# INCREASING THE EFFICIENCY OF AUTOMATED STORAGE AND RETRIEVAL SYSTEM USED IN A LOGISTICS COMPANY 

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#### Abstract

An automated storage and retrieval system (AS/RS) is for automatically placing and retrieving loads from defined storage locations. In this study, a mathematical model is proposed to increase the efficiency of the AS/RS used in the warehouse area of a logistics company. The aim is to minimize the time spent for which the pallets have been taken by the AS/RS from buffers then delivered to the storage locations they were assigned. By using the developed mathematical model, a dynamic decision support system is established, and the code is written in the GAMS software package.


## 1. Introduction

Efficient storage and retrieval of components, tools, raw materials and subassemblies are required in modern manufacturing systems like automated factories, distribution centers, warehousing, and non-manufacturing environments [17]. Economic factors such as high initial investment, inflexible layout and fixed storage capacity, force us to carefully evaluate the system structure (e.g. the layout and dimensions of the racks, $S / R$ mechanism) and operational policies (e.g. allocation of storage cells and scheduling of the tasks) [10].

In light of similar studies for the solution to this problem, we first examine the most commonly recognized problems in optimization such as Assignment, Transportation, Vehicle Routing and Travelling Salesman problems. One of the most important and successful applications of quantitative analysis to solving business problems has been in the physical distribution of products, commonly referred to as transportation problems. Basically, the purpose is to minimize the cost of shipping goods from one location to another so that the needs of each arrival area are met and every shipping location operates within its capacity [15]. In our problem, the AS/RS has a similar objective that minimizes the time spent needed for a movement from one position to another.

In the assignment problem, the best assignment of a set of persons to a set of jobs is examined [12]. In general, the assignment problem is the problem of assigning $n$ different relativistic elements to $n$ different jobs. The cost of making the $i$ th person $j$ th job is $c_{i j}$. In this case, the problem can be defined as having a set to minimize the objective function. The simplex method and the Hungarian method are used to solve the assignment problems(see e.g. [2, 4, 5, 9, 12]). The Hungarian method is a simple and easy to understand and highly effective solution method developed in [12]. Assignment problems are the special case of transportation problems where

[^0]the row and column numbers are equal and the values on the right side are 1 . If we consider assignment problems as a transportation problem, then the problem can be solved by using the " Transportation Technique" that is a version of the simplex method. In our problem, the products are assigned to suitable warehouses with defining the sequence of the buffer of the AS/RS.

The traveling salesman problem (TSP) is aimed to find the shortest possible route that visits every city in a set. The route starts at and endsto the starting point. Many exact solution algorithms are proposed for TSP, e.g. the branch-and-bound method. Additionally, heuristic and metaheuristic algorithms are developed (see e.g. $[1,6,7,11,13,14]$ ). The vehicle routing problem (VRP) is a generalization TSP. A route is designed that every point is visited once and the total demand of all points on a given route cannot exceed the allocated vehicle capacity. The objectives may be to minimize the number of vehicles to be used and minimize the total distance or total time, and to minimize the cost function. Heuristic methods are preferred for solving these problems (see e.g. $[3,8,15,16,18]$ ).

In our problem, the AS/RS has a bounded capacity and the number of each product is considered as demands. The aim is to find the best routes that give the minimum time.

In the current system of the firm, the AS/RS takes the unnecessary path. Our aim is to minimize the time spent of the AS/RS with determining an order in which products in the buffer is taken to the channels they are assigned to. In this paper, we develope a mathematical model to obtain the best routes. The computational results show the improvement between our solution and the current solution.

The rest of the paper is organized as follows: Section 2 presents the problem definition and its mathematical model. We define the problem, give the proposed mathematical model, and explain how the parameters $A$ and $D$ matrixes are generated. We discuss the results obtained from the mathematical model of the problem and draw some conclusions in Section 3 and 4, respectively.

## 2. Problem Definition and Mathematical Model

We first give the definition of the problem and then explain the developed model for the related AS/RS problem.
2.1. Problem definition. In the current situation of the $A S / R S$, the decision is made at the beginning of the day in which order to leave the products by the AS/RS from the output buffers. The current situation in the firm, the products are transported to the shuttle in the channels, the routes are defined by roughly. The problem is to define the route of the AS/RS by minimizing the waste of time. Our aim is to specify in which order pallets assigned to channels is received from buffers and delivered to the channels by the AS/RS.

