

Industrial Distribution at a Crossroads

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The industrial distribution industry has reached its biggest crossroads in history.

Near the intersection of business as usual and success going forward sits industrial distribution strategy, increasing online sales, technology, omnichannel, multichannel, and social media. The buyer is now in the driver's seat, and Amazon Supply represents more than just a toe in the water. Amazon's dedicated industrial B2B site could lead to its dominance in the MRO market, whether industrial distributors realize it or not.

Business questions that were once heavily debated no longer matter as much at this crossroads. These questions include where to locate branches, distribution centers (DCs), fulfillment centers, and how to minimize the cost of the distribution network. These are structure considerations that revolve around the all-encompassing business strategy, and at these crossroads, we must address strategy before structure.

The traditional thinking around distribution networks and branch operations is obsolete. With social media, technology and B2B customer sophistication booming, industrial distributors find themselves at a critical crossroads.

This paper provides the first complete view of *Industrial Distribution at a Crossroads* and explains how companies can flourish in this quickly evolving environment.

Multichannel Operations Excellence (MOE), teamed with a keen understanding of the Five Pillars of Success explained here, will bring clarity to this crossroads.

THE 'PERFECT STORM' FOR TRANSFORMATION

There are two ways to view the current industrial distribution crossroads.

1. **A long-term perspective:** The industrial distribution industry has traditionally been highly fragmented with many small regional players. The industry was built around individual product groupings which relied on specialized knowledge and technical expertise to drive sales. Consolidation over the last 50 years was caused by two reasons. First, it was driven by the desire to improve leverage in a given category. Secondly, it came in response to larger customers looking for full-line suppliers to

partner with on integrated supply and national contracts. This consolidation has changed the landscape.

2. **A short-term perspective:** Larger players who have obtained critical mass have a strong and growing presence in e-commerce. W. W. Grainger cites e-commerce as its fastest growing segment, with 25% of current sales online. The percentage is expected to rise to 40% to 50% by 2015. Amazon Supply will be a formidable competitor in this arena. Medium to small size players, who have yet to enter the market, will see a slow but steady erosion of sales and margins as Amazon fine tunes inventories, leverages its delivery proposition, and tackles the technical support side of the equation.



Starting now, businesses need to have an e-commerce strategy that supports their abilities to make technical sales.

Business strategy, customer expectations, and technology are converging to create the perfect storm as a result of both the long and short term transformations. This is bigger than the dotcom bubble; this is definitely bigger than it appears in the rearview mirror.

SIGNS POINT TO INDUSTRIAL DISTRIBUTION CROSSROADS

Customer expectations are leading the way in this critical industrial distribution crossroads.

Through social media, increased customization, and same-day or next-day delivery, customers are signaling that companies' successes and failures rest on their continuing high expectations of price, product breadth, availability and speed of delivery. From business news, at the time of this writing, a clear pattern foretelling the industrial distribution crossroads has emerged. Consider these reports from such diverse sources as *The Wall Street Journal*, *Forbes*, *Modern Distribution Management*, and other industry trade publications:

- The era of the regional, highly specialized industrial supply company is drawing to a close.

- By 2015, online business is expected to be worth \$1.4 trillion worldwide.



- Wholesale e-commerce grew at a 34% compound rate from 2000 to 2009.
- W. W. Grainger reported that since 2011, web traffic has grown from 3,000 to almost 11,000 hits per month. They are not alone in this growth. According to research by *Modern Distribution Management*, the largest MRO distributors say that their online sales have grown at a rapid clip over the past few years. What's more, online customers tend to have a larger average order size.
- Full service is being replaced by self service, which is all about the Zero Moment of Truth (ZMOT) - the time after a need is recognized and information is gathered for a purchase decision. Because of Amazon's investment in keyword search, taxonomy and content, they own the ZMOT.
- There is a real opportunity in MRO for capitalizing on the unplanned spend. One large industrial distributor puts the percentage of unplanned spend as high as 75%.
- Distributors have long provided value-added services without identifying them and making sure they are compensated for them. Not quantifying that value and not being compensated for it is a recipe for long-term margin pressure.
- The number of people who turned to social media as a source to learn about new products more than doubled in less than a year - from 24% in 2010 to 49% in 2011.
- As technology has increased information, transportation and ordering capabilities, the need and want of the local branch has diminished. Waning reliance on the local branch is reducing the need for local inventory. This means new entrants lacking these services aren't out of the picture.
- Amazon's decision to go after the MRO market is about economics. It believes that the sector is ripe for a low-cost competitor, and it knows that gross margins in the sector

