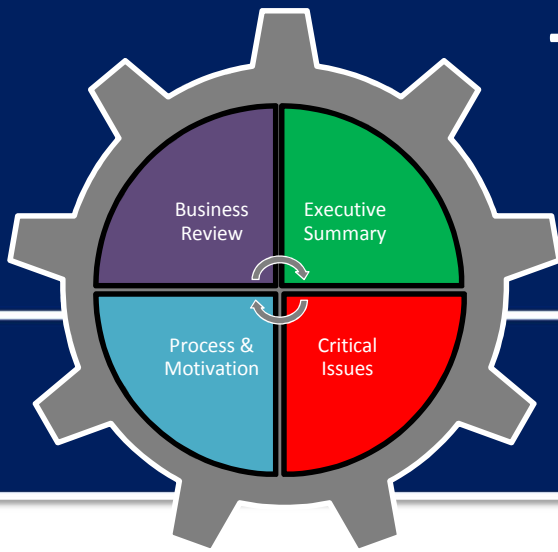


The Flywheel Effect

Harnessing Your Energy



Distribution

Keeping the Economy Rolling

It would be an understatement to say that this sector's already **thin margins** are still being squeezed. Whether it's increased competition from previously smaller **competitors going up-market** or larger competitors reaching down into your market to steal a piece of your pie, defending established accounts can be a full-time proposition, never mind worrying about growth. Rising **transportation costs** and scarcity of **reliable drivers** only compounds the financial and operational challenges faced today.

There are large economies of scale to be gained in this sector, yet smaller companies typically remain competitive by specializing in specific products or market niches. Larger companies maintain a cost advantage by buying in volume, but they require operational discipline to keep a more complicated distribution network cost effective. The profitability of companies engaging in distribution and wholesale operations depends largely on popularity of their products, in-house efficiencies and contracts with large customers.

With all the complexity that companies must deal with today, a class of distributors and wholesalers are setting new standards of operational excellence and are pulling ahead of the crowd. They are doing so by applying Best Practices that already have proven themselves for others and are now reaping their benefits.

Results Driven

We hit the ground running, demonstrating immediate results to our clients by implementing changes in various systems. Throughout all of these implementations, we recognize that moving ahead with clients in each of these areas requires a **customized approach** that gives consideration to your existing staff, and the needs of your customers. Some processes we've implemented in distribution and wholesale companies include:

- Tiered inventory control systems to predict and **optimize on-hand** requirements of stock
- SKU rationalization processes to **reduce burgeoning line proliferation**
- **Pricing strategies** that reflect volume and costs of servicing accounts
- Optimized pick and pack processes to **reduce costs and increase fill rates**
- Rationalization of routes to reduce cost and **minimize delivery times**
- Regular reporting on key metrics, by line, to **assess performance**



Working with us is not for everyone. Changing the mindset of your people and the processes they follow to become truly competitive is not easy undertaking.

To determine if the right conditions are in place for you, please give us a call at 416-917-6867 and ask to speak with a Benchmarking Coordinator today. Or, if you prefer, contact us by email at info@theflywheeleffect.com.

Visit us at www.theflywheeleffect.com