



*Bark Verpakkingen*

# *Outsourcing Concept*



## ***Outsourcing***

***Bark Verpakkingen B.V. as your partner in strategic packaging management. The win-win relation between 'outsourcing' and your 'core business efficiency'. In other words: value added buying with a wink to your working capital.***

The 'health' of your organization depends on two main factors:

1. The people who make the business.
2. Your working capital to enable this business.

In order to be able to operate efficiently, effectively and competitively it is crucial that people are engaged in the core-area of the activities. Focus on producing and selling your own specialism, is the well-known device.

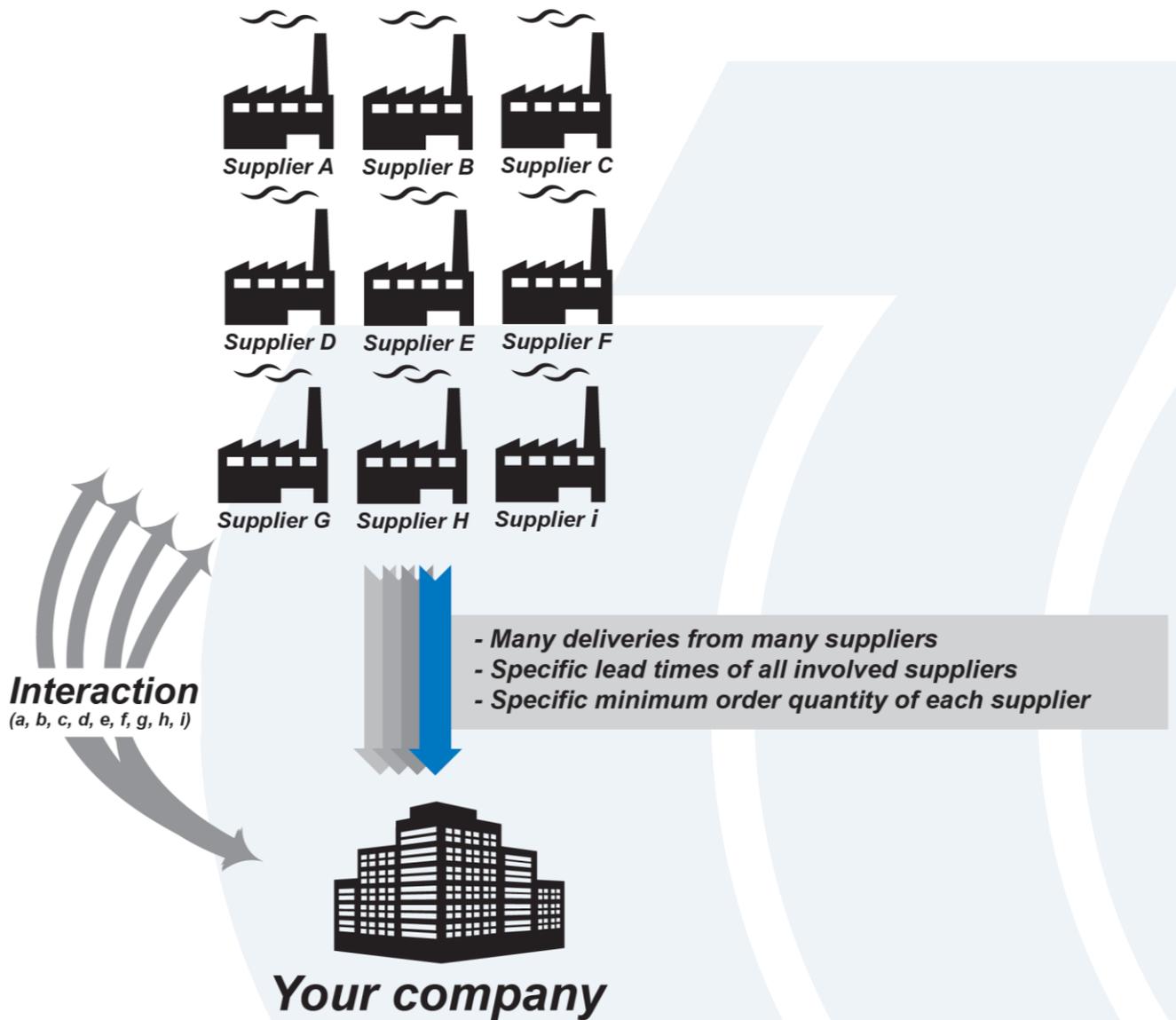
Unfortunately with every activity and operation you have to deal with side-issues and matters of secondary importance that are necessary to make your core business possible. These matters often take a lot of time, energy and labour and thus money that of course should be avoided. Why not keep these side-issues out the door and outsource it to a reliable partner? With regard to your packaging logistics, you can challenge us.