are currently high enough to produce a lot of profit – even with lower prices.

SEVEN TIPPING POINTS

It is not really one tipping point that has put us at this crucial crossroads, but seven.

How industrial distribution companies respond to these tipping points will determine their futures.

1. AMAZON SUPPLY

With the birth of Amazon Supply in late April of 2012, Amazon has expanded into new business markets for industrial, scientific and commercial items such as office supplies, and bearings and power transmission. There is no doubt that successes in retail e-commerce will be leveraged in Amazon's entry into the B2B market.

Amazon has become the standard in retail e-commerce excellence, because it is the model for being customer-centric. It has created a new way to connect customers with solutions.

By providing content about product features, a community of opinions about the product, and finally the commerce (breadth, availability and price) of the product, it really understands how to grow both the top line and bottom line. This makes them everyone's competition.

Amazon is already competing in the industrial distribution space on their consumer website with offerings in janitorial supplies, office supplies, tools, and industrial & lab supplies. They are taking on retailers who have already made significant gains in online B2B, like Staples and Home Depot.

There is every reason to think that the giant e-tailer will continue to expand its customer base and attractive delivery options.

2. ONLINE SUCCESS

Large scale industrial distributors are realizing substantial growth from online commerce. As companies examine the level of total revenue originating from online sales, they are beginning to consider what happens if this becomes 15-20% of total revenue. Distributors exploring online options are searching for answers and trying to understand multichannel, omnichannel, social networks, technology, global offerings and the "endless aisle." Showcasing products online can give distributors an endless aisle to offer a wide range of SKUs and models that they cannot afford to stock in their

branches.



Barcode scanning and intelligent apps will facilitate the capability for ordering MRO items right from the factory floor on - demand.

3. TECHNOLOGY

The smartphone, the tablet, and web technology are all enhancing the experience of online shopping. Manufacturers are already experimenting with mobile devices and apps that provide real time actionable plant data. Barcode scanning and intelligent apps will facilitate the capability for ordering MRO items right from the factory floor on-demand.

Technology on the desktop in maintenance offices and purchasing departments already includes the ability to search the web for technical data, availability and price. There is a shift underway on the desktop to peer- to-peer applications that will provide a seamless order processing experience. Amazon is already the clear leader in search technology, and is now working on procure- to-pay (P2P) and mobile apps for the B2B market.

4. SOCIAL COMMERCE

Distributors today rely heavily on their outside sales forces to build relationships by providing technical expertise and solutions that work. This important element of industrial distribution is certainly not going away anytime soon. Neither will the essential inside-sales support that provides technical support and navigates the customer through the selection, availability, price and order process.

Social networking, however, has already had a significant impact on consumer behavior. Today, 68% of all people trust other people “like themselves” - this is up from 22% in 2003. Do-it-yourself sites for everything are proliferating on the web, and the behavior of researching the user community before you buy is starting to carry over to the workplace. Distributors who understand how social media tools work and learn to facilitate user forums will be far ahead of the game.

5. YOUTH CULTURE

Younger workers are leading this shift to online research and social media, and as they

replace older workers, more B2B sales will be done online. The youth culture “always-on” wireless connectivity psyche is at their core and increasingly drives online growth. Greater comfort with both technology and social networks is bringing about major changes in acceptance and even a preference for online sourcing.

