



Case Study/eCommerce

## ESTABLISHED A NEW REFURBISHMENT MODEL FOR APPLIANCE MANUFACTURER

Kenco manages five regional distribution centers across North America for one of the largest appliance manufacturers in the world. Our customer had the process of grading and testing with the option to buy the returned units outsourced to a 3rd party vendor:



### CHALLENGES

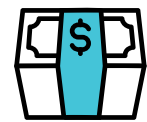
A Kenco partner of many years was having issues getting refurbished products back to the market in a timely and cost-efficient manner. Out-sourcing the production to a 3rd party vendor proved cost-prohibitive and involved multiple product touches causing long lead-times.

### OUR SOLUTION

Kenco designed and implemented a refurbishment and testing program to put together working units for resale. We consolidated cosmetic and functional testing process in one flow and brought the outsourced service in-house in the RDC to refurbish eligible units and create an efficient working environment.

### BENEFITS

Our designed solution provides annual savings of \$574,000, while refurbishing units in-house at a \$51 CPU resulted in a 65.2% labor cost reduction.



**\$574k  
ANNUAL  
SAVINGS**



**65.2%  
LABOR COST  
REDUCTION**