



A Triple Crown Event

DISTRIBUTION, TECHNOLOGY & SUPPLY CHAIN



The Foodservice Distribution CONFERENCE & EXPO



**The Foodservice Distribution
CONFERENCE & EXPO**
OCTOBER 7-9, 2007
LOUISVILLE, KY



Understanding Key Transportation Metrics

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**Performance
Food Group**



Agenda

- The Value of Metrics
- Linking Metrics to strategic vision
- Using Metrics to improve processes
- Key Metrics
- Examples
- Pitfalls



The Value of Metrics

- Key Performance Indicators
- Performance Trending
- Benchmarking Performance
- Looks beyond Financials
- Tied to core competencies
- Balance score card
- Improves profitability and operational performance



Benchmarking

INTERNATIONAL FOODSERVICE DISTRIBUTORS ASSOCIATION
**FOODSERVICE DISTRIBUTION
OPERATIONAL BENCHMARK REPORT**



Sponsored by
The IFDA Foundation for Education & Research

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Data and certain operational practices were gathered from a total of 164 distribution facilities (148 broad-line and 16 systems).



Linking Metrics to Strategic Vision

- A means to measure progress towards a defined goal
- Provides granular focus
- Metrics support the financial planning process
- Key metrics should be used when planning new business opportunities



Performance to Plan ...or is it?

- Metrics tend to be associated with Actual verses Planned
- Need to consider and measure how good is the plan
- Need a measurement of “Optimal” without constraints
- Continued improvement towards optimal Performance to Plan

