

TABLE 2
Westminster
Company Facility
Locations

Company A			
Manufacturing Plant	% of Total Pounds Produced	Distribution Center	% of Total Pounds Shipped
Los Angeles, CA	53%	Newark, NJ	28%
Atlanta, GA	24%	Atlanta, GA	31%
Jacksonville, FL	23%	Dallas, TX	41%
Company B			
Manufacturing Plant	% of Total Pounds Produced	Distribution Center	% of Total Pounds Shipped
Philadelphia, PA	39%	Philadelphia, PA	78%
Newark, NJ	37%	Los Angeles, CA	22%
Atlanta, GA	24%		
Company C			
Manufacturing Plant	% of Total Pounds Produced	Distribution Center	% of Total Pounds Shipped
Chicago, IL	75%	Newark, NJ	38%
Houston, TX	10%	Chicago, IL	54%
Trenton, NJ	15%	Los Angeles, CA	8%

TABLE 3
Westminster
Customer Demand
(2003)

Characteristics	Company A	Company B	Company C
Total demand (000,000 lbs)	150	72	60
Sales (\$000,000)	475	920	271
Cases (000,000)	13.2	8.5	9.8
Shipments (000)	80	88	73
Lines ordered (000)	1060	683	340
Inventory turns p/yr	6.5	10.8	7.2
Total SKUs	1260	430	220

TABLE 4
Shipment Profiles

Shipment Size	% of Weight	% of Shipments
Package Delivery	6	25
< 500 lbs.	8	22
500 – 2,000 lbs.	13	20
2,000 – 5,000 lbs.	18	15
5,000 – 10,000 lbs.	22	10
> 10,000 lbs.	32	8

and the number of bills of lading issued within each bracket. The first weight bracket (< 500 pounds) represents shipments typically delivered by small parcel carriers; the next two brackets (500 – 2,000 lbs. and 2,000 – 5,000 lbs.) represent order fulfillment of back ordered SKUs. Approximately 50 percent of all shipments are 500 pounds or less.

Distribution center locations are based both on market and production factors. The majority of distribution centers are strategically located throughout the country to serve vice geographic territories that contain the strongest demand for Westminster products. Demand patterns for consumer products follow major population centers and are consistent across the country for all three companies. Most distribution centers are located near manufacturing plants to reduce transfer transportation costs.