



A CASE OF SUPERIOR SERVICE

BACKGROUND:

- Leading Manufacturer of coatings
- Industries served include auto, construction, consumer products and other industrial applications
- Headquartered in Ohio
- Manufacturing and other operations in over 60 countries

CHALLENGES/SOLUTIONS:

- Quality, productivity and morale of 60+ distribution workforce was suffering
- Maintaining current workforce was made difficult by local labor unions
- LeSaint sought out to assist in developing a stronger and more productive work environment

WHO IS LESAINTE LOGISTICS?

The LeSaint Logistics team has been developing highly customized and integrated supply chain solutions that help reduce total logistics costs, free up working capital, and improve customer service for over 25 years.

MORE INFO:

www.lesaint.com

It is LeSaint's goal to develop solutions that are customized to the specific needs of our customers, yet leverage the benefits of industry best practices."

—Dino Moler

VP Sales & Marketing, LeSaint Logistics

PROBLEM IDENTIFICATION

The customer of focus in this case study is a leading manufacturer of coatings and specialty products used in a variety of auto, construction, consumer product, and other industrial applications. This customer has manufacturing and other operations in over 60 countries throughout the globe.

The customer's northern Ohio operation was experiencing problems with the quality, productivity, and overall morale of the 60+ distribution workforce. In addition to recent changes from a regional DC network to a more centralized configuration, the organization was also experiencing a great deal of pressure from the local labor unions. This pressure made it difficult to maintain a content workforce without incurring significant increases in labor wages. These pain points in distribution triggered the customer to look outside for assistance in developing an operation that was stronger, more productive, and more cost effective.

LESAINTE SOLUTION DESIGN

After a thorough discovery phase including data collection, site visits, and discussions with key customer stakeholders, LeSaint Logistics designed a robust logistics solution that offered immediate bottom line cost reductions as well as ongoing value and continuous improvement. It is LeSaint's goal to develop solutions that are customized to the specific needs of our customers, yet leverage the benefits of industry best practices.

LeSaint's proposal included the following:

- Labor cost reduction through complete evaluation and replacement initiative
- Team-oriented approach in order to respect current workforce and maintain a good working relationship.
- Value through proven and controlled processes and warehousing standards

- Writing and administering standard operating procedures (SOP's)
- Experience in running SAP
- Reductions in overtime
- Improvements in safety
- Management of KPI's

ADJUSTMENTS & IMPROVEMENTS

As part of LeSaint's Commitment to continuous improvement, the solution team leveraged the knowledge gained from initial operations and implementation, enabling LeSaint to refine its solution to better fulfill the changing needs of the customer. Specific improvements to the LeSaint solution included:

- Introducing a new procedure to improve the review process for shelf-life-sensitive items.
- Consolidating administrative duties, allowing for better specialization of labor.
- Improving the efficiency of warehouse layout, supported by controls for measuring individual worker productivity.

On the financial side, LeSaint introduced its gain-sharing initiative, and adjusted it from a total annual spend to a per-unit basis, ensuring that LeSaint's operations were aligned toward achieving the customer's strategic goals.

RESULTS & VALUE

The LeSaint Logistics team delivered over 20% savings in labor and operational expense to this customer, as well as improving safety and reducing lead times by 40%. Additionally, our team of logistics professionals instituted an effective metrics and reporting process that has become invaluable to our customer's management team. By utilizing its 3PL KnowHow™, LeSaint Logistics was able to deliver this customer immediate operational savings, while creating a strategic partnership that helps both companies achieve their long-term objectives.