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**A STUDY ON WAREHOUSE
CAPACITY UTILISATION AND
OPERATION — EX GUINNESS
MALAYSIA BERHAD**

*with relations to the Bonded Store
and Empty Bottle Store.*

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ABSTRACT

The purpose of this study is in partial fulfilment of the Advanced Diploma in Business Administration (Transport) Course of The Mara Institute of Technology, Shahalam, Selangor.

Physical Distribution Management, being the main subject connected to the exercise, plays a direct role in the choice of the place of study. Guinness Malaysia Berhad was chosen as there exists in this organization, a comparably large distribution network which inevitably needs the services of warehouses. Therefore with this in mind, the Bonded Store, which stores finished goods, and the Empty Bottles Store, where it acts as a receiving centre for the return of empty bottles and crates were chosen as the subject of study.

The study was conducted to look into the space intensity and usage of these warehouses together with the systems of stacking used and the condition of the warehouses themselves. From these, contributory factors to the warehousing problems are to be found and last but not least to give remedial recommendations to the existing problems. Therefore the main objectives of the study are :

1. To look into the conditions of the Bonded Store and Empty Bottles Store where space and capacity utilisation is concerned.
2. To find out the discrepancies that may exist in the present system of warehousing and the contributory factors to the problems.

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I keep six honest serving-men
(They taught me all I knew)
Their names are What and Why and
When and How and Where and Who

. Rudyard Kipling

THE GUINNESS ORGANISATION

1.1 The History of Guinness

St James Gate, Ireland - 1739

This was where it all started. The first Arthur Guinness, whose signature still appears on every Guinness Stout bottle today, acquired a piece of property on the banks of River Liffey. The first Guinness Brewery was started on this site of 4½ acres with a 9000 year lease. From these modest beginnings grew the largest brewery of all time and one of the largest brewery of any kind in the world. Times were bad for Dublin brewers then due to the import of a superior quality stout from London, thus capturing the market. Therefore a stout of higher quality has to be brewed and from this decision made by Arthur Guinness, grew Guinness's phenomenal success. By 1900, the Dublin Brewery brewed about 770,000 barrels per year.

1.2 The Development of Guinness

Sir Benjamin Lee Guinness was head of the firm when the Railways, built in Ireland in the middle of the 19th century, provided the first efficient system of inland transport. The brewery could take advantage of the