Consider that 98% of all 18-24 year-olds have a social network account, and they spend almost twice as much time online as they do watching TV. The average 18-24 year-old sends 1,300 texts per month.

This growing connectivity influences the MRO buyer’s behavior today in the search and research phases; it’s faster and easier to see what you can learn online before you pick up the phone. As online information becomes more complete and the pressures of time caused by the relentless push to do more with less continues, the buying decision will often be just a mouse click away.

6. CUSTOMER SERVICE

The quality and technical expertise of both the inside and outside sales forces and the branch counter staff members have traditionally been the driving forces for sales in the distribution industry. They will continue to be important elements. Amazon Supply recognizes this as evidenced by the creation of a call center for customers who require assistance or desire a personal touch.

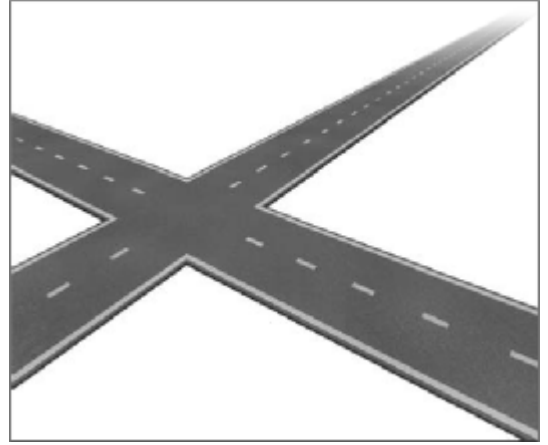
Equally important is the execution side of customer service; availability, timely delivery, and the perfect order.

Amazon already excels at execution, and with 26 (and counting) DCs in major metropolitan areas, their reach for same day or next day delivery continues to expand. Industrial distribution operations and networks need to be as finely tuned and responsive to remain competitive. Losing the commodity item sale on delivery, availability or accuracy will increase the cost of service for the technical sale.

7. BRANCH RELEVANCE

The branch experience must be more than just a place for will-call pick up. It should be a place where customers can not only get technical help, but see and touch the latest products, tools and equipment they want to know more about.

Branches are uniquely positioned to provide expanded services, such as repair or light assembly and kitting, and serve as a gathering place for training, certification, and, along with the help of manufacturers, new product introductions. They represent an opportunity for customer interaction and leveraging the distributor’s physical presence.



HOW DID WE GET HERE?

Online commerce launched in 1995 when Amazon and eBay began filling customer requirements via the Internet.

In the 1990s, online commerce was focused mainly on books and computers but now has evolved to an endless list of products and is growing rapidly. Online commerce will continue to take away sales from distributors selling only in traditional channels. By 2015, online commerce in the most progressive markets will only hit 20% of the total spending. In 2025, online sales will still be only 25% of all sales globally.

Therefore, although online sales are expected to be the prominent growth area, the traditional distribution channels of branches, call centers and fulfillment operations will still be very, very important. At the core of *Industrial Distribution at a Crossroads* is the dilemma of maintaining balance and achieving synergy amongst online, branch or call center and the omnichannel.

It is clear Amazon is flourishing in the retail sector, with a five-year average ROI of 17% versus 6.5% ROI of their brick and mortar competitors. Even more important, however, than ROI is the Return on Invested Capital (ROIC), since online holds an unapproachable advantage over store ROIC. There is no doubt that Amazon Supply is looking to repeat this success in the B2B market.

Traditional distributors have looked to expand their abilities to control the spend decision through the use of vendor managed inventory, factory floor vending machines, RFID tool cribs and a multitude of other integrated supply options. These efforts have had varying success and despite the increased level of service offered, are often won through hard fought price negotiations that result in lower margins for the privilege of a captive audience. Margin erosion is further felt when a fill-in or spot-buy has to go to a competitor to fulfill the service side of the agreement. It is in this portion of integrated supply that Amazon Supply will find opportunity to capture sales.

