



Dedication at every turn.

CASE STUDY

A Penske Logistics Customer in the Diversified Industrial Manufacturing Industry

This current Penske Logistics customer is a diversified industrial manufacturer that sells products to customers in more than 150 countries. They have approximately 70,000 employees around the world and much of their international growth has been through acquisitions from around the world.

Over the years, this customer has diversified from its traditional focus on the vehicle markets to include a much broader electrical and industrial focus.

As their current LLP, Penske Logistics has successfully transformed their plant-centric set-up for multiple plants in Europe to a consolidated network solution in a true partnership model.

Challenges

- Needed an LLP service partner to provide full supply chain visibility
- Needed to be successful as a decentralized and diversified company

Solutions

- Penske provided a single I2TM platform and engineering- and market intelligence tools, creating enhanced visibility and reducing costs
- Penske provides a true LLP solution enabling visibility; a freight bill audit and payment solution; carrier management and sourcing; and continuous optimization on network, modality and loads, while maintaining the high standards of quality and service

In The Beginning

Before 2006, logistics for this customer was decentralized and plants made their own decisions regarding operating model, inventory management, and transport sourcing. Each plant used their own ERP and outsourced third-party carriers managed

each plant independently. The customer lacked visibility on their supply chain because of this operation model and required an LLP solution.

In 2006, Penske was nominated as their LLP for Europe for all four divisions after successfully demonstrating operational excellence and value in the U.S. with the truck and automotive divisions followed by the electrical and fluid power divisions. In the U.S., Penske looks after customer's inbound business and shares the LLP role with a third party. Due to take-overs and divested companies, the scope changed during the years.

Scope of Services

Penske has made significant steps in their cooperation with this customer, managing outbound, inbound and inter-company transport among their European plants.

After the initial start-up phase, Penske developed a deep knowledge of the customer supply chain requirements, and conducted various supply chain redesign studies. The main scope for the team is to bring supply chain optimization and cost reduction building supply chain transparency into their transport flow and to standardize processes. Next, Penske took over the carrier management and freight bill audit and pay services.

Due to the Penske multi-contact structure, Penske is in continual contact with all layers of the customer organization to meet all of their needs.

Achievements

For consistently meeting their financial savings objectives, this customer has repeatedly recognized Penske Logistics with their Premier Supplier Award and the Supplier Excellence Award.