In the system, the products are transported by the AS/RS to the channels in the order shown in Fig. 1. In this case, the route taken by AS/RS is $2400 \mathrm{~cm}(720+$ $120+1440+120)$. However, if the products are to be transported in the opposite order by ASRS as shown in Fig. 2, the route taken by AS/RS is $1800 \mathrm{~cm}(720+$ $120+840+120)$. This means that the difference between the two choices is 600 cm.


Figure 1. An example of current the AS/RS.


Figure 2. An example of improved the AS/RS.
2.2. The mathematical model. The time that the AS/RS spends at the vertical axis is negligible since the channels to which the products are assigned are fixed, the AS/RS has to take that route under all conditions. For this reason, the time spent on the vertical axis is not considered. The time that AS/RS spends at the horizontal axis is a key factor.

The assumptions are listed as follows:
Assumption 2.1. We treat the channel capacity as unlimited in our work. Because when the duct is fed from one side, it is discharged from the other side for shipment. Transfer shuttles located in the system regularly carry the pallets on the side where the channel is fed to the empty areas on the shipment side. So it is not encountered with the problem that indicates the entire channels are full.

Assumption 2.2. Since shuttles are much faster than the AS/RS, we have the assumption that shuttles are always ready.
Assumption 2.3. The initial position of the AS/RS is assumed to be in front of the channel in the 23rd column. (K2301)

The sets, parameters and decision variables of the mathematical model are as follows.

Sets:
$u=\operatorname{Product}(\overline{1,14})$
$b=\operatorname{Buffer}(\overline{1,8})$
$k=$ Channels $(\overline{1,23})$
$s=$ The sequence in the buffer $(\overline{1,15})$
$i=$ The arrival sequence of the AS/RS to buffer $(\overline{1,68})$

## Parameters:

$t_{b k}=$ Duration of the transport from $b$ th buffer to $k$ th channels
$D_{b s}=$ Position number of the product in $b$ th buffer and $s$ th sequence
$A_{u k}= \begin{cases}1 & \text { if } u \text { th product is assigned to } k \text { th channels }, \\ 0 & \text { otherwise }\end{cases}$

## Decision variables:

$X_{u b s i}= \begin{cases}1 & \text { if } u \text { th product product is taken from } b \text { th buffer } s \text { th sequence when } i \text { th arrival }, \\ 0 & \text { otherwise } .\end{cases}$
$Y_{k b i}= \begin{cases}1 & \text { if ASRS comes from } k \text { th channels to } b \text { th buffer } i \text { th times }, \\ 0 & \text { otherwise } .\end{cases}$
$F_{b i}= \begin{cases}1 & \text { if ASRS comes to } b \text { th buffer at } i \text { th times }, \\ 0 & \text { otherwise } .\end{cases}$
$P_{b s}=\quad i$ th of the product received in $b$ th buffer $s$ th sequence (integer variable)

Mathematical model:

$$
\begin{equation*}
\min \sum_{u} \sum_{b} \sum_{k} \sum_{s} \sum_{i} t_{b k} A_{u k} X_{u b s i}+\sum_{i} \sum_{k} \sum_{b} t_{b k} Y_{k b i} \tag{2.1}
\end{equation*}
$$

subject to

$$
\begin{align*}
& \sum_{i} X_{u b s i}=1 \quad \forall u, i, b, s \quad \text { if } \quad \frac{D_{b s}}{u}=1  \tag{2.2}\\
& \sum_{i} X_{u b s i}=0 \quad \forall u, i, b, s \quad \text { if } \quad \frac{D_{b s}}{u} \neq 1 \tag{2.3}
\end{align*}
$$

$$
\begin{gather*}
\sum_{u} \sum_{b} \sum_{s} X_{u b s i} \leq 2 \quad \forall i  \tag{2.4}\\
\sum_{u} \sum_{s} X_{u b s i} \geq F_{b i} \quad \forall b, i  \tag{2.5}\\
\sum_{u} \sum_{s} X_{u b s i} \leq 2 F_{b i} \quad \forall b, i  \tag{2.6}\\
\sum_{b} F_{b i}=1 \quad \forall i  \tag{2.7}\\
\sum_{i} X_{u b s i} i=P_{b s} \quad \forall u, b, i \quad \text { if } \quad \frac{D_{b s}}{u}=1  \tag{2.8}\\
P_{b s} \leq P_{b(s+1)} \quad \forall b, s \quad(s \neq 15)  \tag{2.9}\\
\sum_{u} X_{u b s i}+X_{u b(s+1) i} \leq 2 \quad \forall b, i, s(s \neq 15) \quad \text { if } D_{b(s+1)}=D_{b s}  \tag{2.10}\\
\sum_{u} X_{u b s i}+X_{u b(s+1) i} \leq 1 \quad \forall b, i, s(s \neq 15) \quad \text { if } D_{b(s+1)} \neq D_{b s}  \tag{2.11}\\
\frac{1}{2} \sum_{u} \sum_{s} X_{u b s i} \leq \sum_{k} Y_{k b i} \quad \forall b, i  \tag{2.12}\\
\sum_{u} \sum_{s} X_{u b s i} \geq \sum_{k} Y_{k b i} \quad \forall b, i \tag{2.13}
\end{gather*}
$$

