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## Outsourced Order Fulfillment: A Small-Business Owner's Dream Come True

by *Tod Yazdi*

Are the neighbors beginning to wonder why UPS stops by your house twice a day?

Are the pressures of running your operation preventing you from enjoying the activities that got you into business in the first place?

No time to work on growing your business because all your time is spent trying to keep things running?

If you answered *yes* to any of these questions, there is help out there that you might not be aware of: order fulfillment companies. Many small-business owners start out with small operations in leased spaces, or even in their homes. As their businesses grow, they begin to outgrow both the physical space and the systems that allowed them to launch the business.

For instance, let's say you love to crochet; I mean you *really* love it. Specifically, you love to crochet pot holders, in all sizes and shapes and colors, solids and plaids, even personalized monogrammed potholders sporting the initials of the proud owners. Based on the positive feedback from Aunt Edna and others, you decide to start selling them. You have your daughter register a domain name and build a website for her seventh grade science fair project. [DeluxePotholders.com](http://DeluxePotholders.com) is officially launched!

But now the orders start coming in, and they keep coming in! Not only do you have to make more potholders, you need to store them somewhere. And you need to fill orders in a timely fashion, so as not to upset your growing and loyal customers. And gradually you find yourself spending the majority of your time boxing up potholders, keying in order information, processing shipping labels, and answering the phone when a very upset John Doe calls to ask why he received Jane Smith's potholder.

Sadly, you have no time left to work on your passion, which is making potholders. Soon you begin to feel like things are getting out of control!

It's time to contact an order fulfillment specialist! Believe it or not, there are companies out there whose entire business is storing your inventory, picking and packaging your orders, and shipping them to your customers professionally and promptly. And, other than giving you your life back, here is why using their services might just be the smartest investment you could make.

**Insure you have capacity to grow, without paying for it before you need it.** Investment in storage space is often one of the largest fixed costs incurred by small-business owners. By outsourcing this, you pay for only the space you need right now, but still have room to expand on a moment's notice. Let the fulfillment company worry about leases and mortgage payments, insuring the building, purchasing and maintaining forklifts and other equipment, and the myriad of other costs associated with owning a warehouse.

**Let the experts pick, pack and ship your orders.** Nothing upsets customers more than receiving an incorrect product because of a pick error, or one that is damaged due to a poor packaging job. Order fulfillment companies are in the business to pick and ship orders accurately and efficiently. The best of them recognize you are placing your business in their hands, and they take that responsibility seriously.

**Expand your capabilities.** A professional order fulfillment company typically offers a broad range of services that you might not be able to offer your customers on your own. Want to shrink wrap a free sample to a larger package, and apply a label? Need to add a catalog or coupon in every package? Want to make up sample kits with various products

to send to prospects? Some order fulfillment companies will gladly assist with all of this work, while a select few also offer comprehensive services such as e-commerce website development and call center services.

**Save on shipping costs.** Do you think you get better rates if you ship 1,000 orders a day or 10 orders a day? Correct! A good fulfillment company will give you the option to pool your shipments with those of other clients, giving you purchasing power and reducing your shipping costs.

**Focus on what you do best, and what you love to do.** Finally, the most important benefit of outsourcing is that it frees up your precious time to focus on the real mission of your business. Do some research and development. Spend time researching market opportunities. Work on design enhancements to your product that your customers have been asking for. Expand your product line to provide more complete solutions. Outsource the resource-consuming order fulfillment to a professional organization that you trust, and then turn your time to doing the things you need to do to grow your business.

So get back to making potholders. After all, that's why you started this business in the first place.

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