Whether or not Amazon Supply decides to take on integrated supply is impossible to know

at this time. An interesting development in the retail sector to keep an eye on is the use and planned expansion of Amazon lockers in the retail space. Given success, there is no reason this concept could not be adapted to the factory floor and used much the same way that traditional distributors supply vending machines and automated tool cribs today.



Amazon Supply's offering will set new expectations for shipping, expediting and returns.

FIVE PILLARS OF INDUSTRIAL DISTRIBUTION SUCCESS

What do customers really want?



**Independent of channel,
MRO customers seek:**

- 1. Competitive Prices**
- 2. Product Breadth**
- 3. Availability**
- 4. Speed of Delivery**
- 5. Technical Support**

A great deal of time and money has been spent on this very question, but it really boils down to these five pillars - a required stop on the road to industrial distribution success.

Competitive Prices

Today's MRO buyers expect good value for the money and have a strong awareness of the total price (item price + shipping cost) of the items they need to buy. Their ability to have total price transparency presents a clear expectation for price competitiveness.

Today's standards in MRO hold relatively high thresholds for free shipping, costly alternatives when expedited shipping is required, and limits on returns.

Not only is Amazon Supply providing competitive pricing, but they are setting the stage for changing expectations on shipping. The site offers free shipping on orders over \$50, free and low-cost expedited shipping for Amazon Prime members, and free 365-day returns.

Amazon Supply's scale provides for lowering the total cost of acquisition for MRO buyers.

Product Breadth

MRO customers want a broad selection within a product group to allow them to attain the best value solution for their needs. They won't tolerate being offered only a high cost product for a low cost need. It is not an unwillingness to move up when needed but the desire for value. Best-in-class distributors know that selling the value proposition is key to capturing higher revenues and margins. They also know, however, that ultimately customers may want what they want and not including that in your offering will result in a lost sale.

There is also a trend among MRO users for one-stop shopping to simplify the cost of doing business. Full-line industrial distribution is becoming the norm among large-scale players. Amazon refers to this as the "endless aisle" in its retail segment, and with a starting offering of 500,000 items, Amazon Supply will look to use this same approach in industrial supplies. Therefore, limiting selection is not a strategy that will work in the future.

Availability

Price and selection are a good start, but in addition, today's MRO buyers very often make the buying decision based on in-stock availability.

Customers are looking for the perfect order. Order accuracy should be a given; no one wants deal with the waste associated with returns and further delays.

The perfect order also means no back orders. Industrial distributors need to hone their inventory management skills to make sure what is listed as a stock item is in-stock at the time it's ordered.



A major transformation will propel industrial distributors to a whole new place - one that allows immediate responses to customer expectations.

Availability includes the best possible lead times on non-stock items. Industrial distributors need to be sure they are collaborating with suppliers on lead-time reduction, improved

performance on PO fulfillment rates, and managing information flows. Order placement, acknowledgement and quoted delivery times need to be instantaneous from end- to-end in the supply chain. Point of sale data and forecasting at the SKU/branch level are the keys to creating a more reactive supply chain. Amazon Supply has the tools in place to cover these bases, and the speed of information flow will serve as a competitive advantage.

Speed of Delivery

The standard in industrial distribution is moving toward same-day or next-day delivery. For now, MRO buyers will accept up to three to four-day delivery. Going forward, same-day or next-day delivery will be the norm for most items. Consider that today in China, delivery for consumer items is not measured in same- day or next-day terms, but in hours. The goal for delivery in major cities in China is four to six hours. Distributors need to design their branch/DC networks, logistics and operations to meet the new standard of same-day or next-day delivery. Careful consideration on innovative ways to provide this level of service must be given. The indiscriminate addition of branch locations to meet this challenge could create unsustainable cost structures.

