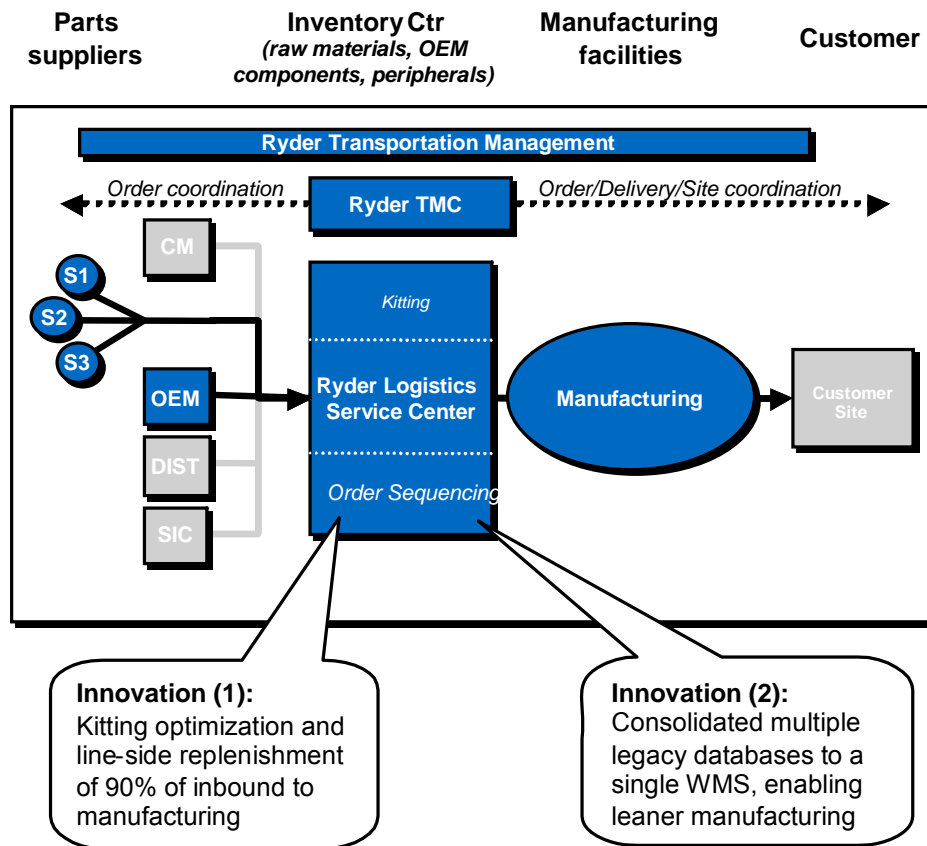


# Case Study 1

A global leader in electronics . The solution includes inbound coordination with over 150 sources, local “milk-run” operations, cross-dock JIT line-side replenishment, and on-site operations at 7 manufacturing facilities.



## Ryder services

- Managing inbound and outbound operations
- 300,000 sq ft facility with 240 FTEs
- \$250MM inventory, \$1B throughput
- Network optimization
  - 9 facilities consolidated into 1
- Fleet rationalization - reduced 85 to 29

## Key Ryder activities

- 3k – 4k pick tickets per day processed
- 12 hour cycle time for pick, pack and ship
- Maintaining average of 6 hours
- Priority 1 orders have 1 hour for processing and 3 hour delivery cycle
- Inbound cross -dock / JIT delivery to mfg

## Impact

- Location level, unit inventory accuracy up 7 pts. Net dollar accuracy is 99.95%.
- Reduced logistics cost per system by \$1k, or 7%
- Average 6 hour kitting cycle time, down from initial 16
- FY 02 600K under transportation budget
- \$3.6 million savings due to intercampus fleet reduction
- Expedite down from \$1.2MM to \$290k
- Reduced headcount by 55 ~ \$1.9MM
- Productivity increased 33% ~ \$2.7MM

# CASE STUDY 2

Customer has partnered with Ryder since 1997. Currently spans 3 locations in Singapore with about 300 Ryder employees. Ryder's services to customer include Supply Chain Solutions, Warehousing and Transportation Solutions. Customer is a publicly traded global organization in the Electronics industry segment.

## • Supply Chain Solutions

### – Order Fulfillment and Postponement

- Turnkey procurement of parts
- 100,000 units kitted monthly
- Total inventory managed US\$180 million per year

### – Vendor-Managed Inventory (VMI)

- VMI hubs
- Parts include monitors, server racks and other accessories
- 4 to 24 hr Turnaround Time (TAT) from order receipt to delivery in factory

## • Value-Added Services

- Kitting to production
- Postponement and Localization
- Shop Floor and MRP system
- Labeling and packaging Activities
- Delivery services
- Support customer's promotional program example: bundling

## Benefits Realized by customer

### ► Order Fulfillment

- Reduce inventory holding cost due to less buffer stock (from 1.5 to 1 month)

### ► VMI

- Reduction in customer investment on inventory
- 50% reduction in production costs
- 50% reduction in re-boxing costs

### ► Operations Excellence

- 99.96% TAT
- 100% Delivery Accuracy
- 99.9% Inventory Accuracy

### Why customer chose Ryder:

- Understand specific requirements and integrate with customer systems
- Proven record in managing spikes in volume
- Dedicated round-the-clock logistics support with 2-hour emergency response
- Continuous improvement through new supply chain initiatives
- Ryder Strength in Value Added Services