

## Database Instructions

### Classification Data

These data are used to categorize your company as part of forming benchmark comparison groups. The groups are formed based on the sales channel and product characteristics. Indicate the percentage of sales dollars from products that originate in North America and for those that originate overseas. You may wish to enclose additional background materials and an annual report. Check the boxes that apply.

### Size of Business

Primary benchmarks will be based on the size of your company in dollars and in weight shipped to customers; please be sure to complete these entries (estimate weight shipped, if needed). Sales should be **annual net revenue from goods sold in North America** for the latest fiscal year. The **Number of Customer Shipping Points** is how many locations ship to customers—including manufacturing points when applicable. The **Number of Sales Orders and Order Lines** is the number of sales orders received during the past year and the total number of individual line items on these orders.

### Transportation Cost Terms to Customers

Transportation costs may be paid by you or may be incurred by your customers. **Paid by You:** indicate the approximate percent of sales where finished goods delivery freight was billed to you and paid by you, excluding that portion that was added to customer invoices. Freight allowances should be included here as a cost. **Paid by Customer:** indicate the percentage of sales in which freight is paid by customers, including customer collect and when freight is added to the customer invoice. **Picked up by Customer Without Allowance:** indicate the percent of sales where there was a pickup and no freight allowance on your invoice.

### Logistics Costs

These are the annual operating costs incurred for your last fiscal year. Be sure to indicate the date for the end of that year in the appropriate space. Each cost type has a list of component costs; use these as a checklist for your entries. Note that computer costs appear under warehousing (warehouse management system, RF and barcode), OE/CS (order management system), and administration (DRP, forecasting, inventory management, and deployment).

Inventory carrying cost is based on the average of month-end inventories for a 12-month period. Indicate the average inventory at standard cost of goods sold. Calculate the annual carrying cost by multiplying this average by 18 percent. This percent is uniformly used to evaluate inventory carrying costs within our database comparisons. Further information on inventory carrying costs can be obtained from our office.

### Customer Service Performance Measures

Total order cycle time is a measure of how fast a *typical or average* order can be handled in your system. It is measured from the date of order placement (PO date) through the delivery of the product (or available to deliver date). We measure in calendar days, so weekend days should be included. Please do not enter the shortest time an order can be processed and delivered.

Product availability is your ability to deliver all the items and quantities ordered. Again, please show average performance on each of the three measures. **Orders:** the percent of the number of orders shipped 100 percent complete on the first shipment, as a percent of the total number of orders shipped. **Lines:** the percent of the number of line items on orders that shipped the full quantity ordered on the first shipment, as a percent of the total order lines shipped. **Units (case):** the percent of the total number of units shipped as a percent of the total units ordered on those shipments.

### Davis INSIGHTS

As part of our ongoing efforts to develop knowledge from information, we maintain brief, yet carefully developed, surveys of logistics executives and professionals. This survey contains six questions on key logistics and supply chain management concerns.

# Logistics Cost and Service Database

Company Name \_\_\_\_\_ Contact Name \_\_\_\_\_  
 Address \_\_\_\_\_ Title \_\_\_\_\_  
 \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
 \_\_\_\_\_ Email \_\_\_\_\_

**CLASSIFICATION DATA**

**Company's Industry Description and Principal Products** \_\_\_\_\_

**Nature of Business:**

- Manufacturing  Retail Chain  
 Wholesale/Distributor  Other

**Products are Primarily:**

- Durable  Consumer  
 Non-Durable  Industrial

**SIZE OF BUSINESS**

- A. Net US Sales Dollars \$ \_\_\_\_\_  
 B. Weight Shipped to Customers \_\_\_\_\_ lbs.  
 C. Number of Customer Shipping Points \_\_\_\_\_  
 D. Number of Sales Orders \_\_\_\_\_  
 E. Number of Sales Order Lines \_\_\_\_\_

**TRANSPORTATION COST TERMS TO CUSTOMERS**

**Percent of Sales on which Freight is:**

- Paid by You \_\_\_\_\_ %  
 Paid by Customer \_\_\_\_\_ %  
 Picked up by Customer without Allowance \_\_\_\_\_ %  
 Other \_\_\_\_\_ %  
**Total 100 %**

**LOGISTICS COSTS**

Data for 12 Months Ending \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

**A. Finished Goods Transportation**

**1. Primary Transportation.**

Domestic (From domestic plants/vendors to DCs and DC transfers) \$ \_\_\_\_\_  
 International (From international plants/vendors to DC's excluding duty) \$ \_\_\_\_\_

**2. Secondary Transportation.** Delivery to customers. \$ \_\_\_\_\_

**Total Transportation \$ \_\_\_\_\_**

**B. Finished Goods Warehousing.** Plant, DC, public, and third-party warehouse costs for storage and handling of finished goods. Costs should include the following: labor, space, energy, equipment, computers (hardware and software), and material for packing and shipping.

**Warehousing \$ \_\_\_\_\_**

**C. Order Entry/Customer Service (OE/CS).** Costs should include the following: labor, space, energy, computers (hardware and software), and supplies.

**OE/CS \$ \_\_\_\_\_**

**D. Administration of Distribution.** Personnel and support costs for indirect management (central distribution staff, computers (hardware and software), inventory control, and transportation and traffic).

**Administration \$ \_\_\_\_\_**

**E. Finished Goods Inventory Carrying Cost**

Average Inventory Value at Standard Cost \$ \_\_\_\_\_ **Carrying Cost** (Inventory Value x 0.18) \$ \_\_\_\_\_  
 Average Finished Goods Inventory Turns \_\_\_\_\_

To value the cost to carry inventory, does your company use:

- A specific rate for inventory carrying  An internal hurdle rate  Not sure/don't know

**Total Logistics Cost \$ \_\_\_\_\_**

What is the rate currently used by your company to value the cost to carry inventory? \_\_\_\_\_%

**CUSTOMER SERVICE PERFORMANCE MEASURES**

**A. Total Order Cycle Time** (Customer PO to Delivery of Shipment) \_\_\_\_\_ calendar days

**B. Percent of Orders Shipped Complete on the First Shipment** \_\_\_\_\_ %

**C. Percent of Lines Shipped Complete** \_\_\_\_\_ %

**D. Percent of Units Shipped Complete** \_\_\_\_\_ %

**DAVIS INSIGHTS**

- A. What are the **strongest forces** driving your decisions in logistics and supply chain management today? \_\_\_\_\_  
 B. What is the single **most pressing issue** you face today in **managing** a logistics or the supply chain organization? \_\_\_\_\_  
 C. What is the single **most pressing issue** you face today in **operating** logistics and supply chain functions? \_\_\_\_\_  
 D. What is the most difficult **customer service requirement** for your organization to satisfy? \_\_\_\_\_  
 E. What are the most recent changes made to your **logistics network**? \_\_\_\_\_  
 F. What is the most recent change your company has made in **systems that support logistics**? \_\_\_\_\_