

SOUTHERN BEVERAGE JOURNAL

www.BevNetwork.com

August 2007

United Distributors Increase Bottom Line with Disposal Techniques

As operations manager for United Distributors of Georgia, Marcus Steed is known to run a tight ship. However, as a seasoned beverage professional, he felt United's waste disposal system could be improved on.

To Marcus it was improbable that anyone, much less a firm without considerable beverage industry expertise, could significantly improve waste control at his Smyrna, Georgia, facility. On a daily basis, United's 425,000 square foot facility generates enormous amounts of excess material consisting of crushed cans, wood, cardboard, plastic, and liquid – all requiring proper disposal.

Naturally, he was skeptical when contacted by Environmental Waste Solutions (EWS), and told he may be able to cut his waste disposal expense by 40 to 50 percent.

EWS affiliate Ken Crowell knew that United stood to profit handsomely from his consulting services. As a highly-trained EWS affiliate, he is successful at improving the bottom line of businesses by radically reducing waste-related expenses.

"The challenge for Ken and EWS was that the city of Smyrna is known as a franchise town," says EWS founder and CEO Darwyn Williams. "That means the commercial waste disposal of the entire city is contracted to one company and hauling rates are fixed. To save money, you must find a better way to handle waste, not just re-negotiate rates with

vendors."

In August 2002, Marcus was still very skeptical, but agreed to meet with Ken. Admittedly, Marcus was impressed with the references provided and the standard no-risk EWS contract. "It was a no-lose situation for us, almost a no-brainer," notes Marcus. "If they didn't do what they promised, they weren't going to be paid."

So Marcus initiated the work. The size and complexity of the project required Ken to enlist the aid of Darwyn's experienced EWS staff to conduct an audit and develop recommendations as a joint venture. First on a "laundry list" of improvements was the introduction of new technology, such as different types of dumpsters and new baling techniques. Marcus and his personnel were extremely open-minded and enthusiastic about improving efficiency, implementing most of the proposed waste disposal changes immediately. "We saw savings right away," reports Marcus. "EWS basically restructured how our waste was being handled by the company that services us in Smyrna."

The EWS improvements covered a broad range of issues at the hectic distribution facility. One particular piece of equipment was upgraded to generate only two dumpster hauls per month, previously it had been eight. At the fixed franchise rate of \$466 per haul, that one expense dropped from \$3,728 to \$932. The result was a \$2,796 savings for every subsequent month from just one EWS

recommendation. And this was just the beginning.

On another front, EWS determined that dumpsters were being hauled away that were not fully loaded. The city "franchise" contract allows the waste hauler to bill the same fee regardless of how much waste is in a dumpster. Obviously, it is crucial for all dumpsters to be full before pick-ups are scheduled. The EWS recommendation to install measuring devices on all dumpsters to determine whether or not they were full was enthusiastically approved by United Distributors.

Through a superior application of technology, a trash compactor was eliminated from the process and removed from the facility. Thus, a very much-needed loading dock was now free for use, increasing efficiency and cutting costs.

Fortunately, Ken was not content just to improve the current situation. He researched past invoices, discovering numerous billing errors, and recovering thousands of dollars from the city. "This was like found money," said Marcus. "Now we are scrutinizing all invoices. Our involvement with EWS has not only made our operations more cost-effective, but we are more environmentally aware and safety-conscious as well."

As Darwyn Williams puts it, "A homerun for EWS is when a client says he has done everything possible to cut costs, and we still end up achieving 50% or more in savings." Actually, United realized about 68% in overall savings. More importantly, the saving is on top of any additional expense for replacement equipment.

Marcus Steed is no longer skeptical about EWS. Now, he sums it up this way, "We're in the beverage alcohol distribution business, not the waste disposal business. Our focus is getting product on the truck and out the door as safely and efficiently as possible. It only makes good sense to take advantage of experts like Ken Crowell and EWS to focus on efficient waste management."



Wet Pack container for disposal of expired beer; and pallets to be reused, resold or recycled.



United Distributors' 425,000 square foot facility in Smyrna, Georgia.