

# Driving *efficiency and excellence*

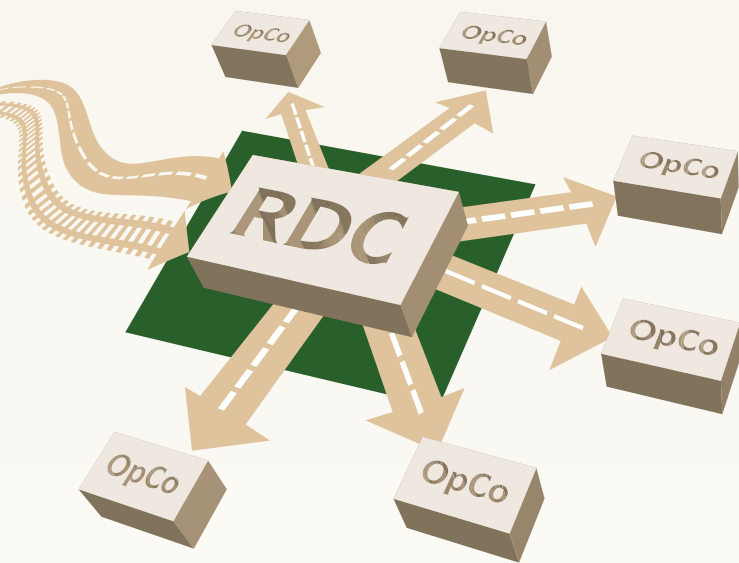
SYSCO's Supply Chain Optimization is transforming the way we get products from growers, producers, suppliers and manufacturers and bring them to your door.



## You're all about efficiency.

In the kitchen, you've implemented energy-saving practices to reduce your utility costs. You've trained your servers to turn tables in a timely manner to seat and satisfy more people. And you constantly oversee your inventory and ordering of food to ensure you always have exactly what you need. That's the same kind of active management SYSCO is bringing to its redesign of the supply chain—a redesign that will mean an abundance of benefits for you.

Imagine getting your orders faster than ever, having a wider selection of products from which to choose, or replenishing an item out of stock at your operating company—without having to wait a week for the supplier to ship it. It's a vision SYSCO is working to achieve with the creation of a network of six mid-point redistribution facilities between suppliers and the network of more than 70 operating companies across North America. These redistribution centers (RDCs) will be highly automated, full-service, 24-hour receiving, warehousing and distribution centers designed to better serve your operating company—and ultimately you.



Each RDC will be strategically located to serve the operating companies in each region, receiving product from suppliers and redistributing it to operating companies. Each RDC will carry 12,000 to 15,000 of the highest-volume products used by the operating companies in the RDC's service area. In effect, it drastically cuts the distance between your operating company and its pool of inventory—meaning faster access to the products you need most.

The RDC initiative means more choice, too. Each RDC will be able to stock a broader range of products than any single operating company, giving operating companies fast access to up to 10,000 items they don't currently stock. That translates into more options for you, with less waiting!

The RDC also means quicker restocking if an operating company runs out of a product. Currently, it can take 7 to 14 days for an operating company to restock an item from a supplier. But a SYSCO RDC will allow your operating company to restock an RDC item in just 24 to 48 hours. Quick access to inventory resupply is also vital if an event such as a natural disaster, a storm or an industry strike threatens to disrupt your business. The pool of inventory at the SYSCO RDC can reduce these risks to the supply chain, getting your business back on track as quickly as possible.

The first SYSCO RDC—in Front Royal, VA, serving the Northeast Region—is already operating as a pilot project. Its success can be measured in a 30 percent reduction in out-of-stock notices to customers, as well as the fastest go-to-market times in the industry. As new RDCs come on-line, SYSCO customers across North America will enjoy the same benefits of this ongoing initiative, bringing them lasting advantage in a very competitive market.

