

Standard KPI schedule

Key Performance Indicator	SCS Metric	Market averages	Exceptions(E)/comments (C)	Measuring and reporting period
<ul style="list-style-type: none"> Pick by line accuracy greater than 	99.7%	98-99.5%	➤ (E) Non coded items allow 99.5% by throughput	Real Time via web portal over any date range
<ul style="list-style-type: none"> Pick by item accuracy greater than 	99.85%	98-99.5%	➤ (E) Non coded items allow 99.7%	Real Time via web portal over any date range
<ul style="list-style-type: none"> Net Stock accuracy greater than 	99.7%	98.99.5%	➤ (E) Non coded items allow 99%	Stocktake as requested
<ul style="list-style-type: none"> Gross Stock accuracy greater than 	96%	91%	➤ (E) Non coded items allow 94%	Real Time via web portal over any date range
<ul style="list-style-type: none"> Ullage (loss or damage) less than 	0.5%	1.5 - 0.5%		Stock take
<ul style="list-style-type: none"> Orders received before 2pm will be dispatched that day 	96%	92%	<ul style="list-style-type: none"> ➤ (E) This assumes a steady order flow and an order peak threshold of +15% against known/expected volumes. <ul style="list-style-type: none"> ○ (C) You can expect us to put on nightshifts and weekend teams to cope with excessive volumes. ➤ (E) Late releasing of orders, example normally send through 4 orders an hour over 6 hours (steady flow) but one day you send through 	Real Time via web portal over any date range (WIP)

			<ul style="list-style-type: none"> ➤ 20 orders at 1pm ➤ (E) Un-forecast order volume peaks due to e.g. compressed ordering cycles because of recessionary pressure. ➤ (E) If the data provided to process the orders does not meet the requirements of our system(s). 	
<ul style="list-style-type: none"> • On time courier/carrier deliveries 	98%	96-98%	<ul style="list-style-type: none"> ➤ (C) Except for Xmas times, we measure our carriers to perform at between 98% and 99%, the 96% metric should be treated as a mean average spread over 2 months. 	On request
<ul style="list-style-type: none"> • Split deliveries less than 	2%	4-2%	<ul style="list-style-type: none"> ➤ (C) Xmas time tends to be when the incidents of splits occur 	Real Time via web portal over any date range (WIP)
<ul style="list-style-type: none"> • Freight damages less than 	0.5%	1-3%	<ul style="list-style-type: none"> ➤ (E) inadequate packaging 	Real Time via web portal over any date range (WIP)
<ul style="list-style-type: none"> • Turn around time for inwards Twenty Foot Equivalent and LCL is 24 hours, shipments will be receipted and out turned* 	98%	85-95%	<ul style="list-style-type: none"> ➤ (E) Containers that have more than 50 lines ➤ (E) Xmas time allow an extra 24 hours ➤ (E) Customs paperwork is received ➤ (E) If the data provided to process the orders does not meet the requirements of our system(s). ➤ (E) multiple containers are processed 	Real Time via web portal over any date range (WIP)

			sequentially/consecutively not concurrently	
<ul style="list-style-type: none"> • Turn around time for inwards Forty Foot Equivalent is 48 hours, shipments will be receipted and out turned * 	98%	85-95%	<ul style="list-style-type: none"> ➤ (E) Containers that have more than 50 lines ➤ (E) Xmas time allow an extra 24 hours ➤ (E) Customs paperwork is received ➤ (E) If the data provided to process the orders does not meet the requirements of our system(s). ➤ (E) multiple containers are processed sequentially/consecutively not concurrently 	Real Time via web portal over any date range (WIP)
<ul style="list-style-type: none"> • System Downtime 	4 hours	4-12 hours	<ul style="list-style-type: none"> ➤ Services effecting our uptime that are out of our control e.g. Telecommunications and power companies. 	
<ul style="list-style-type: none"> • CS query you will receive an acknowledgement within 15 minutes 	90%			Real Time via web portal over any date range (WIP)
<ul style="list-style-type: none"> • 4PL Data entry 	99%	99%	<ul style="list-style-type: none"> ➤ (C) This covers SO, PO, Adjustments, and Credits 	Customer KPI portal
* Please note devanning TAT's are treated by default as being consecutive, not concurrent and apply to working days.				

Please note the KPI schedule supports the **KPI/Rate correlation** concept. The **KPI/Rate correlation** states that there is a direct link between a KPI metric (e.g. 99.7%) and the rate a provider charges to achieve this rate (e.g. 10.00) in our **standard rates submission** it is understood that the error rate (e.g. 0.3%) is a risk still borne by the customer. SCS's primary job under a standard rates agreement is to deliver the lowest error rate possible by applying our systems, specialist know-how and IP and to deliver the lowest cost, this is our value proposition and this is essentially what clients buy on a **standard rates agreement**.

If a client needs additional insurance to cover the risk (e.g. 0.3%) then they need to **ask** for special rates and an assessment needs to be conducted to devise an insurance policy, there are different ways to do this. At one end of the scale we can offer 100% accuracy (e.g. no risk and we will cover any monetary shortfall if required) by applying twice the process management (which we do for e.g. ethical and restricted human and animal pharmacology products) the pricing increases two fold for the process management plus we need to build in an insurance factor for human error in consideration to the risk management of your product profile. 95% of our clients are happy with a standard rates agreement however we have a lot of documentation explaining the risk profile around errors and how you can mitigate or manage them so please ask for more information if this is of interest to you.

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