Recent Case Studies

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LOGISTICS & CUSTOMER SERVICE

Case Study – Logistics Network Re-design

Top Player In The Grains Global Market

Business Background

1. Our client tripled its size over the last 3 years due to intensive acquisition activities and strong organic growth.

2. Due to its intensive distribution, logistics is a key business function in ice cream, with relevant impact in costs, customer service and quality.

3. There were high savings expectations from closing distribution centres.

How Spin Consulting Professionals Helped

1. A complete map of the operation was rapidly made including efficiencies, costs, service level and local specifics (e.g. roads conditions, taxes, etc)

2. Rapid knowledge of the region was gained, identifying specific restrictions and opportunities

3. Different models and scenarios were extensively tested, showing that the best alternative was to keep most of the distribution centers and improve distribution efficiencies.

4. Design and implementation of the new logistics network, including: distribution centers closure and re-location, third parties introduction, revised inventory policies, new areas coverage and customer service targets.

Achievements

1. Logistics/Fiscal costs reduction of more than 40%, resulting in an overall client's EBITDA growth of 20%

2. Customer Service Level increase of 25%.

3. Inventory reduction of 5%.

4. Delivery lead time reduction for 42% of the customers

Case Study – End-to-End Logistics Transformation Programme

Global provider of water, hygiene and energy technologies and services to the food, energy, healthcare, industrial and hospitality markets.

Business Background

1. Our client was going through a considerable global transformation in their entire supply chain (Procurement, Manufacturing, Planning, Logistics & Customer Service).

2. A new Vice President of Logistics was appointed and became fully responsible for the end-to-end logistics operations in over 25 countries, moving products from around 60 manufacturing sites, through 60 DCs to over 30.000 customers, being in charge of a annual spend of over Euro 300 million in Warehousing and Transportation.

3. The entire logistics, which up to this moment was pretty much a local-to-local network, needed tobe significantly revised and upgraded in terms of new best-in-class Processes, Systems and Organization.

4. The Key Performance Indicators of Logistics needed to be significantly improved, namely: Safety, Quality, Service, Costs and Differentiated Logistics Solutions.

How Spin Consulting Professionals Helped

1. Spin partnered with the client and conducted a deep assessment of the current situation and developed & support the implementation of a new 2020 Logistics Strategy which encompasses, among others , the following workstreams:
   1. Procurement
   2. Warehousing & Transportation Optimization
   3. Packaging Solutions
   4. Network Design
   5. Differentiated Logistics Services
   6. Talent Development and Retention
   7. Logistics Process Development
   8. System and Technology Development
   9. SHEQ Standards & Social Impacts
   10. Performance Management

2. Spin provided the necessary technical expertise and change management to deliver each of the workstreams above detailed, working closely with the extended local teams and the new formed regional team (over 100 professionals in total).

3. At the same time, Spin identified quick-wins to provide the fuel / funding for the transportation and selected implemented these initiatives such us running RFPs / negotiations with providers, implementing a new e-sourcing

Achievements

1. Spin developed the new 5 Years Logistics Strategy, fully aligned with the Business needs and Supply Chain strategy agenda, and worked closely with the Logistics leaders to fully implement the new strategy over a couple of years on a very hands-on approach.

2. Spin supported the identification and quick-wins opportunities which delivery among others over 10% of cost reductions through market intelligence, negotiations with 3PLs / suppliers, new contracting approach with stronger SLA's, significantly improved Safety and Quality standards

3. Spin support the client in the definition and implementation of a new Customer Service area which provided among others Differentiated Logistics Services to the various markets / categories / channels / customers in a much more customized and cost effective manner.

Spin
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Confidencial

Case Study – Holistic Solution for putting in place a High Performing Logistics Team

Global provider of water, hygiene and energy technologies and services to the food, energy, healthcare, industrial and hospitality markets.

Business Background

1. Our client was going through a considerable global transformation in their entire supply chain (Procurement, Manufacturing, Planning, Logistics & Customer Service).

2. A new Vice President of Logistics was appointed and became fully responsible for the end-to-end logistics operations in over 25 countries, moving products from around 60 manufacturing sites, through 60 DCs to over 30.000 customers, being in charge of a annual spend of over Euro 300 million in Warehousing and Transportation.

3. The entire logistics, which up to this moment was pretty much a local-to-local network, and a new Regional Hub / Center of Expertise with nearly 30 key new resources / FTEs needed to be implemented in order to support the 5 Years Strategy develop by Spin.

