



Summary of Formal Quality Programs at Cory Home Delivery

- ◆ **Delivery Performance Index (DPI)** – measures our performance each day and gives our delivery contractors and staff the opportunity to earn monthly bonuses. Measurement includes statistical performance, customer feedback, claims ratio, and safety performance. The key part of this program is the monthly DPI meetings where the contractors and staff are recognized and bonuses are awarded. Most of our clients attend these meetings, and many also contribute to the program.

- ◆ **Safety First! Program** – our aggressive approach to safety helps Cory protect our clients’ assets by minimizing risk and allows us to pass on reduced insurance costs to our clients and contractors. This program is lead by a committee that meets once a month to review all areas within the company related to safety. This committee is consists of our President, VP-Human Resources, various regional and local managers and key employees. We also use the services of a company that monitors the driving of our contractors. Large red stickers are attached to the backdoor of our delivery vehicles with a 1-800 number listed. If a contractor is operating their vehicle in an unsafe manner, the public is encouraged to call the number and report the vehicle’s number.

- ◆ **The Cory Way** – our “best practices” program. We have standardized the 22 “core” processes of home delivery and teach this formal program to all employees and contractors to ensure consistent performance at all Cory operations. Other Cory Way programs include:
 - **Cory Way Auditing Program**
 - **Cory Way One Day Seminars**

- ◆ **Quality Initiative Program (QIP)** – a formal review and improvement of targeted processes at the “field level” with our client’s participation. Working with our clients we target specific areas for review, measurement, and improvement.

- ◆ **32 Point Contractor Check** – each contractor and helper must pass a 32 point checklist prior to being hired. This includes DOT compliance, drug screening, and nationwide criminal background.

- ◆ **Employee Background Check** – each employee being considered for hire by Cory must pass a careful screening including the following tests: a drug test, employment verification check, state and federal criminal background check, driver’s license check (if required for job), and at least two interviews, one with a regional manager and a second with a local manager.

- ◆ **Employee Orientation** - each employee spends three days at our corporate office and receives at least 3 hours of instruction in every area of Cory Home Delivery Service. They review company policies and procedures with human resources, receive a full review of our financial processes, meet with our marketing and sales team, and review all of Cory quality programs. They also meet with the owners and senior executives of our company. During this meeting, the expectations for performance are clearly set.

- ◆ **Formal Client Meetings** – all Cory regional and local managers are required to meet formally with key client personnel at both the distribution center and the stores on a weekly basis. This includes a prepared agenda, and formal written evaluation of our performance by the client, which is submitted to the COO.

- ◆ **Contractor “Stand Up” Meetings** – each Cory operation is required to conduct a daily “stand-up” meeting with all delivery contractors in the morning. The purpose of the meeting is to review the previous day’s performance, discuss any open issues, give the contractors an opportunity to speak openly about any concerns, and review the appearance of the delivery teams prior to departure.

- ◆ **6 Key Metrics of Home Delivery** - all Cory locations are measured and rated by our six key metrics. This is only part of the many areas of performance that are measured by Cory daily, weekly, monthly, and yearly. The six key areas are the following:
 - Completion Rate
 - Non Productive delivery rate (i.e. not-at-homes, refusals, etc.)
 - On time performance
 - Post delivery service rate (client provides)
 - Customer satisfaction results
 - On-budget