

REDUCING COSTS AND IMPROVING SERVICE THROUGH NEAR-SITE DISTRIBUTION

Near-site distribution center implementation for a global engineering materials provider — \$7.0M in transportation savings with uninterrupted just-in-time production.



> COMPANY BACKGROUND

A global provider of high-performance engineering materials. In critical industries such as automotive, electronics, and industrial manufacturing, materials must flow efficiently and reliably to maintain operational performance and meet customer demand.

> BUSINESS PROBLEM

The company's existing distribution network required materials to be transported over longer distances to support its manufacturing operations. This resulted in elevated transportation costs and limited flexibility in meeting just-in-time (JIT) production requirements. Inefficiencies in material flow created potential risks to production continuity and responsiveness.

OUR APPROACH

- ✓ Reduce transportation costs associated with plant support
- ✓ Improve responsiveness to JIT manufacturing needs
- ✓ Increase service levels to the production facility

RESULTS

- ✓ A near-site distribution center adjacent to the manufacturing facility provides same-day replenishment that supports uninterrupted just-in-time production.
- ✓ More than \$7.0 million in transportation savings over the five-year contract term, with a 99% reduction in transportation distance and a 99.4% reduction in transportation-related CO2 emissions.
- ✓ Delivery response times reduced by approximately 90%, with zero production interruptions attributable to material shortages.

\$7.0M

TRANSPORTATION SAVINGS

99%

LESS TRANSPORT DISTANCE

99.4%

CO2 REDUCTION

90%

FASTER DELIVERY

"TCG's near-site distribution solution allowed us to reduce costs while significantly improving our ability to support just-in-time production."

— ENVALIOR