***The difference?***

***Your side-issues and matters are our core business.***



## Common purchase system



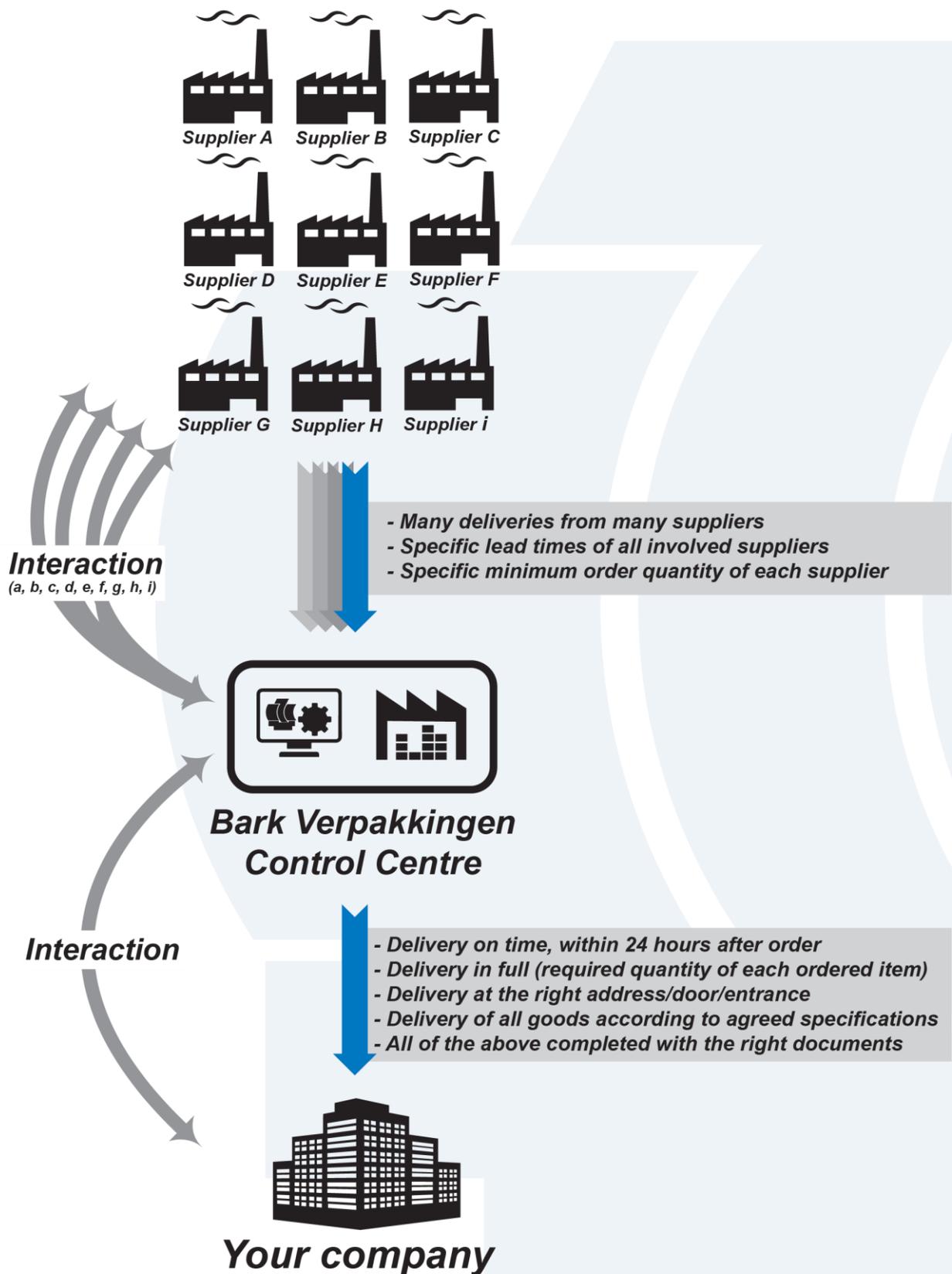


## *Consequences of common purchase system*

- 1) No optimal purchase price, because of smaller purchase quantities and therefore fragmentation of purchase power. The first condition to reach a more optimized price starts with full truck shipments.
- 2) Many different suppliers. Each of the various suppliers has its own lead time from your order to final delivery. Each of the suppliers has its own minimum order quantity.
- 3) A long lead time might result in disturbance of the production planning and within the supply chain.
- 4) Complexity of managing and aligning all involved suppliers
- 5) Blocked working capital for total packaging stock stored in operational plant.
- 6) Warehousing of packaging, resulting in high costs. [Click here to download How to approach total inventory costs?](#)
- 7) Processing of several orders, order confirmations, documents, invoices and purchase conditions etc. instead of standardization.