(2.1) is to minimize the time spent on the AS/RS. (2.2) and (2.3) indicates that if the product $u$ place in $b$. buffer and $s$. sequence, the product must be taken any i. arrival of the AS/RS. (2.4) is that the AS/RS has 2 transport capacities in one pass. That is, a maximum of two products can be carried in one i. (2.5), (2.6) and (2.7) show that products in different buffers cannot be moved at the same $i$. (2.8) and (2.9) means that the products are not removed from the back without taking the front product. (2.10) and (2.11) indicate that if there are two products with the same code one after the other, carry the products together. (2.12) and (2.13) show that the AS/RS must go the next product' s buffer from the previous product ' s warehouse.
2.3. Generating the parameters. Each product is assigned to a channel that has a specific code such as K0303, K1603, etc. These first two numbers of these codes show the number of the warehouse channel. Using this information, we create the matrix $A(u, k)$ formed with 0 and 1 . In addition, to describe the order in which the products are located in the buffer, we create the matrix $D(b, s)$. In order to create this matrix automatically, a code was written in the base of the Excel VBA. As shown in Fig. 3 and 4, when pressing the "Run" icon, the program automatically generates the matrix $A(u, k)$ and $D(b, s)$, respectively.

| Product <br> Codes | Channels to which <br> they are assigned |
| :---: | :---: |
| 11 | K0303 |
| 18 | K1603 |
| 19 | K1503 |
| 56 | K0502 |
| 83 | K0603 |
| 144 | K1903 |
| 170 | K2001 |
| 183 | K1102 |
| 189 | K1804 |
| 242 | K1202 |
| 322 | K0402 |
| 327 | K1002 |
| 333 | K0801 |
| 355 | K1801 |
| 374 | K1002 |
| 380 | K1203 |
| 392 | K07701 |
| 393 | K0401 |
| 397 | K2202 |
| 425 | K1901 |
| 428 | K0704 |
| 440 | K2103 |
| 446 | K1304 |
| 518 | K0403 |
| 547 | K1402 |
| 606 | K1701 |


| Product | Channels to which |
| :--- | :--- |



Figure 3. Using Excel Macro for Automatic Creation of $A$ Matrix.


| $D(b, s)$ matrix |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| b/s | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 1 | 24 | 24 | 15 | 17 | 17 | 17 | 17 | 17 | 17 | 11 | 9 | 9 | 9 | 9 | 9 |
| 2 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 5 | 5 | 5 | 5 |
| 3 | 9 | 9 | 9 | 22 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| 4 | 2 | 2 | 8 | 8 | 8 | 22 | 22 | 22 | 24 | 24 | 12 | 12 | 12 | 12 | 12 |
| 5 | 23 | 23 | 23 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 | 26 |
| 6 | 4 | 4 | 19 | 21 | 21 | 21 | 21 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 7 | 13 | 13 | 6 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 25 | 10 | 16 | 16 | 18 |
| 8 | 16 | 16 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 3 |

Figure 4. Using Excel Macro for Automatic Creation of $D$ Matrix.

## 3. Computational Results

The company that we co-operate within this study, aims to be as flexible as possible against possible situations such as lagging trucks carrying products, or failure of any machine used in the system. For this reason, the AS/RS's product transport orders can be carried out via 1-hour data which corresponds to an average of 15 products assigned to a buffer.

The mathematical model is coded in the GAMS program. Table 1 shows the order in which the products are taken from the buffers and transferred to the channels in the current situation in the system and the time spent in this transportation is as in Table 1. In the current state, the time to move for all products for 1 hour corresponds to 3347.5290938 seconds.

Table 1: Current State of the AS/RS system (Initial position of AS/RS: K2301)



Table 2 shows the result of the model. The time spent was reduced to 3031.15048 seconds.

