

ASSOCIATED *advantage*

PROVIDING INNOVATIVE SOLUTIONS WHICH OPTIMIZE SPACE, LABOR AND ORDER FULFILLMENT WITHIN THE SUPPLY CHAIN

Positive Economic Outlook for 2014 and Beyond

No one can predict precisely where the economy will go in 2014, but all economic indicators point to a positive economic outlook in 2014 that will be maintained through 2017.

According to a report released earlier this year by the United States Budget Office, they expect a 3.4% growth in GDP with an average of 3.6% growth a year from 2015-2018. Much of the growth is attributed to the fact that the effects of the housing and financial crisis are continuing to fade, an upswing in housing construction, rising real estate and stock prices and increasing availability of credit.

Although this is great news, for companies in the warehouse, distribution and manufacturing sectors it can come with a new set of challenges. As consumers are regaining trust in the economy and continue to spend, they are demanding more variety and higher quality products at a reduced cost with quicker delivery times.

Given this, the material handling and logistics industry has assumed a very strategic role as companies are driving up demand for solutions that will enable them to improve order-to-delivery cycles, reduce inventory, control costs and satisfy these changing consumer buying behaviors.

These factors will lead to a more aggressive growth trend within the material handling and logistics industry. According to a recent report from Sundale research, the U.S. apparent consumption of material handling equipment is expected to grow by an average of 5.6% per year from 2012 to 2017.

Many forces will be at work to keep the material handling and logistics industry at the forefront of a healthy economic path including:

- Healthier economic conditions
- Rising capital expenditures
- Growing manufacturing activity and capacity utilization rates
- Continued shift toward applying more efficient and effective equipment and systems versus new plant capital spending
- Strong demand for new automobiles
- Lower unemployment
- Improving consumer and investor confidence
- A rebound in overall construction expenditures, expansion of industrial, warehouse and commercial buildings

Material handling systems help companies cope with buying cultures that are in a continuous state of fluctuation. Whatever the process may be, material handling plays a crucial role in its overall success. Internationalization and globalization are propelling competitiveness and driving the development of newer and more efficient material handling technologies in the market.

Today's economy requires that every investment a company makes yields a quicker ROI than ever before. As manufacturing and distribution companies replace and upgrade material handling equipment, they are looking for solutions that can meet this requirement. The material handling industry is responding with new equipment, technology and systems that affect the efficiency of the entire supply chain. Ultimately, this shift will provide you with the technology and expertise you need to better predict, respond and adapt to your changing business environments.



In-Line Print and Apply Labeling Automation

Improve Customer Service Levels and Lower Overall Costs with Increased Parcel Shipment Throughput

In-Line Print and Apply Labeling Automation is designed to be used online and automatically prints and applies labels to products as they move along a production line within a warehouse or logistics facility. Integrating in-line print and apply technology in applications with content packing slips and shipping labels can provide efficiencies which consistently achieve maximum cartons per minute with unmatched accuracy.

Today, in-line print and apply technology replaces previously standard, non-value added, procedures at the pack stations which typically include:

1. Scanning the shipper's parcel ID label manually
2. Prompting and waiting on a printer for a printed contents packing slip
3. Inserting the packing slip into the shipper
4. Placing the shipper onto a scale to weigh after all customer items are packed to calculate the correct shipping cost
5. Prompting a shipping label to be printed manually
6. Manually applying the label onto the shipper
7. Placing the shipper back onto an accumulation conveyor or collection area.



When using automated in-line print and apply technology, the only labor considerations are preparing and placing items into shippers, applying industry specific labels, void filling and top taping. After the above tasks are automated, the shipper is tracked through the system until final sortation and loading for shipment.

Benefits of Print and Apply:

- **Eliminate** the expense of preprinted labels
- **Customizable** for your application needs
- **Eliminate** the potential issue of overstocking preprinted labels & printed materials
- **Eliminate** label obsolescence
- **Consistency** in application and printing
- **Maximize** throughput of product
- **Reduce** non-value added labor costs
- **Reduce** production interruptions

Overall, today's Supply Chain Executives recognize that their first opportunity to touch the customer after the order has been placed is the arrival of the package. The appropriate application of an automated in-line print and apply solution can help to increase customer satisfaction by speeding up the processing time as well as ensuring that the package arrives with the appropriate labels.

LED Lift Truck Work Lights

Brighter work lights with a longer life that will increase productivity

Lift Truck work lights play an important role in the functionality and usability of lift trucks. However, the traditional incandescent lights frequently need to be replaced in high-use environments and typically do not provide enough light for the operator. This can often lead to gaps in productivity.

Historically, the decision of what lift truck lights to purchase has been based on the cost of the light itself. However, with energy expenses on the rise many companies are switching to a simple, more efficient solution for their lift truck lighting needs, such as LED. This is because Light-Emitting Diodes (LED) lift truck lights optimize energy savings, increase light output, reduce downtime and provide a safer working environment for lift truck operators.



All of these benefits are realized because LED lights use significantly less wattage than an incandescent. Which means the low energy consumption LED bulb increases truck battery shift life, resulting in increased productivity as well as provides a brighter light than standard lights to reduce operator eyestrain.

Key Features and Benefits of using LED Lights over the traditional incandescent lights:

- Up to 30,000 hours estimated work life (standard incandescent light has approximately 200 hours)
- 10x brighter than standard incandescent light
- Withstands rough dock applications
- UL recognized
- Green, earth friendly

Due to all of these advantages, the standard incandescent lift truck work light is clearly on its way out and LED is on its way in. Additionally, in most cases, the value of using LED lights can extend far beyond the electricity it saves. Evaluation of LED's applicability should include not only the initial cost, but the total cost of ownership.

