

Case Studies: Warehouse Consolidation and Secondary Freight Consolidation for South India for a Leading Sanitary Ware Manufacturer

Aqua MCG did a warehouse consolidation exercise and a secondary freight consolidation exercise for a leading sanitary-ware manufacturer in India



Industry

- Sanitary Ware

Business Scenario

- 10 Warehouses and 2 factories
- High freight costs

Our Solution

- Supply chain maturity assessment
- Gap analysis
- Modeling
- Optimization
- Supplier performance

Benefits

- Reduced Freight and Warehouse Cost

Background

- The client is multinational and a leading manufacturer of Sanitary ware
- They are aggressively growing in the country and are looking at opportunities to reduce supply chain cost

Business Scenario

- The company had 10 warehouses and 2 factories in South Zone .
- It was looking at consolidating the distribution network because of the CST getting phased out
- They also wanted to reduce secondary freight in Tamil Nadu and Andhra Pradesh

Our Solution

- We conducted a supply chain maturity assessment
- Mapped the As-Is process, calculated current costs and identified gaps
- Modeled the current network and would be process in the optimization tool
- Validated various scenarios for optimizing the freight cost
- Suggested a roadmap consisting of various initiatives of consolidation across lanes, loads etc to reduce secondary freight; while maintaining the same service levels

Benefits

- Reduced Freight cost
- Reduced Warehousing Spend (Proposed network was 6 warehouses and 2 factories)