



Retail

Greeting-Card Giant's Subsidiary Leverages Power of Public Warehousing

Kuehne + Nagel's flexibility allowed company to control costs, while generating dynamic sales & marketing programs

SITUATION

When a greeting-card giant's subsidiary entered the U.S. market in the mid-1990s, its mission was to provide U.S. retailers with the world's finest, most distinctive collection of cards and gifts. The subsidiary opened its U.S. office with an eight-person staff focused solely on market expansion. It wanted to leave the time-consuming details of inventory and warehouse management to outside experts. For that reason, the subsidiary sought a distribution partner that would give it quick access to new markets and the flexibility to adapt to the seasonality of the gift industry.

SOLUTION

The subsidiary chose Kuehne + Nagel to handle 100 percent of its distribution and transportation management needs in the United States. In the extremely seasonal card and gift industry, leveraging multi-client warehousing space gave the company the flexibility to increase or reduce its space requirements, based on demand.

The company paid only for the space and service required. When additional people were needed to handle demand surges, Kuehne + Nagel quickly flexed its staff levels up and down to meet the challenge.

Kuehne + Nagel received product in containers from the Far East and Canada, airfreight from Europe, and several domestic LTL domestic shipments. Kuehne + Nagel distributed the company's greeting cards, gift bags, posters, bookmarks, mugs, apparel and other gifts throughout North America. All orders were transmitted via EDI. An average of 100 orders per day shipped to various company and independent card shops, grocery chains and other mass retailers.

Drawing on its more than 35 years of logistics expertise, Kuehne + Nagel also served as a distribution consultant, looking for ways to improve the supply chain and apply the latest information technology. Multi-client warehousing provided the company access to Kuehne + Nagel's state-of-the-art management systems for processing and monitoring orders and shipments.

RESULTS

The subsidiary's staff focused its energies on marketing to specialty stores across North America, while Kuehne + Nagel handled all its distribution needs. As a result, the company was able to steadily grow its revenue base and add new retail outlets. Kuehne + Nagel's operations flexibility allowed the company to control costs, while generating dynamic sales and marketing programs.

Kuehne + Nagel
Contract Logistics
1-888-856-8726
logistics@kuehne-nagel.com
www.kuehne-nagel.com

