



Value Creation through Process Innovations!

LCL CONSOLIDATION - GLOBAL LOGISTICS SOLUTIONS FOR A LEADING FASHION APPAREL RETAILER IN UK

- A CASE STUDY!

Genex Logistics Research & Solutions Team

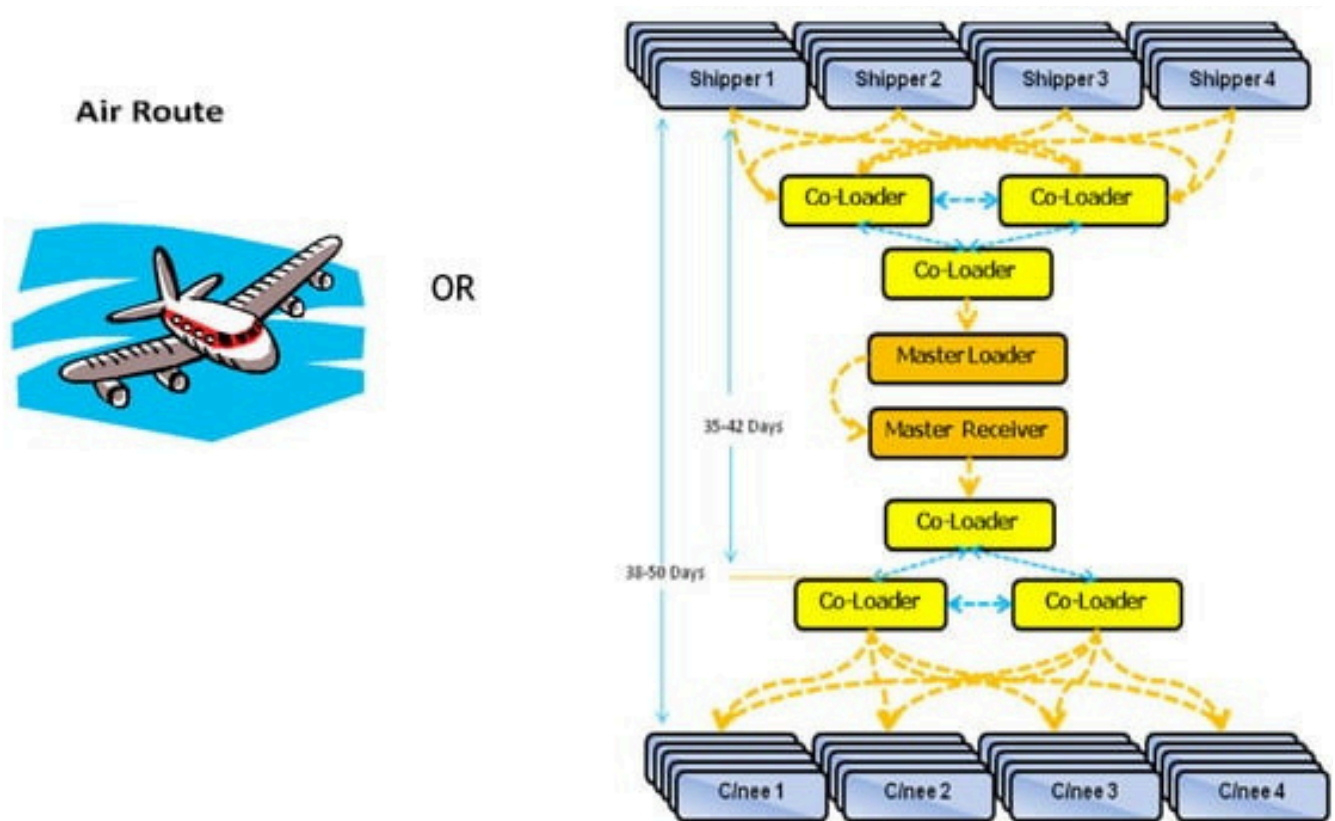


Beneficiary profile

The beneficiary was one of the largest fashion apparel retailers in the UK. They were specialized in fashion apparel for males, females and kids across age groups. They sourced their products from large number of suppliers located across India. Beneficiary sourced merchandise from various suppliers and each of them had the responsibility of delivering it directly to the beneficiary through the mode of transportation decided by the Beneficiary. The mode of transportation was largely Air. The agreed Lead time from PO to Production was as per Industry norms. Considering the competitive and highly seasonal apparel market, the beneficiary was looking at ways / solutions to revamp its supply chain to reduce transportation cost, enhance visibility of POs and Stock in Transit.

