

Can outsourcing save you hundreds of thousands of dollars per year?

The answer to this question is probably, **YES**. With the ever increasing changes that we face in business today does it make sense to operate your own warehouse? The Delivery Network is in the business of assisting you in evaluating this decision. There are so many factors that must be considered in making this important decision. Cost of capital, cash flow, warehousing expertise, workers compensation costs...and the list goes on. The savings can add up quickly and can be very substantial. Please call **Brad Reinhardt** at **The Delivery Network**, **800-219-9248**, ext. 248 for an evaluation.

	50,000 square feet		Savings with The Delivery Network	
	Company owned	Company leased space	60% Utilization	100% Utilization
Standard Cost Structure				
Real Estate Taxes .70-.90/sq.ft.	\$ 42,500.00	\$ 42,500.00	\$ -	\$ -
Maintenance	\$ 8,000.00	\$ 8,000.00	\$ -	\$ -
Wages/Handling Fees	\$ 163,560.00	\$ 163,560.00	\$ 100,000.00	\$ 100,000.00
Storage	\$ -	\$ -	\$ 110,000.00	\$ 190,000.00
Insurance	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -
Lease Expense-\$3.60/sq.ft.	\$ -	\$ 180,000.00	\$ -	\$ -
Workman's Compensation	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -
Utilities	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -
Trash Removal	\$ 3,000.00	\$ 3,000.00	\$ -	\$ -
Security	\$ 1,000.00	\$ 1,000.00	\$ -	\$ -
Misc. Office/Warehouse Supplies	\$ 5,000.00	\$ 5,000.00	\$ -	\$ -
Telephones	\$ 4,000.00	\$ 4,000.00	\$ -	\$ -
Forklifts	\$ 14,000.00	\$ 14,000.00	\$ -	\$ -
Pest Control	\$ 1,500.00	\$ 1,500.00	\$ -	\$ -
Subtotal	\$ 287,560.00	\$ 467,560.00	\$ 210,000.00	\$ 290,000.00
Cost of Capital	\$ 142,500.00	\$ -	\$ -	\$ -
Total:	\$ 430,060.00	\$ 467,560.00	\$ 210,000.00	\$ 290,000.00

**** SAVINGS- THIS REPRESENTS \$140,060. TO \$257,560. SAVINGS PER YEAR ON 50,000 SQ.FT.****

This example represents an actual case study of a 50,000 sq.ft. warehouse and the costs associated with keeping all services in-house as compared to outsourcing with The Delivery Network. This example is based upon your company owned, your company leased, outsourcing at 60% utilization, and outsourcing at 100% utilization of 50,000 sq.ft. of space. Also, staffing requirements of three warehouse people making 15.00/hr. loaded, one clerk at 12.00/hr. loaded and one supervisor at 45,000/year. This example represents 24,000 throughput pallets.