



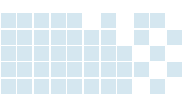
## Overflow Warehousing

*Ensuring that your sales and your service levels are never limited by a lack of warehouse capacity.*

In a fast growing and ever changing marketplace, two critical needs of logistics and supply chain management are those of capacity and flexibility. Hala has established an overflow warehousing business with facilities in Damam, Riyadh and Jeddah. This capacity, which includes ambient, air-conditioned, chilled and frozen space, helps logistics and supply chain managers of fast growing businesses cope with the challenges of growth on a variable cost basis. Thus growing companies can avoid additional fixed costs and capital expenditure.

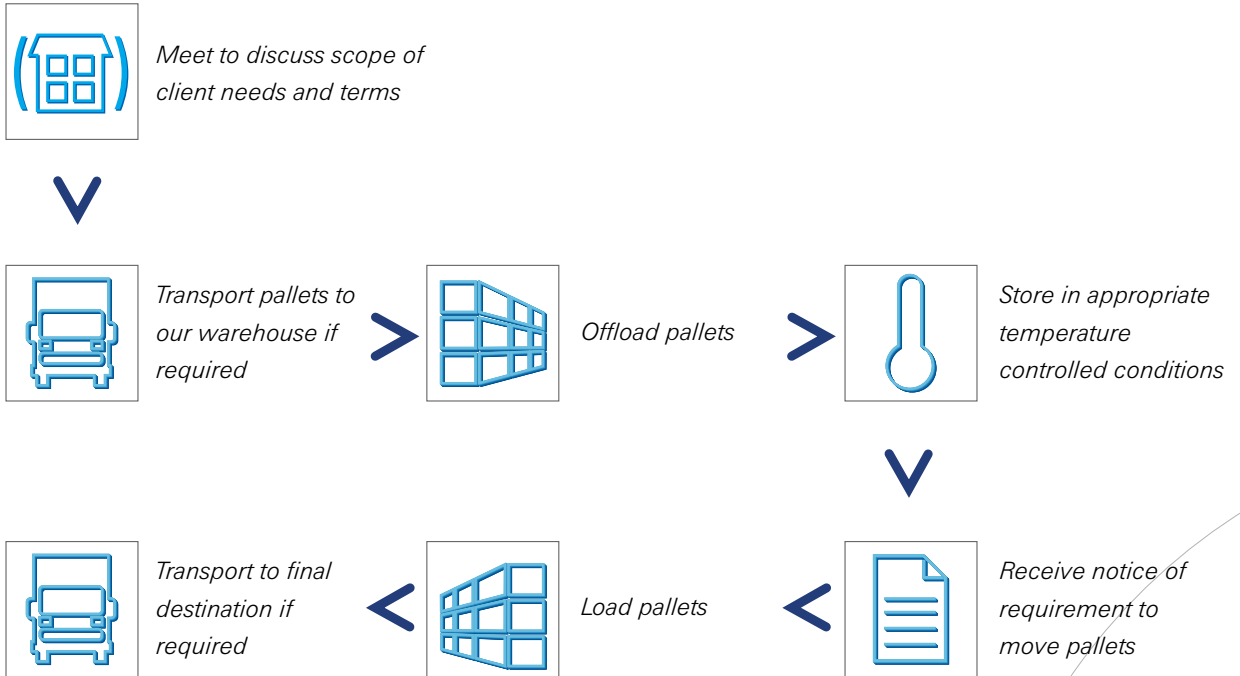
*Improving warehousing capacity – driving up service levels.  
Creating competitive advantage.*





# Lost sales and low service levels are the result of an *overstressed* warehousing facility

## Our process



## Challenges posed by high levels of growth

Extremely high levels of growth in the Kingdom of Saudi Arabia, combined with the program of sustainability, which is rapidly leading to a more diverse economy, are challenges for the supply chain management community. Service levels are falling and available warehouse capacity is not able to cope with demand.

In an effort to relieve these pressures, Hala has invested in what we call "Overflow Warehousing" capacity. We are able to offer clients temporary or permanent solutions to their warehousing space shortages in high quality, high control facilities. This solution allows clients to pay

for warehousing only when they need it, converting what has been a fixed cost to a variable one, and introducing flexibility and higher service levels to their supply chains.

