



Success Story

Roofing and Construction Materials Manufacturing Company

Objectives

The construction materials division of **Carlisle Companies** wanted to evaluate their longstanding practice of co-locating their major warehouses next to their manufacturing operations. **Carlisle** was looking to reduce their transportation and warehousing costs and questioned if there was a particular set of new warehouse locations that would result in a more desirable distribution network resulting in lower costs and better customer service.

Our Solution

Profit Point developed an optimization model to trade off transportation and warehousing costs while meeting product demand. The model included the top 100 distribution locations in the US along with **Carlisle's** existing warehouse sites as potential locations for the model to consider.

Benefits

Profit Point was able to identify achievable annual savings of \$1M by showing **Carlisle** how to use their existing network more efficiently and by adding one new warehouse location next to the new manufacturing plant being built. The model showed that **Carlisle's** existing warehouses were located in desirable areas regarding operating cost and proximity to vendor, manufacturing and customer locations, but it also identified business changes to the way **Carlisle** manages their inventory at several warehouses, allowing them to realize larger savings. The study also confirmed which new manufacturing plant location out of several candidates was the most cost efficient in regards to transportation costs.

"Profit Point did not come to Carlisle with a pre-determined answer to our logistics issues. They did an excellent job of listening to our needs, working with our personnel to extract the necessary information, and formulating recommendations to reduce our costs." said Bob Stout, Vice President whose responsibilities include Purchasing and Logistics at Carlisle SynTec Inc.