

Fulfillment Quality Benchmarking

Source Data 2013-2014

MDS Fulfillment measures and reports five (5) of the most popular, key Logistics performance metrics within its own operations by individual client and across all MDS clients. We consistently strive to meet or beat Best-in-Class in all categories.

Benchmark data is reported by WERCWatch, an annual publication of the Warehouse Education & Research Council (WERC). The data is compiled from surveys of WERC members and DC Velocity Magazine readers.

Categories and statistics conform to industry-wide benchmarking for Warehousing, Distribution, and Fulfillment Operations. Source data is from over 800 Senior Executives, Directors, and Management level professionals invested in the processes measured and in improving their own operations. This deduction comes by reason of contributors' positions within their organizations, membership and involvement in the premier warehousing and distribution organization (WERC), and readership of the leading logistics publication, DC Velocity.



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TABLE 2. RESPONDENTS BY DC OPERATION

Metric	2014 % of Total	2014 % Cases vs. Pallet	2013 % Cases vs. Pallet
Broken Case Picking	37%	66.8%	69.2%
Full Case Picking	29.8%		
Partial Pallet Picking	12.9%	33.2%	30.8%
Full Pallet Picking	20.1%		

FIGURE 4. RESPONDENTS BY INDUSTRY

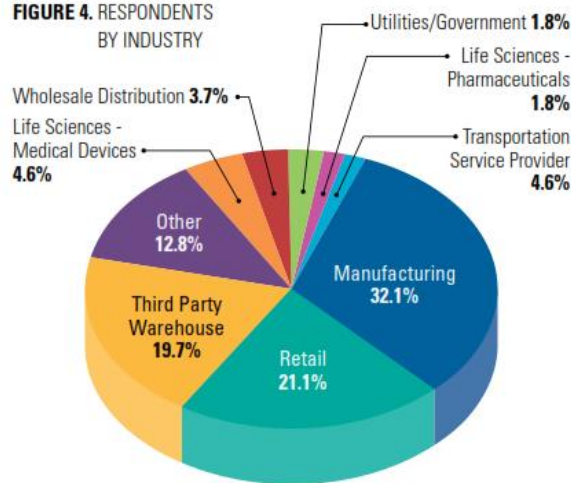


FIGURE 3. RESPONDENT TITLES

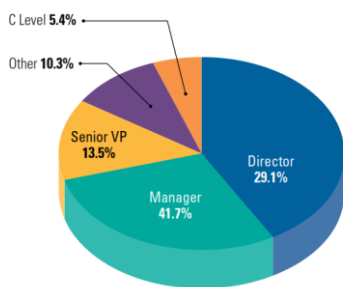


FIGURE 5. RESPONDENTS BY TYPE OF CUSTOMER

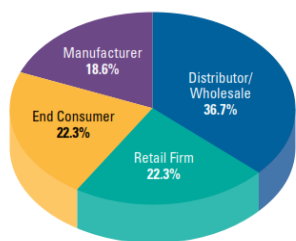


TABLE 5. QUINTILE PERFORMANCE CLASSIFICATIONS FOR METRICS

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6	COLUMN 7
Customer Metrics*	Major Opportunity	Disadvantage	Typical	Advantage	Best-in-class	Median
On-time Shipments	Less than 96%	≥ 96 and $< 98.3\%$	≥ 98.3 and $< 99.5\%$	≥ 99.5 and $< 99.8\%$	$\geq 99.8\%$	99%
Order Picking Accuracy (Percent by Order)	Less than 98%	≥ 98 and $< 99\%$	≥ 99 and $< 99.6\%$	≥ 99.6 and $< 99.9\%$	$\geq 99.9\%$	99.4%
Inventory Count Accuracy by Location	Less than 93.2%	≥ 93.2 and $< 98\%$	≥ 98 and $< 99.1\%$	≥ 99.1 and $< 99.9\%$	$\geq 99.9\%$	99%
Percent of Orders Shipped Damage Free (Outbound)	Less than 97.6%	≥ 97.6 and $< 98.98\%$	≥ 98.98 and $< 99.58\%$	≥ 99.58 and $< 99.98\%$	$\geq 99.98\%$	99.04%
Percent of Orders Sent with Correct Documentation	Less than 98%	≥ 98 and $< 99\%$	≥ 99 and $< 99.5\%$	≥ 99.5 and $< 100\%$	$\geq 100\%$	99.08%
Perfect Order Completion Index	Less than 85%	≥ 85 and $< 91.1\%$	≥ 91.1 and $< 98\%$	≥ 98 and $< 99.3\%$	$\geq 99.3\%$	96%

Perfect Order Index

A compilation score which measures the result of each of the 4 major components of a perfect order:

- Delivered On-time
- Shipped Complete
- Shipped Damage Free
- Correct Documentation

The Perfect Order Index (POI) is established by multiplying each component of the perfect order to one another. For example, if a company is experiencing a measure of 95% across all 4 metrics of the perfect order (on-time, complete, damage free and correct documentation), the resulting perfect order index would be 81.4%