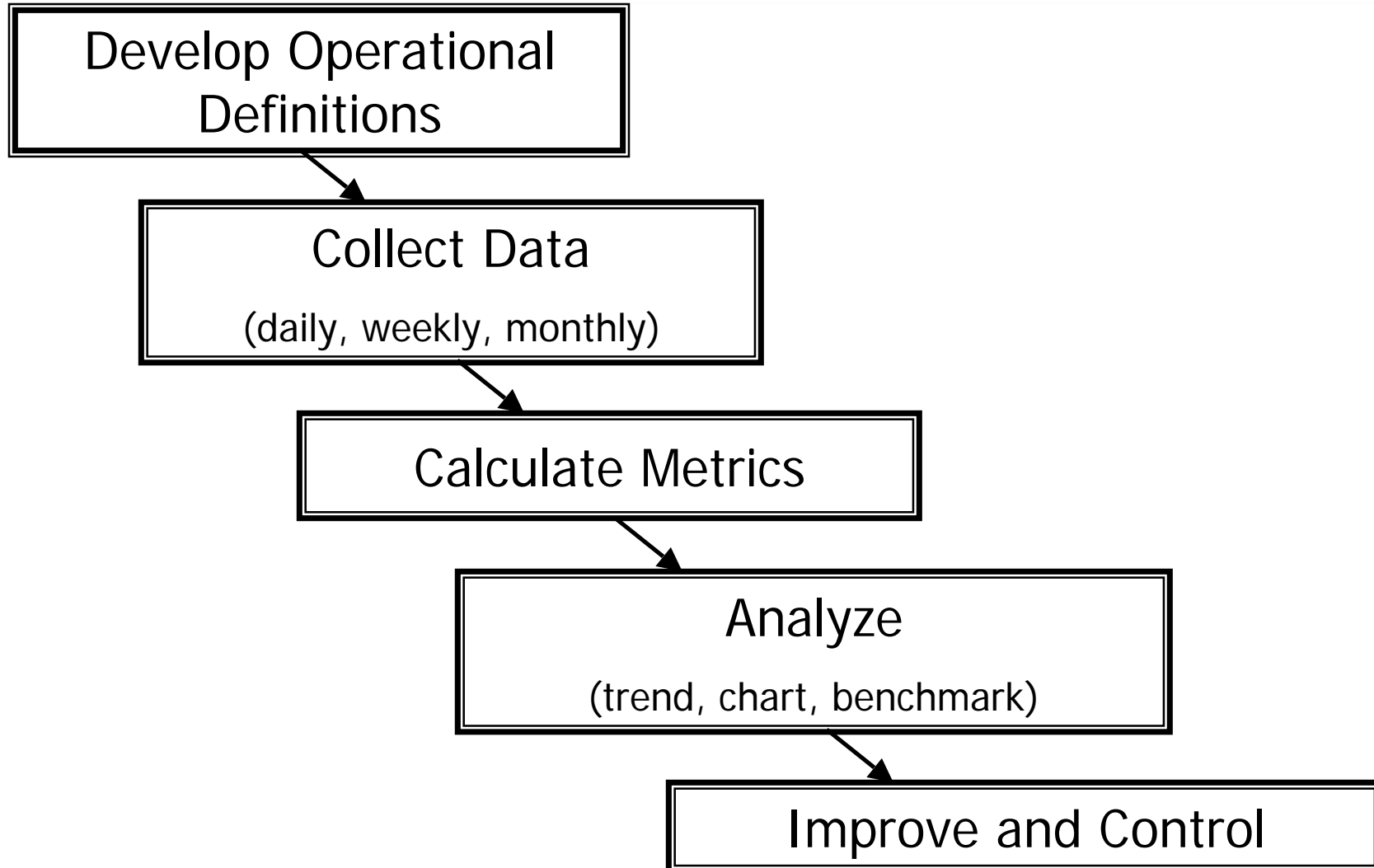


Metrics Drive Process Improvement

- Trending and benchmarking metrics help to quickly identify changes in an operation
- Before significant operational changes are made, base line metrics should be established
- Metrics are key performance indicators to process failures or success



