



Case Study: Supply Chain

Vietnamese Manufacturer: DC & Operational Design

Market Research, DC Design, and a Business Case and Financial Modeling to navigate challenges in market demand.

PROJECT SUMMARY

LOCATION

Asia

INDUSTRY

Government &
Infrastructure

TMX partnered with a leading manufacturer in Vietnam to address critical challenges in market demand uncertainty, investment decision ambiguity, and operational planning hurdles.

Client Challenges

Market demand uncertainty: Lack of clarity on the current and future demand for cold storage and cold transport services in Vietnam.

Investment decision ambiguity: The need for informed insights to guide strategic investment decisions on a recently acquired 20-hectare land.

Operational planning hurdles: Challenges in planning and optimizing operations related to cold storage and transport in a market with evolving demands.

Approach

TMX played a crucial role in addressing client's challenges through a comprehensive three-phase approach.

Market Research

- Conducted initial market analysis and a cold chain assessment.
- Performed market gap and location analysis, providing a high-level cold transport market overview.
- Offered insights into the current and future supply and demand of Vietnam's cold warehousing market, aiding in understanding potential market share.
- Geographical advantages were highlighted through location analysis, and a high-level cold transport study was conducted to enhance the client's awareness of the market.

DC Design

- Evaluated three layouts with different racking options.
- Tailored layouts to suit various tenant types and zones, including produce, chilled, and frozen, providing the client with optimal solutions.

Business Case and Financial Modeling

- Developed a comprehensive business case and financial model.
- Considered total costs, including operating, financial, and facility inputs, along with revenue.
- Recommended the client the best-designed layout option with the least risk and the highest cumulative cash flow results.

Solution

Informed decision-making: TMX's market research provided crucial insights, empowering our client to make informed decisions aligned with market demands.

Operational efficiency: Evaluation of DC design options optimized operational efficiency based on tenant needs and zones.

Financial optimization: Business case and financial modeling recommended the best-designed layout, minimizing risk and maximizing cumulative cash flow.

Strategic construction planning: The market overview, DC design options, and business case laid the groundwork for a successful and strategically aligned project, setting the stage for the optimal utilization of their 20-hectare land.

Transform your supply chain

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