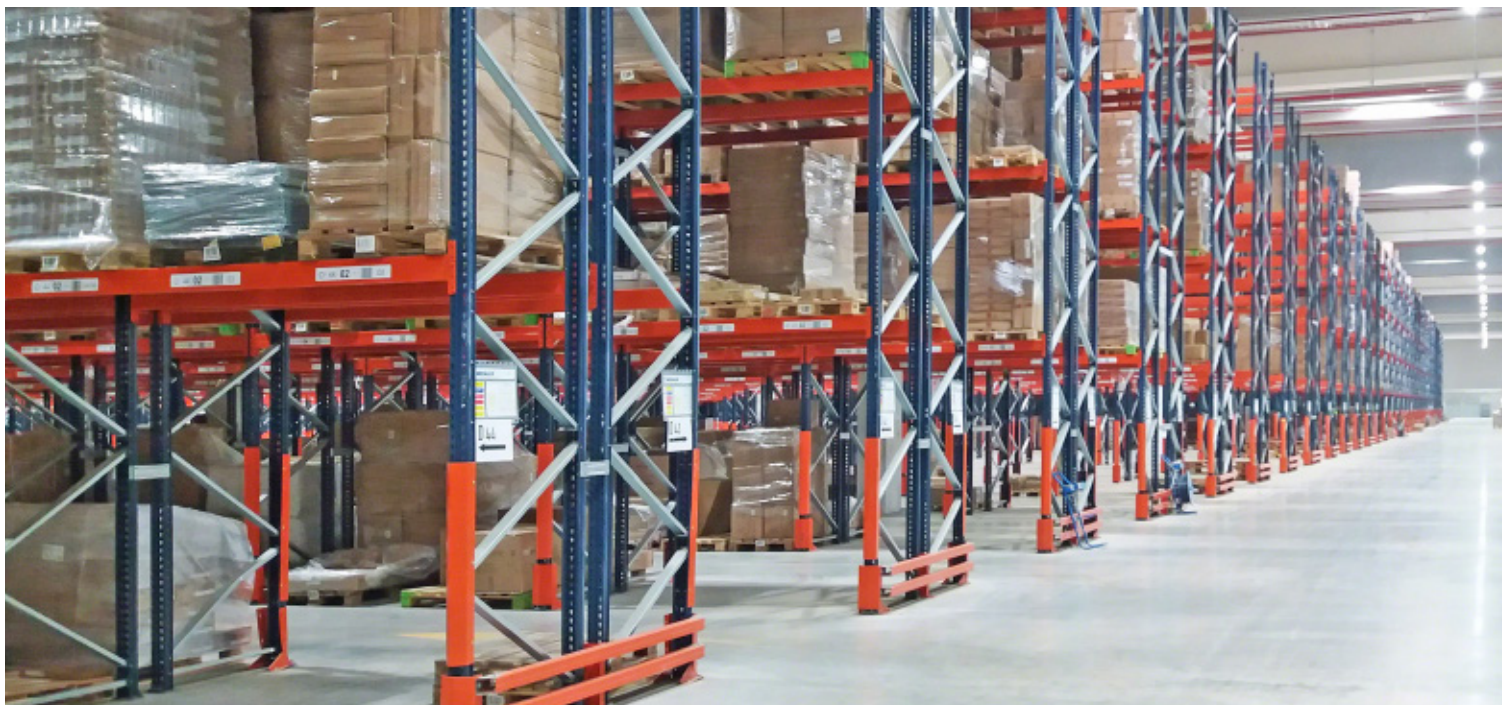


Omnichannel strategy: tripling capacity to store 50,000+ pallets

JYSK, a mattress, furniture, and home goods retailer, has moved to a new, 13.1-acre logistics center in Cheste (Valencia, Spain), increasing its storage capacity threefold. The company has equipped the facility with Mecalux pallet racks, which house 51,149 pallets and enable the preparation and dispatch of 8,500 items a day. This solution was designed taking into account JYSK's omnichannel strategy to facilitate storage as well as the distribution of orders to physical stores in Spain and Portugal and to online customers.

