

#### FOR MORE INFORMATION

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# CASE STUDY AUTOMOTIVE

# TIER 1 AUTOMOTIVE SUPPLIER JIT FULFILMENT PROGRAMME FROM CHINA TO EUROPE

The effective co-ordination of multiple-suppliers in fulfilling JIT (Just-in-Time) logistics, value-added warehouse management and distribution direct to production lines, demands reliable and tailored supply chain management for which TradeLink is reknowned.

# AUTOMOTIVE LOGISTICS

#### **SCENARIO**

Our Client, a world leading Tier 1 Automotive manufacturer, moved product procurement to China and Korea, requiring a reliable and consistent JIT supply chain from its parts manufacturers to its European production lines. The diversity of suppliers and monthly FCL volumes added to the complexity of the initiative, especially in two key areas: packaging used to ship the manufactured products to production sites and container unloading restrictions at production sites. The client called on TradeLink to manage the strategic sourcing initiative, becoming the link between its suppliers and production sites with the brief of optimising end-to-end supply chain processes and ensuring JIT order fulfilment.

#### THE CHALLENGE

- An effective Vendor-Managed Inventory (VMI) solution of more than 30 Suppliers across China & Korea and consolidation of 150 monthly 40ft containers with JIT Fulfilment to 12 European Production sites.
- Maintain adequate inventory levels at all times and being able to respond quickly to changing demand and orchestrate a regular delivery system to production line assembly.
- Supplier compliance & consolidation programme using max agreed upon lead-times.
- Containers could not be unloaded at production sites.
- JIT delivery of parts in designated packaging.

### THE SOLUTION

TradeLink began with a full supply chain assessment to address location of consolidation hubs, transportation capacity management, downstream central warehousing and distribution services. Based on the results of this review our solution involved:

- A VMI programme incorporating two (2) strategic consolidation hubs located in China & Korea receiving up 400 pallets weekly.
- A central control tower established at TradeLink HQ, from which our teams navigate all international transports and manage the entire supply chain. In addition, our teams in China, Korea and Germany are in direct contact with the local markets and production sites.

- Implementing a carrier capacity management program of prime Ocean carrier agreements covering up to 200 monthly container moves from 5 origin ports.
- Locating and implementing a centralised distribution centre in Dusseldorf for the JIT supply to 12 production sites including Germany, France, Austria, Italy, Spain, Netherlands, Poland and Romania.
- Value Added Services including transfer of product from supplier packaging to designated customer totes used to ship supplier products to production sites.
- The provision of 24/7 customer support in origin and destination regions to ensure the seamless flow of product complete with Track and Trace ™ shipment tracking.

#### THE RESULTS

TradeLink's flexible, tailored and innovative solutions helped our customer to achieve:

- 99.5% on-time shipping.
- Reduce forecasted logistics costs by up to 30% due to improvement in container utilisation upsstream and central warehousing and distribution efficiencies downstream.
- Higher service levels and supplier compliance.
- Reduction of days-on-hand inventory and leaner supply chain.

# **AUTOMOTIVE LOGISTICS**

#### FOR MORE INFORMATION:

We collaborate with our customers to unlock value across their supply chains, leveraging our expertise, supplier relationships and global network to deliver bespoke end-to-end logistics solutions. Contact us and discover how we can assist you.

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### **ABOUT TRADELINK**

TradeLink International Ltd. provides tailored, flexible and innovative logistics solutions on behalf of global large and SME clients. Our reach extends to more than 67 countries with on the ground specialists ready to assist you. We offer a comprehensive portfolio of logistics and value-added services and have built strong and lasting customer relationships by balancing global scale with local market specialists and a highly personal service. More information on TradeLink and TradeLink services can be found on www.tradelinkinternational.ca.



Move with Confidence