How Spin Consulting Professionals Helped

1. Spin support the client with the Holistic Solution for putting in place a new High Performing Logistics Team, among others:
   1. Defining the New Organization Charts (# of resources, reporting structure, etc)
   2. Detailing the Job Profiles for each role (from Directors, Managers, Team Leaders, Sr and Jr Analysts)
   3. Hunting, Interviewing and Conducting Internal Approvals with the client's Vice President and the HR teams
   4. Designing and Implementing the Induction / On-Board Programme for each of the nearly 30 new Logistics talents
   5. Design and Implemented the new ways of Working, which detailed the interfaces and roles and responsibilities between the new Regional and the existing Local teams, the key support functions (e.g. quality, safety, finance, etc), the links between the global and regional teams, and the key interfaces with the business (sales, R&D, marketing, etc)
   6. Definition of a new set of skills and competencies for the entire logistics community
   7. Implementation of a new Learning and Career Framework to ensure the availability and sustainability of talents in the business in the short, medium

Achievements

1. The new team was identified, hired, on-boarded and coached in a fast manner (less than 6 months)

2. The new team was fully integrated with the existing S/Chain, Logistics and other Business teams to ensure a smooth ramp-up curve

3. The new team was formed through the attraction of high profile candidates mostly coming from top 25 ranked Gartner Supply Chain organizations

4. This allowed our client to speed up the full implementation of the 5 Years Strategy delivering significant results to the business in terms of quality + safety + service improvements, overall logistics cost reductions and a new offering of differentiated customer service solutions to our client's end customers.

5. The programme was extremely cost effective to our client if compared to the traditional approach of using a head-hunting solution. Spin understands the logistics requirements, as a wide network of talents available, can not only hire people but instead can offer the end to end solution (as detailed above – points 1 to 7) and yet can offer much more competitive cost structure when compared to the 30 % annual salary

Case Study – Holistic Solution for putting in place a High Performing Global Logistics Team

Global provider of water, hygiene and energy technologies and services to the food, energy, healthcare, industrial and hospitality markets.

Business Background

1. Our client was going through a considerable global transformation in their entire supply chain (Procurement, Manufacturing, Planning, Logistics & Customer Service).

2. A new Vice President of Global Logistics was appointed and became fully responsible for the end-to-end logistics operations in over 60 countries, moving products from around 120 manufacturing sites, through hundresds of DCs to over 100.000 customers, being in charge of a annual spend of over Euro 1.4 billion in Warehousing and Transportation.

3. The entire logistics, which up to this moment was pretty much a regional to regional network, and a new Global Hub / Center of Expertise with nearly 15 key new resources / FTEs needed to be implemented in order to support the 5 Years Strategy develop by Spin.

How Spin Consulting Professionals Helped

1. Spin support the client with the Holistic Solution for putting in place a new High Performing Logistics Team, among others:
   1. Defining the New Organization Charts (# of resources, reporting structure, etc)
   2. Detailing the Job Profiles for each role (from Directors, Managers, Team Leaders, Sr and Jr Analysts)
   3. Hunting, Interviewing and Conducting Internal Approvals with the client's Vice President and the HR teams
   4. Designing and Implementing the Induction / On-Board Programme for each of the nearly 15 new global Logistics talents
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   6. Definition of a new set of skills and competencies for the entire logistics community
   7. Implementation of a new Learning and Career Framework to ensure the availability and sustainability of talents in the business in the short, medium

Achievements

1. The new team was identified, hired, on-boarded and coached in a fast manner (less than 6 months)

2. The new team was fully integrated with the existing S/Chain, Logistics and other Business teams to ensure a smooth ramp-up curve

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Spin CONSULTING

Case Study – Warehousing & Transportation Roadmap

Leading multinational FMCG organization with presence in more than 100 countries.

Business Background

1. The client spends more than £ 3 billion per annum on Warehousing and Transportation (W&T) activities.

2. W&T activities were locally managed with limited or none regional or global coordination .

3. Different regions were at different stages of maturity and there was yet limited leverage of the client's scale across the different geographies.

4. W&T decisions and investments were typically made looking at the short / medium-term time horizon and not necessarily considering the customer service ambitions.

