



Inside the Partnership:

BLUE BUFFALO AND KENCO

Since 2018, Blue Buffalo and Kenco have partnered to bring natural, healthy pet food to stores and homes across America.





“We’ve got a great relationship with Kenco. Blue and Kenco work in a partnership and not a vendor customer relationship... They’re the most responsive and customer-focused group I’ve ever worked with.”

- Guy Ludwig, Blue Buffalo Site Manager

ABOUT BLUE BUFFALO

Blue Buffalo creates natural, nutritious pet food for pet parents who believe “if you love them like family, you feed them like family.” Blue has designed food for every stage of a pet’s life using only the highest quality ingredients.

Blue Buffalo distributes their products to stores throughout the United States and direct-to-consumers through their Blue at Home offering.



The Blue Buffalo/Kenco Relationship

In 2018, Blue Buffalo selected Kenco to run their largest distribution facility in Goodyear, AZ. This 547,000-square-foot, temperature-controlled building facilitates distribution throughout the western United States.

As Blue Buffalo opened new channels, the functions of the facility grew to match, evolving to become a multi-channel distribution center that accommodates its fast growth and new distribution channels.

Today, the Goodyear facility is responsible for distribution throughout the western US; their Direct-to-Consumer offering, Blue at Home; and the creation and fulfillment of their in-store display materials.



Overcoming Challenges: Managing the Labor Market




The facility was originally staffed by 40 employees and has grown to over 100 employees that work over 3 shifts nearly 24/7. This growth prevailed despite a challenging labor market and being in the very popular Phoenix, AZ area, there were several similar facilities to compete with for labor.

Kenco works diligently to find and retain the best talent at every facility, and the Blue Buffalo location is no different.

Kenco created a shift-swapping program to provide employees with a better work-life balance and worked to drive a positive workplace culture.

The results were impressive:

- **6% turnover rate**
- **Predictable labor and performance planning**
- **96% attendance rate**


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Overcoming Challenges: Blue At Home

In addition to the SKU's available in retail stores, Blue Buffalo has created quality specialized food for pets. Many of these products are available through their direct-to-consumer offering, Blue at Home. At this facility, Blue at Home ships approximately 400 orders per day throughout the western United States.

While this channel provided an opportunity to help many more pets receive quality food for their special needs, fitting a DTC offering into a traditional distribution center was a challenge. Moving from a pallet pick to an each pick was driving up the cost of fulfilling every order.

To find the right solution, Kenco decided to put on a Kaizen event. They brought together floor associates, management, and Blue Buffalo stakeholders for a 3-day event where they learned Gemba principals, batching, cycle times and more. They gathered data points and found the ideal solution.

From the Kaizen event it was decided to move the top 80% of ordered product to a designated area in the warehouse. This area was setup for picking, packing, and shipping of Blue at Home items.

Average feet walked to pick an order went from over 500 to 43, reducing time to fulfill and worker fatigue.



Overcoming Challenges: In-Store Display Creation

Blue Buffalo needed a partner to take on the construction and shipment of their in-store POP displays for their product. In addition to being labor intensive—demanding hands-on building—the production is highly seasonal, requiring the quick scale-up of the department when needed.

Kenco quickly ramped-up a process to build and ship over 75,000 displays a year for Blue Buffalo. Despite the volatility of demand, Kenco has been able to create an agile operation that scales up and down as needed.

Kenco has achieved:

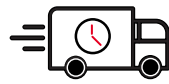
- **0 quality errors**
- **0 safety incidences**
- **100% on-time shipping**



ZERO
QUALITY
ERRORS



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INCIDENCES



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About Kenco

Kenco provides integrated logistics solutions that include distribution and fulfillment, comprehensive transportation management, material handling services, and information technology—all engineered for Operational Excellence. Building lasting customer relationships for over 70 years, our focus is on common sense solutions that drive uncommon value. Visit Kenco at kencogroup.com.

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