



# GENERAL DISTRIBUTION & COMPLIANCE INSPECTION

## CASE STUDY

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A retail manufacturer and wholesaler of recycled eco-friendly products, which include household decorations, furnishings and stationary items, was experiencing rapid growth. This growth was revealing inefficiencies in their current distribution model. The client was in need of a more flexible storage facility, an efficient inventory management system, and a quality compliance solution.



## OPPORTUNITY

The client needed a distribution warehousing solution that would support their rapid increase in inventory levels, allocate seasonal space for their luxury product line, and create an inspection program to ensure the quality of their product and to reduce the number of damage claims filed by their customers.

## OUR SOLUTION

The first step for Expeditors was to design a flexible warehouse model catered to both the low volume seasons and the increasing demand prior to the holidays. We helped the client implement standard operating procedures along with quality assurance measures as a solution for the number of damage claims filed by the client's customers. In response to the need for a more supportive inventory management system, we used Expeditors Distribution Management System to manage the client's inventory. Upon arrival, the client's product was reconciled with the inbound manifest and checked for any over, short or damaged goods (OS&D). The client received a report in a specific period when any OS&D arrived. Two of our trained workers picked and checked each order before items were packaged or palletized for dispatch, minimizing any packaging and product errors.

## THE RESULTS

One of our distinct competitive advantages is the unique and customized solutions we provide for each of our clients. The customized and flexible warehousing that we provided is what primarily drew the client to Expeditors.

Prior to receiving the first inbound receipt from the client, Expeditors was able to designate an area in our warehouse where a specially made system of individual rack and bin locations were set up to accommodate the incoming stock. Expeditors provided the client with online visibility of their inventory via exp.o®, Expeditors' web-based track and trace system, resulting in faster response time to customer orders. Further, inventory accuracy increased due to the daily monitoring of stock levels by our client via exp.o and

confirmed by Expeditors staff through a weekly cycle count. Additionally, our model created significant cost savings through our ability to allocate more space when needed during their seasonal inventory spikes, turning our client's fixed costs into variable.

The standard operating procedures that were put into place resulted in the reduction of process errors and damage claims, therefore ensuring that the products met the standards expected by the client and their customers. They were able to add additional lines to their portfolio and can do so with confidence that they have a trusted partnership to take care of demand fluctuations.

