

CHILDREN'S BOOK PUBLISHER MASTERS GLOBAL SUPPLY CHAIN COMPLEXITY

DELIVERING SOLUTIONS

The Challenge

Our client, the leader in its industry, approached MIQ Logistics with the request to streamline its global transportation system. Significant growth through gain of market share and acquisitions had left our client's transportation system highly decentralized, with autonomous processes for many business units. The client used a transportation network that included too many providers, which decreased efficiency and control over shipments and increased shipping costs. At the same time, the tracking and reporting system for shipments and related transportation costs was suboptimal and unsatisfactory. A lack of corporate-wide processes and compliance standards increased already high variability in the operations between the client's large vendor and customer bases. Those operations were connected to over 40 global origins and destinations. Being in a deadline-driven industry, our client needed to add visibility and control over shipments while quickly realizing a significant impact to the bottom line by streamlining its logistics system.

CASE STUDY OVERVIEW

The Challenge:

Streamline a fragmented global transportation system to gain visibility and control, cut costs, and support effective business decisions.

Strategy:

Analyzed existing transportation and distribution network, data flow, and reporting requirements.

Solution:

Set up a network of preferred shipping providers, establish vendor compliance standards, provide logistics services at origin and destination, and implement information collection and reporting processes.

Results:

Significant reduction in engaged transportation providers and shipments leading to cost reduction of \$2 million within 18 months. Robust reporting system of shipments and business metrics.



The Strategy

Relying on open interaction, MIQ Logistics analyzed the client's sourcing and distribution patterns, its cycle times, demand forecast, and performance metrics. Additionally, MIQ Logistics assessed the internal and external flow of data and compared it to information needs for decision support and business reporting.

The Solution

Based on a thorough analysis, MIQ Logistics proposed a solution to the client, generating a positive impact to the bottom line.

This solution included:

- Origin consolidation process
- A network of preferred international shipping partners
- A process for vendor compliance to the shipping network
- International freight forwarding
- Destination deconsolidation
- Domestic distribution
- Implementation of internal and external compliance standard and performance metrics
- Implementation of processes and procedures to capture shipment information
- Concise, business-oriented reporting on shipment details, transit times, exceptions, and other client-specified critical information

The Results

The solution presented and implemented by MIQ Logistics reduced the number of providers significantly, resulting in better carrier management, higher service consistency and reliability, and better cost containment. Newly-established compliance and performance standards improved communication with suppliers, and enabled our client to manage its large vendor base more efficiently. Additionally, MIQ Logistics designed a consolidation process to reduce the number of shipments, which resulted in greater control over the shipment flow and lower transportation costs. Ultimately, our client realized a \$2 million reduction in overall transportation costs within the first 18 months. The solution is flexible enough to adjust effectively to seasonal shipping needs and to the different processes of various business units.

MIQ Logistics assisted the client in introducing a tracking and reporting system for all shipments worldwide. At the same time, this system allows identifying and controlling problems in the client's supply chain. This reporting functionality enables the client to report effectively on performance and business metrics.

ABOUT THE CLIENT

Our client is the world's largest publisher and distributor of children's books, shipping over 1.2 million books worldwide each day through a variety of distribution channels, reaching close to a trillion children and parents. In addition, the client also distributes software, videos, magazines, and toys. Our client utilizes a global supplier base for various parts of its supply chain.

ABOUT MIQ LOGISTICS

MIQ Logistics, a global logistics 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.

