

Week 4: Building a Logistics Network Writeup

1. Decide how many warehouses you will need. You can only use existing Amazon warehouses. For a list of warehouse locations, please see the document below. A good reference to the implications of more or less warehouses is an annual study on [the best warehouse networks in the US](#). Of course there are trade-offs between having more warehouses or less warehouses. It will be up to your judgement to decide.
2. Once you decide on how many warehouses you will use and where they are located, I want you to visualize it on a map. You can use various tools, but I would use Google Maps as it would be freely accessible to most. [Here is an example of how you can add multiple locations to a map](#). In case you are not sure how it could look, [here is an example of a map I created](#).
3. Now let's look at possible customers. To get your product marketed, you will send a sample to the mayors of the ten largest metro areas. You hope that they will like it so much, that they will tell everyone they know. Please see the list of city halls addresses, where the mayors work.
4. You must also decide from which of your warehouses to send the sample to each mayor. I want you to determine the lead time from your warehouse to each customer. You can use resources by [UPS](#) and [FedEx](#) to determine the transit time from your warehouse to each customer (in days).
5. Please justify why your logistics network is the best you can make it for now and the foreseeable future. Be sure to talk about what the expectations of your customers will be; what the current economic environment looks like; and, where you expect interest rates and fuel prices to go in the future.

Link of Completed Logistics Network Distribution Map:

<https://www.google.com/maps/d/edit?mid=10gMwTx9hJXwu7YhkmVqAbn8amatb4U&usp=sharing>

1. Warehouse 1: 550 Oak Ridge Road Hazleton, PA 18202
Warehouse 2: 1760 County Line Rd. Lakeland, FL, 33811
Warehouse 3: 4601 Gold Spike Drive Fort Worth TX 76106

2. Map Attached to assignment.
3. Map Attached to assignment

City Address New York City, New York City Hall Park, New York, NY 10007 Los Angeles, California 200 N Spring St, Los
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Angeles, CA 90012	Chicago, Illinois 121 N LaSalle St,
Chicago, IL 60602	Dallas, Texas 1500 Marilla St, Dallas, TX 75201
Houston, Texas 901	Bagby St, Houston, TX 77002
DC 451 Indiana	Avenue NW, Washington, DC Philadelphia,
Pennsylvania 1401	John F. Kennedy Blvd, Philadelphia, PA 19107
Miami, Florida 3500	Pan American Dr, Miami, FL 33133
Georgia 68 Mitchell	St SW, Atlanta, GA 30303
Massachusetts 1	City Hall Square, Boston, MA 02201

4. Used <https://www.ups.com/maps> UPS to find delivery times.below:

Warehouse 1: 550 Oak Ridge Road Hazleton, PA 18202

To

New York City, New York City Hall Park, New York, NY 10007

=1 Day Delivery Time

To

Boston, Massachusetts 1 City Hall Square, Boston, MA 02201

=2 Day Delivery Time

To

Philadelphia, Pennsylvania 1401 John F. Kennedy Blvd, Philadelphia, PA 19107

=1 Day Delivery Time

To

Washington, DC 451 Indiana Avenue NW, Washington, DC

=1 Day Delivery Time

To

Chicago, Illinois 121 N LaSalle St, Chicago, IL 60602

=1 Day Delivery Time

Warehouse 2:1760 CountyLine Rd. Lakeland, FL, 33811

To

Miami, Florida 3500 Pan American Dr, Miami, FL 33133

=1 Day Delivery Time

To

Atlanta, Georgia 68 Mitchell St SW, Atlanta, GA 30303

=2 Day Delivery Time

Warehouse 3:4601 Gold Spike Drive Fort Worth TX 76106

To

Dallas, Texas 1500 Marilla St, Dallas, TX 75201

=1 Day Delivery

To

Houston, Texas 901 Bagby St, Houston, TX 77002

=1 Day Delivery

To

Los Angeles, California 200 N Spring St, Los Angeles, CA 90012

=3 Day Delivery

5. In our first warehouse. I used three warehouses to deliver to 10 locations, the northeast has 5 locations, the farthest being Chicago, with only a 2 day delivery time.

In our second warehouse, it delivers to 2 locations and is centrally located inbetween Miami and Georgia, closer to miami. It's longest delivery is to Atlanta with a 2day delivery time.

Our third warehouse is next to Dallas Texas, and delivers to and it's farthest location it has to deliver to is in California with only a 3 day delivery time.

The current economic environment looks bad, after shutting down the global economy for a disease with 99.9_ survival rate for 2 years and having selective enforcement of covid policy making the rich, richer

(<https://www.cbsnews.com/news/billionaire-wealth-covid-pandemic-12-trillion-jeff-bezos-wealth-tax/>). IF you believe the official numbers and statements. We are below 10% inflation and not in a recession. The interest rate is beginning to rise and should continue to go up, according to the DXY, the dollar is currently the strongest currency, although this appears to be a situation of the best looking horse at the glue factory. As currencies globally continue to decline I would expect our benevolent and democratically (s)elected politicians to either start a war or blame covid for decades of policy mismanagement. As currencies lose value and revert to the intrinsic value of paper(digits?) money I'd expect fuel costs to continue to rise, because you can not print oil and many countries have opted for ESG goals such as green energy and have shut down many major energy projects which take 5-8 years to bring online. We are about to witness a reckoning in Europe for their decades of bad policy and I fully expect them to blame Putin for their own decisions, as their people freeze and are forced to make the democratic choice between buying food or heating their homes. As interest rates continue to rise the cost of servicing the unpayable debts of the US is soon to overtake military spending (<https://www.cnn.com/2022/11/01/economy/inflation-fed-debt-military/>), it should be interesting, to say the least.

TLDR; Higher Interest Rates with Higher Fuel Prices

I would reccomend building more warehouses closer to each locale and increasing our safety stock availability in the future.

Please write a short memo about the following topics (ungraded):

1. What did you find most surprising in this assignment?
2. What was the most difficult part of this assignment?
3. Which part of the assignment was the most fun?

1. What did you find most surprising in this assignment?

A)How quickly you can get a package halfway across the country

2)What was the most difficult part of this assignment?

A)Making the map

3)Which part of the assignment was the most fun?

A)Mocking Covid policy via interest rate and fuel cost question