

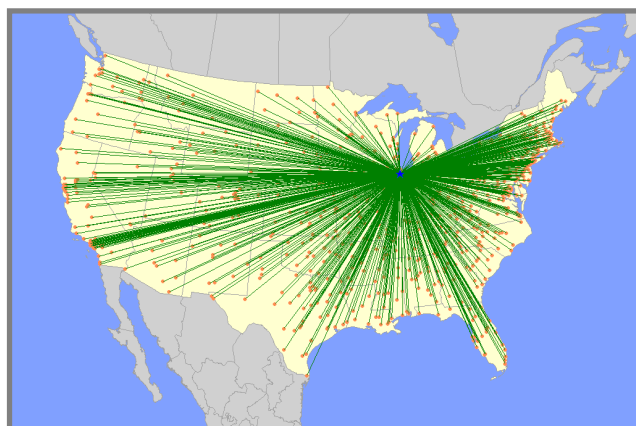
If you have only one distribution center and you need to ship all across the United States, the best place to locate it could just be... metropolitan Chicago.

That's the result of Kuehne + Nagel's high-level analysis to identify an optimal location for a single-DC solution, based on average lead-time to customers. Kuehne + Nagel's network optimization approach measured average distance to the population and calculated the service levels based on less-than-truckload (LTL) and small-parcel shipments. A conservative standard of 500 miles per day for LTL was used to calculate transit times; small-parcel transit times were calculated based on appropriate routing and transit guides.

An optimal single location for a distribution center is Kuehne + Nagel's multi-client facility in Alsip, Ill. It provides a high level of customer service – in terms of percentage of deliveries that could be completed across the United States within three days – easy access to a robust interstate highway infrastructure and ample labor availability.

A single DC solution is also attractive because inventory is usually kept to a minimum in one-DC scenarios. Typically, inventory grows with the space available.

The Alsip DC is one of 18 Kuehne + Nagel multi-client facilities across the country, providing companies with the ability to flex space and labor in a variable-cost environment – on a national scale – an advantage unique to Kuehne + Nagel.



Alsip, IL	Service		
	1 - day	2 - day	3 - day
LTL	23%	72%	89%
Small Parcel	9%	37%	81%

Since many factors, such as customer locations, service-level requirements and cost, impact network decisions, it's important to review and balance in accordance with your specific objectives. Kuehne + Nagel's Customer Solutions organization can assist in this analysis to determine the optimal balance between cost and service.

Kuehne + Nagel, a leading global logistics services provider, can streamline finished goods supply chain through a dynamic global physical network, the effective use of integrated technologies, a global footprint, and proven operational processes.

For more information on Kuehne + Nagel's Alsip, Ill., Distribution Center, contact Dave Hanebuth at (708) 396-3227.

