

How a Paper Company Turned Empty Space into \$8K Per Month



A leading paper company based in Long Beach, CA manufactures corrugate boxes for leading ecommerce brands. They are growing quickly and decided to move into a bigger warehouse to support their future growth. They signed a multi-year lease on a 20,000 sq ft warehouse just minutes from the port of Long Beach.

When signing the lease, they knew that they only needed 10,000 sq ft for the next year. This is common as in the beginning of a lease, there is often a significant amount of empty warehouse space. The rent payments for this empty space negatively impact operating margin.

Solution

The paper company's Operations Manager contacted FlowSpace and listed their empty space on the FlowSpace website. Shortly thereafter, FlowSpace found two customers who needed a warehouse to store excess, slow-moving inventory for several months.

The paper company started receiving inventory within a day of approving the customers' requests. They managed the entire transaction on the FlowSpace system, which means they didn't need to do any technical work or worry about invoicing.

The paper company needed to provide the labor and space to unload and store the pallets; FlowSpace handled the rest.

Results

The customer with the inventory is happy because they did not have to sign a lease and are only paying for the space they are using, which is saving them thousands of dollars.

On the other hand, the paper company is generating \$8K per month from their empty space, boosting their operating margin.

About FlowSpace

FlowSpace (www.flow.space) provides on-demand warehousing for business. Backed by leading investors in Silicon Valley, FlowSpace helps companies who need extra warehouse space and capacity find and manage it on a month-to-month basis.