

Return on Net Assets PROGRAM

The **Return on Net Assets** (RONA) concept measures the financial performance of a company that takes the use of its assets into account. Higher RONA means that the company is using its assets well and is working capital efficiently and effectively.

The best way to increase RONA at the service center level is to do my due diligence in making sure the facility runs in the most efficient way possible. To achieve this goal, I need to focus on the "**assets**" I directly influence: my employees.

The most effective way to do this is ultimately through training—ensuring that all employees know how to do their job and work towards our company's three pillars:

the philosophies of **calm, clean, and current**.

We need to all work together to cut down on wasting time doing frivolous work.

Examples:

- Highlighting notes on orders properly and making sure ranking checkers/pullers read those notes and do what the customers requested (i.e., reduce Q3 errors).
- Asking customers if they need to add to their order in case they forgot anything.
- Making sure sales flyers and promos are readily accessible in will call.
- Instilling in employees how vital safety is to the company—accidents cost the company money, and of course, we don't want anyone injured.
- Keep current on training for warehouse personnel (i.e., reduce Q3 + Q5 errors).
 - Pullers (Triangulation Technique)
 - Packers
 - Checkers
 - Meter Operators

Training on Packing Properly & Responding to Customer Requests for Packing/Product

Example:

(email from a customer with images)

Hey Matt,

I just wanted to touch base with you about the order we received today, especially since we have had missing pieces with this exact kit on previous orders.

This kit did arrive with all its parts. It was well supported on the sides, but if you look at the pictures' ends, it appears as though it wouldn't have taken much for the tape to break and the contents to be lost (which happened to one of our orders). The hardware inside tends to shift back and forth during the shipping process.

Even though it is in a separate bag, it puts significant stress on the taped ends. I just thought I would let you know because this is an expensive kit. Reinforcing the backs is essential for safe arrival.

Thanks for your help with the past order that was lost in shipping.

Best,

Mike Vasil



Initiative:

Review with packers that we need to use boards on all sides and tape over the ends, so the box doesn't break open and we lose parts.

(cont.)

Making Sure Products Received at the Facility is in Good Condition

Example:

CONSIGNEE		DELIVERY RECEIPT		DELIVERING TRAILER		SHIPPER		
DIRECT FREE ASTRAY DELIVERY		CR LAURENCE		929257 UPGF		221 082 901		
2765 SPECTRUM DR		IL 60124		FREIGHT BILL NUMBER		CRL U S ALUMINUM		
ELGIN 49591043		(847)426-3800		221 082 901-F0		MCCORMICK PLACE AMEX		
PO# NONE		UPS FREIGHT PHONE NUMBER		CITY RTE/BYD SCAC		2301 S INDIANA AVE		
		(800)333-7400		029N		CHICAGO IL 60616		
				PAL		13306801		
				PICK UP DATE		ADV CAR		
				04/06/18		BL# 450716-74		
				PAL				
NA								
DIRECT FREE ASTRAY DELIVERY								
								
UPS Freight 				221 082 901-F0				
www.upsfreight.com								
#PCS	HM	PT	DESCRIPTION OF ARTICLES AND SPECIAL MARKINGS	WEIGHT(LBS)	NMFC			
1		CR	1 PIECE(S) COUNTED AND VERIFIED ON 1 SK HANDLING UNIT(S) WITH THE FOLLOWING: PARAPHERNALIA, EXHIBITION BILL TO: 07833619 FREEMAN EXPOSITION INC	1000	154630-00			
PAGE 1 OF 1								
1 < TTL PCS			PRINT NAME	TTL WT >	1000	ODOM	ARRIVE	DEPART
PIECES DLVRD			SIGNATURE	FIRM				
WRAP INTACT?			RECEIVED THE ABOVE PROPERTY IN GOOD CONDITION EXCEPT AS NOTED			DATE	DRIVER NAME	
YES NO?			RECORD EXCEPTIONS & DESCRIPTIONS OF GOODS IN BODY OF FORM ABOVE					



Example:

The bill shown above was signed for "Free and Clear" with no notation of damage! Obviously we did not ship it out laying on its side, and a clear indicator of that is that the arrows that denote "this side up" are pointing to the left, which SHOULD have prompted the receiver to further inspect the shipment before signing for it.

