

supply chain  
service center™



## **KEY ASPECTS:**

Product: Refrigerated JELL-O Pudding

Location: Mason City, IA

Relationship: Entering 13th Year

Crescent Services: Contract Packaging & Integrated  
Logistics

Operation: 24/7



## **FACILITIES:**

M1 - Crescent owned; Kraft dedicated (45,000 Sq Ft)

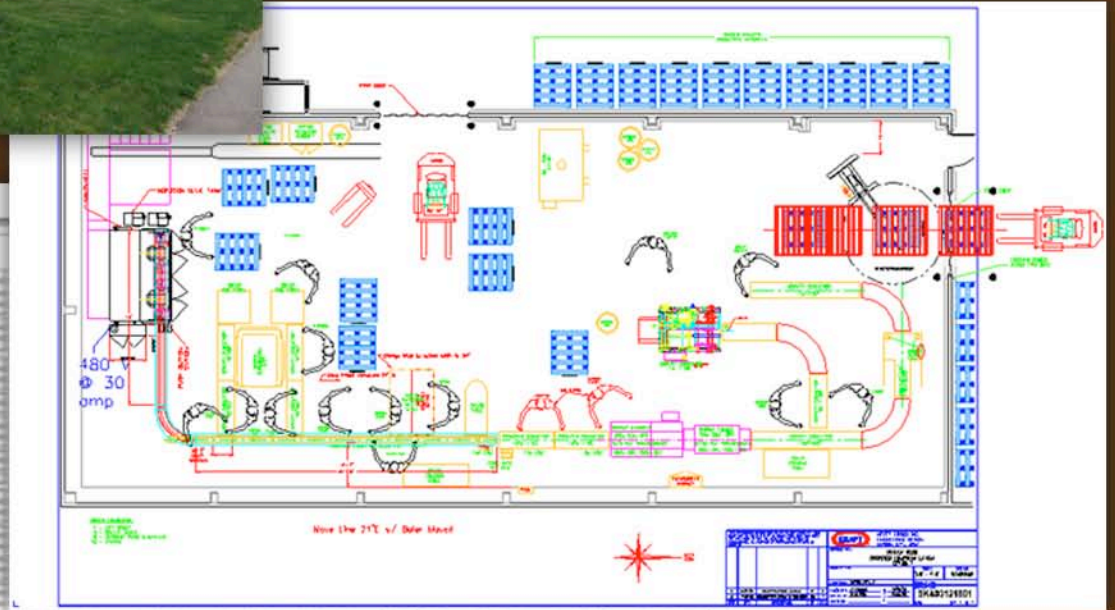
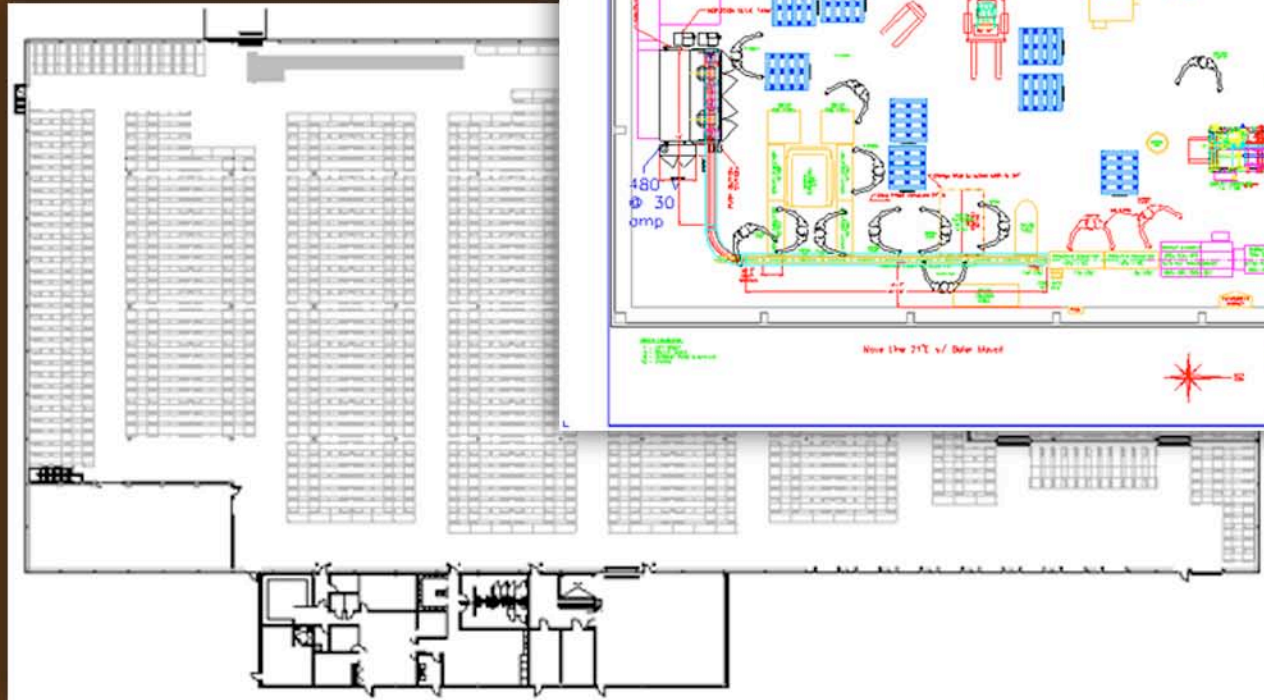
M2 - Kraft owned; Kraft dedicated (110,000 Sq Ft)

