

Case study



EUROPEAN MANUFACTURER SAVES WITH MYDAMCO

ENHANCED SUPPLY CHAIN VISIBILITY AND INCREASED CONTROL
LEAD TO MORE THAN EUR 600,000 IN SAVINGS

A European manufacturer and its US subsidiary were struggling to manage their supply chain. Deliveries were arriving either too early or too late in the US. Anxious to find a permanent solution, the customer approached our Supply Chain Development team for help. A value assessment was conducted through myDamco, our supply chain visibility tool. The results indicated potential savings of EUR 600,000 within the first year.

THE CHALLENGE

The customer is one of the largest exporters in its field from Europe to the US, with an estimated volume of over 4,000 TEUs. It is vital that its customers within this key market have accurate and reliable information about when their merchandise is expected to arrive. As the company receives payment on delivery, there is a limit to the number of containers each customer can receive per week.

It became clear that the customer was incurring excessive demurrage at US ports of entry, which resulted in extended credit terms to their customers. Also, while some deliveries arrived too soon, others required expensive rush trucking in order to arrive on time.

The situation clearly required a solution that enhanced visibility within the customer's supply chain.

THE SOLUTION

A customised myDamco solution – providing the ability to monitor, measure and manage the supply chain – was proposed, along with an implementation plan.

The solution focused on three key enablers:

- Greater visibility of the supply chain
- On-time, in-full order reliability
- Measurement capabilities.

A dedicated myDamco support group was set up at the destination to oversee the implementation process.

THE RESULT

Together, Damco and the customer have estimated the value of this solution at over EUR 600,000 for the first year alone.

The customer also anticipates increased revenue thanks to improved product availability.

About Damco

Damco is one of the world's leading providers of supply chain management and freight forwarding services. For more than 100 years, we have been providing customers with logistics solutions that support the way they want to do business, wherever they are in the world. Our strategic approach and hands-on services are extensive and tailored; whether it's a competitive rate for an urgent shipment or a strategic solution to create short-term efficiencies and build up long-term competitiveness. Damco is part of the Maersk Group. More information on Damco and Damco services can be found on www.damco.com.

MyDamco

MyDamco provides our customers with direct access to the information they need to make critical decisions at all points in their supply chains. Developed by Damco, myDamco is customisable software that operates from an online platform to gather the information from our customers' supply chain partners necessary for running the most efficient and responsive supply chain possible.

