

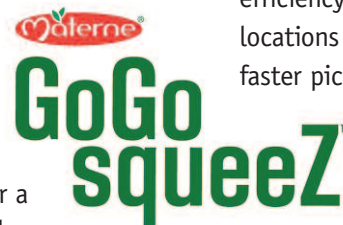
For Materne, All Systems GoGo for New Dedicated DC

"We chose KANE because of its national coverage, customer-first culture, and its experience with top consumer goods companies and major North American retailers. The KANE team has been instrumental in helping Materne achieve our growth objectives."

– President, Materne North America

Situation

Materne North America, the makers of the popular GoGo squeeZ™ health snacks, had a good problem. When retailer demand for its products exploded, the company needed to rethink its distribution strategy – from the location of distribution operations to the choice of a 3rd party logistics partner. After a very competitive national search, Materne chose KANE to relocate DC operations from St. Louis to the Chicago area and to upfit and run a 220,000-square-foot warehouse dedicated to Materne.



Strategy

KANE worked closely with the Materne team to transition distribution to the new facility, with seamless service to grocery and other retail customers. Within two weeks of the first loads arriving, the facility was fully operational. Today, KANE handles well over a million cases a month.

Key elements of the solution included:

- **Site location.** The KANE real estate team located a new building with 5

levels of racking to dramatically increase storage and picking efficiency.

- **Facility design.** KANE engineers designed the warehouse for peak efficiency, going from 165 to 300 pick locations to reduce traffic and promote faster picking.

- **Management depth.** Talented managers from within KANE's 26-facility network were

recruited to The Materne team. Additionally, trained associates were available "on call" since KANE operates two large DCs 5 miles from the Materne DC.

- **Peak season management.** During its peak back-to-school season, efficient space utilization minimizes costly overflow space – all while delivering a 99+% case fill rate.
- **Expert co-packing services.** KANE handles final packaging based on the needs of individual retailers and can quickly convert lines to respond to last-minute requests.

Results

- Significant increases in both productivity and service linked to improved storage and picking efficiency.
- Reliable labor pool – KANE has been injury free at the facility since October 2015.
- Consistently outpace aggressive KPI targets – 99.63% on-time shipping, 99.93% inventory accuracy.

KANE is a third-party logistics provider that helps manufacturers and their retail partners warehouse and distribute goods throughout the U.S.