M3 - Crescent owned; not dedicated (69,000 Sq Ft)





# M<sup>2</sup>



## SUMMARY:

Crescent receives pallet loads of refrigerated JELL-O product (through a connected tunnel to Kraft's production facility) via robotic AGV's (automatic guided vehicles) and stores finished goods among its 10,000 + pallet locations in M2's 35 degree, temperature controlled warehouse.

Daily, in the repack room, in M2, we create club store JELL-O variety packs and ship out to Kraft DC's, as well as many retail chains in North America. Crescent plans and schedules outbound shipments for Kraft.

Production recording, warehousing activity, inventory control, QC and shipping functions are managed using Kraft's RF enabled WMS system

M1 is the primary dry storage facility for Kraft. This facility is both leased and run by Kraft personnel. M3 is used for flex storage for all dry materials used in the JELL-O production (cups, dry ingredients, packaging, etc.) and recently we moved corrugated packaging components for club items here to increase space utilization in the main repack facility (M2). In May of 2006, Kraft began running shelf stable product in their production facility; we store finished shelf stable goods in our M3 warehouse.



## **KEY PERFORMANCE INDICATORS (KPI's)**

Crescent measures daily and reports monthly, on these Key Performance Indicators:

- Volume of Pallets Received & Shipped
- Cycle Count Accuracy
- Shipping Accuracy
- Inventory Accuracy
- Warehouse Damages
- Warehouse Utilization
- Safety



# RECENT PRODUCTIVITY ACHIEVEMENTS

- PRODUCTION SAVINGS

Due to efficiencies gained in our ongoing improvement process, Kraft, in 2007, will realize (based on 2006 volumes) a six figure savings in our contracted rates for contract packaging and logistics.

- UTILIZATION INCREASE

In 2006, we increased warehouse utilization by 4%, equating to \$60,000 + in savings. Savings resulted from less freight, handling and outside storage costs.

- PACKAGE REDESIGN

Per Kraft's request and using our Promotional Services group, we redesigned the Jell-O club packs to run on one of Crescent's automated (Langen) cartoners. Estimated savings for package assembly equals 15 + %.



# NOTABLES

- NO KRAFT PERSONNEL ON SITE*

Since 2005, Kraft has not employed salaried workers in our embedded operation (Due to consistent performance, a growing role in our management of their business & cost reduction).

- FREIGHT MANAGEMENT*

Crescent manages inventory and outbound freight for the Jell-O retail and club store product, deploying an average of 25 loads per day, seven days per week. At our discretion, we deem product for 1) Make & Ship, 2) Buffer Locally, or 3) Buffer to one of seven Kraft mixing centers (Norcross, GA; Haslet, TX; Groveport, OH; Stockton, CA; Ontario, CA; Bethlehem, PA; or, Aurora IL). Our goal, as a plant-based buffer, is to schedule out make & ship full trucks, direct to retailer DC or DSD.

- SECONDARY PACKAGING*

In 2006, we assembled 1 mm + promotional club store packages (reconfigured on-site).

- LOGISTICS HANDLING*

In 2006, Crescent received/managed 150 k + pallet loads or roughly 40MM cases from Kraft's main production facility.

- ACCURACIES IN 2006*

Inventory: 99.79%; Shipping: 99.998%; Warehouse Damages: 99.995 Integrity.

- CONTRACT RENEWAL*

In October 2006, Kraft renewed its contract/relationship with Crescent, to extend through 2008.



# Thank You.

Presented by:



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