



## SUCCESS STORY

# Growing Demands Bring Complex Challenges; Skidmore Sales Brings Simpler Solutions

After experiencing the added pressure that using 3<sup>rd</sup> Party Logistics brought, a Global Food Manufacturer trusted Skidmore to develop a simpler plan for having the ingredients they require on-hand when they need them.

Do you need more on-hand ingredient inventory than your facility can hold? Are you struggling with managing off-site warehouses and controlling loss? Are you running out of floor space? There are a few ways to handle this all-too-common situation when expanding your facility is often not a feasible option.

Using a 3<sup>rd</sup> Party Logistics (3PL) company can be an acceptable solution when you're facing space and logistics concerns. A third-party logistics company can offer warehouse space to handle excess inventory and expedite material shipping.

But there are downsides to this option, especially when considering the special attention that food grade 3PLs must provide such as lot tracing and documentation. In order to utilize their services

effectively, a great deal of personnel management is often required. As a result, the relationship is often more of a middleman relationship than a true partnership.

If there's a misalignment in priorities, what seems like a cost-effective solution can quickly become a strain on your operation in terms of inventory management and lost product.

The time you spend ordering ingredients, tracking shipments, placing calls, managing your inventory, and managing their employees can take you away from what you do best: **growing your business.**

Food and beverage manufacturers have a better option.

[skidmoresales.com](http://skidmoresales.com)

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A global food manufacturer and long-time customer of Skidmore Sales historically used 3PL warehouses to manage the inventory that their own facilities couldn't store. After experiencing the added challenges that using a 3<sup>rd</sup> party logistics plan brought, they turned to Skidmore for an easier way to have the ingredients they require on-hand when they needed them.

The company had several full-time employees managing more than 20 suppliers and hundreds of ingredients. Managing the throughput of each ingredient was a great strain on their operation.

They were experiencing inventory shrink - less inventory on hand than records indicate - as well as a lot of waste. The 3PL was not managing the product lot numbers as accurately as the manufacturer needed. As a result, they experienced significant losses due to expired ingredient stock.

Recent supply chain shortages added to their issues. Shutting down a production line due to lack of ingredients is costly for food and beverage manufacturers. The manufacturer estimated the downtime costs would far out-weigh any savings they would see. The possibility of ingredient shortages was not an option. They often ordered their ingredients months in advance, and then were forced to find warehouse space to keep inventory to avoid the risk. They were ready for a better way.

Over the years, Skidmore Sales supplied the manufacturer with several ingredients. Skidmore consistently demonstrated our ability to provide the ingredients, as well as our expertise in seamlessly managing supply chain challenges. Sitting down with our team to develop a customized plan was the logical next step.

Together we developed a strategy to have the ingredients in our nearby warehouse when the manufacturer needs them by utilizing the Skidmore Sales network of 20 warehouses and distribution centers. Each day, Skidmore delivers the needed ingredients to their facility which opens valuable floor space at their manufacturing site. As part of this plan, the Skidmore team now monitors inventory levels, places ingredient orders, and manages the in-and-out shipping arrangements which have eased the burden on our customer's team.

Rather than calling multiple individuals from many companies, the customer now only calls their Skidmore Account Manager and dedicated customer care team. Our team works with suppliers, carriers and warehouse crews to make sure all ingredients arrive on-time and in-full. The manufacturer doesn't have to.

They estimate their team will save 20-30 hours per week specifically as it relates to ingredient purchasing, inventory, and supply chain management.

In the food industry, your logistics and food storage solutions are too important to trust to a "middleman." You need a partner that understands our industry and allows you to focus on your core competency: **food and beverage manufacturing.**

## Solutions, Selection, and Service:

When ingredients are discontinued or in short supply, it can be hard to identify an ideal replacement. We can help! Our technical sales team can assist in identifying the best new ingredients and replacements for your formulas.

Sourcing hard-to-find ingredients only slows you down. Representing more than 250 of the industry's best ingredient manufacturers, and handling more than 5,000 ingredients, we have the ingredients consumers demand. Let us do the sourcing work!

Do you need a custom logistics plan tailored specifically for your company? We have more than 20 warehouses and distribution centers in our network! We can create a plan that is as unique as your company!

Call us to see what we can do for you!

1(800) 755 - 4200

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