

# GLOBAL LOGISTICS AND SUPPLY CHAIN MANAGEMENT CASE STUDIES

*There is no doubt that the teaching of logistics operations, management and strategy can be made more meaningful through the effective use of case studies.*

Load that supply chain into your Edit screen and see the initial supply chain drawn on a map. You will be challenged to use knowledge acquired in lectures and readings as well as real-world job experience to expand and re-design the supply chains in these case studies. The Supply Chain Cost Reduction Challenge: A wallboard and sticker system was a low-tech solution for identifying equipment items in the yard at Terex. That alone has saved the labour costs previously incurred in carrying out manual counts. After a successful pilot, the company approved the solution for full-scale implementation, replacing stickers, yard maps, and wallboard with electronic tracking and digital inventory management. The Path to Cost Reduction: Following a SCOR supply chain benchmarking exercise, AGCO decided to approach its cost reduction and efficiency goals by blending new technology—in the form of a globally integrated transport management system TMS—with a commitment to form a partnership with a suitably capable 3PL provider. This data like data and prices everywhere changes all the time. More importantly, though, the RFID-based unit identification and location processes have saved the company around 70 weeks per year in labour costs, by cutting the process-time down from six minutes, to a mere 30 seconds per unit. It then began managing the remaining partners via a weekly scorecard system, aligned with renewed service level agreements. Poultry Supplier Poultry producers, navigate a complex array of supply and delivery challenges to ensure their food arrives fresh, wholesome, and on-time. In cases that deal with humanitarian or military missions you need to create supply chains to deliver the right supplies to the right locations when they are needed, and do so at a reasonable cost. To that end, the company put its trust in cloud technology, which was relatively immature at the time, and migrated all processes onto one platform, which was designed to automate non-value-added activities and integrate those critical to proactive supply chain management, namely: Point of sale analysis. An initial conclusion was that inbound material logistics and freight management should not be run as separate operations. Supply Chain Cost Reduction Challenges: When the supply chain executive team began investigating the rising costs and supply chain performance issues, they found that service was indeed falling short of expectations. It also opened a new production facility, bringing the total number of U. Next, the company set about terminating partnerships with all but its most effective 3PLs. The Supply Chain Cost Reduction Challenge: Somehow, Intel had to reduce the supply chain costs for the Atom chip, but had only one area of leverage—inventory. More Quick Service Restaurant Penske helped this restaurant chain get its supply chain fundamentals in place with the right logistics tools, truck driver training and warehousing solutions. In the commercial supply chain cases you need to improve and expand the supply chains to support new stores and still keep operating costs and inventory as low as possible. This comes down to their ability to manage their fleets appropriately, to get the proper vehicles to the proper locations at the proper time. The following five mini case studies explore a few high-profile companies that have managed to sustain their supply chain cost-reduction efforts and keep expenses under control. The only way Intel could find to make supply chain cost reductions was to bring this cycle time down and therefore reduce inventory. With the technology and partnership in place, a logistics control tower was developed, which integrates and coordinates all daily inbound supply activities within Europe, from the negotiation of carrier freight rates, through inbound shipment scheduling and transport plan optimisation to self-billing for carrier payment. The Supply Chain Cost Reduction Challenge: After Avaya purchased Nortel Enterprise Solutions in , the freshly merged company found itself but loosely in control of an unstable and ineffective supply chain operation. The only option was to try to reduce levels of inventory, which, up to that point, had been kept very high to support a nine-week order cycle.