CartonCloud

How to Start a 3PL Warehouse Business

STEP 2: SETTING UP YOUR PHYSICAL SPACE

Overview

Getting your warehouse up and running is a big (and exciting!) step — but how you set up your space can make all the difference in keeping things running smoothly and accelerating your ROI.

Whether you're starting a 3PL, launching your first e-commerce hub, or moving into a bigger space, the way you arrange your physical space can have a massive impact on your operations.

In this guide, we've broken it down into a quick **5 part checklist** — with expert advice from the CartonCloud team highlighting industry best practice.

1) UNDERSTAND YOUR INVENTORY

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Before you dive into racking or labeling, take a step back and think about the type of inventory you will be storing, the access you need (and if machinery is required), and how you'll charge for handling or storage.

EXPERT TIP

*"Be sure to set your warehouse up with **modularity** in mind.*

What works for one client or product type might not work for another, so it's important to leave room for your 3PL to grow and adapt."

**Olivia Trankina,
North American Operations Manager**

Your warehouse layout should reflect the types of products you're storing and the services you're offering. This should be centered around your Ideal Customer Profile (ICP), as identified in Step 1 of our **Guide**. For example:

- If you're handling **pallet-based inventory**, you'll need larger bulk storage areas. Assign **pallet bays** as storage "locations" that can each be scanned and tracked by barcodes.

- **Think vertically** — place long-term/ less-picked stock in higher racking areas, and keep fast-moving items low for easier picking.

- Consider **weight and dimensions** — ensure your racking is capable of storing the weight of the goods you intend to store and that the configuration is set up correctly for the dimensions of the goods.

- For **fast-moving e-commerce** stock, you can designate pick face locations with narrow aisles and high-density storage.

2) CREATE EFFECTIVE PICK ZONES

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For small, fast-moving items, picking speed and accuracy go hand in hand. A well-planned pick zone keeps your team moving efficiently and helps to reduce errors.

For smaller SKUs that are frequently picked:

- Use **pick bins** to improve picking speed.
- Store bins in high-access zones close to pack stations.

It's also useful to set up additional reserve storage or wholesale zones. These areas can be used to back-replenish pick locations when stock runs low or to fill pallet-sized orders.

EXPERT TIP

*"When deciding where to place stock on your racking, it's helpful to **think like your picker**.*

For items that are needed most often, it's essential to make them easy to access."

**Scott Murray,
Vice President of Operations**

3) MAP AISLES WITH ACCESS IN MIND

3

The flow of your warehouse depends on more than just where stock is stored — how your team moves through the space can make a big difference.

- Make sure aisles are wide enough for your equipment, such as forklifts, pallet jacks, or tote trolleys.

- For e-commerce workflows, plan for **Pick to Tote** systems. These require multi-tote trolleys so pickers can grab multiple orders in one go.

Recommended Aisle Widths for Common Equipment Types

Sit Down Counterbalanced	Stand-Up Single Reach	Stand-Up Deep Reach	Turret Truck	Narrow Aisle Order Picker
12' / 3.6 m	8'-6" / 2.4-1.8 m	9' / 2.7 m	4'-6" to 5'-6" / 1.2-1.8 m to 1.5-1.8 m	4' to 5' / 1.8 m to 1.5 m

EXPERT TIP

*"Your layout should support natural walking paths, **avoid bottlenecks, and make it easy to turn corners** with carts or trolleys.*

A few extra inches of space in the right spots can make the whole operation feel smoother and safer."

**Olivia Trankina,
North American Operations Manager**

4) PLAN FOR STOCK MOVEMENT

4

A well-designed warehouse supports the natural movement of goods — from the moment they arrive to the moment they ship out. Planning for both receiving and dispatch areas helps to avoid bottlenecks and keeps your operations running smoothly.

Tips for incoming stock:
- Designate a space for **receiving and staging**, especially if stock won't be put away immediately.
- Set up **labeling stations** near the receiving area to print and apply product or pallet labels as soon as goods arrive.

Tips for outgoing stock:
- Position **pack and ship stations** close to the dock to reduce unnecessary walking and speed up the dispatch process.
- If you're cross-docking (moving incoming stock straight to outgoing orders), create a **dedicated transfer zone** to streamline that workflow.

EXPERT TIP

*"Use **colour-coded zones or add simple floor markings to help guide movement** — it's a small touch that makes a big difference, especially during peak periods or when you've got seasonal staff on the floor.*

Clear visual cues mean less confusion, faster training, and a smoother workflow for your entire team."

**Scott Murray,
Vice President of Operations**

5) PLACE YOUR WORKSTATIONS

5

Think of your workstations as mission control—each one should be set up with everything your team needs right at their fingertips.

It's important to set up your workstations with:

- **Desktops or tablets** for easy access to your WMS.
- **Printers** for shipping labels, BOLs, and inventory tags.
- **Stable Wi-Fi routers** — ensure coverage across the entire warehouse to avoid connection issues.
- **Bluetooth scanners** that connect to your packing stations or mobile devices.

Set up your workstations near receiving zones, packing benches, and return areas, as these are high-traffic spots. Keeping equipment close to where it's needed helps minimize delays and ensures your workflow stays efficient.

Book a **FREE demo** with our friendly team to see how our WMS can take your operations to the next level!

Book Your Free Demo ↗