

Stabilize Your Supply Chain with a Centralized Inventory System

PEAK PERFORMANCE FROM ONE STRATEGIC REGION

Many business leaders exercise a nationwide, multi-location warehousing model to optimize their supply chain management processes. However, according to *Harvard’s study on “The Square Root Law of Inventory Management: Why Less Is More”, a **centralized inventory model creates the most cost-effective route to retail for manufacturers - delivering improved control by eliminating scattered inventory and redundant costs at multiple warehouses across the country.**

With abrupt swings in consumer demand patterns and extreme disruption across the nation, there’s never been a more critical time to consider leveraging a centralized inventory strategy to stabilize your supply chain and control your costs.

BENEFITS OF CENTRALIZED WAREHOUSING



Cost Effective + National Coverage

By controlling inventory from one strategic region, suppliers avoid redundant processes and costs at multiple warehouses. Centralized warehousing and inventory control produce economies of scale throughout supply chain operations to decrease lead times, reduce safety stock needs, and improve scorecard performance and in-stocks at retail.

When partnering with an asset-based 3PL that owns its warehouses and trucking fleet, suppliers also benefit from preferred pricing and lower trucking rates. This results from concentration of high freight volumes to and from one region.

Reduced Cost + Increased Performance

When an asset-based 3PL manages both inbound and outbound transportation from a single location, suppliers have more control over every step of The Middle Mile and the visibility and agility needed to grow business. By controlling inventory from one strategic region, suppliers reduce overall operational costs, achieve a more consistent product flow to store shelves and improve scorecard performance levels to over 98% On-Time, 99% In-Full.

Suppliers Benefit From:

Reduced Overhead Inventory + Operational Costs

Consistent Product Flow to Store Shelves

Enhanced Data-Driven Business Decision

Increased In-Stocks + Sales

Reduced Safety Stock

Improved Scorecard Performance

Enhanced Demand Forecasting + Inventory Analysis

Pivot Faster + Build Resilience

Real-time inventory tracking from a centralized location arms suppliers with the information to make data-driven decisions in real-time, pivoting to accommodate market and consumer behavior changes. With advanced demand forecasting and inventory analytics, suppliers have on-demand access to insights that power their business and streamline operations.

From manufacturing facilities to retailer distribution centers, a centralized warehousing strategy drives efficiencies, eliminates redundancies, cuts costs and builds a resilient supply chain.



Drive Efficiencies



Eliminate Redundancies



Build A More Resilient, Agile Supply Chain



Partner with a 3PL that has the capability to control your inventory from one strategic region to avoid redundancies, reduce overall operational costs and achieve a more consistent product flow throughout the supply chain.

**Harvard Square Root Law of Inventory Management:*

<https://www.microchannel.com.au/company-blog/september-2016/the-square-root-law-of-inventory-management-why-le>

Learn how RJW Logistic Group's centralized inventory system will reduce your costs and inventory hold, while improving efficiencies and scorecard metrics.



Visit our website at rjwgroup.com or call (630) 424-2400.

For additional CPG retail logistics insights follow us on LinkedIn at [linkedin.com/company/rjw-logistics](https://www.linkedin.com/company/rjw-logistics).