Honeywell Intelligrated

IIoT and The Connected Distribution Center

1 RELIABILITY | 2 UTILIZATION | 3 LABOR/PRODUCTIVITY

IIoT/Industry Stat

IIoT will lead to a **25%** reduction in asset maintenance costs and a **35%** reduction in downtime.[1]

30% of c-level execs believe IIoT will **unlock new revenue** from existing products/services.[2]

Industry **growth outpaces the labor** pool by a ratio of **6 to 1.**[3]

Connected Distribution Center

Increase reliability in a 750k sq. ft. DC, operating **5,200 hours.**

The average cost of downtime in a DC is **$10k** per hour. A **40%** reduction in unplanned outages can result in up to **$70k** in annual labor savings.

Improve utilization in a 750k sq. ft. DC, operating **5,200 hours**, processing **200 cases** per minute at **$10 revenue per case.**

A **1%** output increase can result in **$6 million** in annual revenue gains.

Maximize productivity in a DC staffed with **400 employees** across three shifts at a wage of **$15 per hour.**

A **10%** reduction in employee turnover rates offers **$420k** in annual savings.

Here's How:

Trim spare parts by **30%** and reduce inventory by **20%** to save **$140k** annually.

Cut preventive maintenance spend **20–35%** to reclaim **$40k** annually.

Reduce unplanned downtime by **40%** to achieve **$70k** in annual labor savings.

Combined operational improvements deliver **$250k** in annual savings.

Detect when systems are underutilized; **uncover root causes** for inefficiencies.

120 additional cases per hour delivers **$1,200 per hour**, or **$24k per day.**

Continuously monitor all fulfillment activities; **notify operators** when they are not hitting targeted throughput rates.

Labor **activity analysis combined with data model** detects changes in employee performances and behaviors.

Proactively replace at-risk employees to **limit production impacts.**

Supervisors **determine best engagement method** and take the steps needed to **retain key employees.**

1. https://medium.com/@davidericardo/the-internet-of-things-iot-in-the-business-world-and-our-lives-f2c78ea0041a
2. https://www.forbes.com/sites/patrickmoorhead/2013/11/04/arm-holdings-study-internet-of-things-iot-is-closer-than-you-might-think/#46edb0ca5190
3. https://www.datexcorp.com/labor-shortages-in-the-supply-chain-workforce