

MAJOR CONSUMER ELECTRONICS MANUFACTURER ACHIEVES SEAMLESS SERVICE THROUGHOUT THE U.S. AND CANADA

PROVIDING SOLUTIONS

Logistics has proven to be an area in which impactful cost savings are often attainable for companies across many different industries. In line with this idea, our client, a global consumer electronics giant, became quite interested in selecting a reputed third party logistics provider who could provide seamless warehouse and transportation management, and exceptional customer service while reducing logistics costs. This customer's goal has been to solidify a formidable partnership to successfully drive and embrace the projected quantum leaps in sales and global expansion.

MIQ Logistics and this client began our partnership in April 2002 when we commenced operating the customer's 400,000 square foot Midwest distribution center near Chicago, Illinois.

The challenges that MIQ Logistics was to address included:

- Shortening delivery lead times to retail customers
- Reducing the number of third party providers in the supply chain
- Streamlining and standardizing work processes
- Improving logistics execution and visibility
- Providing superior customer service
- Targeting Key Performance Indicators (KPI's) for the following levels:
 - Inventory Accuracy: 99.99%
 - Shipping Accuracy: 99.75%
 - Order Cycle Time: 98.0%

CASE STUDY OVERVIEW

The Client's Challenge:

Expand Distribution and Transportation networks as the plant network grows

Strategy:

A joint company team studies the customer's transportation and distribution needs and develops a comprehensive network model

Solution:

Open one Northeast DC

Results:

Substantial transportation savings and reduced order cycle time



The Strategy

MIQ Logistics worked with our client's team to examine warehousing, distribution and transportation management operations to meet our client's logistics needs.

The Solution

After a thorough analysis of our client's business requirements, technology needs and processes, MIQ Logistics proposed a comprehensive solution that included:

- Integrating the client's ERP system with the MIQ Logistics Warehouse Management System
- Utilizing the client's KPI's as benchmarks, and providing daily reports to the client
- Appointing a dedicated Account Manager to manage inbound, storage and outbound operations
- Optimizing and consolidating orders to drive out costs
- Implementing serial number capture at both ends of the operation to better track inventory
- Processing freight returns to reduce delays and congestion in the supply chain and ordering process
- Utilizing a MIQ Logistics team to provide quality control at the warehouse
- Providing capacity flexibility up to 100% during volume peaks

The Results

Since 2002, this partnership has focused on delivering the best end result for the end customer. The on-going efforts at MIQ Logistics have yielded a number of benefits for our client, including:

- Shipping orders within 24 hours of receipt
- Full visibility throughout the client's supply chain
- Improved communications
- Average throughput has more than doubled since inception from 200,000 cases per month to 400,000 cases per month

In addition, MIQ Logistics has consistently maintained the following KPIs throughout our partnership:

KPI's	Targeted Level	Year-To-Date
Inventory Accuracy	99.99%	100%
Shipping Accuracy	99.75%	99.9%
Order Cycle Time	98.0%	99.0%

With multiple years of consistent performance, MIQ Logistics and our client have recently renewed the contract for the Midwest distribution center. The success of this endeavor, however, was just the beginning of our partnership with this client in North America.

In November 2003, as our client was expanding its business into the Canadian market, MIQ Logistics was selected to operate our client's 135,000 square foot dedicated warehouse in the Milton, Ontario market. MIQ Logistics was able to fully implement our proposed solution in just 75 days after the business award. Due to the MIQ Logistics attention to detail and responsiveness to our client's needs, in August of 2004 MIQ Logistics and this client embarked on another joint venture to open a 30,000 square foot facility in the Vancouver, B.C market.

MIQ Logistics and our customer have enjoyed a collaborative partnership leading to technological and operational improvements over the years. Some of the continuous improvements that have resulted from our partnership with this client have included:

- Implementing a box management program to prevent aging inventory by acquiring empty cartons from other warehouses to repack damaged boxes.
- Reducing order cycle time to 24 hours from the required 48 hours, resulting in a more responsive and flexible ordering process for the client's customers.
- Implementing on-site quality assurance and rework projects to avoid shipping freight back to the factory.
- Improving and managing carrier appointments and deliveries for one of this client's major customers. MIQ Logistics utilized our fleet to handle the deliveries and schedule the appointments to improve on-time delivery performance. The relationship between this client and its customer was improved through MIQ Logistics involvement and efficient management.
- Re-engineering warehouse space to better utilize space and improve product flow.
- Enhancing returns processing and customer service processes by soliciting feedback from client and client's customers.

MIQ Logistics is committed to continually providing quantitative results and high-quality service to our clients. Due to the MIQ Logistics dedication to excellence, our client has been able to not only free up resources, but realize leaner channels of communication

ABOUT MIQ LOGISTICS DISTRIBUTION SERVICES

With distribution and warehouse capabilities around the world, MIQ Logistics can design a solution to handle your company's unique requirements. MIQ Logistics delivers a broad range of distribution services. Contract logistics and dedicated warehousing and fulfillment help you increase warehouse performance with best-in-class technology, extensive IT support and value-added services.

MIQ Logistics, a global logistics management company, coordinates the movement of goods worldwide across multiple modes of the global supply chain. MIQ Logistics helps businesses automate and improve shipment planning, optimization, administration, and overall supply chain processes while connecting more efficiently with clients, their suppliers and the final consumer.

