

# Logistic paper



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Discuss logistics problems and inefficiencies in Handy Andy logistics and distribution system. Like other companies in market place, Handy Andy has to face with some undesired problem in its business operation. The company is dealing with the loss in benefits and revenue because of some serious logistic inefficiency. First, there is a problem in warranty policy. Handy Andy has no record of work performed by compactors from buyers after 1 year because the company only provides 1 year warranty service. This is somewhat difficulty for the company to keep rack of buyers' information and their opinion about company's product.

Therefore, there is no way to promote good future sales. The vagueness in policy leads to the misunderstanding and take advantages of it by factory distributor when they indicate that they, not Handy Andy stood behind the one year warranty. The warranty postcard is not designed clearly. It does not provide enough useful information for buyers, how to contact the factory distributor, for example. The statement printed at the bottom of the postcard seems not very necessary because very few defects of the reduce had been reported.

Another problem comes from the insufficiency in logistic system. In some cities, factory distributor (dealer) would contact individual who buy compactors from other and tell them to cancel the original order. For the substitution, they sell the buyers another model compactor with a same price. They promise if buyers choose to order from them, buyers will receive better service because they are in charge of any Handy Andy service in their area. The problem here is that customer is likely willing to buy compactor from these distributors cause, in fact, they really provide very good services.

They did a better Job of installing compactors that they had sold than they did those sold by smaller dealers. The elapsed time was reduced, thus the delivery was faster. They also spend time to explain how the compactor worked, and make the phone calls each 3 and 10 days after installation to make sure that there is no problem with the product. This is the way that the factory distributor will earn more money from their providing services whereas Handy Andy has nothing in hand. The weakness of Handy Andy logistic yester is that there is no obvious regulation about service provided.

In fact, Handy Andy should be the one who is responsible for all kind of service related to their product. Whenever the product is defected, it should be reported and shipped back to Handy Andy to examine and repair.

However, the lack in company system let their factory distributors responsible for all these things. If there is a problem with services provided by these individual, the whole image of company will be harmed; and factory distributor unintentionally or even intentionally take advantages of that AP.

Another major problem deals with the quality of services provided by Handy Andy Company. Because there is no record of customer's information, Handy Andy could not perform the CARE services with their customer. In this section, factory distributor did much better Job. Rather than just installing compactor and " frequently left in the middle of the kitchen with scarcely a word exchanged between the customer and installation personnel", factory distributors usually make several contacts between 3 and 10 days after installation in order to help customer with