



Customer Profile: Joshen Paper & Packaging, NE Region



Start Date: April, 1998

With an inventory of more than 10,000 packaging items, 1,000 janitorial items and 2,000 label variations. Joshen is able to meet the needs of every one of their customer's needs. Joshen has built its business through breadth of offerings, On-Time service and proactive customer focus. In 1997 Joshen entered the Northeast with a new Edison, New Jersey distribution and sales location. Joshen had the sales and warehousing expertise, what they needed was a transportation partner to get the deliveries to their New Jersey, New York and Pennsylvania area customers On-Time and at an efficient cost per delivery.

In addition Joshen needed trained, customer focused drivers who could responsibly work with their customers and facilitate additional sales growth. Drivers are seen by customers 10 times as frequently as the sales representative.

Why Lily?

Lily was chosen because of Lily's proven ability to operate in the difficult Tri-State area as both an On-Time, Hyper-Efficient and Superior driver workforce carrier.

Lily driver turnover has been less than 4% since the start date. Hence, the trained and uniformed

driver force is a competitive advantage for Joshen in servicing its customers.

In addition, Lily provides a customized and extensive reporting database that allows for reporting on all aspects of the operation featuring customer focused Key Performance Indicators (KPI) and the Lily Plan, Do, Check, Act (PDCA) Process.

System Architecture: 24x7

Lily Management:

- 1 Lily employee dedicated to Joshen
- Dedicated Drivers:
 - 18 Full Time Lily employees
 - 4 Lily Part-Time employees
- 16 Dedicated Trucks and Tractors

Lily Management Responsibilities:

- Drivers and Driver Productivity
- Equipment utilization
- Scheduling and Load Planning
- Continuously Improving Supply-chain Efficiency and Integrity

Continuously Improving Supply chain Efficiency and Integrity



Standardized Continuous Improvement process utilized since 1987

Our Process Delivers Performance

PDCA

results in seamless implementation - transition systems results in continuous improvement (lower cost)

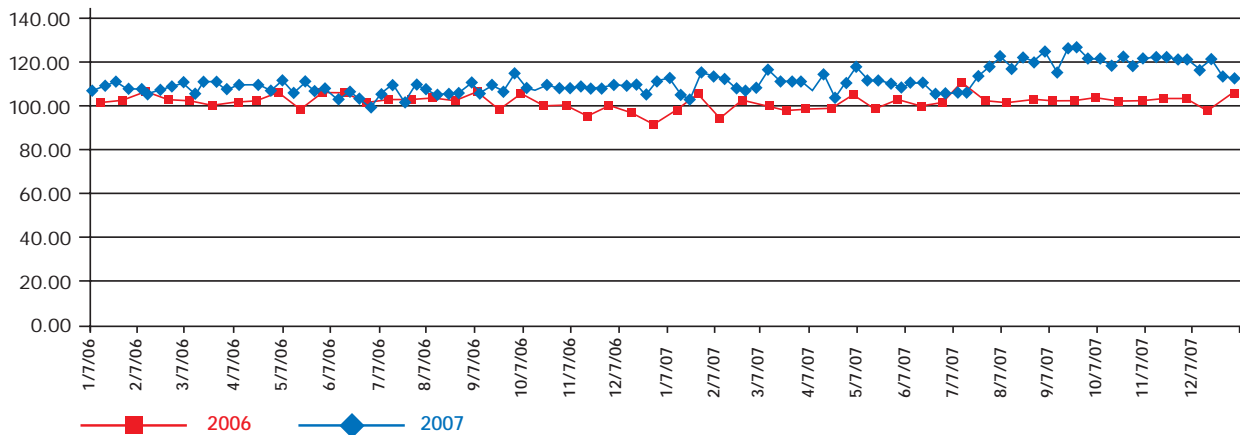
Key Performance Indicators

to continuously track & analyze cost and service levels provides "readily-available" data for ongoing PDCA process

Continuous Improvement Methodology

results in seamless transitions from private fleet, or other carriers, to Lily

MSF - Manufactured Square Foot per Load (Sample)



Performance Measurement System

An effective performance measurement system is the early warning system for problems. Lily's computer based performance measurement system provides reports that monitor our performance quality and supports the decision making process that is found in driving out cost and waste. Lily tracks the following performance measurements and can tailor any measurements to your specific operation:

- On-time versus standard
- Delay time at customers, over standard
- Number of empty miles
- Miles per gallon
- Miles per truck
- Driver productivity
- Delivery overage, shortage, and damage
- Number of drivers per vehicle
- Cost per unit
- Cost per delivery

Delay Costs (Sample)

