



Case Study: Supply Chain

German Home Care Company: Freight Diagnostic Review

Freight diagnostic to improve visibility across all services.

PROJECT SUMMARY

LOCATION

Oceania

INDUSTRY

Consumer
Packaged
Goods

TMX was engaged to perform a freight diagnostic to identify opportunities to improve service, cost, control, and visibility across all services.

Client Challenges

Inconsistent charging and service standards:

The client was experiencing inconsistencies in charging mechanisms and service standards/carrier performance across its grocery and major client channels.

Uncertain value in product deliveries: Large volumes of product were being delivered into major grocery networks by their respective primary freight offerings across all regions. However, it was difficult to gauge the value being added to its supply chain via this model.

Impact on major client channel: Volumes delivered to client's major channel had been impacted by incumbent provider IT security breaches and poor service.

Approach

TMX was engaged to perform a freight diagnostic through:

- **Freight rate benchmarking:** TMX's benchmarking of freight rates identified opportunity for pure price cost reduction.
- **Initiatives beyond pricing:** TMX was able to identify both strategic network and tactical process improvement initiatives independent of and complimentary to pricing opportunities tabled.

Solution

The diagnostic review identified circa **AUD~\$500K in pure freight pricing opportunities, and circa AUD~\$900K in strategic and tactical improvement** initiatives for the client to pursue.

Subsequent to the diagnostic being completed TMX was engaged to conduct an Australian domestic freight RFP across all services delivering to grocery and major client channels.

Transform your supply chain

TMX Transform is an end-to-end supply chain consultancy, providing expert advice and practical, innovative solutions to businesses globally.