Where to Start

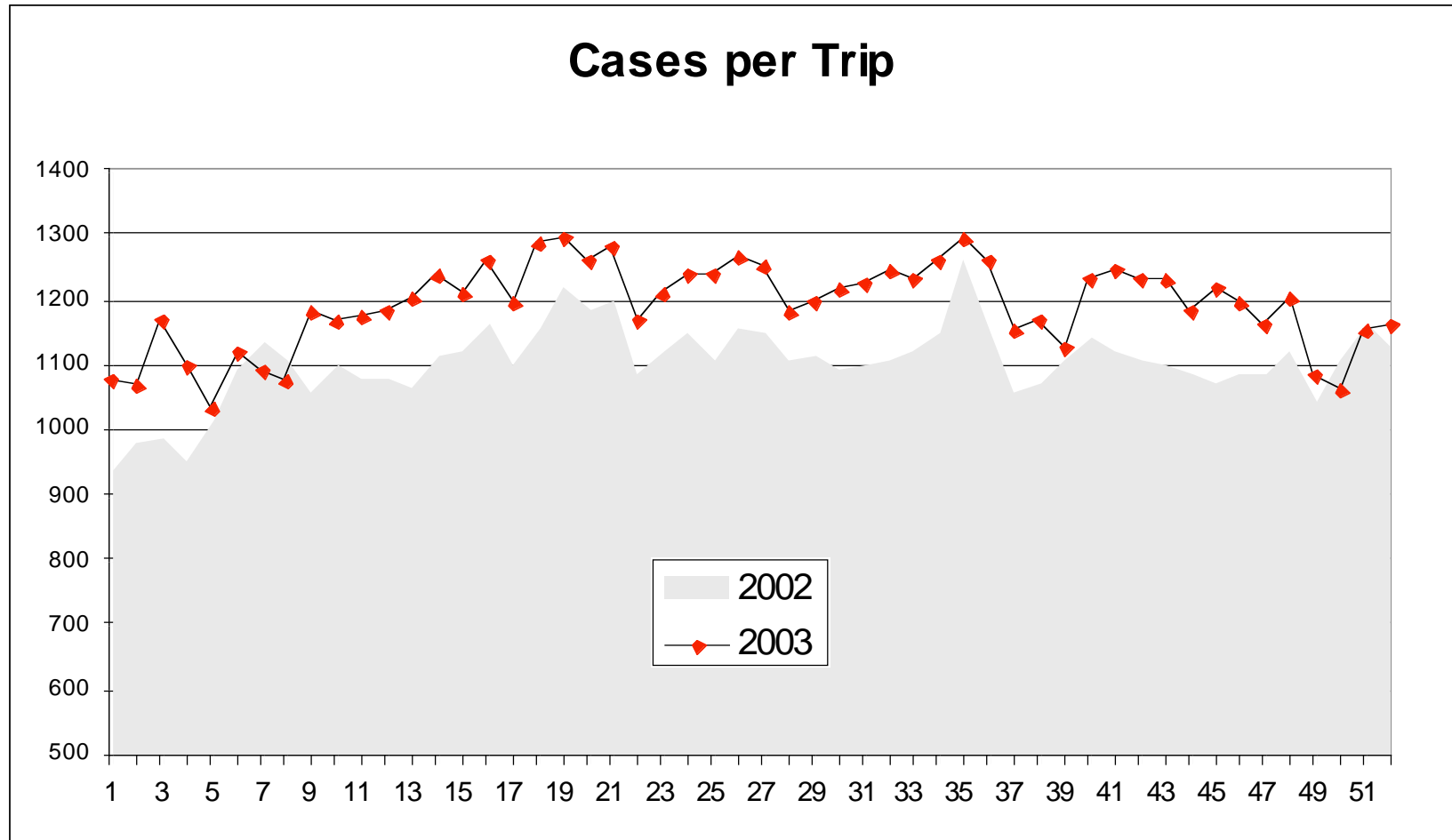




Example

