

SCALABLE SOLUTION SATISFIES DEMAND FOR KITCHEN EQUIPMENT RETAILER

DELIVERING SOLUTIONS

The Challenge

A direct seller of professional quality home kitchen tools and equipment with \$700M in sales and 67,000 consultants was challenged with expanding their business in the UK. The company's distribution process called for picking all orders in a Chicago facility and direct shipping them to the UK and Germany. As a result, service to European markets was not cost effective and was slow. Also, the low volume UK orders were incompatible with the mass production lines of the US and Canadian markets that were also served by the Chicago facility.

The company needed to reconsider the structure of its distribution network while also ensuring that they continued to meet their end customer requirements at a level these customers had come to expect.

CASE STUDY OVERVIEW

The Challenge:

Optimize distribution network to serve growing business in international markets.

Strategy:

Map the current supply chain process flow to identify network optimization opportunities.

Solution:

Operate as the client's European warehouse and institute processes to ensure end-customer requirements are met.

Results:

Increased cash flow, lead time reduction, reduction in shipment delays, and increased end-customer satisfaction.



The Strategy

A joint MIQ Logistics and client team conducted a 6-month investigation on sites throughout Europe to pinpoint optimal distribution facility location, size, set up etc. The MIQ Logistics team worked closely with the client throughout this procedure to ensure that the team conducted a comprehensive review of all logistical requirements. After concluding this analysis, the joint team decided to set up the distribution center within the MIQ Logistics facility based in Glasgow.

The Solution

The MIQ Logistics solution included the following key elements and processes:

- MIQ Logistics began operating as the client's European warehouse, utilizing the client's internal systems with MIQ Logistics staff acting as the client's personnel.
- All orders were submitted electronically through the client's system in Chicago and downloaded each day by the MIQ Logistics team through 'waves' of orders. This process generated pick tickets and courier labels for all the shipments in each wave.
- These orders were then picked and processed through 100% QA.
- Once QA was verified, a tracking number was scanned back into the client's order system to allow all buyers to track shipments via the Internet using their order number.
- Each month, full inventory checks were then carried out on both paperwork and product lines and any and all discrepancies were thoroughly researched and eliminated on an SKU by SKU basis.
- At the end of each month, MIQ Logistics reported all duties and taxes due for each month to customs.

The Results

The MIQ Logistics solution has brought a number of benefits to the client, including:

- Increased cash flow
- Management of VAT and duty payment process on a monthly basis
- Lead times reduced by multiple days
- Reduction in shipment delays due to quality assurance verification
- Increased end-customer satisfaction through an internet shipment tracking capability

ABOUT THE CLIENT

The client is a direct seller of professional quality home kitchen tools and equipment with \$700M in sales and 67,000 consultants.

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.