Table 2: Solution of the mathematical model of the AS/RS system

| i | product buffer | channelfrom <br> channel <br> to buffer <br> (seconds) | From <br> buffer <br> channel <br> (seconds) | total <br> (seconds) |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  | 24.37143 | 41.90572 |


| i | product buffer | channelfrom <br> channel <br> to buffer | From <br> buffer <br> channel <br> to | Total <br> (seconds) |  |  |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  | (seconds) <br> to which <br> they are |  |
|  |  |  |  |  | assigned <br> (seconds) |  |
| 40 | 606 | 5 | 17 | 4.052 | 13.19657 | 17.24857 |
| 41 | 547 | 7 | 14 | 0.1428 | 17.39143 | 17.53423 |
| 42 | 606 | 5 | 17 | 4.052 | 13.19657 | 17.24857 |
| 43 | 242 | 7 | 12 | 0.14286 | 25.56286 | 25.70572 |
| 44 | 392 | 1 | 7 | 4.68 | 15.74857 | 20.42857 |
| 45 | 322 | 1 | 4 | 15.74857 | 28.00500 | 43.75357 |
| 46 | 606 | 5 | 17 | 44.90914 | 13.19657 | 58.10571 |
| 47 | 380 | 7 | 12 | 0.1428 | 25.56286 | 25.70566 |
| 48 | 425 | 2 | 19 | 0.5554 | 34.14686 | 34.70226 |
| 49 | 393 | 7 | 4 | 8.02857 | 58.24000 | 66.26857 |
| 50 | 189 | 1 | 18 | 28.00571 | 34.18571 | 62.19142 |
| 51 | 170 | 3 | 20 | 25.64314 | 33.81457 | 59.45771 |
| 52 | 518 | 4 | 4 | 29.6777 | 40.68514 | 70.36284 |
| 53 | 327 | 4 | 15 | 40.68514 | 4.25771 | 44.94285 |
| 54 | 327 | 4 | 15 | 4.25771 | 4.25771 | 8.51542 |
| 55 | 327 | 4 | 15 | 4.25771 | 4.25771 | 8.51542 |
| 56 | 170 | 3 | 20 | 8.394571 | 33.81457 | 42.209141 |
| 57 | 170 | 3 | 20 | 33.814 | 33.81457 | 67.62857 |
| 58 | 170 | 3 | 20 | 33.81400 | 33.81457 | 67.62857 |
| 59 | 425 | 2 | 19 | 38.23257 | 34.14686 | 72.37943 |
| 60 | 83 | 2 | 6 | 34.14686 | 23.95886 | 58.10572 |
| 61 | 83 | 2 | 6 | 23.95886 | 23.95886 | 47.91772 |
| 62 | 189 | 1 | 18 | 19.834 | 34.18571 | 54.01971 |
| 63 | 11 | 6 | 3 | 8.17143 | 58.10571 | 66.27714 |
| 64 | 189 | 1 | 18 | 32.09143 | 34.18571 | 66.27714 |
| 65 | 11 | 6 | 3 | 8.17143 | 58.10571 | 66.27714 |
| 66 | 11 | 6 | 3 | 58.10571 | 58.10571 | 116.21142 |
| 67 | 11 | 6 | 3 | 58.10571 | 58.10571 | 116.21142 |
| 68 | 11 | 6 | 3 | 58.10571 | 58.10571 | 116.21142 |
|  |  |  |  |  | total=$=$ | $\mathbf{3 0 3 1 . 1 5 0 4 8}$ |
|  |  |  |  |  |  |  |

The time is reduced from 3347.5290938 seconds to 3031.15048 seconds. For only 1 hour a profit of 316.3786138 seconds ( 5.2729 minutes) is obtained.

According to the system used in the current state in the company, the order in which AS/RS takes the products and puts them on their channels is based on the experience and in this case, many unnecessary movements are observed in the system. After running the Gams program using the mathematical model we have established, the optimum values are reached, the time profits obtained when we compare the current system assignments with the optimum values are as in Table
3. By virtue of the model that is clearly seen in the Table 3, an efficiency increase of $17.58 \%$ is achieved.

## Table 3. Profit Table

| Time Frame | Profit |
| :--- | :--- |
| 1 hour | 10.55 minutes |
| 1 day | 4.218 hours |
| 1 month (30 days) | 5.27 days |
| 1 year | 2.109 months |

## 4. CONCLUSION

In this study, the time spent of the AS/RS used in the logistics sector is aimed to be minimized. For this purpose, we propose a mathematical model. In addition, we use Excel Macro for the automatic creation of the parameters $A$ and $D$ matrices. We solved the problem for the proposed mathematical model. In the current system, 3347.5290938 seconds is needed to move all products within an hour. The solution of the proposed mathematical model gives 3031.15048 seconds. The time waste is reduced by $17.58 \%$. This means that 2.109 months is gained within a year.

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