

# Goya Foods



## Goya Foods

### Challenge:

Handle growing demand for fast, next-day delivery from a 2,700 SKU inventory

### Solution:

Custom-spec Yale lift trucks capable of servicing bespoke, high-density racking system

### Impact:

Streamlined workflow enables Jersey City facility to move 60,000-90,000 cases per night, with reduced product touches

## Customer

Founded in 1936, Goya Foods is now the largest Hispanic-owned food company in the United States, with over \$1 billion in annual sales. The company began a 10-year strategic plan in 2005, investing \$500 million in expansion to reach new customers and strengthen the Goya brand worldwide. Optimizing its distribution network was a critical piece of this initiative.

“We deliver straight to our customers’ stores, which range from big box retailers to neighborhood bodegas,” says Peter Unanue, Executive Vice President for Goya and a descendent of the company’s original founders. “When our sales staff visit stores, they place orders on their handheld, and we process them overnight for next-day delivery.”

Goya faced growing demand for its massive catalog of over 2,700 SKUs, but the nature of those orders proved challenging, too. With fast, overnight turnaround expected from receipt of an order to shipping, the company needed to reevaluate its approach to warehousing, including facility size, storage configuration, workflow and equipment.

Goya Foods has been a long-time customer of Barclay Brand Ferdon, an independent Yale<sup>®</sup> lift truck dealer. Their relationship dates back to the late 1980s when Barclay began working with Goya to supply lift trucks and parts for Goya’s in-house maintenance operations.



## Challenge

In an effort to accommodate decades worth of previous and anticipated growth, Goya Foods built a 643,000-square-foot facility in Jersey City, New Jersey that would serve as a model for the rest of its distribution network and consolidate the operations of two distribution facilities into one.

“We were bursting at the seams in our old facility and actually had to rent additional space for the products we couldn’t fit in the building,” says Unanue. “As a private company, we can invest for the future, and we designed this new building to sustain 20 or more years of growth.”

The new facility offers significantly more capacity due to more square footage and custom racking that takes advantage of 42-foot-high ceilings – nearly double the height of previous facilities. This racking offers a true high-density configuration, enabling pallet storage to grow from five pallets to as high as nine in certain areas.



The competitive bid process to source lift trucks started with the very narrow aisle models designed to service those high storage locations. Yale competed in a crowded field of that included offerings from companies like Crown, Raymond and Bendi. Unanue and John Quinones, Director of Operations, even put themselves in their operators’ shoes and tested the trucks firsthand, navigating at full height to assess maneuverability and ergonomics.

The **Yale very narrow aisle truck** won the business, emerging as the choice for both Unanue and Quinones. A major selling point was the tri-form mast, which offered industry leading support at all lift heights – including the maximum height of 55 feet – and visibility through the sides and center.

But the journey to the right lift truck solution had only just begun. Goya’s custom racking provided the high-density storage the business needed, but it posed challenges to sit-down counterbalanced lift trucks and reach truck models.

**1. Low clearance of the drive-in racking** did not accommodate the overhead guard of a standard sit-down truck, preventing it from entering the six-pallet-deep racking to complete the putaway process.

**2. Reach truck outriggers kept contacting the base of the racking**, preventing reach trucks from getting into optimal position to remove or deposit pallet loads.



## Solution

Modifying the racking would have been prohibitively expensive, so Jerry Russo, Goya's long-time account manager for Barclay, worked closely with Quinones to develop the right lift truck modifications. The pair spent several weeks at the new facility and traveled to other Goya locations to evaluate both the physical challenges and workflow considerations to determine the specifications.

Their first concern was addressing the drive-in racking's low clearance. If sit-down trucks cannot enter, operators must leave pallets in a staging area and another operator with a different type of truck must come to put away the pallet. This adds an additional, inefficient touchpoint that slows down cycle times.

"One of our most important goals in developing the Goya-spec truck was to reduce the amount of extra touches required to move inventory," says Quinones. "We wanted a single truck capable of completing the whole cycle, from receiving to putaway, to eliminate that extra step."

Ultimately, the pair created the Goya-spec lift truck – a **Yale<sup>®</sup> ERC050VG electric counterbalanced model**, customized to remove the fender over the front wheels, add larger tires and use a custom overhead guard. The guard design features a curvature and camber on the sides that allow the truck to fit through the drive-in racks, while maintaining the necessary operator protection – producing a single lift truck with end-to-end capability.

Yale also modified reach trucks to address the challenge of outriggers hitting the base of the rack. This issue prevented operators from moving close to target storage locations, threatening their ability to reach into double-deep storage depths. So Yale started by extending the reach, with adjustments to cylinders and reach mechanisms, and then added laser positioning and a camera system to help operators more precisely position loads at great heights.



### Key lift truck features and modifications

#### Yale very narrow aisle truck:

- Tri-form mast secure support at all heights and visibility through sides and center

#### Goya-spec Yale<sup>®</sup> ERC050VG sit down, counterbalance truck:

- Custom overhead guard with camber on sides
- Removal of fender over front wheels
- Larger tires

#### Yale reach truck:

- Modified cylinders and reach mechanism (extend reach)
- Laser positioning and camera system

## Impact

The Yale lift trucks with custom modifications enabled Goya to translate the potential of its new facility into reality. Taking advantage of the entire cubic volume of the larger space and reducing touches from receiving to putaway allows the facility to move more cases – 60,000 to 90,000 per night – more efficiently than ever.

According to Unanue, using the double-deep rack improved the operation's overall workflow, boosted productivity and even helped promote a safer work environment. "We were able to take lift trucks out of the high traffic areas and create a safer work environment because we now pick from the front but replenish from the back of the rack."

With those results, the Goya spec truck and Jersey City warehouse layout became the new standard across the company's distribution network. Quinones credits the strength of the dealer-customer relationship as a critical piece to the success of the new warehouse.

"Whenever we had a new challenge, I could always work through it and find a solution with Barclay," says Quinones. "They spent months studying how we utilize the trucks and our storage infrastructure, which laid the foundation for all of our efforts. This relationship is successful because we understand each other's needs."

