

Distribution Center and Warehouse Effectiveness Assessment



Your distribution center or warehouse is a critical and complex function of your organization.

According to several independent studies less than 30% of distribution centers and warehouses are as efficient as they could be. As a result, they average between 45% to 60% annual turnover rates. Knowing the cause of your turnover, the cause of poor productivity, the cause of your inventory errors and the cause of customer dissatisfaction is a key to the success of your company.

- Labor accounts for the largest costs (typically around 65%) associated with distributing your products.
- Your inventory value typically ranges between 6-20% of your revenue.
- The carrying costs for your inventory typically range between 18-35% of your product cost on an annual basis.

Understanding these three points also means you understand that it requires \$2,500 in new sales to make up for \$100 of lost or unusable inventory, assuming a 4% return. Our ***Distribution Center/Warehouse Effectiveness Assessment*** provides you're visibility into your distribution center/warehouse functions and uncovers the barriers and bottlenecks associated with it. We can provide the objective analysis skills and the knowledge of "best practices" that may not be an available resource within your organization.

MCA Associates will:

- thoroughly analyze your existing distribution center/warehouse processes and procedures, from receiving through shipping
- analyze your current inventory "supply chain" practices
- thoroughly review the layout of your facility and the flow of material in and out, analyze your existing material storage and picking methods as well as the materials handling equipment you utilize
- review any existing documentation related to the processes and procedures currently in effect.
- make recommendations, which have an expected near-term R.O.I., based on our industry experience, your customer's requirements, and your future business plans
- Provide you with detailed "engineered drawings" illustrating what your distribution center/warehouse of the future should look like.

Fees:

Our fee is simply based on the size of your facility (square footage) and is all inclusive – **one flat fee** - it includes all anticipated travel expenses.

Contact us for a quote.

"Operational Excellence in Wholesale Distribution and Manufacturing"