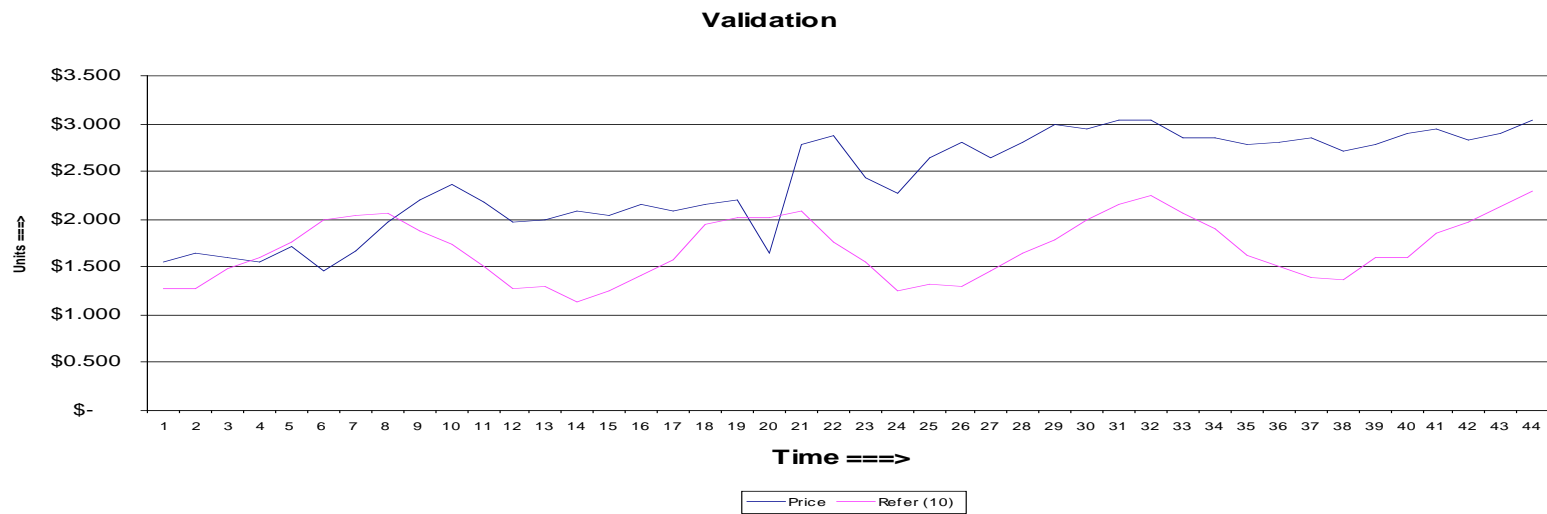
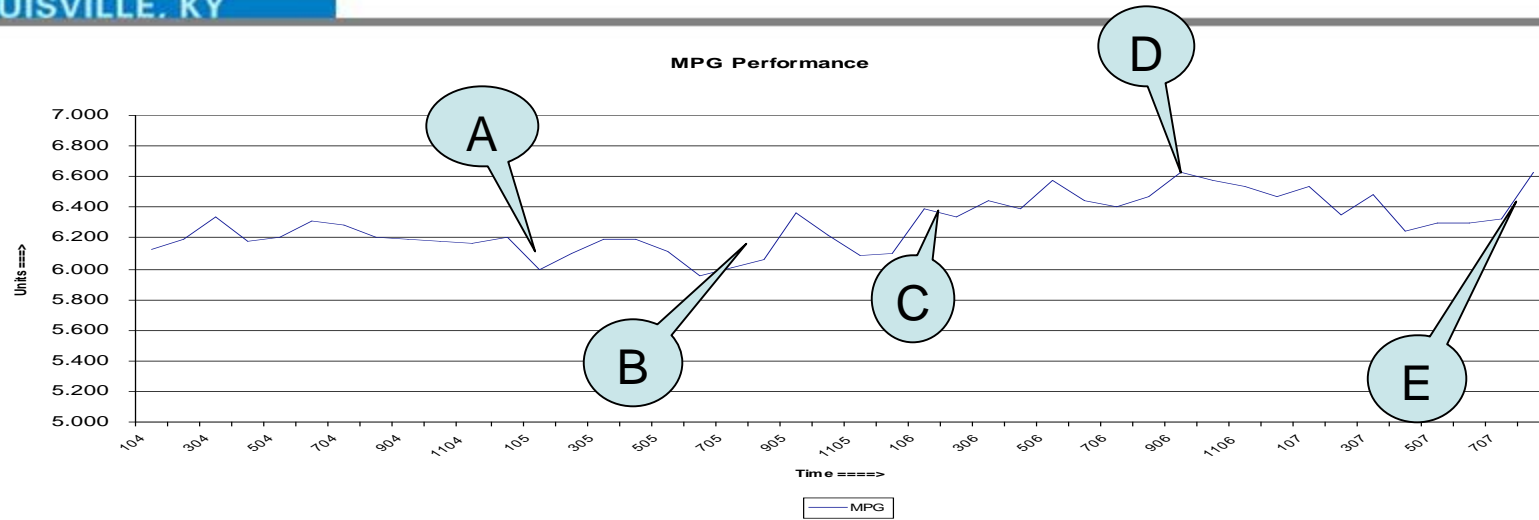
What drove the improvement?

