

case study



Port Norfolk Commodity Warehouse Increasing Customer Service and Reducing Overhead Costs

The Port Norfolk Commodity Warehouse, Inc. is a full service third-party logistics (3PL) company that offers rail service, warehousing and transportation services including contract and brokerage to an extensive and growing list of domestic and foreign customers.

The Port Norfolk Warehouse provides short-term and long-term storage for import, export, and domestic freight and cargo, and is accessible by water, rail, and roadway. In addition to providing state of the art warehouse management systems and transportation management, it is the mission of warehouse officials to consistently meet or exceed their customers' expectations.

Honeywell

The Situation:

One of the challenges faced by management was simply the size of the site. The warehouses encompass over 350,000 square feet of storage space across multiple buildings, surrounded by more than 18 acres of open freight yards. Because the facility is so massive, theft was a major issue. Management considered installing additional lighting to deter theft, but ultimately decided it would be more cost-effective to invest in additional surveillance cameras with infrared illumination to blanket the site with video coverage 24/7.

Another challenge management needed to overcome was damage inflicted on inventory by employees. The warehouses store a variety of commodities including automotive products, beverages, building supplies, textiles, plastics, and raw materials such as synthetic and natural rubber. Material handlers and forklift operators could damage or destroy thousands of dollars in merchandise if they were careless, and it was nearly impossible for management to pinpoint the cause of damage after the incident occurred.



Honeywell's HCD92534 IR bullet cameras enable Port Norfolk to monitor the handling of goods and services stored in low light conditions.

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The Solution:

Warehouse officials instituted a reduced speed for forklifts, but there was no way to monitor compliance and impose accountability. They called on Atlantic Protective Services to provide a solution. Because the site was lit so poorly at night, a camera with infrared capabilities seemed like a logical choice. Brent Pernell, director of electronic security for Atlantic Protective Services, recommended Honeywell's HCD92534 IR bullet camera. "The HCD92534 had just been introduced when we started the job," he said. "I went out at 10:00 one night to demonstrate the camera and to make sure it would work well in the low

light conditions, and it worked like a champ. Once they saw how clear the image was, the camera really sold itself," Pernell added.

The cameras helped to monitor forklift activity and provided data to hold employees responsible for compliance with safety procedures. And as far as theft goes, merchandise stopped disappearing immediately after the cameras were installed—it seems that just the sight of a camera is a deterrent to thieves.

According to Pernell, it was important that the Honeywell cameras work well with the surveillance equipment already installed at the site. Initially, the project

called for the installation of ten new cameras. As the job went along, more units were added to blanket the entire site with coverage, until ultimately more than 30 cameras were monitoring the warehouses and freight yards.

"Atlantic Protective Services had designed and installed a camera system at my home. I was very happy with the end result and decided to implement the same program at the warehouse as an additional security measure to eliminate theft and damage."

*Jane Mirmelstein, President
Port Norfolk Commodity Warehouse*

The Benefits:

In the freight transportation market, employee theft and product damage are industry-wide problems. The installation of Honeywell cameras completely eliminated theft and reduced the occurrence of damaged goods by almost 99%. Warehouse officials are pleased that they're able to offer their customers better service by making sure merchandise is intact when it leaves the

warehouse for its final destination, and they've also noticed a sharp decrease in labor and material costs due to the reduction in the amount of product they must pay to replace. And in turn, those savings positively affect the warehouse's overhead costs, legal costs, and liability insurance premiums.

In addition, the Port Norfolk Warehouse is a member of the Customs-Trade Partnership Against Terrorism (C-TPAT),

a federal program that helps members of the trade community to work together to enhance the security of the international supply chain and prevent potentially crippling economic disruption. "The use of video surveillance security aligns well with the certification requirements outlined by C-TPAT," said Mirmelstein, "which is extremely attractive to potential clients and customers."



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