How Spin Consulting Professionals Helped

1. Review the client's local and regional W&T existing strategies.

2. Conduct interview with several stakeholders involved with W&T at a local, regional and global level.

3. Benchmarked external FMCG organizations, 3PL suppliers, customers, other best-in-class W&T organizations and specialized industry bodies.

4. Incorporated Spin Consulting expertise in W&T and designed a detailed W&T roadmap for the client to execute in the next 3 years, composed by more than 50 opportunities classified under 10 major clusters.

5. Spin Consulting supported the client in the implementation of some of the opportunities identified.

Achievements

1. A global W&T framework mapping the client's triple W&T objectives (3Cs = Costs, Customer Service and Carbon Footprint) and the 10 major W&T opportunity areas.

2. Spin Consulting detailed the key initiatives, estimated the potential benefits and defined the priority areas for the coming 3 years.

3. The required investments, budget and resources were estimated where applicable.

4. Spin Consulting supported the client in the implementation of some of the opportunities identified.

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Case Study – Warehousing & Transportation Performance Management

Leading multinational FMCG organization with presence in more than 100 countries.

Business Background

1. The client spends more than £ 3 billion per annum on Warehousing and Transportation (W&T) activities.

2. Different regions were at different stages of KPI definition and harmonization. Some regions adopted a limited number of KPI's which didn't consider W&T from an end-to-end perspective (e.g. Costs, Service, Quality, Safety, etc).

3. Different sets of KPIs were used in different countries within the same region and in some occasions KPI's were even defined by the 3rd party logistics suppliers (sometimes taking in perspective a more advantageous definition towards suppliers).

4. These complexities made it very challenging for the client to compare the performance across the different regions, countries and suppliers and as a consequence, different areas of W&T are under optimized.

How Spin Consulting Professionals Helped

1. Spin Consulting developed a harmonized W&T KPI blueprint, building from what was already available within the regions, and looking externally for best practices within the FMCG, other related segments and suppliers.

2. An end-to-end perspective has been taken into consideration to ensure fully alignment across the extended W&T processes

3. The blueprint of harmonized KPIs looked not only from a Global/Regional perspective (macro-level), but it had also determine d the needs at a Local perspective (micro–level).

4. The set of W&T KPI's has served as the basis for the subsequent streams of work (e.g. Internal and external benchmarking, network design, development of standards, etc) and has also created the platform for the further optimization of the W&T processes

Achievements

1. An end-to-end Warehousing and Transportation KPI's blueprint containing more than 60 key performance indicators across the 10 major W&T sub-processes:
    - A set of harmonized KPI's for each performance area.
    - The definition and calculation methodology for each KPI.
    - The typical opportunities and benefits related to each KPI and performance area.
    - The list of stakeholders that should prepare, communicate and receive the KPIs.
    - The optimum frequency to which KPIs should be produced and published.

2. The new blueprint of KPI's has prepared the platform for the structured internal and external benchmarking by engaging the global, regional and local teams, suppliers and other external organizations.

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Case Study – Warehousing & Transportation Benchmarking

Leading multinational organization in the FMCG Industry with presence in more than 100 countries needing to improve its global Warehousing & Transportation (W&T) operations and identify best practices.

Business Background

1. Increasing pressure for simultaneous excellence in service, competitive costs and sustainable operations requires not only operational efficiency, but also new and creative solutions though adoption of best in class W&T practices.

2. There was no structured and harmonized monitor of end-to-end W&T performance on a global level. Also, no structured internal knowledge and experience sharing, neither external best practice monitoring.

3. There was an unexploited potential of the company´s global presence, scale and knowledge in terms of the key aspects involved in W&T (service, costs and sustainability)

How Spin Consulting Professionals Helped

1. Conducted an extensive internal and external benchmarking , covering both qualitative and quantitative aspects of W&T.

2. The quantitative benchmark involved all key elements of W&T with focus on costs (transportation, warehousing, inventory holding, and admin.) comparing the different company´s main product categories with other 13 industries.

3. A qualitative benchmarking has focused on the FMCG and Retail industries (14 companies) ,summarizing the strategies and best practices of the key company competitors and customers within the Warehousing & Transportation arena.

4. Additionally, two other important studies were had their content summarized, supporting further benchmark of efficiency and productivity against best-in-class organizations.

Achievements

1. The extensive quantitative and qualitative benchmarking has been conducted across all regions and different industries, including the company´s main competitors and organizations recognizably best-in-class in W&T activities.