Existing process

The beneficiary procured goods from number of suppliers who were spread across the length and breadth of India. As and when suppliers received purchase order, suppliers accordingly scheduled their production and were responsible to deliver goods at scheduled time. The delivery of goods from individual suppliers was made by air route, which was much costlier than the sea route. The option of available sea route was so time-taking that it was prohibitive to use this mode.





Issues

Timely delivery

As the suppliers spread across India, produced goods for many customers, they often failed to meet delivery schedules as desired by the beneficiary. The luxury of transporting through air route (at the cost of beneficiary) gave them required opportunity to delay production till last moment to meet the "other" urgent production schedules. This many a times, even, disturbed the display schedule at beneficiary's stores and hence resulted in lost sales.

Transportation cost

The distributed sourcing made it difficult for beneficiary to consolidate all purchases at a single place and then choose the best mode for transportation. As such all goods were transported by air route, it was very costly.

Scattered Information Flow with least control over Supply Chain

As suppliers were sending goods through their own Supply Chain Operators, it was resulting in flux of information at the beneficiary's end. Linking POs to Stock arrival and coordinating with many agencies was resulting in lots of time and cost.

Further, Beneficiary had no control over the supply chain which was making it difficult to get firm schedules of merchandise display at the stores.

Why was Genex Logistics appropriate partner?

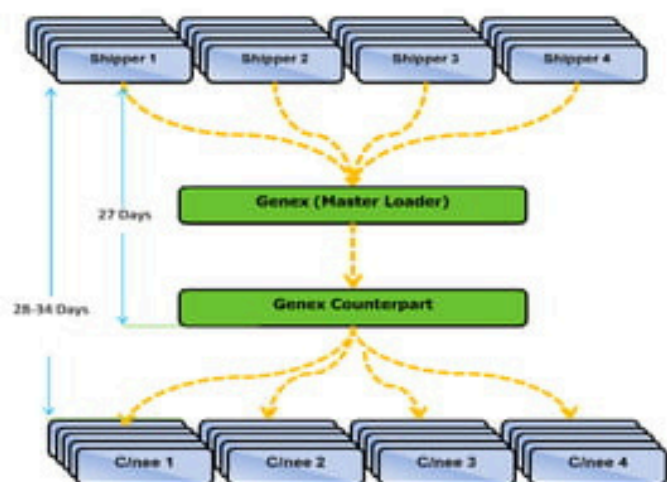
- Genex team had sufficient vendor consolidation experience especially in the dynamic apparel market.
- Genex Logistics had created a Time-Definite LCL Consolidation Service between India and UK.
- Genex team had sufficient experience in 3PL services and had tremendous IT capability.
- The knowledge accumulated by Genex through their past experience in executing various such projects ensured successful strategizing and implementation of the project.

Genex Proposed Solutions

BUYER CONSOLIDATION

A customized solution to meet the specific requirements of O'seas buyers / retailers designed to:

- Enhance Visibility of PO / Stock in Transit
- Reduce Cost of Transportation
- Reduce Handling Enroute
- Buyer's PO schedules were mapped to Supplier's Production Schedules. Supplier Production Schedules were mapped to shipping schedules which in turn were mapped to the Buyer Merchandise Display schedules.
- Time Definite Sea Service was proposed over the earlier air route.



Results of Genex's Solution and Client Benefits

- Timely availability of goods to the beneficiary.
- Substantial reduction in overall logistics costs.
- Supplier network streamlined.
- Complete visibility of POs and Stock in Transit.

About Genex Logistics

Genex Logistics (Genex Logisolutions Pvt. Ltd.) is New Delhi, India based supply chain and logistics firm with focus on value creation through process innovations. The diverse and widely experienced team at Genex holds proficiency in handling Supply Chain Strategy, Logistics Operations, Core Transportation, International Freight Management, Freight Forwarding, Contract Logistics, 3PL, 4PL, Warehousing & Distribution, Project Logistics and Customer Relationship Management. Genex Logistics spans across India and has been at the forefront setting benchmarks for Logistics, Transportation, Freight Forwarding and Project Logistics industry in the country.

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