

# Automotive Industry Logistics Solutions



## Kuehne + Nagel helps you:

**Improve service quality, reduce costs.** Kuehne + Nagel makes sure you are equipped with the right products at the right time. Optimizing efficiency in inventory management and distribution, we help you improve service while decreasing operational costs.

**Meet evolving demands in less time.** New technologies, medicines and other products can pose challenges to the best-managed supply chains. Kuehne + Nagel can help synchronize your logistics with your customers' demands, keeping your network optimized at all times.

**Improve process efficiency.** Kuehne + Nagel works with you to reduce the time and labor required to order, track, deliver and stock your products. We can help identify and eliminate inefficiencies to increase product velocity through your supply chain.

**Reduce inventory.** Our integrated systems, nationwide network of shared warehouses and transportation management services ensure you have the right product at the right place when it's needed.

**Enhance supply chain visibility.** Better control of your supply chain reduces costly inefficiencies and allows you to eliminate potential choke points. Kuehne + Nagel visibility technology keeps you and your customers informed on inventory and delivery status.

## Kuehne + Nagel: Making auto logistics your competitive advantage

The automotive industry employs some of the most sophisticated supplier networks in the world. Automotive manufacturers demand leaner, more efficient supply chains to support new model development and shorter product life cycles.

Kuehne + Nagel provides a range of supply chain solutions that extend from manufacturing support, parts distribution and after-sales support.



We support many of the world's leading vehicle manufacturers, including **BMW**, **Opel (General Motors)** and **DaimlerChrysler**, and also provide managed services to numerous suppliers, including **Pirelli**, **Brembo** and **Penda**.

- **Inbound Parts Logistics for New Vehicles**

We can manage the flow of these auto part components and sub-assemblies from Tier 1 and 2 suppliers for JIT delivery to OEM assembly plants.

We can provide parts consolidation and transportation, as well as comprehensive manufacturing support - including VMI solutions, sequencing, kitting, sub-assembly and milk run deliveries. Throughout the process, you have complete part-level visibility.

- **Aftermarket Parts Distribution**

As a leading provider of warehouse-based logistics, Kuehne + Nagel has the global infra-structure and expertise to support the distribution of aftermarket parts for the automotive industry.

We can provide inventory management, shipment consolidation and import / export management for manufacturers who need to distribute aftermarket parts and accessories on a worldwide basis.

Kuehne + Nagel has a global network of **strategically located multi-client distribution centers** – including the broadest in North America – allowing you to position your product where you need it. Shared warehousing is cost-effective, as you pay only for the space and services you need to match your variable seasonal requirements.



## Inbound parts logistics solutions include:

Kuehne + Nagel developed, constructed and manages a just-in-time engine and parts distribution center (in Kaiserslautern, Germany, for **Opel**. Operating three shifts a day, Kuehne + Nagel handles a retrieval volume of about 3,500 small-parts containers and 420 large-parts containers. Services include receiving incoming materials by truck or rail; re-packing of parts on indicated equipment; storage, stock level and inventory control; and picking and sequencing of parts via Kanban.

**Deutz AG.** Kuehne + Nagel planned, constructed (in 15 months) and now manages a logistics center in Cologne, Germany, for the supply and de-supply of materials and empties of the new Deutz engine factory. The company provided material flow analysis, project realization as general contractor all the way through assuming management of the entire facility. The center employs a wide range of warehouse technology including an automated storage and retrieval system, pick-by-light order picking, roll-on/roll-off loading facilities and conventional pallet racking.

**DaimlerChrysler AG.** Kuehne + Nagel rapidly planned and developed a complete container-management park for the DaimlerChrysler plant in Bremen. The implementation started in October and by the middle of December the facilities and outside areas had been constructed and operations were underway. The services include production disposal of 15,000 empties per day, cleaning, and returning containers to original suppliers via regional freight forwarders.

Kuehne + Nagel also provides an end-to-end solution for a German **engine-block manufacturer** for incorporation in Canadian auto assembly. Kuehne + Nagel ships product via trans-Atlantic container to the port, then via train to its Toronto DC where the parts are unloaded, inspected, repackaged and stored, awaiting orders from the automaker's assembly plant.

## Aftermarket support solutions examples include:

**Pirelli Tire**, world leader in ultra-high performance tires, selected Kuehne + Nagel to implement a new North American supply chain solution, including optimization and management of its warehousing and distribution network. Kuehne + Nagel manages inbound receipt, storage and distribution of Pirelli tires to customers across the United States and Canada.

**BMW** reengineered its distribution process to reduce costs and improve response time for dealers and parts vendors. The company was using two private facilities for distribution of new parts, motorcycles and core part returns. Kuehne + Nagel leveraged its public warehouse network to implement an efficient and cost-effective solution. Five public warehouses process inbound core part shipments from dealers, and distribute returns to vendors in the U.S. and Germany. BMW motorcycles are distributed out of two Kuehne + Nagel locations in New Jersey and California.

Since 2002, **Brembo**, manufacturer of high-performance brake shoes and related products, has relied on Kuehne + Nagel for management of its U.S. distribution from three multi-client DCs. Since 1987, **Penda Corp.**, the leading supplier of truck bed liners, has leveraged Kuehne + Nagel's multi-client distribution center network to store and quickly ship liners to local dealers for rapid installation.

One **automaker** with more than 140 dealerships across Canada initially operated a private facility in Vancouver to distribute parts to western Canada. The company sought a third-party logistics partner with vehicle parts distribution expertise when sales increased. Since 1994, Kuehne + Nagel has managed all parts distribution to the company's dealerships in Alberta, British Columbia, Saskatchewan and Manitoba.

Kuehne + Nagel's Edmonton distribution center provides parts fulfillment for an **automaker's** dealers in Western Canada. Three-tier mezzanine installed to store 15,000 SKUs of small car parts.

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