Today's Technician

Choosing the right service provider is critical to lowering your operating costs

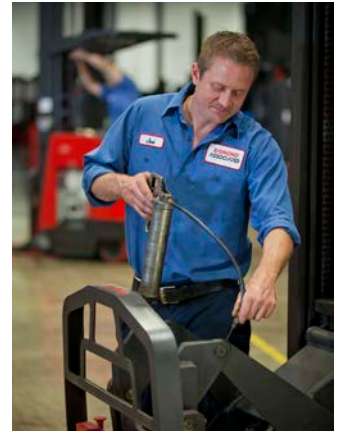
Here is a common scene that frequently plays itself out in warehouses, distribution centers and manufacturing plants all over the country, every day. Everything is running smoothly when an operator comes to you with a down piece of equipment. Productivity not only ceases for the operator, but for any other tasks associated with that piece of equipment as well. Dollars are being lost for every minute that productivity is being delayed. A service call is placed and a technician quickly arrives. After speaking with the operator about what happened, he quickly locates the faulty component, replaces it and has the equipment up and running in no time at all.

Advancements in technology combined with the need to effectively respond and adapt to the changing demands of your customers makes choosing the right service partner a more critical link than ever before.

Below are some important things to consider when choosing a service provider:

- Does your service partner understand your business and how it operates? Their expertise in the material handling industry should help you operate your equipment more efficiently, safer and at a lower cost.
- Are their service technicians factory trained? Even better, are they OEM certified? It is important that the technician is professionally trained, with the know-how to repair your material handling equipment quickly and completely.
- Are they using cutting-edge technology designed specifically for what they are working on? The old adage of "when my only tool is hammer everything looks like a nail" days are gone.
- Do their technicians use either (or both) mobile tablets and laptops? Access to this technology reduces the time it requires technicians to service your equipment. This is because manuals and troubleshooting support platforms are now online to ensure they have all the necessary tools at their fingertips to repair your equipment right the first time.
- Does your service partner have a support infrastructure? Supporting the service needs of customers reaches far beyond the ability of the technician. It is important that your service organization stands behind every technician and consists of many dedicated individuals, such as expert technical trainers and quality assurance support, that hold the same values to ensure your equipment is running smoothly.

Best-In-Class companies understand that investing in a partnership with a quality service organization could be the difference between satisfying their customer's demands or not. Overall, make sure to do your research and partner with a company that understands your business and allows you to focus on what matters most. This will ultimately ensure you operate at the highest level of efficiency possible.



Associated and Peach State Announce Merger

To create one of the largest Supply Chain Solution Companies in North America

Associated and Peach State Integrated Technologies Inc., both leaders in providing integrated supply chain solutions, announced today that they have reached a definitive agreement for Associated to acquire Peach State. Under the agreement, Peach State will operate as a subsidiary of Associated. The transaction is expected to be completed in the first quarter of 2014. Peach State, founded in 1975 and headquartered in Atlanta, GA, is a leader in providing supply chain consulting, engineering, and automated material handling solutions that enable retailers, distributors, and manufacturers to get their products to market quickly, efficiently and profitably.

"As we look toward the future we are committed to developing new and innovative methods to provide value to our customers. We are confident that the additional competencies of Peach State will enable us to further improve the flexibility and diversity of solutions we are able offer our customers. We have made the commitment to transform from the material handling company of the past to the supply chain solution provider of the future", said Michael Romano, President/CEO of Associated. "This represents a significant step in that direction. We have always had great respect for Peach State and their expertise in providing game-changing supply chain solutions that are helping some of the world's fastest growing companies."

"We are very excited to enter into this relationship with Associated and believe it will enable us to continue to grow our presence in North America and will strengthen our ability to provide exceptional solutions and service to our great customers," said James R. Bowes Jr., President of Peach State. "Our combined size, financial strength, experienced team and complementary services create one of the largest, most capable supply chain solutions providers in North America."

Peach State will continue to operate under their name and brand identity with the same leadership and organizational structure including current President James R. Bowes Jr.

The merger will make the combined organization one of the largest supply chain solution providers in North American in both size and breadth of solution offerings.



PEACH STATE

ABOUT ASSOCIATED:

Celebrating over 50 years of providing customers with innovative solutions that optimize storage and order fulfillment operations within their supply chain, Associated understands that handling materials in the supply chain should be more than material handling. By utilizing their unparalleled experience and industry best practices they are able to evaluate current methods and processes for storage, order fulfillment, labor and equipment utilization and recommend practical strategies to enhance its effectiveness and reduce overall cost.

Featuring leading edge engineering, fleet management and labor optimization services to complement industry leading sales, service, rentals and parts, Associated has been the recipient of multiple awards in recognition of being a premier organization in the material handling industry.



Innovation • Sustainability • Reliability



ADDISON, IL • INDIANAPOLIS, IN • FORT WAYNE, IN • SOUTH BEND, IN • BLOOMINGTON, IL • EAGAN, MN • ANKENY, IA



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Want More Advantage...

The conversation continues on Social Networking

To take advantage of all the benefits that Social Networking has to offer, we have established the following accounts that we plan to keep updated to provide you with continuing education on the material handling industry.

LinkedIn: Follow Company: Associated / Join Group: Integrated Supply Chain Solutions

Facebook: Like: Associated

Twitter: Follow: @AssociatedUSA

You Tube: Channel: AssociatedUSA

Google+: Follow: Associated

Blog: <http://www.associated-solutions.com/blog/>

Our goal is to use Social Networking in order to provide our readers with up to the minute education information on the topics that interest you and your company. Make sure to join our Social Networking site to gain that extra Advantage!