How did the business change?



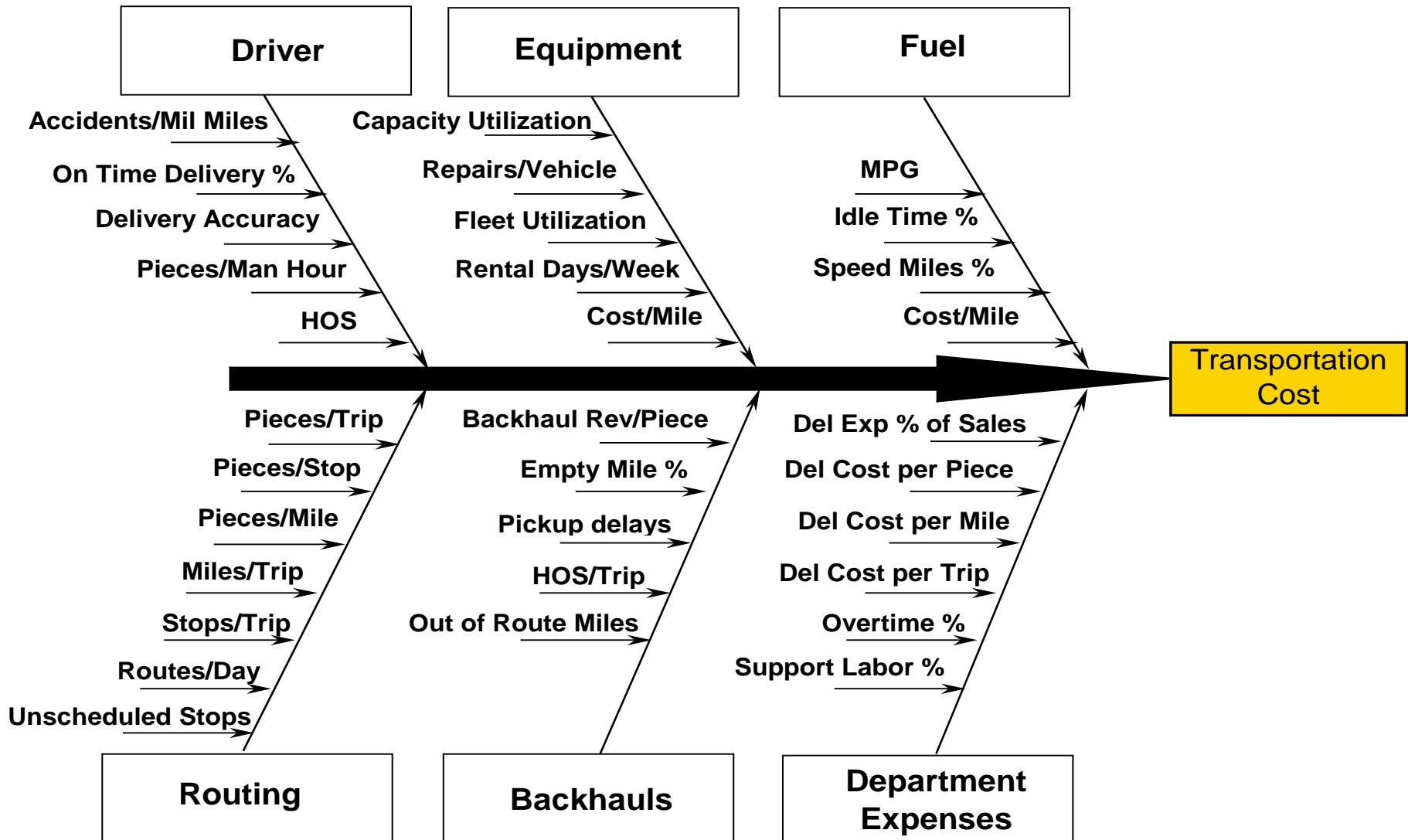


Example: MPG





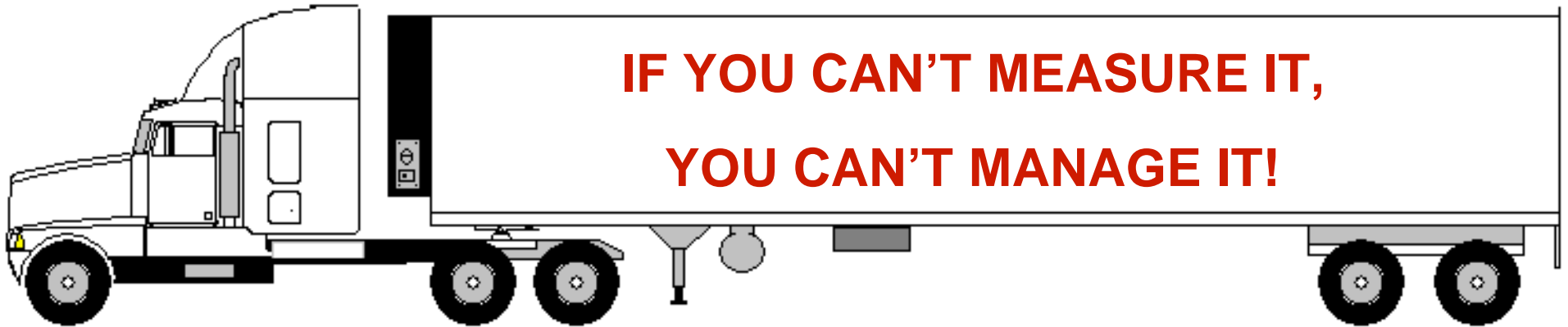
Common Metrics





Pitfalls

- A lack of consistency in capturing data.
- Not properly defining measurements
- Not capturing all variables
- Not properly linking metrics to financials.
- Believing that one metric is the “right one”
- Focusing on a single trend at the detriment of other metrics



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Thank You! Have a great session at the 2007 Distribution Conference!

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