

Supply Chain Playbook

Four ways to boost efficiency and cut costs

Why your business needs an **effective** supply chain:



clarify the business process



spot inefficiencies



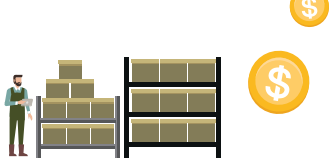
be more competitive



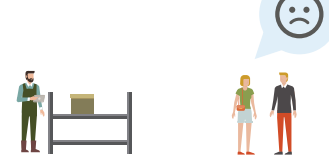
ensure effective practices

1 Inventory management

Too much?



Too little?



How to manage:

- Regional **shared warehouses**
- **Vendor-managed inventory**
- **Demand management** – historical sales data & seasonal patterns
- Demand sensing using **real-time** indicators
- **Just-in-time** (lean) inventory

How to manage:

- **Consolidation** of smaller shipments, reducing clearance times, fees, freight costs
- **Optimized** routes to streamline deliveries, save time, reduce mileage, lower fuel costs
- **Distribution centre bypass** with direct shipments to save time, costs
- **Intermodal options** like rail to save costs, help the environment

2 Transportation optimization

Where are you delivering?



What's your carrier's **pickup & delivery schedule?**



3 Cost efficiencies

50%



of Canadian manufacturers say **intense competition** on prices is a **major challenge**

How to manage:

- **Collaboration** with businesses in the same industry
- **Vested outsourcing**, with each party having a stake in the other's success
- **Understanding** of freight cost breakdown

How to manage:

- **Flexibility** in scheduling
- **Centralized** returns centre: **20x more efficient** than multiple points
- Border **consolidation**: Quick clearance, reduced cost
- Returns authorization with **pre-printed** return label or **web-based system**
- Provide **complete visibility** of returns status online
- Finding **second lives** for returned goods: repairing, reselling parts

4 Returns management

100%

of customers expect an **efficient returns policy**



\$26 billion

in merchandise returned

We can help!

Purolator Logistics can help you reduce distribution costs and improve your supply chain efficiency and speed to market. We offer customized solutions, including import and border-clearance management, warehousing and fulfilment, transportation and returns processing. Let's talk!

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Sources:

KPMG Consulting. (2015). *Canadian Manufacturing Outlook 2015: The Time to Invest is Now.*

KPMG Consulting. (2014). *Canadian Manufacturing Outlook 2014: Leveraging Opportunities, Embracing Growth.*

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