## Typical challenges that Overflow Warehousing addresses:

- My warehouse can't cope with our sales and inventory growth
- I need to improve my inventory information to improve service levels
- I want to increase my warehousing capacity but don't want to incur the capital expenditure on a new warehouse

- My warehousing needs peak just prior to sales peaks and we run out of storage space
- My sales patterns have changed and I have run out of either air-conditioned, chilled or frozen capacity



- My warehouse is in a central location and I would like to store goods closer to my customers
- I am considering investing in new capacity and a new warehouse management system. This will take too long – I need a solution now
- I am introducing a new product and I am unsure of how much demand there will be. I am reluctant under the circumstances to invest in warehousing capacity that may turn out to be too big or too small

### How Overflow Warehousing works

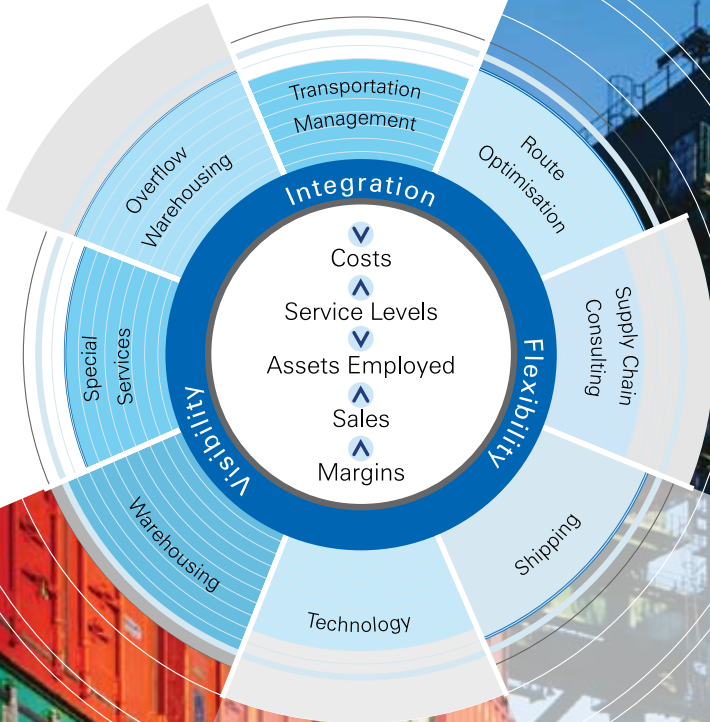
1. Pallet loads are delivered to our site
2. We store the goods by the pallet load in suitable conditions (ambient, air-conditioned, chilled or frozen)
3. We charge per pallet for storage on a monthly basis
4. We keep computerised stock records and take inventory risk of fire, damage or loss while the goods are on our site
5. We supply pallet loads as and when you need them
6. We can arrange transport to and from our facility, or more complex distribution solutions if required

### Upgraded Service

Upon client request, we can upgrade our Overflow Warehousing facility to full warehousing capability including computerised record keeping, picking and packing, either primary or secondary distribution, customer invoicing and electronic POD collection. Our IT system is designed to be easy to integrate with all major client ERP systems.



## Other Hala services



## Benefits to clients

- Instant overflow capacity for inventory
- Security, control and visibility of inventory levels over the internet
- Costs are variable to time and volume
- We can store goods in ambient, air-conditioned, chilled or frozen conditions
- National distribution
- Open 24/7
- Transport to and from the warehouse is available
- Upgrades of service to traditional warehousing and distribution are possible
- We provide an alternative to expensive capital upgrades to client owned warehousing capacity
- Warehousing becomes a variable cost

### **Hala Supply Chain Services**

P.O. BOX 1663 Al-KHOBAR 31952

Kingdom of Saudi Arabia

Tel: +966 92000 HALA (4252)

Email: [marketing@halagroup.com](mailto:marketing@halagroup.com)

[www.halagroup.com](http://www.halagroup.com)