

## FOOD AND BEVERAGE



### OPPORTUNITY

A multinational leader in cereal and convenience foods sought support for a new manufacturing site, including receipt of all inbound product, storage and inventory control, receiving finished goods from the production lines, and processing of outbound orders.

### SOLUTION

XPO agreed to begin operations just four weeks after signing the contract. Our solutions design team and project management personnel engaged in deep-dive discussions with the client to ensure that we fully understood the requirements. We wanted to be certain that we would meet or exceed all expectations. Our start-up team was assembled from across our network, including management and bench strength from existing food and beverage operations.

Our expert personnel worked quickly to bring new team members up to speed, utilizing intensive cross-training techniques. Training covered the use of our client's SAP, special materials handling processes for the unloading of inbound tanker-trucks, and XPO's best practices for food and beverage logistics.

To support manufacturing productivity, we implemented tracking of days of inventory on hand and purchase orders through the client's SAP, as well as inventory level monitoring and reconciliations between the plant and the warehouse.

### RESULTS

XPO became the first 3PL provider to be co-located within one of this client's manufacturing plants. As our client's production pace escalated, our solution expanded from a single-shift operation to encompass two facilities totaling approximately 50,000 square feet. We handle four separate projects on three lines, and run 39 to 41 production shifts per week in a 24/5 operation. The initial team has grown to more than 30 employees, with the flexibility to add more during peak production periods.

Over the course of our relationship, our client has relinquished all procurement activities to XPO and we now oversee the ordering of raw ingredients for the production of a major product line. In addition, we run all managed transportation functions for inbound and outbound shipments, including scheduling, and are responsible for tanker-truck unloading. We also perform jockeying, shuttling service and direct-to-consumer fulfillment.