Our customer is the world’s leading supplier of technology, integrated project management and information solutions for the oil & gas industry. Its headquarters are located in Houston, Paris and The Hague.

The company works across more than 85 countries with an international staff representing 140 nationalities. It provides the oil and gas industry around the world with the industry’s widest range of products and services from exploration through production.

**CUSTOMER CHALLENGE**

The value of our customer’s supply chain lies in its ability to keep rigs drilling and oil flowing out in the field. As the largest service provider in the oil & gas industry, the company delivers sophisticated solutions to its customers, such as seismic exploration, drilling and subsea services. In order to do so, they receive materials from their suppliers around the world. These are stored, consolidated and then shipped to the end customer. Oil fields are found in some of the more remote parts of the world, with the associated challenges of transportation, visibility and traceability of materials and compliance. Our customer required an end-to-end service and visibility throughout its global supply chain to maintain a leading position in the international oil field services market. Furthermore, the customer wanted to reduce lead times and costs. The company’s logistics provider needs to be capable of managing the essential interface between its material hub near Rotterdam (the Netherlands), the freight carriers and the customer’s entities. The integrated logistics solution needed to be compliant with safety, health and customs regulations.

**CUSTOMER BENEFITS:**

- End-to-end solution ensuring full supply chain visibility
- Flexible commercial model reduces costs
- Safe and compliant solution with the focus on operational excellence and service delivery
- Continuous innovation

**DHL SUPPLY CHAIN SOLUTION:**

- End-to-end service required
- Integrated logistics solution needed to ensure flow of materials from suppliers to remote oil fields
- Traceability and visibility as key requirements

- Control Tower function to track material
- Handling of in- and outbound transportation, inventory management, customs service and value added services under one roof
- Carrier-neutral Lead Logistics Provider (LLP) services powered by a comprehensive IT solution
- Regional Distribution Center (RDC) concept planned
**DHL SUPPLY CHAIN SOLUTION**

DHL has been the company’s logistics provider of choice for more than ten years. The relationship with the customer is managed by DHL Customer Solutions and Innovations (CSI), working closely with DHL Global Forwarding and DHL Supply Chain. We have gained substantial knowledge of our customer’s global and European hub operations and requirements, establishing a sustainable partnership.

To manage their complex activities in moving large volumes and supplies, a number of regional hubs have been established. In these hubs we receive material, hold it until required and then ship it to its final destination. The core European hub has been set up in Rotterdam-Botlek (Netherlands).

As the company’s customers operate oil-fields in remote places all over the world a control tower function is very important. The control tower in Rotterdam makes sure material is shipped at the right time and tracked from the hub to the delivery location or work-sites in Europe. At this hub, we handle inbound and outbound transportation including air, ocean and road freight, as well as warehouse and inventory management, customs services and value added services under one roof.

DHL implemented a Lead Logistics Provider (LLP) setup to increase efficiency, improve service and reduce costs. Our LLP services combine a carrier-neutral decision making approach, with the assets of a strong global network. The setup is powered by our Supply Chain Integrator (SCI), a comprehensive IT solution, providing visibility on shipments and workflows.

As a next step, our experienced team is developing a strategy for a Regional Distribution Center (RDC) concept together with the customer. This concept will increase efficiencies and optimize material flows even more. In the current setup, material is shipped to our customer’s locations whenever it is available in the hub. In the future, it will be shipped on demand. The seamless end-to-end solution will lower the company’s inventory and speed up their supply chain.

**CUSTOMER BENEFIT**

The end-to-end LLP approach ensures full visibility on our customer’s supply chain. Our teams are well trained and experienced with their requirements. A flexible commercial model reduces costs. We can react quickly to increasing volumes and changing market conditions.

Together with the customer, we established a customized set of key performance indicators (KPI) to measure our performance on a regular basis and continuously improve the supply chain.

The long standing partnership between DHL and the largest provider for the oil & gas industry is based on a shared philosophy for safety, health, environment and continuous improvement as well as a focus on results. Our energy experts provide safe and compliant solutions with the focus on operational excellence and service delivery. In order to keep up with future challenges, the partners discuss further innovative solutions as next steps.

For further information
Contact our supply chain experts:
supplychain@dhl.com
www.dhl.com/supplychain