

# OEM TIRE LOGISTICS



## Customized to meet the specific tire delivery needs of each vehicle production plant

The arrival of tires into a plant impacts the overall vehicle manufacturing process. OEMs need a lean supply chain – with pull triggers, just-in-time deliveries, and low in-transit inventory – but must avoid line stoppages. There's minimal margin for error.

### TYPICAL BUSINESS CHALLENGES

- Optimally locating each warehouse
- Ensuring on-time delivery
- Maintaining accuracy & quality
- Managing returns
- Minimizing logistics cost-per-unit

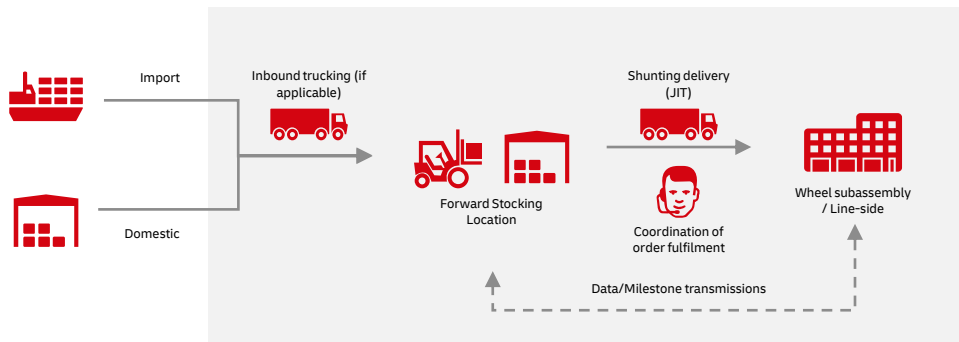
## DHL SOLUTION

Solution design starts with a comprehensive understanding of the requirements of each OEM plant. Then tire delivery logistics can be customized according to these needs. This ensures a perfect fit with existing lean logistics and JIT practices, and helps to avoid line stoppages during production.

### SOLVING YOUR BUSINESS CHALLENGES

- ✓ **Optimally locating each warehouse** – Site selection for a storage facility includes careful consideration of plant proximity, easy access (traffic risk minimization), and local regulations
- ✓ **Ensuring on-time delivery** – Establish a pull trigger system to meet the most demanding order delivery schedules and avoid any line stoppages; constant review of shunting truck efficiency
- ✓ **Maintaining accuracy & quality** – Technology enables inventory and order accuracy (the right SKU, quantity, production date, and first-in, first-out) while ensuring damage-free tires
- ✓ **Managing returns** – Effective processes to manage returns and obsolescent products for recycling or allocation to other markets
- ✓ **Minimizing logistics cost-per-unit** – Process engineering optimizes space usage and improves picking productivity; robotics and automation boost productivity; warehouses and resources can be shared with other parts suppliers

### SOLUTION DESIGN IS CUSTOMIZED TO MEET THE SPECIFIC NEEDS OF EACH PLANT



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### KEY BENEFITS FOR YOUR BUSINESS



#### PEACE OF MIND

Risks and penalties minimized through specialized expertise and experience

#### TECH-DRIVEN

Relevant warehouse management system and scanning capabilities



#### STREAMLINED PROCESS

Standardized for smooth and fast tire delivery

#### BEST PRACTICE

Shared specialist knowledge in DHL's global tire community

