

**An Introduction
To
Click-On Logistics Ltd

Lean Logistics**

Company Overview

- A niche management consultancy that helps clients arrive at business solutions solving logistics problems in a cost effective way
- Established in 2000, we have enjoyed high levels of growth and repeat business
- Achieved ISO 9001 accreditation in 2005, one of the only consultancies in the Logistics & Supply Chain specialism to do so
- Background as professional business consultants and senior 3PL management, we look for practical business solutions
- Our client base is predominantly large corporations, rapid growth companies or those undergoing large scale change in both the private or public sectors
- Our foremost concern is to listen to client needs, then to develop a solution to these needs, we do not sell products



Our Experience

By definition, Supply Chain includes a wide range of business processes and business challenges in many sectors. Our delivery capability is organised to meet these challenges both “Top Down” and to address specifics

- Top Down
- Strategy & Planning
 - Change Management
 - Project Implementation

Examples of Specifics

- Lean Operations
- Carbon Footprint Management
- Cost Reduction
- Risk Management
- Warehouse & Transport Ops Improvement
- Outsourcing
- Merger & Acquisition support
 - Due Diligence & Post Implementation
- Ergonomics
- Performance Measurement
- Systems selection & implementation

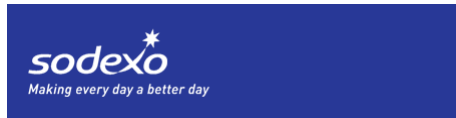


How We Work

- We listen and understand our client's business and its needs, then develop a tailored solution. We do not sell 'off the shelf' products.
- Our methodology includes rigorous quality management throughout the project lifecycle and we have ISO 9001 accreditation.
- We actively provide constructive challenge; you should not expect us to only tell you what you want to hear!
- We develop effective relationships with our clients and are proud of our track record for repeat business.
- We have the capability to see through any recommendation or strategy, we are always prepared to implement our solutions



Some of Our Clients



Click-On Logistics and Lean

Why Go Lean?

“Doing more with less by not doing unnecessary things”

- Opportunities include:
 - Increased throughput / storage capacity of an existing facility or network
 - Increased overall site performance per capita
 - Standardised processes
 - Increased colleague engagement & motivation
 - Improved service to the stores
 - Fewer discrepancies
 - Faster response – reduced shelf stock
 - Reduced carbon footprint
 - Supplier engagement in operations improvement
 - Sustainable and continuous improvement
 - Reduced costs



The 7 Wastes in a Supply Chain Context

1. Unnecessary Transport (equipment)
Poor warehouse layouts; sub-optimal delivery routes; empty running
2. Excessive Inventory
Receiving backlogs; unprocessed returns; dead stock; single SKU containers
3. Wasted Movements (personnel)
Multi-stage replenishments; poor picking layouts; searching for equipment
4. Waiting between processes
Slow replenishments; arriving too early for a delivery slot; work imbalance
5. Overproduction
“Getting ahead”; failing to prioritise; queuing vehicles
6. Overprocessing
Excessive checking; over packing; cycle counting; low value returns
7. Defects
Cross picks; wrong address; incomplete orders; invoicing errors; rework

*In addressing these target areas, savings in
Time, Cost and Carbon can be achieved*



Our Lean Logistics Experience

- We have a long history of operational improvements within the logistics industry. “It’s our day job”. Within all of our projects, we actively seek out opportunities to: reduce effort; combine operations; improve material flow; and reduce inventory
- We have a good track record of facilitating workshops to engage the stakeholders in articulating and improving upon their processes
- We have a framework and process for Lean assignments, using our process mapping tool “igrafx”
- We understand logistics and do not apply inappropriate theory
- We work with our clients to develop and deliver practical improvements
- We know where to look for improvements and how to prioritise effort



Warehouse Technology – Current State

Client Major UK Food Service Operation

Challenge To unlock the benefits of new ways of working that would transform the in-house service offer and justify capital investment

Current State:

- » Everything paper based
- » Over 3 Million sheets a year – stacked up would be taller than the Eiffel tower!
- » Over 20 million keystrokes per year
- » Manual Controls and manual overview
- » Stock updates 3 – 4 hours behind
- » Replenishment operations often held up
- » High possibility of error, low probability of catching errors before loading
- » Perceived as a poor service offer



Warehouse Technology – Future State (1)

Click-On Logistics managed the project from inception through to Completion. The solution centred upon Voice Picking and RDT technology

Key Stages included: Business Case justification; Technical Specification of Requirements; Supplier Selection and Project Implementation in parallel with other change activity underway as part of a transformation programme.