## Bark Verpakkingen Outsourcing Concept





## ***Operations within the Bark Verpakkingen Control Centre***

- 1) Daily check of minimum stock position of each outsourced item based on agreed data (historical, forecast or demand related).
- 2) Daily contact with suppliers in order to maintain, anticipate and monitor production planning to keep stock positions on the required level at all times. Our activities do not begin with your order input; we always think a few steps ahead. Let us deal with the different lead times of the various suppliers.
- 3) Intake of goods from all suppliers, basically by full loads.
- 4) Quality check of incoming goods based on your quality control criteria.
- 5) Labelling of each pallet with your product code for simple identification when goods arrive at your operational plant.
- 6) Repacking (when needed) and storage of goods in warehouse.
- 7) Combining items after your call. Each shipment ordered before 11:00am can be supplied the next morning from 06.00 am.
- 8) Arranging mixed transport to your operational plant.
- 9) Complete settlement of all financial and financial related issues between all suppliers and Bark Packaging Control Centre.



## ***Results by using Bark Verpakkingen Control Centre***

- 1) Strong reduction of suppliers. Only one contact for all packaging related issues.
- 2) Guaranteed 24 hour deliveries including logistic handling.
- 3) No planning with lead times; this will be our responsibility. Your packaging will always be available.
- 4) No disturbance in your production planning and therefore no disturbance within the supply chain
- 5) No quality control of incoming goods, therefore no production process disturbance.
- 6) No packaging stock, resulting in less costs which are related to warehousing.
- 7) Financing of your stock and thus increasing your level of working capital. Don't stock goods you will not need for the next days.
- 8) No risk and no responsibility, yet available at all times.
- 9) Decrease of internal logistic handling. No transport from warehouse to production, but shipping incoming goods directly to filling department.
- 10) Only 12 invoices per year for your complete packaging portfolio, which simplifies bookkeeping and financial procedures (monthly invoicing).
- 11) Allowing companies an increased focus on core business activities. Packaging is no core, it is just needed to enable core. For you packaging is not a goal; it is a tool. Generally speaking packaging is less than 8% of the total purchase budget of a production facility. The purchase budget for raw materials is at least 7 to 10 times higher than the packaging budget. By outsourcing your packaging issues you will save time and with this gain of time your staff can use their capacities to focus on core activities. Each achieved 1% efficiency on raw materials results in an at least 7 to 10 times higher return on effort, compared to the financial impact of packaging versus raw materials.



As far as production costs are concerned, you will reach a higher level of efficiency through a more flexible production. Don't cancel, postpone or delay production because of the lack of the right packaging. Increase the flexibility of your production system as the basis of all production activities and consider the required packaging as a matter of course instead of an issue that can ruin your production planning. Don't adapt production to packaging, but adapt packaging to production.

## ***Know-how***

Another important advantage of outsourcing your packaging issues is the packaging know-how we can add.

Doing business directly with manufacturers means mainly dealing with possibilities within the production limitations of this particular manufacturer. It is quite understandable that a manufacturer of plastic packaging will not recommend you to use a metal packaging instead, even if that material will result in a better packaging performance.

The reason is not only that this manufacturer can't supply you the suggested alternative, he most likely is unaware of the material properties of packaging made of another material. Salespeople are supposed to know everything about the products and the materials they sell, however it is very rare that they also know the specific qualifications and benefits of the possible substitutes. We think this know-how is critical to get objective advice.

Therefore our people all have their own specialism; from (stainless) steel to injection moulded plastics (polymers) and from blow moulded plastics to tinfoil. Bark Verpakkingen does not work with machinery that is limited to any shape, dimension or material.

Our goal is finding the best solution for your packaging needs. Our first priorities are your wishes and requirements. The technical production matter is just a side-issue!

As we have a huge network of (inter)national production partners, we will always be able to find the right production partner to match your packaging needs. By outsourcing your packaging demand, you will automatically take advantage of all of the abovementioned synergy benefits, because what might be an unknown territory to you could be a piece of cake for us.

Instead of searching and analyzing all the packaging (non-)possibilities, just drop the question on our desk.

As we also have a focus within the chemical (related) industry, you are very welcome to challenge us on knowledge of the 'hazardous goods transportation' regulations.



## ***Procedure to come to an outsourcing partnership***

### **Intake meeting with customer**

Items to be discussed for example:

- *Which packaging items are involved.*
- *Do you want to maintain (some) packaging materials or do you require alternatives and are they available.*
- *Which current suppliers are involved.*
- *Do you want to maintain (some) current suppliers or do you require alternatives.*
- *Price, purchase conditions, etc.*

### **Intake meeting with current suppliers**

Items to be discussed for example:

- *Which price reduction is achievable by supplying goods per full loads.*
- *Conditions, lead times, etc.*

### **Implementation**

### **Operation**