2. The W&T Quantitative Benchmarking has provided clarity on the key W&T elements across a wide range of industries, enabling the company to know its W&T competitive positioning and the development of a comprehensive map of opportunities.

3. The W&T Qualitative Benchmarking has provided an overview of the W&T best-practices and trends across a wide-range of organizations, especially in the FMCG and Retail segments. It has also ranked these organizations against its current degree of centralization and maturity level, enabling the company to identify sources and references for immediate improvements and also further benchmarking in the future.

4. The benchmarking brought a new and fresh perspective for W&T global management, being a unique enabler for transformation and full understanding and exploitation of all possible opportunities. Also, it has been a fundamental input for the global W&T Roadmap and the new W&T KPI's network.

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Case Study – Logistics Optimization

Leading multinational organization in the FMCG Industry with presence in more than 80 countries going through the integration of a large acquired local player.

Business Background

1. The multinational organisation has made the major acquisition ever in the segment by incorporating a local player with more than US$ 1 billion turnover.

2. A significant portion of the acquisition synergies would come via logistics and procurement rationalization since the previous owners didn't see these two areas as priority in their business model.

How Spin Consulting Professionals Helped

1. Inbound Logistics: Just-in Time, Kanban, VMI and Milk-Run implementation with suppliers.

2. Outbound Logistics: Warehousing and transportation optimization. Review and Renegotiation of 3PLs.

3. Rationalization of the import and export sourcing flows.

4. Design and implementation of a strategic procurement process for the acquisition of seasonal commodities

Achievements

1. Significant inventory reduction of 35%.

2. Logistics costs reduction of more than 20%.

3. External in-flow warehouses eliminated.

4. Primary and secondary distribution reformulated.

5. Cost savings of 15% achieved through the new seasonal commodities procurement process.

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Case Study – Logistics Network Re-design

Leading multinational organization in the FMCG Industry acquiring an ice cream company in Latin America and needing to re-design its logistics network.

Business Background

1. The multinational organisation had acquired the biggest player in the category. Although it had knowledge in the category (ice cream), had virtually no knowledge about the region.

2. Due to its intensive distribution, logistics is a key business function in ice cream, with relevant impact in costs, customer service and quality.

3. There were high savings expectations from closing distribution centres.

How Spin Consulting Professionals Helped

1. A complete map of the operation was rapidly made including efficiencies, costs, service level and local specifics (e.g. roads conditions, taxes, etc)

2. Rapid knowledge of the region was gained, identifying specific restrictions and opportunities

3. Different models and scenarios were extensively tested, showing that the best alternative was to keep most of the distribution centers and improve distribution efficiencies.

4. Design and implementation of the new logistics network, including: distribution centers closure and re-location, third parties introduction, revised inventory policies, new areas coverage and customer service targets.

Achievements

1. Logistics costs reduction of more than 20%.

2. Customer Service Level increase of 15%.

3. Inventory reduction of 5%.

4. Delivery lead time reduction for 14% of the customers

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Case Study – Distribution Network Redesign

Leading multinational organization in the Chemical & Petrochemical Industry with presence in over 50 countries.

Business Background

1. The client has appointed a new leadership team in charge of the end-to-end supply chain (from customers to suppliers).

2. Service, Cash and Cost Management were defined as the new high priorities in the business agenda.

3. The Company's wide Distribution Network was sub-optimized in terms of numbers of locations, placement, capacities and usage of external warehousing.

How Spin Consulting Professionals Helped

1. **Consolidated the Company's 2 main Distribution Centers (DC's) into a Major, Unique and Much More Efficient Location:**
   1. Detailed Capacity Planning (now & over the next 5 years) – including Storage (square meters), Handling Needs (In/Within/Out), Picking, Late Differentiation, etc
   2. Defined the new optimized layout in Autocad (over 50.000 pallets positions) segmented by brand, type of storage, type of SKU, picking vs non-picking, etc
   3. Identified Synergies & Significant Opportunities for Productivity Improvements in Labor, Equipment, Assets Utilization, etc
   4. Significantly Raised the bar in terms of Processes and Systems utilization
   5. Build the Platform for a significantly upgraded Picking Operation in order to cope with the increasing complexity within the business ('Project Picking Plus')
   6. Defined KPI's to dynamically measure performance (operational, tactical and strategic)

Achievements

1. On-Time, In-Full and within Costs consolidation of the Company's 2 main distribution centers (including the disposal of the 2nd company site)

2. Elimination of External Warehousing with Logistics Providers (including Finished Goods, Work-in-Progress and Raw & Packaging Materials)

3. 5% Cost Reduction in the combined operation through gains in efficiencies & improved productivity (storage, handling and picking)

4. 20% Service Improvement through better accuracy, reliability & more robust processes

5. 10% Inventory Reduction due to a centralized network (avoiding inventory sitting in multiple DC's)

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Case Study – Distribution Network Redesign

Leading multinational organization in the Commodities Industry with presence in over 15 countries.

