

CASE STUDY

REMINGTON DISTRIBUTION CENTER

THE CLIENT

Remington Arms Company, headquartered in Madison, N.C., designs, produces and sells sporting goods products for the hunting and shooting sports markets, as well as for the military, government and law enforcement. It distributes its products throughout the U.S. and in over 55 countries. Founded in 1816 in upstate New York, the company is one of the nation's oldest continuously operating manufacturers.



THE CHALLENGE

At the time, Remington had three different warehouses distributing to major retailers like Wal-Mart and Kmart and specialty retailers like Academy Sports, Bass Pro Shops, Cabela's, Dicks Sporting Goods, and Gander Mountain. Customers were receiving multiple shipments from these different warehouses each week. Not only was this overlap inefficient, customers-especially the large retailers-did not want multiple deliveries.

OUR STRATEGY

To solve this problem, Remington decided to consolidate its distribution into one central facility with one third party provider. With the lack of adequate space on the market, Remington hired ProVenture to construct a modern state of the art facility for their new centralized global distribution center.

RESULTS

ProVenture executed the site selection process, identified the site and negotiated significant economic incentives for Remington. ProVenture designed and built the facility, engineered the facility layout and sourced all material handling equipment. With Remington wanting to lease the building, ProVenture negotiated a sale/leaseback arrangement for the facility, further reducing their occupancy costs. In addition to the economic incentives and shared facility sale revenues, Remington reduced space requirements by 50,000 square feet and overall costs by \$500 million in the first year alone. These savings resulted in a 5% decrease in the distribution cost per unit.

logistics practice

client focused solutions