So the company loses money, and we not only have to clean up the mess and have it sent back to Service Center 01 to prevent further damage, but we have to repair the entire display. This mistake cost money, but now we can't even file the claim.

We need to make sure BOLs are filled out properly and work with corporate to have freight bills corrected if the charges are different than originally quoted. Make sure my staff knows how to properly get quotes.

C R LAURENCE COMPANY *****
 2765 SPECTRUM DRIVE *UPS SHIPPER NO*
 ELGIN, IL 60124-7841 * IL 6-16-636 *
 *PKG ID#T14633 *

**Sales Order/
 Pack List No.**
 T14633

04-06-18 11:47 C
 DATE PRINTED TIME



B I L L T O Same as Ship To unless indicated here.
 0100189770
 MILLER PIPELINE
 8850 CRAWFORDSVILLE RD C1
 INDIANAPOLIS IN 46234

TO PLACE AN ORDER, OR FOR THE MOST COMPLETE ACCESS TO OUR PRODUCTS AND SERVICES, CONTACT CRL ONLINE AT crlaurence.com
 CALL US TOLL FREE 1-800-421-8144 (800) 262-3299

FOR ACCESS TO U.S. ALUMINUM PRODUCTS AND SERVICES, CONTACT U.S. ALUMINUM ONLINE AT usalum.com
 CALL US TOLL FREE 1-800-262-5151 (800) 262-3299

P. O. Number or Name		Ship Via		Date Ordered	Customer Phone	Blann. No.	Description of Items	RC	Page
124181		UPS FRT COLLECT NO FREIGHT CHG		04-06-18	317-293-0278	H03	1% 10TH PROX., NET 25TH		1 of 1
Contact				P.O. Number		Resale Number		Serial No.	
MILLER				124181				37674	

L	Quantity Ordered	Quantity Shipped	U/M	Serial	P	Catalog Number	Product Description	I-Code	Warehouse Location	Blk. Cat. Pkg. No.	Tax	Price Per Unit of Measure	Extension
						COMMENTS	GS1031						
						COMMENTS	UPS ACCT # 441473						
01	48 (C)	48 (C)	RL		A	GT206	BUTYL ARCHITECTURAL TAPE BLACK 1/8 X 1/2" (3.2 X 12.7MM) 20RL	120	6A-16		N	5.20	312.00
	60												312.00
* * THIS IS A REPLACEMENT OF ORDER T13288 BY B37 * *													

Δ/U/M Abbreviations BX - Box CS - Case GN - Can CT - Carton EA - Each EA - Each FT - Foot FT - Foot	DZ - Dozen EA - Each FT - Foot	GL - Gallon IN - Inch LB - Pound	PK - Package PR - Pair PT - Pint	QT - Quart RL - Roll SL - Stock Length	ST - Set YD - Yard	# Symbol Column PC - Price Change	
Backorder Allowed/Alt. Ship Via	Freight Terms	Taken By	Ent. By	Entered By	Checked By	Packed By	Approved By
YES	NO	FCS	I04	dot	BBS	XID	

010020 APR 9, 2018 BL WT 01.0 LBS 00.00
 SVC GNDCOM TRACKING# 126168360340886718
 SALES ORDER: T146332018-04-06
 SHIP COMPLETE: 0

SHIPMENT RATE CHARGES:
 DV 0.00 COD 0.00
 DC 0.00 DGD 0.00
 AH 0.00 PR 0.00
 TOT CHG 0.00

CNS 0.00 FRT: REC
 SVC F/C USD
 RS 0.00
 ROD 0.00
 +HC 0.00

THIS DOCUMENT IS NOT AN INVOICE.

Shown above is an OBVIOUS checking error. GT206 parts are sold in quantities of 20, so there is no way we should have shipped 48 RLs and back-ordered 12 RLs.

These examples and ideas for areas of focus are the essences of RONA, and we need to start using them.

Thank you,
MATT CRATTY