Business Background

1. A large manufacturer of commodities made a series of changes in their supply chain network as a result of both organic growth and growth through acquisitions.

2. The changes included the number and location of manufacturing operations, the number and location of distribution centers and the re-configuration of the company's customer base.

3. The management of the company concluded that to achieve the optimal supply chain network from the perspective of cost and service performance, the entire network needed to be redesigned.

4. To do so, a special project team was then commissioned to manage the network redesign internally and Spin Consulting was engaged to create the new redesigned network.

How Spin Consulting Professionals Helped

1. Establish developed a project methodology based on the project objective and scope and the firm's experience (30+ years) and judgment.

2. The methodology was multi-stepped. Establish also selected a best-in-class network modeling tool to use for the work required.
   1. The first step in the methodology was for the manufacturer's project team and the Establish team to meet to structure the project work, refine the project scope, develop planning factors and identify key contacts at the major locations and the sources for the data that would need to be gathered.
   2. Second, site visits were scheduled to observe a number of the manufacturer's operations so that Establish would develop an understanding of current network to include the product groups in the network, their storage and shipping characteristics and requirements, customer's service requirements, current issues, etc.
   Note: From these visits several quick fix opportunities were identified and implemented immediately. Implementation of these opportunities actually yielded benefits that offset the project costs.
   3. Third, the data was gathered and analyzed, and developed as necessary to reflect the operation of the current supply chain. Progress meetings were scheduled to validate the data against the actual supply chain costs.
   4. Fourth, a validation model run was prepared to confirm the accuracy of the model. Then, a 5-year forecast was applied to the validation model to create a model Baseline.
   5. Fifth, a number of alternative scenarios were modeled to identify the optimal supply chain network. The alternative supply chain network scenarios were compared to the baseline. The overall best supply chain network, from the prospective of cost and service performance, was identified and then it was evaluated for practicality. Minor location adjustments were made, a few product groups were shifted and the completed result was the redesigned optimal supply chain network.

Achievements

1. A business case was prepared for this redesigned optimal supply chain network and in it more than a 10 percent reduction in annual supply chain operating costs were identified along with improvements in customer's service performance. In addition, the redesigned network had a simpler configuration and it was easier to manage.

European Logistics Network Programme
Top 3 global Toy Manufacturer

Business Background

1. Our client approached us to develop an end-to-end logistics network study aiming to define the best future logistics footprint (how many DCs, size, location, type of 3PLs, etc)

2. Their complex network of over 10 DCs seemed to be under optimized in terms of costs, service levels, inventory levels, flexibility, time to market, etc

3. The project also aimed at creating a new go-to-market solution for e-commerce, the highest growth platform in the industry, but yet an under-development solution for our client

4. Spin also supported our client with a detailed diagnostic of their outsourced Logistics Control Tower, aiming to holistically identify opportunities of value generation in terms of cost optimization, service improvement, headcount reduction, freight costs reduction, among others

How Spin Consulting Professionals Helped

1. Spin built a comprehensive data driven model to map all the end to end current logistics costs (inbound, handling, outbound, indirects, etc). Given the complexity of the current network and the decentralized approach, this was the 1st time the customer had clear and full visibility on the AS IS costs by type, geography, supplier, etc

2. Spin built an computer based optimization tool to generate optimized solutions of future logistics networks including costs, service levels, inventory levels, time to market, etc

3. Various scenarios have been generated, discussed with our clients Supply Chain and business-wide teams, re-calibrated, until we identified the preferred TO BE solution which culminated into a simpler, faster and cheaper network

4. In addition, Spin developed a roadmap to optimize the existing Logistics Control Tower which generated over 20% cost savings, better service experience provided by the client's 3rd party, clear visibility of customers, reallocation of resources – overall numbers + off-shore vs on-shore set-up, etc