Alternatively, fast-reaction, strategically- located combination facilities able to handle direct fulfillment, cross-docking and replenishment, along with the right combination of dedicated delivery services, small package delivery and regional LTL, can provide solutions with the desirable economics.

MRO customers have also long wanted returns to be quick, easy and hassle free. The old standards of limiting returns, charging restocking fees and throwing up other roadblocks to discourage returns will not be acceptable in the new environment. Amazon Supply is setting a new standard for returns by offering them free for 365 days.

Technical Support

There is no doubt that technical support helps, both in on-site consultation to tough problems or over the phone. Searching for the best solution will always be an important part of the services offered by distributors.

The use of online resources, whether for a simple search, finding detailed product specifications on a manufacturer's web site, or participating in end-user forums, will undoubtedly continue to grow and play a larger and larger part in buying decisions.

Integrating technical support into the e- commerce experience is the challenge. The self service model of the future driven by a connected youth culture must address this issue by investing in keyword search capabilities and extensive SKU-level data.

Again, there will always be a need to talk to (or chat with) an expert. Amazon Supply is addressing both, by leveraging its extensive experience in search, and the user-friendly presentation of product details that focuses on the characteristics that matter most, as well

as building a call center for live support.

Increasingly, MRO buyers are saying: “Bring me solutions that address my needs on price, availability and service. Customize those solutions to make doing business easier by integrating with the way I want to do business, and you will be rewarded with a higher share of my spending. More importantly, the ability to execute the perfect order will be the price of admission – failing in execution will result in not being given an opportunity to participate.”

THE FUTURE IS IN ‘MOE’: MULTICHANNEL OPERATIONS EXCELLENCE

As industrial distribution continues to evolve, it is clear that neither the Amazon Supply 2012 model nor the MRO branch model will be where industrial distribution is headed in the future.

Instead, a major transformation will propel industrial distributors to a whole new place – one that allows immediate responses to customer expectations and rapid adoption of new innovations in the marketplace. Some have taken hold of the word “omnichannel” to represent the correct path leading from *Industrial Distribution at a Crossroads*. But, since omnichannel is a relatively new word, move forward with caution. The thinking behind omnichannel is that distributors need to interact with customers in an integrated, consistent way (think channel continuity, or sometimes termed “enterprise selling”) via many channels (websites, branches, catalogs, integrated supply, social media, mobile devices, peer to peer integration, etc.) that provide customers with endless value and satisfaction.

The real challenge of the current crossroads, however, looms larger. Succeeding at omnichannel is a real positive for distributors, but unto itself, it is inadequate. Eliminating the internal barriers created between different channels is beneficial, but it is not the answer that MRO buyers are seeking.

To move beyond the crossroads, industrial distributors need to provide excellence within several channels as well as the omnichannel. Engaging and serving customers under their own terms (how, when and where) compels distributors to achieve MOE.

MOE demands that every aspect of industrial distribution be interactive, educational, engaging and personalized. Distributors who employ MOE will set the pace for the next decade as well as define distributor excellence for the next 50 years. But approaching MOE requires a major transformation.

This is not saying that pure online or pure branch will fail. To the contrary, these models can be made to work if distributors are involved in multichannel in all cases. A pure online distribution should use multiple online channels such as Google, and Yahoo, and a branch should use Facebook, Groupon, and similar.

In this age of connectivity, mobility, and social networking, distributors will need to focus on adapting to how their customers make decisions and purchases. Multichannel access may involve branch events by reaching out to customers in new ways; or integrating online and physical operations to leverage the access with customers (online order with branch pick-up, or returns, and branch selection with delivery); or partnering with competitors to broaden the selection and availability; or integrating online and/or branch events with social media such as Twitter and Facebook.

Regardless, achieving MOE requires the adoption of new processes and technologies so that effective selling techniques will continually delight customers.