We worked as part of a team with the Technology Provider; The Client Users and Management Team; all other suppliers.

Services delivered included: Business Planning; Project Organisation and Management; Business Process Analysis and Reengineering; Programme Management & Coordination



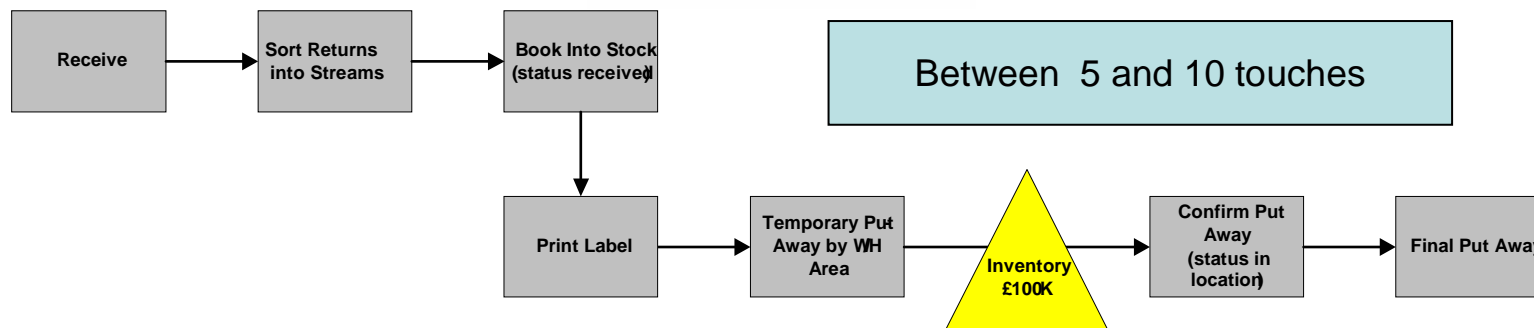
Warehouse Technology – Future State (2)

- Productivity
 - RDT
 - Time to tip, tally and store pallets reduced by 40%
 - Replenishments available when they are needed
 - Voice
 - Dead time removed from operation
 - Operatives picking on average 20 – 30% faster
- Accuracy
 - Error rate has been reduced by 50%
- Administration
 - Workload has reduced by 30%
- Other
 - Paper used has reduced by 65%
 - We know what everyone is doing!
 - Very factual performance statistics
 - Space Utilisation improved to allow a new business stream to be included in the existing area



Returns – Current State

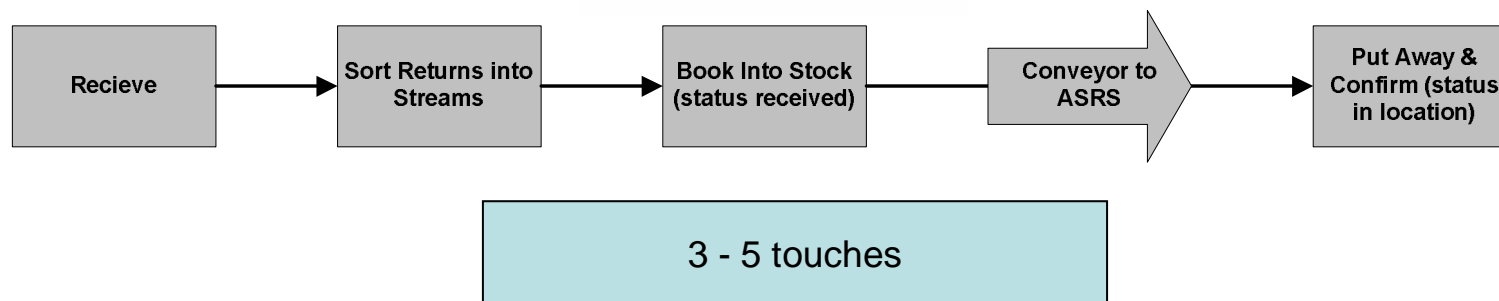
- Client** Nationwide Home Service Organisation with over 7000 engineers supplied by a National Distribution Centre
- Challenge** Improve the processing of returns to enable a reduction in inventory and minimise out of stocks (part of a wider brief to extend the useful life of an existing site prior to moving to a new building)
- Current State** High rate of returns from the field was not being processed quickly enough, resulting in high inventory levels (in process returns equalled 1 day's stock cover) and high out of stocks. Further the existing process meant that there was a danger of goods showing as being available when in fact they had not yet reached the pick face, this meant potential failed customer appointments.