Achievements

1. Delivery of nearly 10% of Total Logistics Costs Reduction achieved by the client

2. Rationalization of the number of locations in the region (reduction of nearly 30%)

3. A detailed roadmap for renegotiation with existing 3PLs and development of new ones in the new identified geographies

4. Enablement of Supply Chain eCommerce solution as a key business growth of the business

5. A much more fit for purpose, cost effective, Logistics Control Tower solution, which leveraged between internal and external resources

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Case Study – Logistics Network Design and Optimisation - Europe
Food Frozen Manufacturer – Market Leader in Europe

Business Background

1. Our client grew aggressively over the last 5 years organically and through various sizeable acquisitions

2. Their network encompasses 20 manufacturing sites and over 50 DCs serving over 20 markets in Europe

3. The Integration of acquisitions was typically driven through system implementation with a limited focus on processes harmonization & upgrading and organization design

4. Specifically in Supply Chain Planning, local optimizations were driven as part of the integrations, however very much Cost Driven (manufacturing and logistics focused) with less intense focus in the E2E SC Optimisation (i.e. Service, Cash, Cost, Business Waste, Speed to the Market, etc)

5. That resulted in the business to operate with higher than ideal inventory levels at FG/MAT/NPI when compared to market standards, sub-optimum SC Costs (typically optimization of each SC processes took place rather than looking at Cost Optimisation from an E2E perspective) and Considerable Business Waste (in Manufacturing, Planning, Logistics)

How Spin Consulting Professionals Helped

1. Spin built a comprehensive data driven model to map all the end to end current logistics costs (inbound, handling, outbound, indirects, etc). Given the complexity of the current network and the decentralized approach, this was the 1st time the customer had clear and full visibility on the AS IS costs by type, geography, supplier, etc

2. That involved nearly 20 countries in Europe including UK, Ireland, Nordics, Germany/Austria/Switzerland, Italy, France/Spain, Portugal – among others

3. Each country involved different go-to-market strategies (e.g. Directly managed by the client, fully outsourced to a 3rd party (at times logistics provides, at times customers), primary, secondary AND third distribution in some geographies, etc)

4. Spin built an computer-based optimization tool to generate optimized solutions for future logistics networks including costs, service levels, inventory levels, time to market, etc

5. Various scenarios have been generated, discussed with our clients Supply Chain and business-wide teams, re-calibrated, until we identified the preferred TO BE solution which culminated into a simpler, faster and cheaper network

Achievements

1. Delivery of 8.5% of Total Logistics Costs Reduction achieved by the client

2. Rationalization of the number of locations in the region (reduction of nearly 30%)

3. A detailed roadmap for renegotiation with existing 3PLs and development of new ones in the new identified geographies

4. A blueprint for the implementation of a fit for purpose, cost effective, Logistics Control Tower solution, which leveraged internal and external resources

Spin CONSULTING

Case Study – Logistics Network Design and Optimisation - Adriatics
Food Frozen Manufacturer – Market Leader in Europe

Business Background

1. Our client grew aggressively over the last 5 years organically and through various sizeable acquisitions

2. Their network encompasses 20 manufacturing sites and over 50 DCs serving over 20 markets in Europe

3. The Integration of acquisitions was typically driven through system implementation with a limited focus on processes harmonization & upgrading and organization design

4. Specifically in Supply Chain Planning, local optimizations were driven as part of the integrations, however very much Cost Driven (manufacturing and logistics focused) with less intense focus in the E2E SC Optimisation (i.e. Service, Cash, Cost, Business Waste, Speed to the Market, etc)

5. That resulted in the business to operate with higher than ideal inventory levels at FG/MAT/NPI when compared to market standards, sub-optimum SC Costs (typically optimization of each SC processes took place rather than looking at Cost Optimization from an E2E perspective) and Considerable Business Waste (in Manufacturing, Planning, Logistics)

How Spin Consulting Professionals Helped

1. Building on the successful programme in the European Geography, the client invited Spin to deploy a similar programme in the Adriatics geographies

2. That involved nearly 6 countries (including Croatia, Serbia, Bosnia, Moldova, etc) in a quite complex geography with relevant trade/customers barriers

3. Our client operated not only in frozen foods in the region, but also in ice-cream – 50% of the business (high seasonality, pulverized distribution, high capex requirements, labour shortages issues in high season, etc)

4. Each country involved different go-to-market strategies (e.g. Directly managed by the client, fully outsourced to a 3rd party (at times logistics providers, at times customers), primary, secondary AND third distribution in some geographies, etc)

