



Mallory Alexander International Logistics ensures security for their complex, high-volume distribution center with Milestone IP video surveillance.

“Everything that comes through our facility isn’t just a box, a roll or a pallet – it’s someone’s dollar. It’s their business and livelihood. We have to make sure the inventory is accurate, that it’s here and it’s being taken care of.”

– Elesya Hayden, Operations Manager, Mallory Distribution Center



The Challenge

This busy global logistics company has to ensure that products are stored and moved safely, with no pilferage or theft. Their Container Freight Station also has special demands from inspecting customs officials who require – along with the customers - a high standard of security.

The Solution

Milestone XProtect IP video surveillance software is the operating system for a hybrid solution using five Axis 2400 video servers and an Axis 241Q to convert analog images from Pelco Spectra III PTZ cameras. They are also using JVC IK-645A stationary cameras.

The Advantages

Mallory Alexander has a top performing networked surveillance solution that ensures a safe environment for the high-volume movement of goods through their huge distribution center. Managers can keep on top of the business, also remotely any time of day or night. Theft and pilferage are controlled while shipping and receiving issues can also be resolved.

As you walk off a plane into this Tennessee airport, you see a big banner across the corridor that proudly proclaims: “Memphis: America’s Distribution Center.”

Mallory Alexander International Logistics is a major contributor to this reputation, providing public and contract warehousing, freight forwarding, custom brokerage, import/export services, inter-modal trucking and transportation, logistics services, and consulting. They are a fourth-generation company with more than 500 employees and global operations.



The Mallory Distribution Center’s customers include Pfizer, Nissan and Boise Cascade; International Paper in bulk fills one area of the warehouse with big rolls for legal pads and other consumer products. Bundles of film will become packaging for candy bars or Lay’s potato chips. Accubite dental supplies are packed into kits. Forklifts hustle supplies for hotel rooms in Ramada and Holiday Inns.

1-800-FLOWERS has a refrigerated warehouse-within-the-warehouse at the Mallory Distribution Center where their employees make bouquets and special gift packages using imported plants and Lenox vases: this is their mid-U.S. logistics point for next-day deliveries.



New regulations for safety

“Mr. Mallory wanted to improve safety and security. We have special considerations beyond the enormous size of the site,” states Douglas Durden, Manager of Safety, Security & Asset Retention at Mallory Alexander International Logistics. “For example, the reception area of the Mallory Distribution Center has a lot of people going and coming, with many different sources supplying our customers. There’s a restricted container freight station area for authorized personnel only, to handle foreign imports and exports. We’ve got to keep track of all that, along with regulations for safety and our company security program.”

There’s a guard shack at the entrance to the grounds, manned during the day to check trucks driving in and out, with a radio for directing which docks should be used. An infrared detector is mounted at the gate so when someone drives up to the guard house at night, it triggers the cameras to start recording. PTZ cameras are set outside of the facility, monitoring the parking lot, the receiving and shipping bays, the trash disposal area and the railroad container bays running along the back of the building.

“My job is to ensure that products are stored and moved safely, that pilferage and theft don’t occur. So security practices and procedures have to be in order. I believe in empowering the staff to be accountable in their work place. The security should complement the workplace and make employees own the facility. You’ve got to make your people smart and share the security vision with them, communicating and working together as a team. We’ve got good support from management who invested in doing it the right way,” states Durden.



The center has a combination of both preventive loss issues and security for 62 docks. They have to cover 400,000 square feet, and the Container Freight Station is 40 x 30 feet with a sealed door and skylights so no one can gain access illegally.

Protecting all the assets

“We have some accounts that are very high value, big-dollar customers whom we deal with across the country. They want to know that their products and shipments are secure in this facility,” confirms Durden. “A lot of companies are starting to pay more attention to use of surveillance on the docks so if something is damaged or quantities are in question, you’ve got the evidence to resolve the issue fairly. When people come to our facility, they can see it’s a serious work environment where both products and people are safe.”



The Mallory Distribution Center is gigantic – seven football fields could fit inside it! Located at the end of an industrial zone, it can feel isolated at night. The surveillance system provides monitoring round the clock and remote access anytime, anyplace.

“Even though the lighting in the parking lot is good, it’s very dark out here and we don’t want anyone to feel unsafe,” says Durden. “Our security program also includes emergency evacuation procedures – we’re in tornado country here. We have proper fire extinguishers, lighting, gates, special locked doors, and visitor vests to signal people being escorted around.”

“That’s for a safety factor. We want everyone to know when there is someone other than an employee in the facility.” adds Elesya Hayden, Operations Manager at the Mallory Distribution Center. “I request Mr. Mallory to wear a vest, too. He says that his father and grandfather could just come in the back door and walk around, but I stand fast and he respects that.”

Meeting customer demands

Elesa Hayden worked for 15 years in hub operations at Federal Express. She comments: “When I first came to Mallory Alexander last year, I wondered how exciting warehousing could be, but quickly discovered that it changes every day. We have specialized customers with different needs and expectations. Those who have come in to visit us since the surveillance installation are very impressed with the security and controlled access.”





New accounts are coming in all the time with more demands. Godiva chocolates will need a room retrofitted that has to be temperature and humidity controlled. Pfizer Pharmaceutical has very strict Good Manufacturing Practices (GMPs) that require control over the environment and the highest hygiene standards. When Nissan came with a 60,000 unit project, Mallory Distribution Center set up a separate area, and were able to easily move cameras around to cover it, thanks to the network setup.

