

## **ABSTRACT**

*PT. XYZ is a one of the big pharmaceutical companies that has a function as a distribution center, which is engaged in the storage and distribution of pharmaceutical and healthcare products in Bandung. The use of pallet in warehouse of PT. XYZ is not optimal where there's a lot of the empty pallets position but many pallets that were on the floor, it's make the warehouse seen as having more capacity (overstock) and messy so that the process of looking for product and the process of picking takes a long time .*

*The first step to solve the problem is map the whole information and material flow process in the warehouse of PT. XYZ by using Value Stream Mapping (VSM). After that, the classification of activity in detail is made by using Process Activity Mapping (PAM). The next step is analysed of waste in the warehouse by using the tools checklist . The result of analysis of waste are consists of the waste of motion, waste of transportation, waste of inventory and the waste of motion. And the root cause of the waste is searched by using fishbone diagram.*

*The idea of solving the problem is proposed Warehouse Slotting, the classification of products based on product characteristics by using FSN Analysis. Allocation of product in the warehouse is made by visual control and product warehouse codefication. And the result of the design future state map, the waste can reduce as big as 17,43% or as 151,93 second and the value added of future state condition is increased 11 % become 18 %.*

*Keywords: Warehouse Slotting, FSN Analysis, Value Stream Mapping, Process Activity Mapping*