5. Spin built a comprehensive data driven model to map all the end to end current logistics costs (inbound, handling, outbound, indirects, etc).
Given the complexity of the current network and the decentralized approach, this was the 1st time the customer had clear and full visibility on the AS IS costs by type, geography, supplier, etc

6. Spin built an computer-based optimization tool to generate optimized solutions for future logistics networks including costs, service levels, inventory levels, time to market, etc

7. Various scenarios have been generated, discussed with our clients Supply Chain and business-wide teams, re-calibrated, until we identified the preferred TO BE solution which culminated into a simpler, faster and cheaper network

Achievements

1. Delivery of 11.5% of Total Logistics Costs Reduction achieved by the client

2. Rationalization of the number of locations in the region (reduction of nearly 25%)

3. A roadmap for important investments in Warehousing and Transformation (renovation, capacity increase, new technologies, cross-docking facilities, etc)

4. A detailed roadmap for renegotiation with existing 3PLs and the development of new ones in the newly identified geographies

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CUSTOMER SERVICE

Case Study – Cost to Serve and Customer Profitability

Leading multinational organization in the FMCG Industry needing to increase profitability by efficiently cutting costs in sales and distribution.

Business Background

1. Sales and distribution costs had been increasing for the past 3 years, without volume or customer service improvement.

2. No clarity of real cost to serve resulted in frustrated initiatives in the past.

3. Poor customer segmentation prevented specific and effective actions

How Spin Consulting Professionals Helped

1. A complete map of the cost to serve was made: sales,, warehousing, distribution, administrative, equipments and inventory

2. A revised and consistent customer segmentation was conducted

3. New 'serving offers' were designed by segment, including (but not restricted to) visit and delivery frequency, type of equipment for point of sale, delivery lead time, customer service level

4. Implementation of the segmented 'service offers' in sales and logistics

Achievements

1. Logistics costs reduction of 8%.

2. Sales cost reduction of 10%.

3. Point-of-sale equipment and maintenance cost reduction of 15%

4. Customer Service Level improvement for the 20% most important customers (key segment)

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Case Study - Developing a Customer Mindset

Leading multinational organization in the FMCG Industry with presence in more than 50 countries facing significant declining service levels.

Business Background

1. The multination organization has decided that the Supply Chain contribution to the growth target would be via service through the vision: 'Live Service, Deliver Growth'.

2. The rational was that service was going to be the differentiator and competitive advantage in the market.

3. Winning with customer service is a qualifier in today's game changing market where product, fair price, together with service is the bare minimum needed to compete in the customer market where increasing consolidation, margin pressure and reduced shelf-space are the order of the day.

4. Underpinning poor service levels was a poor Service Culture or Mindset.

5. The Mindset program therefore was the key enabler to clients success at increasing service levels.

How Spin Consulting Professionals Helped

1. Spin professionals developed the strategic Five Years Master plan and the Customer Mindset Roadmap which are the key enablers of the program within the client.

2. The Customer Mindset Roadmap was a two stage – engage and embed – and four stepped journey. Each step of the roadmap is composed by several courses and interventions and Spin professionals have designed and deployed the different courses and interventions across the different regions and operating companies.

3. Spin Consulting professionals has also led the RFQ process which selected and contracted different course providers around the world and has helped the client to quantify the end-to-end Total Cost of the Service Culture program and its ROI modeling.

4. Spin professionals played to role of Programme Management and also established the Customer Mindset Community of Practice (CoP).

Achievements

1. The Customer Mindset program is being fully deployed in Asia, Europe and Americas.

2. More than 3.000 employees have gone through the program until the moment with very positive feedback.

3. Service level have been consistently improving over the few months and the key clients customers have recognized that the client leads the development of the Service Mindset within the industry.

4. Another important delivery in program was the integrated Customer Mindsets Communication Roadmap and its different elements: intranet portal, newsletters, interviews with the senior leadership, DVD's, library, etc.

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Go to Market & Cost to Serve

Top 5 global Pet Food Manufacturer

Business Background

1. Given the competitive environment and emerging trends, our client approach Spin to develop a comprehensive Go to Market and Cost to Serve study

2. Our client was quite rapidly loosing market share to other global and specially an aggressive local manufacturer; and in addition was lagging behind in terms of enabling new omni-channels route to market solutions.

