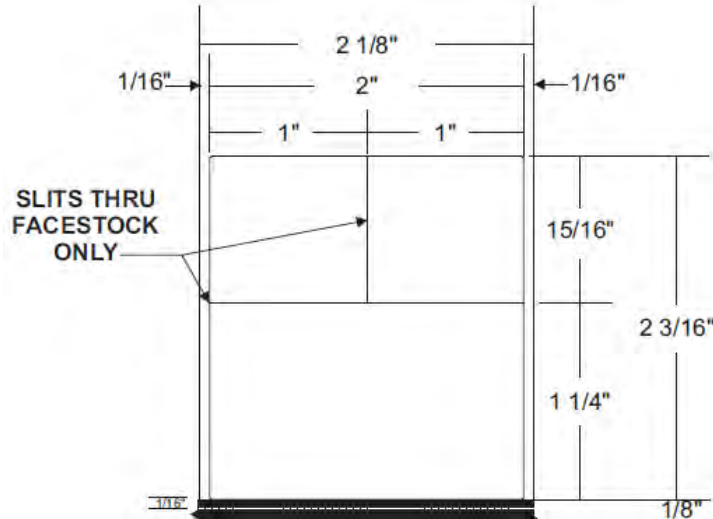

2. **Printer Speed**
   Assuming you're sticking with the printer you have, then double-check if you are getting the productivity you should be getting. One common problem you might discover is that the printer speed has been slowed in order to improve the quality of the label printing. This is an indication that the label and ribbon combo you are using are not the correct for your printer. It comes back to a question of saving money on your labels and being less productive with your printer, or spending the more on the quality of your label stock for your printer to reach its full potential.

OTHER THINGS TO LOOK FOR:

3. Too much information

Labels are an amazing medium for conveying LOTS of information – but if your process requires some of it to be read and understood by the human eye (and not just a scanner), then it does run the risk of getting too busy and can slow down the process as workers try to read the right bits of information pertaining to their specific task – OR make more mistakes doing it.

Color-ready labels, which are white when blank but can display 3-4 different colors after being printed in a standard thermal printer, are a great way to reduce simplify a "busy" label.
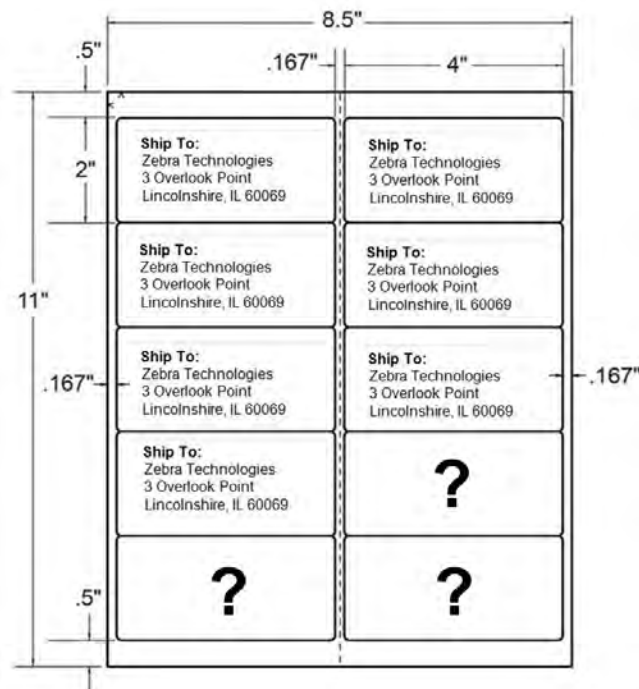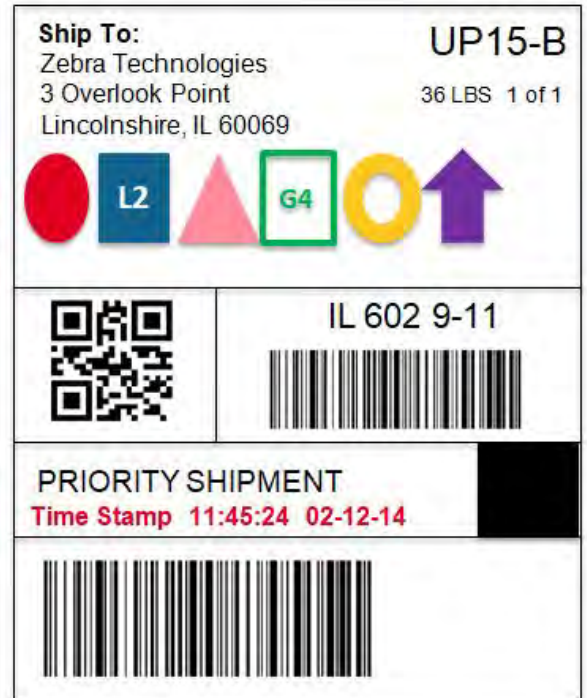
4. Wasted Labels (Laser Printer)

If you are using a laser printer, then you might be printing sheets of labels with 12 or 16 labels on them. This might be a good way to produce labels if you are using ALL of those on every sheet, but if you are like many facilities, you are likely not printing the whole sheet each time and are throwing away 10-30% of the labels in each sheet.

How many are you throwing away?

FIND YOUR SOLUTION:

Labels Are Not As Simple As They Look

As noted earlier, there are THOUSANDS of combinations of Ribbon and Printer that can be customized for almost ANY need. Factoring in options for new printers, that number increases geometrically. Why does that matter?

Because part of your original problem may have come from not getting the expertise you needed to get the right choice. It's helpful to get a certified Resellers to help you design a solution that works best for you, and taking into account these factors:

1. **Stock/Varnish/Adhesive** – This is the technology part that isn't talked about enough. This is the basis upon which your solution will succeed or fail.

2. **Ribbon & Printer** – matching your ribbon to your label is also a minimum bar for a solution, but sometimes updating your printer is too – especially if your existing one doesn't serve your new label/ribbon combo efficiently.

3. **Label Design and Management** – Label design using color, label sets and smart bar code techniques increases worker efficiency by speeding read time. Software from Teklynx or Bartender makes design and management easier too.

4. **Mobile Printing** – Finally, putting a printer - and the WHOLE workstation on wheels is a proven method for speeding up specific processes like Receiving, saving on labor costs AND improving accuracy.

THE POWER TO MOVE YOUR WORKPLACE

If you are looking to increase efficiency in your warehouse you can utilize this **Free Mobility Audit** to determine how many minutes are wasted in your receiving area.

After calculating your minutes wasted you can easily calculate ROI with our **ROI calculator** to determine how quickly you would start saving after your workstation investment.

ABOUT NEWCASTLE SYSTEMS

Newcastle Systems is committed to providing innovative solutions that help make Auto-ID technology and other hardware truly mobile and information more readily available across an enterprise.

Loss of productivity and inefficiencies such as wasted steps to the printer on a fixed desk, inaccurate inventory counts, improper labeling, time delays, manual processing and incorrect shipments are just some of the challenges that are alleviated with a mobile powered workstation.