The Mallory Distribution Center handles everything you would ever see in a hotel room: the pencils and notepads, laundry and trash bags, soaps and shampoo, etc. They store genetically treated cottonseed. There are plastics used in injection molding in the automotive industry for Exxon Mobil. Another customer has expensive perfume, lotions and creams shipping to all Walmart, K-mart and Target stores.

Walmart is mandating that all their vendors move to using RFID (Radio Frequency Identification) for tracking goods by the year 2006, which will further drive industry to use digital technology. Mallory Alexander will be able to integrate their surveillance with such data on the goods for digital tracking, because the Milestone software is designed with open architecture and APIs, or Application Program Interfaces.

Quality Assurance for 1-800-FLOWERS

Hayden goes on: "We're the largest fulfillment center for 1-800-FLOWERS outside New York. Anytime someone orders after 2 p.m. it's coming out of this facility. We've got a tremendous partnership with FedEx that gets it shipped by 11 p.m. as opposed to the earlier cut-offs on the East Coast. When you're delivering flowers, you're changing someone's day."



The Mallory Distribution Center knows exactly when the truck left Miami with the flowers, the travel time to get here, when a KLM plane has landed with tulips from Holland into Memphis, what time they are unloaded to store in the cooler. 1-800-FLOWERS has a 7-day freshness guarantee: if on the 6th or 7th day your roses start wilting you can get your money back. With the Milestone surveillance, there is proof of Mallory's quality control in this process.

"We can't be everywhere so we need the other sets of eyes that the surveillance provides. This frees up the managers to do more high-level planning for production and staffing," explains Hayden.

Keeping track of personnel

During the seasonal fluctuations like Valentine's Day and Mother's Day, the staff numbers for 1-800-FLOWERS go from 6 to 398 employees in one week. This requires strict control of access to the building. All temporary personnel agencies are required to have on-site supervisors and ensure that their people carry identification.

"The cameras give us visibility all the way around the facility, starting at the front gate where license plates can be seen in the surveillance images. Designated employees have access cards to enter the building, which I can cancel when there's a termination," explains Hayden. "When I come to work I know there are measures for safety, and that I don't have to worry."

Saving money on supplier and employee issues

"Bad security can actually precipitate problems. The surveillance works both as a preventive measure and as a management tool to resolve any incidents when they do occur," says Hayden.

The Milestone surveillance came in very handy when the Burlington Northern Railroad said they came to pick up some container cars at 9:52 and claimed they weren't ready.

"They wanted to charge us \$175 per car. So I pulled up the information in Milestone that morning and could tell them they didn't come through till 11:55. The Train Master agreed and the dispute was quickly resolved," recalls Hayden. "We had an incident a few weeks ago with someone claiming their company car got hit in the parking lot by a delivery truck and I pulled everything up in the software and saw that nothing had happened. We could also cross-check that with the timed images from the truck's arrival and departure, which didn't match."

Flexibility and remote access anytime

"When we first looked at putting the system in for our distribution center, we wanted the flexibility to do exactly what we needed. We didn't want a supplier pushing a system on us that only fit their hardware line. As the Security Manager of the company, I knew what I was tasked to accomplish so I brought together all the people from each relevant area for input on their needs: the IT people, the center



Manager and Operations Manager of the center, and other areas. We figured out how long we wanted the memory to last, the need for web accessibility and other criteria," recalls Durden.

"We took bids from several companies but chose Incom Interactive Surveillance, who has a great combination of IT and security expertise," continues Durden. "They understood our vision and that we need a future-safe solution with the flexibility to change over time."

Incom recommended Milestone software that supports a mix of hardware from the leading manufacturers, and installed the new surveillance system in April 2004. They remotely administer maintenance of the servers from their headquarters in Atlanta, Georgia.

"The Mallory Distribution Center has cameras mounted outside the warehouse patrolling the parking lots and on the guard shack at the gate, in the rear covering the railroad and railcar doors, inside the reception lobby, the flower areas, and monitoring all the loading doors. The system operates on a Dell PC running Microsoft Windows and Milestone XProtect surveillance software. The Mallory Distribution Center is capable of keeping months of video storage," explains Kevin Pouliot, VP Technology at Incom Interactive Surveillance.

With the railroad service running at late hours and the flower operation on night-time operation, the remote access capabilities of the Milestone IP video surveillance are a real benefit for Mallory management, too. Recordings are accessible via the built-in Web interface and a secure logon.



"The advantage with the IP surveillance is that I always know what's going on. I can access it remotely from home if there are second-shift issues to resolve. Management and the Security Manager can also use remote access to monitor the business from headquarters," says Hayden. "If I see something that looks suspicious, I can follow it on camera. At night I can see exactly what time shipments are going out, and how they are proceeding. The pictures are very clear. When someone's coming through the gate, I can see if they are loading or unloading in a timely manner. I really like the system because it keeps my operation running more efficiently."

CRIME STOPPERS

Mallory Alexander International Logistics is recognized nationally as the only company in the industry with a Crime Stoppers label. There are Mallory customers' pallets that carry the orange Crime Stoppers stickers with this number to call in anonymous tips on stolen cargo: (901) 528-CASH (2274) and qualify to get cash rewards. Mallory is also a member of the National Cargo Security Council (now called "International Cargo Security Council") and Mid-South Cargo Security Council.



For more information see www.mallorygroup.com, www.incom.com, and www.milestonesys.com.