3. The key objectives were to identify, agree and implement, top and bottom line growth opportunities, for the short, medium and long-term

4. Given the importance of the specific market/country we run the study, several interactions were necessary to validate the model and outcomes with the regional and global teams.

How Spin Consulting Professionals Helped

1. Spin develop a comprehensive, fact based and dynamic mathematical model that enabled us to understand in details the effectiveness of the existing go-to-market approach (and its cost to serve) and simulate innumerous future scenarios to generate top and bottom line value.

2. The model considered the optimization of the existing channels (direct, indirect,e key accounts) whilst also developing new Go to Market solutions (e.g. e-commerce)

3. Several optimized scenarios were identified, discussed and validated with the team and the board of the client, and Spin was invited to support the implementation of the new go-to-market solution over the course of the next 12 months.

4. The implementation involved the optimization of Processes, Systems and Organization (PSO) for each Channel (Direct, Indirect, Key Accounts, Regional Key Accounts, e-commerce, etc)

5. In parallel, Spin support the client with the transformation of their culture to become meritocratic driven, ensuring all investments in the trade (Marketing, Trade Marketing, Sales, Indirects, etc) have a Return of Investment (ROI in everything we do), to support a fact driven decision making culture

Achievements

1. The new Go to Market solution identified and implemented a new approach that

   1. Improved bottom line profitability in 4% (EBIT Improvement as % of Sales)

   2. Enabled growth of 25% in Revenues over the course of 2 years

   3. Headcount decrease of 20% through focused Outsourcing and Productivity improvement

   4. Extra 2% of EBIT implemented has been identified to be implemented through a new logistics network solution (optimization of logistics costs vs tax benefits)

   5. The 'ROI in Everything we do' programme identified opportunities to increase the efficient of the Marketing + Trade Marketing + Sales + Indirects budgets in 40% (i.e. extra EBIT generation and/or partial reinvestment in the business to drive growth)

Case Study – Collaborative Planning, Forecasting and Replenishment Implementation
Leading Toy Manufacturer – Europe scope

Business Background

1. Our client is a leading toy manufacturer globally facing very aggressive growth in one of its key geographies in Europe

2. This business unit involved 4 countries with high purchasing power served through a mix of direct sales to a FEW key clients and 3 key large distributors

3. Our client was facing significant service disruption issues due to a lack of availability of the right product at the right place at the right timing.

4. Particularly in the toy industry, a very seasonal dynamic drives the need of superior planning especially around the 3 main seasons (Holidays, Children's Days and Christmas)

5. In addition to the loss sales, our client was facing significant issues of reputation in the marketplace, added to expensive contractual fines.

6. Overall, all the above was preventing our client to leverage the growth opportunity in the market and was being significantly impacted in its profitability; inventory obsolescence was also becoming a critical issue to be addressed given the fact that project not sold in the right season requires to be sold at significant discounted prices and/or be scrapped

How Spin Consulting Professionals Helped

1. Spin has been invited to support our client to develop and implement a roadmap to fix the short-term crisis whilst building the medium/long-term sustainability of the requirements of the improvement

2. Following a short focused assessment that involved key leaders of our clients and key individuals of their customers and distributors, Spin developed and progressively implemented a CPFR programme (Collaborative Planning, Forecasting and Replenishment) with each of the key customers and distributors

3. The CPFR consisted of a set of workstreams around Processes, Systems and Organization improvements encompassing not only our clients but also integrating their customers/distributors integrally as part of the CPFR process

4. Spin developed and led the governance of the programme and run the drumbeat of the CPFR process (weekly, monthly and quarterly) for several cycles, together with our clients, to ensure the full implementation of the expected benefits

5. Among others, the CPFR implementation included the development of a One Stop Shop interface for data exchange among all organizations involved as part of the CPFR programme – led by focused technology investments

Achievements

1. Service levels and credibility has been rapidly recovered in the marketplace, enabling our client to capitalize in the aggressive growth opportunity presented by the market

2. CPFR enabled a very collaborative internal collaboration across the various functional areas of our client (Supply Chain, Sales, Marketing, Finance, etc) and perhaps more importantly expanding into their customer and distributor teams (Sales, Marketing, Logistics). Recognized by one of their key distributors, our client became their 'Customer of Choice' given the investment and effort made through the implementation of the CPFR.

3. Ultimately, that enabled to restore top and bottom line growth to our client, whilst allowing to allocate their teams back into more strategic/tactical activities (instead of the previous fire-fighting)

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