



Integrated Forwarding & Logistics Solution Keeps MAN Roland Printing Presses Rolling

***Reduces order lead time for Midwest & West Coast customers,
with improved inventory accuracy***

SITUATION

In 2001, MAN Roland North America, the U.S.-based arm of one of the world's leading press manufacturers, made a strategic decision to concentrate its resources on its core business. That meant outsourcing its parts distribution tasks to a third-party logistics provider (3PL) with infrastructure and competence in warehousing and distribution. The objective: to improve the level of service to its customers.

But MAN Roland was cautious about relinquishing its unique distribution requirements. Most of its clients require next-flight-out delivery to keep their presses running to satisfy tight deadlines. What's more, the company's major newspaper customers can't afford any press down time at all. A careful and intensive search was conducted and concluded with MAN Roland choosing Kuehne + Nagel as its 3PL.

One key reason for the selection? "We were already using Kuehne + Nagel's seafreight services for most of our web printing equipment shipments from Europe to North America," says Frank Holt, MAN Roland's Director of Logistics. "Our choosing Kuehne + Nagel for logistics resulted in the marriage of forwarding and logistics capabilities that was very attractive to us. Kuehne + Nagel can give us one-source capability from factory floor to customer door."

SOLUTION

Kuehne + Nagel implemented a multi-client (shared) warehousing solution, which allowed MAN Roland to sell a warehouse in New Jersey and move its inventory into 11,000 square feet of Kuehne + Nagel's Chicago-area distribution center. MAN Roland now has the flexibility to increase and decrease space, depending on its day-to-day requirements, while maintaining inventory just a short distance from its Westmont, Ill., headquarters.

Kuehne + Nagel manages 18,000 SKUs and handles 100 "same-day" orders daily from MAN Roland. It receives the requests from the press maker's SAP system, picks and often repacks each one. An experienced Kuehne + Nagel associate completes all quality control, ensuring thorough inbound and returns inspection.

RESULTS

Kuehne + Nagel's multi-client solution provides MAN Roland with the variable-cost model it was seeking. MAN Roland only pays for the space and services it requires. In addition, since MAN Roland began working with Kuehne + Nagel, inventory accuracy has improved by 11%.

"Kuehne + Nagel has reduced order lead time for Midwest and West Coast customers thanks to positioning our inventory point in the middle of the country," Holt says. "In addition, they also deliver after-hours emergency order service. They're required to have all emergency orders ready for pickup with two hours of notification, in 2002, the company was 100% compliant."

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