



Brewing Efficiency at Scale

How NXTPoint Logistics Partnered With a Major Coffee Chain for a Nationwide Consolidation and Redeployment Project

Key Services

- Logistics/FF&E management
- Total project confidentiality
- Real-time visibility
- Inventory inspection, tagging and labeling
- Warehousing and repackaging
- Asset consolidation and redeployment
- Sustainability/landfill avoidance

After experiencing explosive growth over the course of a few decades, a major global coffee chain acquired new leadership that was passionate about restoring the brand's image to that of a friendly neighborhood coffee shop in order to drive loyalty and increase sales. As part of this vision, the decision was made to conduct a major store consolidation across key markets in North America as part of the brand's strategic focus.

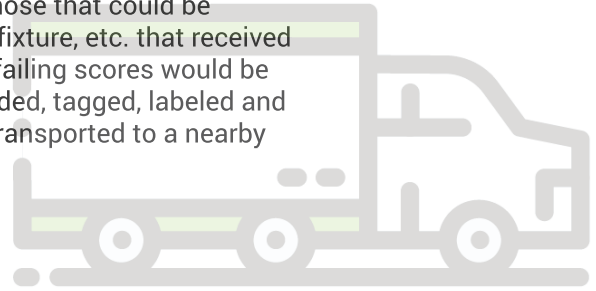
Due to the large-scale nature of this project and the number of locations and customers that would be impacted, the decision was made to keep the news of the consolidation under wraps until the closures began. As a result, confidentiality was of the utmost importance. Having successfully partnered together on multiple projects in the past, the company contacted NXTPoint Logistics to execute on this highly sensitive project.

Laying the Grounds: The Scope of the Project

Case Study

NXTPoint was tasked with furniture, fixtures and equipment (FF&E) project management involving the closure of 504 total stores across North America. However, due to the high volume of locations being affected and the company's commitment to supply chain sustainability, the project was much more extensive than basic item removal and disposal.

Inventory from the closed locations included everything from kitchen items (e.g., freezers, refrigerators, dishwashers, coffee grinders and espresso machines) to furniture, lighting, décor and fixtures. All items were assessed and graded according to unique criteria on a pass/fail scale, with a clear checklist established for the key elements to inspect for each item. Items were also rated based on condition and warranty status to determine those that could be redeployed at other locations. Any furniture, appliance, fixture, etc. that received a passing score would be repurposed while those with failing scores would be recycled, where possible. Every item was assessed, graded, tagged, labeled and required photos to confirm its condition prior to being transported to a nearby warehouse.



