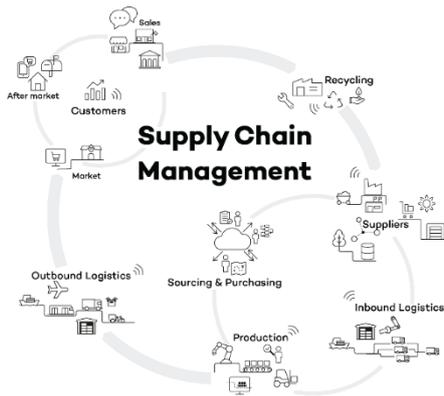


# Supply Chain Management



## DISTRIBUTION FOOTPRINT



### Content of the Offering:

**Challenges:** Low performance and high cost level in the distribution footprint

**Approach:** A generic methodology involving all stakeholders

**Outcome:** An anchored and properly communicated implementation plan, for efficiency and sustainability

### Challenge for the industry today

Historical setup with local assortments in local stock, is often the case even today.

Sometimes dysfunctional foot prints can be a consequence from mergers and acquisitions. In some cases the information systems are not aligned and not communicating on an acceptable level.

The classical understanding that short local lead times, is the most important requirement from the end customers is sometimes hard to overcome.

The result in the old fashioned distribution structures is often a combination of poor stock availability, unbalanced stock keeping with too high value, obsolescence risk, heavy administration and high costs for logistics operations.

### Service and Approach

Our methodology starts with a basic analysis of business offering, customers order behaviour, customer order point localisation, and planning process organization.

Everything is mapped on the company's strategy and growth ambitions.

We also investigate the distribution setup based on our understanding of which resources should be organized centrally versus locally.

Based on these initial facts and findings, we evaluate the situation together with the customer.

In some cases we use our double SWOT method to reach the main scenarios and proposed actions in very short term (ref product sheet "Vision to action strategy")

This method involves the customer practically and gives the assignment a high level of mutual understanding and ownership.

### Expected Outcome

This kind of assignment clarifies the need of cooperation within a supply chain network, such as

- Clear communication towards the market, regarding business offering conditions
- The difference between quick and reliable deliveries
- Coordinated view of central versus local resource allocation
- Coordination of planning process execution including performance management and KPI definitions.

This is a reliable path towards an efficient distribution footprint with improved performance, cost efficiency and inventory turnover.

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