

*Program results provide significant benefits in operations improvement.*

At the conclusion of our work, we provide both oral and written reports describing findings and recommended improvements. Potential cost reduction opportunities are identified and future benefits estimated. Our reports contain sufficient detail that action plans can be easily implemented by the company, with or without our assistance.

The results of this effort provide management with a "report card" on the status of handling and storage operations and a prioritized **sequence of improvement actions.**

*REM Associates Qualifications:*

REM Associates provides consulting services designed to assist a wide range of consumer and industrial companies where improved material handling, storage, order flow, and warehousing operations can significantly reduce costs, increase profits, and improve service to customers.

We have effectively served many clients in this specific area over a long period of time. Through this experience, we have become familiar with current trends and practices and know what to look for as well as how to look.

REM Associates is a network of highly experienced consulting personnel. These enior management people provide tailored esources to meet the specific needs of each company within a fee structure that is substantially lower than the larger management consulting firms.

*Greater operations productivity can provide the margin of success for management of the '90s.*

*Our Consulting Services Include...*

**PRODUCT FLOW ANALYSIS**

**MATERIAL HANDLING EVALUATION**

**STORAGE SYSTEMS DESIGN**

**FACILITIES DESIGN/LAYOUT**

**ORDER FLOW ANALYSIS**

**EQUIPMENT SPECIFICATIONS**

*For...*

**PRODUCT RECEIVING/STORAGE/SELECTION**

**WAREHOUSING OPERATIONS**

**DISTRIBUTION AND TRANSPORTATION**

**INVENTORY MANAGEMENT**

**CUSTOMER SERVICE**

**INFORMATION SYSTEMS**

**ORGANIZATION AND STAFFING**



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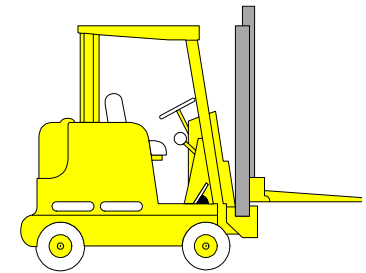
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# *Material Handling Productivity*

## **A KEY TO PPM OPERATIONS IMPROVEMENT**



MANAGEMENT CONSULTANTS

*Have you evaluated the productivity and level of effectiveness of your material handling resources?*

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Business managers are often caught in a web of having to respond to daily problems, operating issues, sales and marketing promotions, and customer service matters, resulting in "brush-fire management." Although you have probably heard this before, it might be the appropriate time to review the material handling and storage functions of your business in terms of their overall costs, performance, and effectiveness.

- Do they respond to the present and future operating needs of the business?
- Do they support the primary mission of warehousing and distribution?
- Do they provide the most cost and service effective operations?

In addition, operations management focus needs to consider:

- *Product handling and storage characteristics*
- *Product packaging and shipping requirements*
- *Receiving and inventory patterns*
- *Customer order and shipment profiles*
- *Changes in customer service requirements*
- *Shifts in product mix and inventory*
- *External regulations and controls*
- *Product and service quality benchmarks*

Today's management needs to examine the productivity of materials movement in support of customer requirements. As price increases become more difficult and in many cases yield to actual reductions, non-controllable cost increases place more pressure on profits. As competition intensifies, management is turning to material handling methods as an avenue to reduce costs, improve service, and increase profits.

If you have not addressed these issues recently, it may be the right time to do so.

*Clearly defined goals and objectives should form the framework for productivity improvement in material handling.*

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### **MATERIAL HANDLING PRODUCTIVITY IMPROVEMENT PROGRAM**

Our program is designed to assist management in the identification and implementation of material handling improvement opportunities within the warehousing and distribution functions. It examines product receiving, storage and handling, order selection, packing, and shipping. It can be effectively applied to companies that produce as well as distribute products to the market place. It is designed for continued internal monitoring and/or external assistance.

It considers certain key factors that play a role in influencing changes within business operations. Typically these include:

- *Volume increases based on forecasted sales*
- *Labor rate increases*
- *Labor and skills availability*
- *Storage rate increases*
- *Information systems and accessibility*
- *Operating reports and controls*

#### **PROGRAM OBJECTIVES:**

**Primary Objective** - Reduce operating costs and improve productivity associated with the movement, handling, and storage of products through the business in response to shipment and customer service requirements.

#### **Secondary Objective:**

- Reduce direct operating costs
- Improve performance of material handling functions, tasks, and activities
- Identify effective levels of mechanization
- Improve management controls.

*An organized approach to material handling improvement is essential to guarantee accomplishment and results.*

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#### **PROGRAM METHODOLOGY:**

Our approach to this type of program begins with a detailed examination of all handling and storage activities. This is accomplished through a thorough review of procedures and policies and observation of all methods and functions. Activities are observed and data analyzed using proven methods and techniques, coupled with computer analysis and modeling.

This evaluation will answer questions such as:

- Can the flow of material and product be improved?
- Are present methods best suited to accomplish warehousing and distribution requirements?
- Can selected changes produce improved results in terms of reduced personnel requirements and/or lower costs?
- What level of mechanization can be effectively applied in order to reduce costs and improve timing and service?
- Will employee and supervisory training help improve productivity?
- What monitoring and control devices need to be implemented to assist management?

*Our analysis identifies specific areas of activity that have the potential for being performed more efficiently and result in significant savings to the company. Specific recommendations are documented and savings estimated.*