Returns – Future State

Click-On Logistics devised a new set of operating rules which meant that the goods were returned to stock on a much more frequent basis and only confirmed as put-away after they had been physically located. This resulted in a reduced inventory of returns in process and fewer incidents of the picker finding the location empty.

As part of the move to a new site, the returns operation was automated so that the putaway followed booking in by a matter of minutes. We improved the performance by 400% and reduced the number of screens accessed from 5 to 1. Inventory between the 2 operations was eliminated completely.



SAP Preparation – Current State

Client

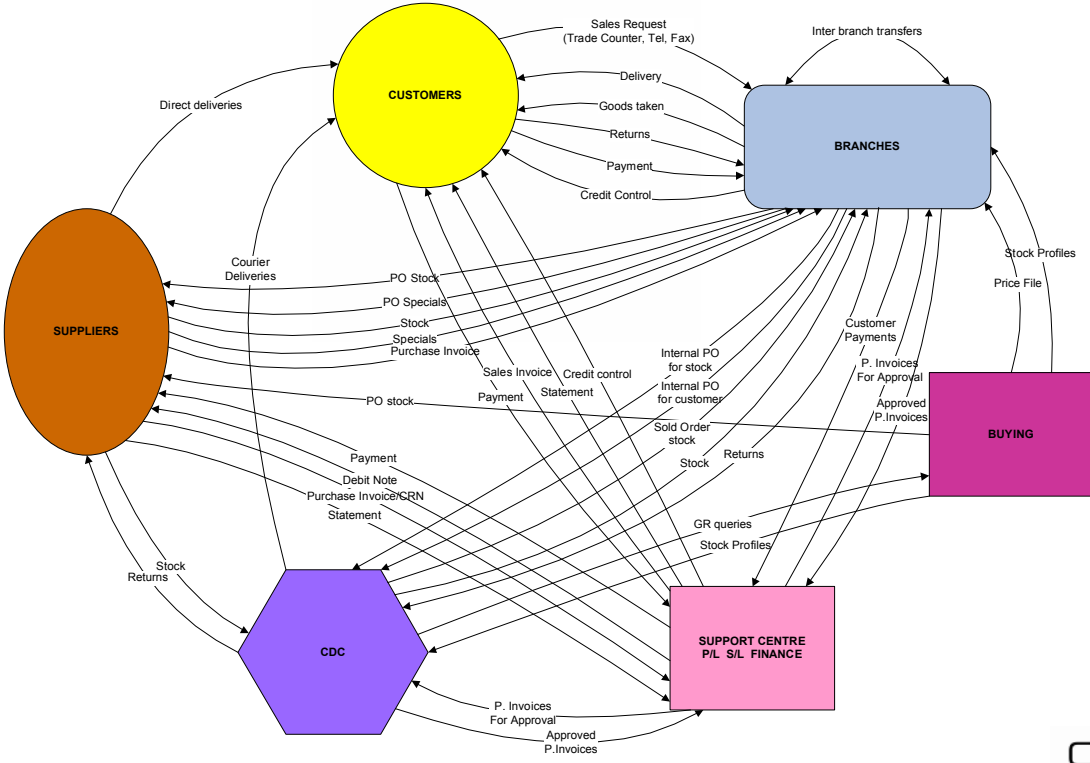
Electrical Wholesaler with 70 Branches + Distribution Centre