WHAT MOE IS AND IS NOT

Realizing that MRO buyers want everything, and they want it their way, goes to the heart and soul of Multichannel Operations Excellence.

The transformation to MOE begins with an understanding that today's MRO customers are beyond:

- Having an "interface" with distributors, and instead desire an engagement (on their terms) with distributors.
- Listening to the distributor, and instead seek a dialogue with the distributor.
- Understanding the distributor's value proposition for customers, but want to understand their own value propositions.
- Needing rules and barriers to customer service, but instead want a true customer-centric view of service and performance.
- Accepting bad buying experiences and poor service.
- Seeking a single channel experience. Different channels for different product categories are in demand. Customers will decide that for some products they need only an online interaction, but for others, they need technical support and consulting services.
- Accepting yesterday's buying experience, but also wanting and expecting to be constantly impressed with innovations and given services they did not even know they

wanted.

TRANSFORMATIONAL PATH FORWARD



The five essential steps to achieving MOE are:

1. Strategy
2. Fulfillment Plan
3. Processes and Organization
4. Technologies
5. Continuous Innovation

Once company leaders recognize that MOE is the right direction, how do they begin moving beyond the crossroads? By pursuing the right industrial distribution strategy, the right technology, and the right supply chain structure. **It is always strategy before structure.**

Strategy

The first step in reaching any new position of performance is to develop the right strategy for the specific business. There is no substitute, or shortcut.

The “blind spot” where many distributors fail is by not defining their strategies well, or not being able to communicate it to all stakeholders – investors, management, employees and customers.

Basically, the right strategy has three components with key questions that must be answered before moving forward:

- a. *Target Market* – Who are our targeted customers? How are they segmented? What do they need and expect?
- b. *Products, Services and Value Proposition* – What do we provide, and why should our target customers buy it from us? How do we distinguish our value proposition? How do we know how well we are doing?

- c. *The Capabilities* – What do we need to deliver? How should we do it, and is there a compelling theme that differentiates us? What are our critical success factors?

A few examples of obsolete strategies that will **not work** at today's crossroads include:

- Branch, call center and online channels that are treated as separate businesses.
- An over-reliance on technical sales – the cost of sales is highest for this category.
- Ceding the online space to larger players.
- Branch operations that do not provide compelling reasons to draw in customers.
- Online capabilities that do not provide same-day service or endless aisle selection.



It is always strategy before structure.

Fulfillment Plan

Once the strategy is clear, proceed to infrastructure – planning the network of branches, DC replenishment, fulfillment centers, direct delivery opportunities, service repair centers, cross-docks, value-added service centers, and other processing/shipping locations.

This network is no longer a straightforward, computer-based exercise of minimizing total costs. A huge challenge that must be met with gusto is how this network contributes to the best-in-class convenience described under the “Five Pillars of Industrial Distribution Success.”

In addition, decisions must be made with respect to doing fulfillment internally or outsourcing to logistics service providers. The fulfillment plan will include the preliminary facility plan, transportation plan, inventory deployment plan, customer interfaces and endless aisle partners. To complicate matters even more, companies have to consider tax rates, real estate costs, energy costs, and incentives, as well as labor availability, cost and flexibility.

Processes and Organization

To move beyond the industrial distribution crossroads, major process and organizational transformations are required. The forward- thinking processes and organizational requirements that will be critical success factors include:

- Market Intelligence
- Customer Centric
- Endless Aisle
- Demand-driven
- Supply Chain Execution
- Technology
- Flexibility

Advancing beyond the crossroads means that distributors will need to re-engineer their key performance indicators (KPIs) and approaches to compensation, along with intensifying the focus on customer-centric service.

At the same time, distributors must address the transformational changes of endless aisle and become more demand-driven in their supply chains.

The very nature of MOE and its potential to drive change compels companies to pay attention to the processes and the organization.

Technology

The new MOE processes will necessitate new enabling technology. The traditional practices of planning, sourcing, allocating, deploying, moving, storing, fulfilling, delivering, selling and last mile will not work effectively for MOE.

