

# Degree of Experience Makes All the Difference for Costco Thermometer Campaign

## A Case Study

When it comes to big box retail campaigns, there are no easy wins. There is only easier. As in, **“Anything is easier than meeting Costco requirements.”**

When Bellevue, Wash.-based consumer products company FLTR, Inc. needed to transition inventory of no-contact infrared digital thermometers from Costco online to Costco IRL, their product marketing experts reached out to TPH Global Solutions® to get the job done.

**“You only get one chance with Costco.”**

Ryan Cassady, FLTR Director of Product Marketing

They needed a Costco expert – well-versed in the unforgiving Costco guidelines – and they needed one fast.

“You only get one chance with Costco,” said Ryan Cassady, then-Director of Product Marketing for FLTR. “Getting a pallet into Costco is hard; keeping a pallet is a full-time job, even for a big organization.”

## Transitioning Product from Costco.com to the Costco Floor

FLTR was in a better position than many retailers seeking Costco approval. The parent company had multiple product divisions, Costco experience and an established supply chain in China. Its thermometers were well-stocked for Costco.com. But when demand began shifting and an opportunity came to increase their presence in Costco warehouses in March 2021, it came with a tight deadline, completely different packaging requirements, and new buyers.

“Each Costco department has a separate buyer group,” Cassady said. “It’s a completely new relationship. And the



regulatory requirements for PPE were a whole new territory.”

While FLTR’s parent company (Ubio Group) had worked with Costco before, they were not a known supplier in the PPE space, Cassady said. The company’s search for a partner whose Costco experience was rock-solid and pandemic-ready took them to TPH Global Solutions®.

## The Challenges

The project was up against numerous challenges and accelerating timelines. Among the issues that had to be resolved:

- Excess Costco.com inventory had to be reconfigured from e-commerce packaging into retail blister packs for pallet floor displays in Costco warehouses. The online boxing was too small and lacked the necessary marketing information and appeal for a pallet display.
- Getting the product collected, unboxed and repackaged required a significant amount of preparation, physical space and labor – which had to be procured on a tight deadline.

- Managing the logistics of the inbound and outbound trucks required close coordination.
- Pandemic driven demand was surging, while pandemic-driven supply chain difficulties made materials difficult to source - including corrugated and the plastic used to create the blister packs.
- The schedule had to be shortened at every stage and forecasting was a moving target as the pandemic cycled through highs and lows.
- TPH Global Solutions sent the display to a third-party test lab and put it through rigorous testing for shifting, vibration and drop to ensure that the product pallet would pass inspection.

According to Cassady, TPH Global Solution's Costco experience gave the project a bit of breathing room right from the start by shortening the time required to communicate the specs to all of the parties.

## The Results

With TPH Global Solutions coordinating the details on multiple fronts, including the packaging and pallet requirements, production and fulfillment, warehouse space and the trucking schedules, the project moved forward at a rapid pace. Weekly production meetings kept everyone up to date and facilitated coordination of return product from Costco, production and shipping back to Costco and FLTR's 3PL warehouse.

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## Costco Thermometer Campaign by the Numbers



4

Duration of project in months from first contact to last shipment

285,000

Number of thermometers unboxed, repackaged and assembled into pallet displays

6

Number of weeks for TPH Global Solutions to repackage 285,000 thermometers for retail

10

Amount of time it would ordinarily take to repackage 285,000 thermometers for retail, **in weeks**

5

Length of Costco campaign discovery phase with help from TPH Global Solutions, **in days**

3

Usual length of Costco campaign discovery phase, **in weeks**

“Their expertise in understanding our specifications and the Costco specifications really shortened the discovery portion,” he said. “The schedule had to be compressed at every possible stage and that discovery process can take a long time with a company that doesn’t know the Costco requirements.”

It’s a process that can “easily” take 2-3 weeks, Cassidy said. “We were done in five business days. They clearly understood exactly what we were doing.”

TPH Global Solutions’ quality controls, troubleshooting, and well-established supplier relationships, came through again when the supply chain logjam made it nearly impossible to source the plastic needed to create the blister packaging.

“They were able to leverage their network to secure materials that were otherwise very difficult to come by,” said Cassidy.

Throughout the entire project, Cassidy said, as pallets and product crisscrossed to and from Costco warehouses across the country, TPH Global Solutions came through repeatedly, transforming complex logistical issues into a streamlined process.

The proof, of course, was in the outcome.

“The project was absolutely successful,” said Cassidy. “All product was successfully converted. We maintained our business relationship with Costco, and it was seen as a success by them.”

## TPH Global Solutions® for Your Next Campaign

Don’t take chances with your Costco opportunity. Getting it right the first time is the only way to maintain your credibility with retail buyers - and Costco buyers are not easy to impress.

Shortcuts in quality control can lead to disaster in campaigns that are often already dependent on high-risk offshore production capabilities and unforgiving timelines.

At TPH Global Solutions®, we have decades of experience guiding our clients to retail success from pitch to sell-through and everything in between. From deep expertise in retailer guidelines to **innovative packaging** and **display solutions** and diligent management of complex **supply chain logistics**, TPH Global Solutions is the partner you need when you need everything to go right.

Speak to a repackaging expert to learn how we can repurpose your inventory and help ensure the success of your next warehouse club campaign.

“The project was absolutely successful,” said Cassidy.

### About TPH Global Solutions

TPH Global Solutions® makes it easy to get your products through the maze of retailer requirements and complex supply chain challenges, avoiding the gantlet of potential missteps with missed deliveries, product and packaging errors, and shipping damage. From pitch to profits, TPH Global Solutions delivers successful merchandising campaigns with point-of-purchase (POP) displays, packaging and fulfillment – appreciated by consumers and retail buyers alike. For established brands, TPH Global Solutions takes the pain out of your supply chain. For emerging brands, TPH Global Solutions helps you land and pass the test order. For all, TPH Global Solutions provides everything you need to seize your next opportunity.

More at: <https://www.tphinc.com>

