

Expenses, visibility and control improve with International Supply Chain solutions



DELIVERING SOLUTIONS



CHALLENGE

New Era Cap's International Supply Chain was fragmented, not controlled at origin and often incurred additional costs. New Era's significant growth in International markets put additional pressures on their European distribution centre located in The Netherlands. Therefore the speed in which New Era supplied their customers was slow and causing dissatisfaction within the market, this also meant that multiple transportation costs increased significantly and warehouse operatives became unproductive by over handling consignments. New Era had limited visibility of their product movement without consolidation or equipment utilisation resulting in high transportation spend.



STRATEGY

Following a comprehensive RFQ, involving 10 global logistics providers, MIQ Logistics and its International Supply Chain team was chosen to provide solutions to challenges New Era faced. New Era recognised the need to take a fresh look at its International operations in Asia and Europe to find a robust, scalable solution, which would work for years to come meeting New Era's significant growth challenges. Following our appointment MIQ Logistics quickly deployed a project team enabling us to facilitate New Era's requirements with the global MIQ Logistics offices in Asia, our core service provider such as airlines, shipping lines and contracted 3rd party suppliers.



SOLUTION

MIQ Logistics identified a 'drop ship' solution to quickly speed up time to market, lower transportation costs, reduce warehouse handling allowing the DC to become more efficient in serving the local western European market. With this approach and with support from the MIQ global network direct freight forwarding services between manufacturing locations in China and emerging markets for New Era such as Russia, Africa, Scandinavia and UAE were identified. This allowed MIQ to focus on delivering an origin solution that allowed vendor managed consolidations to be transported to specific international locations based on New Era's purchase order information. MIQ Logistics demonstrated the ability to manage New Era's suppliers and their purchase orders, improving equipment utilisation and cost efficiency. This CFS consolidation model also provided an additional cost benefit by removing LCL shipments and loading them together in full containers.



RESULT

Shipments would have previously moved through the DC in The Netherlands now have a 10-14 day shorter transit time as a result of 'drop shipping' directly to final destinations. The implementation of 'drop shipping' decreased New Era's inbound logistics and handling spend by 30%, subsequent savings and business improvements were quickly identified such as improved cash flow, speed to market, lower cost per unit projections with no further investment required. MIQ Logistics solutions reduced air freight dependency to just 10% of the overall inbound volume meaning 90% of volume is shipped by ocean resulting in significant cost savings.

"MIQ Logistics has been a key partner of New Era Cap Company for the past three years. With a customer focussed approach and the ability to continuously innovate to meet the fast changing requirements of our business, MIQ's 'best in class' solution has proven a valuable asset to our supply chain.

Working together with the dedicated team at MIQ has enabled us to optimise our supply chain and deliver greater speed to market whilst achieving tangible cost savings. This approach, along with MIQ's global capabilities, has equipped New Era to enter new markets with confidence and as we continue to grow the business.

With such a successful partnership based on trust and transparency, New Era is delighted to have agreed a new three year contract with MIQ Logistics."

WILL CARTWRIGHT
SENIOR SUPPLY CHAIN MANAGER
NEW ERA CAP