Challenge

Redefine business processes in preparation for SAP implementation

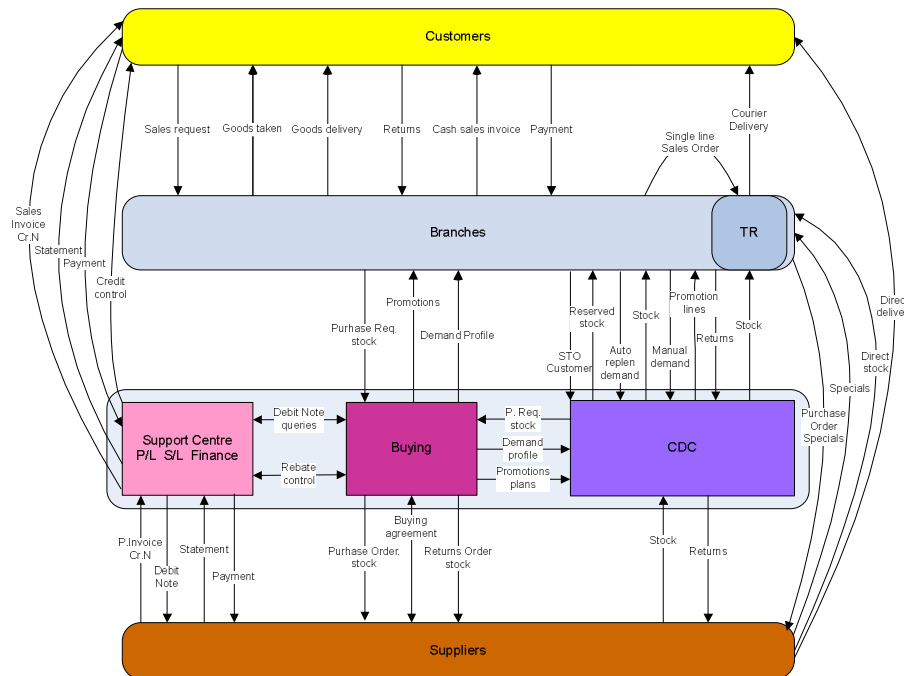
Current State

Entrepreneurial business but with loose processes and many “work arounds”. Logistics decisions made on gut feeling with urgent orders being the norm which compromised normal service levels.



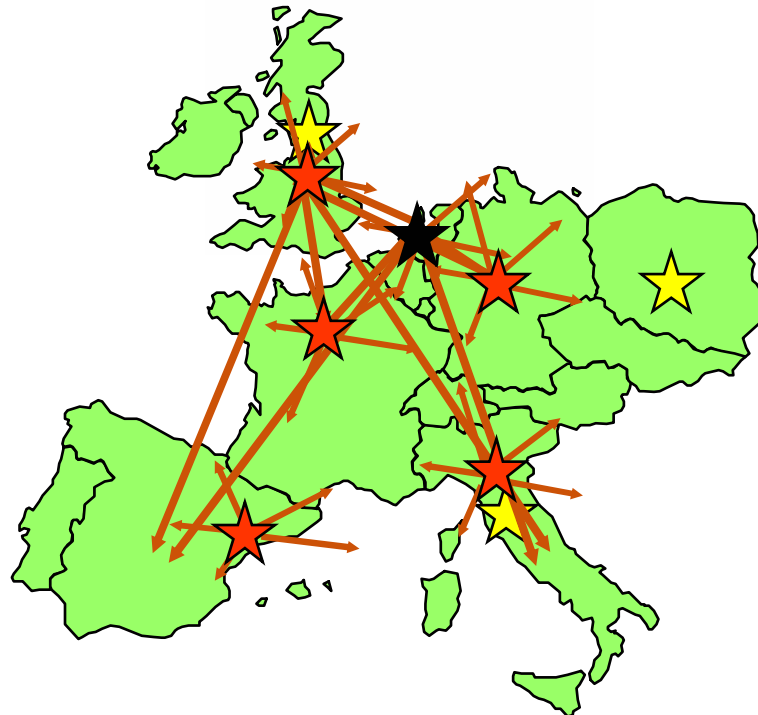
SAP Preparation – Future State

Click-On Logistics facilitated a number of workshop sessions with champions from across the business to map the existing processes. We then worked with the champions to develop new processes that streamlined / automated the non value added activities whilst allowing branch managers to apply their entrepreneurial skills where it mattered - with the customers. Key to this was analysis of stock profiles to determine what core lines should be held at branch and replenished automatically, avoiding costly and disruptive urgent orders.



Supply Chain Strategy – Current State

Client	Global Engineering Components Manufacturer & Distributor
Challenge	Implement a Change in Strategy from a Country based Organisation (7) to a Product Stream base (3)
Current State	8 Inventory Locations including 7 country based and 1 central location for slow movers. Local contracts required security of supply within 4 hours of production & assembly plants



Supply Chain Strategy – Future State

Click-On Logistics managed the implementation of a change in strategy for this Japanese owned supplier. Imported goods from US and Japan arrived via Rotterdam for onward shipment to an in-house distribution centre located in Tilburg. This facility was located designed and developed mid way in the assignment after a 3PL agreement had to be terminated. Inventory reduction due to centralised Warehouses ca \$ 5.6m, Local contracts served by platform stocks close to production facilities holding 2 weeks stock



Contact Us

info@clickonlogistics.com

Tel: 01295 817654

Click-On Logistics Ltd
The Innovation Centre
Mewburn Road
Banbury
Oxon
OX16 9PA

