

# SUPPLY CHAIN OPTIMIZATION



Jaguar Land Rover was seeking a logistics partner that could provide clear improvement to its Inbound Supply Chain. The prestige vehicle manufacturer lacked cost visibility and budgeting accuracy in its UK and European inbound freight spend.

DHL was awarded the contract and implemented the UK Inbound collection service in August 2008 for 350 UK suppliers. In April 2009, DHL implemented the European Inbound collection service across 17 countries with just under 500 suppliers.

DHL's Lead Logistics Service creates the most competitive inbound supply chain, balancing cost with service reliability. It provides flexibility and is able to generate shared efficiencies and savings with Jaguar Land Rover's suppliers and other DHL accounts.

Jaguar Land Rover supported the change initiatives at every level, accelerating the improvement programmes ahead of schedule.

#### Scope of operation:

- UK & EU Inbound supply chain management for the 3 UK plants at Solihull, Halewood and Castle Bromwich
- Services include Freight Planning, Vendor management, Container management and Data management
- Procurement of all service provider needs within EU network
- Average of 1,800 collections per week
- Over 14,000 active part numbers



#### SERVICES SUMMARY

- Inbound Supply Chain management
- Tactical Planning
- Container management
- Vendor management
- Logistics Cost management





**Key benefits of supply chain optimization at Jaguar Land Rover:**

- Inbound supply chain cost reduced by 12%
- Responsive planning to production changes
- ‘Best fit’ European networks utilised for better reliability and performance
- Integrated supply chain management and costing

**Continuous improvement in:**

- Operational and carrier management via shared user Freight Control Tower
- Rationalized Cross Dock & Pallet Park solution – 18,000m<sup>2</sup> facility replaced with more efficient 5,000m<sup>2</sup> operation

**Teamwork and trust:**

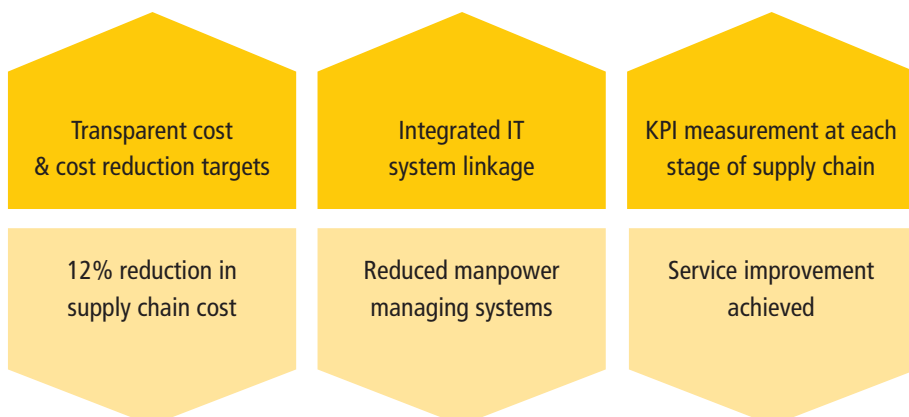
- Open and honest discussions on cost and risk reduction
- Upstream savings and supplier collaboration initiatives

**Environmental performance:**

- Carbon reduction of 22%
- Use of shared networks across Europe
- Routing and scheduling with vehicle capacity utilisation technology

“The DHL automotive team has done an excellent job on this very complex transition and has made a real difference as a joint team with Jaguar Land Rover.”

David Dyke  
 Director, Material Planning & Logistics  
 Jaguar Land Rover



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