Country: **Spain** | Sector: **component & machinery manufacturers**



BENEFITS

- **Tripled capacity:** JYSK's new logistics center has increased the storage capacity threefold compared to its former warehouse, reaching a total of 51,149 pallets.
- **Omnichannel facility:** the direct access to the goods enables the daily preparation and distribution of up to 8,500 items, which are then distributed to physical JYSK stores in Spain and Portugal and to online customers.
- **Versatile system:** the racks store 3,500 SKUs of different characteristics, sizes, and turnover.



Move to a new logistics center

Founded in 1979, JYSK is a Danish furniture company with over 2,800 stores in 52 countries, including Germany, Finland, Norway, Sweden, the UK, and Thailand. Its staff is made up of 24,000 employees charged with selling furniture for bedrooms, living rooms, bathrooms, and kitchens.

The company arrived in Spain in 2009 and, since then, has steadily grown. It currently has over 70 brick-and-mortar stores throughout the country and aims to increase that figure, offering a wide variety of quality products at an affordable price. To enhance its growth prospects, JYSK has moved to a new, 13.1-acre logistics center in Cheste (Valencia), a strategic location near the seaport. Every day, the facility receives 600 pallets containing goods sent by its suppliers (mainly in Asia, although the number of European suppliers is growing more and more).

With this new building, the company has tripled its storage capacity compared to that of its former warehouse in the town of Ribarroja (Valencia). According to Theodor Mokalis, Operations Manager at JYSK, “we plan to maintain this logistics center for the next 10 years at least because the number of stores in Spain and Portugal is increasing continuously.”

Moreover, this new logistics facility serves a new purpose for the business: to supply its online shoppers. Mokalis says: “The coronavirus pandemic has demonstrated that e-commerce is the way to go. Therefore, we should be prepared to satisfy all the requirements for selling on the internet: large-scale fulfillment of orders — each typically made up of few lines — which have to be delivered in record time, normally under 24 hours.”



“The Mecalux pallet racks fully meet our needs. They’re much more than racks for holding goods — they provide us with more efficient organization and optimal space maximization.”

Theodor Mokalis
Operations Manager, JYSK

Pallet racks

Mokalis says: “When outfitting the logistics center, there was no question: we knew we wanted Mecalux pallet racks. Mecalux has always supported us in our growth, and we’ve used its racks in other warehouses, so we were already familiar with their advantages. And we’re thrilled.”

JYSK was looking for a storage system that “would help us to organize the 3,500 SKUs in stock, facilitate storage and order picking tasks, and leverage the space we have,” says Mokalis.

Based on the characteristics of the products and JYSK’s operations, Mecalux equipped the logistics center with a highly versatile and resistant system: 29.5-foot-tall pallet racks with capacity for 51,149 pallets. This extremely large logistics facility has been divided into different working areas, each allocated to specific types of items. The

operators also work by zone, storing goods or picking orders only in the working area assigned to them.

Mokalis says: “The Mecalux pallet racks fully meet our needs.” JYSK chose this storage system for two reasons, the first being its versatility. The racks are ideal for storing a high number of pallets with many different SKUs because their locations can be adapted to any type of load, with variable weight and volume.

The second reason was direct access. Pallet racks offer access to each unit load, providing great agility when managing goods and preparing orders. They also ensure excellent stock control, as each location is reserved for a single SKU. Every day, the center dispatches around 500 pallets containing many items (between 7,000 and 8,500) that are distributed to stores in Spain (including the Balearic and Canary Islands) and Portugal.

A large part of these orders are also delivered to customers who have purchased items via the company’s website (www.jysk.com).

Order and capacity

For mattress, furniture, and home goods retailer JYSK, business is booming in Spain. With the commissioning of this large logistics center, the company has tripled its storage capacity. Furthermore, by outfitting the facility with a system as versatile and adaptable as Mecalux pallet racks, JYSK can efficiently organize its 3,500 SKUs by size, characteristics, and turnover.

These racks were not chosen by chance but rather for their ease in adapting to all warehouse operations. And this is essential for JYSK’s omnichannel strategy. With a view to boosting the company’s online sales channel, the new logistics center is ready to dispatch up to 8,500 items a day thanks to the effective organization of the goods on the racks.