Project Scope

504
Restaurants

9.9
Restaurants completed per day

51
Days to complete

FF&E Transfers

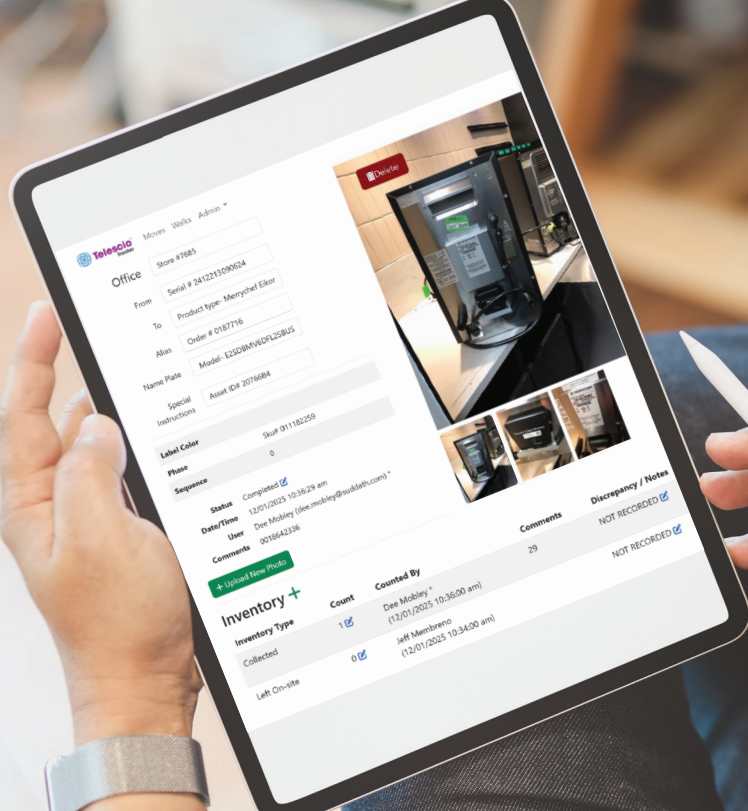
504
Restaurants

9
Restaurants completed per day

56
Days to complete

Items Moved

Category	Quantity	% of Total
Furniture	14,252	73.1%
Refrigerators	2,070	10.6%
Espresso Brewers	763	3.9%
Ovens/Grills	729	3.7%
Freezers	589	3.0%
Brewers	417	2.1%
Grinders	256	1.3%
Safes	223	1.1%
Dispensers	123	0.6%
Food Cases	79	0.4%



Advanced Technology for Instant Visibility

As part of this process, NXTPoint utilized a proprietary app, which provided real-time status updates on the location of each item being processed. The app utilized data from NXTPoint's McLeod transportation management system (TMS) and Körber One warehouse management system (WMS) and was used to record the status and condition of all inventory. It was also used to verify when items arrived at a warehouse, as well as when they were palletized and labeled for redeployment.

As each team arrived at a store, they had clear instructions to follow to ensure that the project was executed seamlessly. After checking into a location on the app, they were required to submit site readiness photos to confirm its condition prior to proceeding. These included photos for each room they entered (e.g., kitchens, restrooms and lounges) and images noting any major damage to those areas.

Teams also tagged, took photos and verified all serial numbers for each asset. Once they were assessed, graded and labeled to determine which ones could be repurposed, those items were wrapped and padded for safe transport and returned to nearby warehouse locations, where they were received and re-entered into the inventory via NXTPoint's WMS.



Grinding Through Complexity

Because of the extensive scope of the project across hundreds of locations and the need for confidentiality, it was critical for the project to be executed seamlessly. Timing was critical, and NXTPoint partnered closely with a global commercial contracting firm to ensure that vendors arrived and completed their projects as scheduled.

While the app was utilized to maintain real-time status updates across all aspects of the project, NXTPoint also activated a team of more than 100 people across four time zones from its warehouse and supply chain logistics teams to ensure that the company had 24-hour access to personnel to address any potential issues or concerns throughout the partnership. Team members also traveled to multiple markets to ensure the success of every consolidation and redeployment while maintaining close communication for a strong partnership throughout the project.

A Smooth Finish

From the time the customer contacted the NXTPoint team until the completion of the project, the collaboration led to an incredibly successful partnership that was executed ahead of schedule. Key elements of the project included:

- › Clear communication
- › Thorough team training around the requirements of the project
- › Alignment around priorities with NXTPoint, vendors and the client
- › Expert handling of the items being removed for reconsolidation
- › Strict adherence to the processes in place

All of these factors contributed to unparalleled success rates across all 504 stores that were closed while having complete visibility into the project status every step of the way.

The company's carbon footprint was also minimal as the recycling and redeployment of usable items helped the company avoid nearly \$36 million in furniture, fixtures and equipment going to landfills.

Landfill Avoidance

1,717,523
Pounds

19,502
Pieces

\$35,927,247
Total value



Rapid Redeployment

The success of the project resulted in the client requesting an additional scope of work for the rapid redeployment of items across a number of the brand's locations in major cities across the United States. As part of this project, NXTPoint once again delivered, recapturing items from 170 stores in 11 days that were redeployed across 116 stores in a 12-day timeframe.

The Results

**2 of
19,502**

Assets with
damage reported

98%

Locations completed
with no change orders

0

Union labor
personnel utilized