

TABLE 1
Eight Supply Chain Processes

Description	
Demand planning responsiveness	The assessment of demand and strategic design to achieve maximum responsiveness to customer requirements.
Customer relationship collaboration	The development and administration of relationships with customers to facilitate strategic information planning, joint planning, and integrated operations.
Order fulfillment/service delivery	The ability to execute superior and sustainable order to delivery performance and related essential services.
Product/service development launch	The participation in product service development and lean launch.
Manufacturing customization	The support of manufacturing strategy and facilitation of postponentment throughout the supply chain.
Supplier relationship collaboration	The development and administration of relationships with suppliers to facilitate strategic information sharing, joint planning and integrated operations.
Life cycle support	The repair and support of products during their life cycle. Includes warranty, maintenance and repair.
Reverse logistics	The return and disposition of inventories in a cost-effective and secure manner.

The program would require buy-in from the top down to the delivery truck drivers. Furthermore, thinking in terms of key organizational processes, spanning across all divisions and departments, was a significant departure from the autonomous way Westminister companies had operated in the past. Nevertheless, McKee was steadfast in his belief in the new processes, and was eager to deal with the challenges associated with implementing his new program.

Westminister's Distribution Network

Table 2 outlines Westminister's existing distribution network for the three domestic consumer sales companies. Each company consists of a number of company-owned and operated manufacturing plants and distribution facilities. Table 3 presents a number of key demand and inventory statistics for the facilities.

Each manufacturing plant produces stock-keeping units (SKUs) unique to that particular facility. All SKUs are distributed on a national basis. Due to significant capital outlays and fixed costs associated with each manufacturing plant, the supply chain taskforce has already eliminated the possibility of relocating any manufacturing facilities from their present locations.

Manufacturing plants route products through a distribution center before final delivery to a retail or wholesale customer. Any distribution center may be utilized within its own company. Distribution centers may ship product to any region of the country; however, customers are typically serviced by the closest distribution center based on Westminister's regional boundaries. Transfer shipments between distribution centers are frequently made to achieve an assortment of products for customer shipment.

Most shipments from manufacturing plants to distribution centers are delivered via motor carrier on a truckload basis. Air freight is sometimes utilized for emergency shipments from plants and between distribution centers before delivery to customers. Most shipments between distribution centers and customers are delivered by motor carrier on a less-than-truckload basis and vary in size from a few pounds to nearly truckload quantities. Table 4 shows the three domestic sales companies' shipments by typical weight brackets