The focus today is on demand shaping, one- time event management, non-stock inventory management, branch versus fulfillment center inventory management, demand-driven supply chains, distributed order management, online fulfillment, and inventory planning and

allocations.

All of these applications can be bolted onto most existing ERP systems, so it will not be a four- to six-year implementation cycle. In fact, many of the technology solutions going forward can be done on a cloud computing platform and integrated on top of an existing ERP.

But, do not try to achieve MOE without a clear and strong understanding of the new technology needed to achieve MOE.

Continuous Innovation

The final step recognizes that even the best strategies, fulfillment plans, processes and organization, and technologies will not be cost-effective or customer-endearing forever. The world of industrial distribution is changing rapidly. This will not only continue, but it will keep accelerating.

Successful MRO selling is all about adapting to change. Customer expectations are expanding every day, and if the distributor cannot keep up, buyers will follow the path of least resistance or the path that is most convenient and efficient.

Customers have alternatives not only for products, but also where they buy, when they buy and the ways that they research, browse, compare, order, pay for, receive, unpack, use, support and/or return the products they desire.

Thus, the path beyond today's crossroads must include how changes can be accepted and embraced with the fewest cost and time delays.

This evolution will require that strategies, fulfillment plans, processes and organization, and technologies be designed with changes in mind – not actually knowing what they will be in the future.

While anyone can speculate about speed, velocity and flexibility, the customer vision of “anything, anytime, and any way I choose” will lead every distributor to embrace change and prepare for it in order to survive.



The world of industrial distribution is changing rapidly. This will not only continue, but it will keep accelerating.

MOVE BEYOND THE CROSSROADS

Branch operations are certainly not going to disappear any time soon.

The physical presence of branches is not the point, however. In multichannel industrial distribution, it is not important from which channel satisfied customers are obtained. *The goal is to gain enough satisfied customers in all channels to survive and prosper.*

Understand that Amazon Supply is entering the market, and that they are a strong competitor. What compelling case of price- selection-convenience-experience can companies make to convince enough customers to continue to do business with them? And the overarching question: Who is willing to embrace MOE and make the tough choices needed to move beyond the crossroads to be successful?

It would be easy to continue with business as usual and believe that technical support will carry the day in industrial distribution as it has in the past. However, putting the blinders on and believing that e-commerce and MOE will never amount to much in industrial distribution could be a fatal mistake. There are many examples in the industry where newcomers, ready, willing and able to leverage new technology or new ways of doing business, started with toe- holds and eventually became the dominant players. Don't be a casualty to change by being fooled into believing this can't happen in industrial distribution.

There is no doubt that industrial distributors live in exciting times. But these are not easy times. To further help unravel the opportunities and solutions of *Industrial Distribution at a Crossroads*, see the graphic presented on the next page. This picture reveals the nature of the crossroads and the path to achieving success.

The tipping points are already starting to slant toward the crossroads, and success lies in understanding and following MOE and the Pillars of Success.

In the industrial distribution industry, it has traditionally been said that the "customer is king (or queen)." With online sales, social media, and multichannel fulfillment peaking, this statement has never been so true. It is time to meet at the crossroads and move forward.



About Tompkins International

Tompkins International transforms supply chains to help create value for all organizations. For more than 35 years, Tompkins has provided endtoend solutions on a global scale, helping clients align business and supply chain strategies through operations planning, design and implementation. The company delivers leadingedge business and supply chain solutions by optimizing the Mega Processes of PLANBUYMAKEMOVESTORESELL. Tompkins supports clients in achieving profitable growth in all areas of global supply chain and market growth strategy, organization, operations, process improvement, technology implementation, material handling integration, and benchmarking and best practices. Headquartered in Raleigh, NC, USA, Tompkins has offices throughout North America and in Europe and Asia. For more information, visit www.tompkinsinc.com.

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