

WAREHOUSE DESIGN & BUILD – BRANDED DRINKS MANUFACTURER

CLIENT BACKGROUND

HWP were invited by the world's largest wine company to undertake a European supply chain review, involving the integration of several sites and the development of the largest manufacturing and warehousing facility of its kind in Europe.

After years of double digit growth, both organically and through acquisition, it was recognized that there were capacity, geographical and technological constraints within the current supply chain, processes, systems and facilities.

With dated manufacturing facilities and five separate warehouses, the company was forced to outsource much of their warehousing. The current arrangement was proving expensive, logistically inefficient and inventory management processes were complex.

PROPOSED SOLUTION

Working closely with the senior

management team, HWP produced a business plan that advocated a £90m investment in new supply chain facilities and systems, centered on the development of a new 90,000m² manufacturing and warehousing facility. The capital project appraisal showed an IRR of 40%.

IMPLEMENTATION

Volume geographic analysis narrowed the search for a suitable site to 4 potential locations. HWP undertook a competitive tendering exercise on behalf of the client to ensure that the most cost effective property solution was delivered, resulting in the biggest pre-let property deal in the South West of England.

Construction of the facility was overseen by HWP's professional team delivering the building to specification within 33 weeks.

Fit-out of the building with storage equipment and manufacturing plant commenced during construction. Development of supply chain systems and WMS continued in parallel, with the warehouse operational 50 weeks after commencement of construction. Commissioning of manufacturing plant and AGVs followed shortly afterwards.

HWP were responsible for project management and implementation of the

business plan. The new facility was implemented on schedule and within budget. The successful implementation meant that forecast warehouse and manufacturing efficiencies were met within a few weeks of start-up with optimisation ongoing. The impact of new supply chain systems and business processes immediately improved supply chain visibility with a knock-on improvement in customer service.

The surplus warehouses and manufacturing site were shut down in an orderly manner, with operations, people and inventory transferring seamlessly to the new facility.

Harold Whitehead & Partners

Harold Whitehead & Partners enable our clients to achieve their strategic objectives and improve their operational effectiveness and profitability, by successfully implementing their change initiatives.

Founded in 1929, we are the longest established, independent, professional management consulting firm in the UK. The profile of clients and consulting activities has changed over time but our commitment to harnessing expertise, delivering client-focused results and applying acknowledged standards has remained constant. As Harold Whitehead himself put it in 1923, focused professionalism and the positive qualities of "service and constructive suggestion" still hold true for us today.

Another of his principles that has stood us in good stead is to never pre-judge or assume. Every organisation is unique and the decisions they face are specific to their particular situation. This precept is central to our approach and, based on it, we have delivered benefits worth many millions to our clients and provided savings many times in excess of project costs.

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