

LUXURY COACH MAKER STOPS JUGGLING, SAVES MONEY

Leading U.S. luxury coach manufacturer gains visibility and inbound supply chain control

Situation and Challenge

Manufacturing luxury coaches requires a vast array of parts — from simple nuts and bolts to custom kitchen components. Lacking systematic control over the vendors of these parts, the manufacturer was forced to work around frequent delays in arrivals and incomplete orders. They often did not know the status of their parts until they were delivered.

Juggling vendor issues was taking time away from managing the business, sometimes to the extent of shutting down production. With tight production schedules and even more demanding customers, the client needed a system to effectively manage inbound components and drive down transportation costs.

Success Defined

The manufacturer invited Harte-Hanks Logistics to analyze their inbound operations. By bringing their vast ordering program in-house — from the largest to smallest component pieces — Harte-Hanks set the following goals:

- Enhance visibility and lead time of components
- Drive cost per coach below a certain threshold
- Consolidate billing
- Increase inventory turn to 6 times per year to reduce costs
- Gain more time to focus on manufacturing rather than back office hassles

Harte-Hanks Makes ROI Happen

- Harte-Hanks saved a luxury coach manufacturer more than \$25,000 by utilizing inbound logistics expertise and technology.
- Our proprietary, Webbased solution provided the manufacturer with a complete view of their inbound components, enabling more accurate forecast schedules and avoiding production shut-downs.
- By gaining control over inbound operations, the manufacturer was able to reduce inventory costs with greater just-in-time inventory management.

continued



For More Information, Please Contact:

Harte-Hanks, Inc. (800) 456-9748 www.harte-hanks.com contactus@harte-hanks.com



The Harte-Hanks ROI Solution

Inbound transportation specialists went to work with Harte-Hanks Logistics [Order Entry System (O.E.S.)]. This proprietary technology simplifies carrier selection, manages track and trace, and delivers built-in quality control procedures such as easy identification of where a shipment is in the distribution chain. We used O.E.S. to develop an inbound routing guide for the manufacturer's 200-plus vendors, and each received specific instructions on using the technology.

To place an order now, manufacturing personnel simply log on to a secure Web site maintained by Harte-Hanks Logistics. The company knows the exact cost and the bill of lading is sent directly to the vendor. Everything they need to know about ALL of their transportation-in-progress is at their fingertips. From open-order status to an order's complete history to requesting freight pick-up, Harte-Hanks' systems and people provide support.

Successful Results Quantified

- Analysis of inbound costs, before and after Harte-Hanks Logistics, reveals that the client saved more than \$25,000 in transportation the first year, simply by having purchasing agents utilize our [O.E.S.] and core carriers.
- The client is realizing the promise of just-in-time inventory management. With Harte-Hanks managing the process, freight is picked up when needed and delivered to the right place at the right time.
- With [O.E.S.] in place, the manufacturer also saved money on labor by allowing personnel to focus on manufacturing.

The Future — Continuous ROI Improvement

Harte-Hanks Logistics continues to work towards 100% compliance with the client's vendors. In addition, we have introduced our complete suite of transportation services to help the client meet its goal of increased turns on their product. This will allow them to maintain a leadership position in the luxury coach industry.



Multiple Solutions From A Single Source

- With the Harte-Hanks
 O.E.S. automatically
 selecting the carrier with the
 best service and price, and
 then tracking the shipment
 through delivery, there is no
 more worry about knowing
 where freight is located.
- Our logistics expertise and leading-edge technology work together to bring deliveries on time, every time.

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