

Sleepr Proposal

Elements of this proposal are still pending; however, this is the current, finalized proposal.



Inbound Logistics Web

Cumulo will coordinate direct FTL shipments from the Sleepr manufacturing plant in Boise, Idaho to our warehouse in Memphis, Tennessee. Using FTL offers increased efficiency and cost savings. The baseline case of 300 units per month results in three FTL shipments of 24 pallets each per month.

Outbound Logistics Web

Cumulo will pick Sleepr products from stored pallets to fulfill orders received through our integrated WMS. Orders consist of one-product shipments to customers. Cumulo will ship out the individual mattresses using a small package carrier, RedOx. Cumulo's contract with this carrier provides a discount from retail rates. Cumulo will ship Sleepr orders using RedOx's ground freight to control costs.

Inventory Storage

Cumulo will hold approximately one week of inventory as safety stock. This safety stock will be increased and managed by our WMS according to forecasts provided by Sleepr. Due to the large size and weight of Sleepr pallets, all pallets will be stored as stand-alone pallets in the floor storage area of our warehouse. Below is a baseline example of storing one month of typical inventory. Cumulo charges for every pallet space utilized during the week.

ONE WEEK OF SALES (BASELINE CASE)				
	Percentage of Total Sales	Units Sold	Used Pallet Spaces	Cleared Pallets
Twain	15%	11	2	1
Full	20%	15	4	3
Queen	45%	34	9	8
King	15%	11	3	2
California King	5%	4	1	1
Total	100%	75	19	15

WEEKLY STORAGE

	Week 1	Week 2	Week 3	Week 4
Stored Pallets	9	18	27	12
Delivered Pallets	24	24	-	24
<i>Total Pallet Spaces Used</i>	33	42	27	36