

NISSAN MOTOR MANUFACTURING UK

“WE HAVE AN EXCELLENT WORKING RELATIONSHIP BECAUSE RYDER HAS MADE CERTAIN THAT THEY FULLY UNDERSTAND OUR REQUIREMENTS AND METHODS.”

CHALLENGE

- ▶ Costly parts delivery by suppliers
- ▶ High stock levels taking up valuable space
- ▶ Difficulties with supplier quality control, mis-labeling and production problems not spotted early enough
- ▶ Unable to predict problems with stock availability

SOLUTION

- ▶ Programmed collections from UK suppliers 24 hours a day ensured efficient delivery with substantial cost benefits
- ▶ Total visibility of material in transit gives extra time to react to and resolve any difficulties with parts availability
- ▶ Just-In-Time deliveries enable Nissan to reduce stocks substantially
- ▶ Any weaknesses in the supply chain became apparent earlier



Driving Costs Down

Today, Nissan Motor Manufacturing UK (NMUK) is Europe’s most productive car plant. For over a decade Ryder has played a key role in helping them achieve this.

Back in 1991 when UK production was running at 145,000 cars per year, Nissan realized that substantial cost benefits and working efficiencies could be achieved by collecting products from their suppliers rather than letting suppliers deliver them.

With a combination of relevant experience, logistics expertise and value pricing, Ryder was awarded the contract to implement and manage a collection service and within a few months, a pilot scheme across 31 suppliers brought real benefits that have helped improve production efficiency both for Nissan and their suppliers.

As well as significantly lower costs, Nissan gained substantial Just-In-Time benefits. More frequent deliveries to the Nissan factory reduced the amount of stocks needed. Suppliers' output became more closely linked to Nissan's needs. Stock at suppliers was reduced with the effect that any fundamental quality concerns, mis-labeling or other production problems were quickly discovered. Furthermore, efficient and reliable reporting of all material in transit revealed any supply problems up to two days earlier than previously, giving Nissan more time to resolve the problem.

Chris Too-Chung, Logistics Controller NMUK, agrees that it is a business partnership that has worked out extremely well. "Right from the very beginning, Ryder built up a high level of trust by providing a consistently high level of service."

Since then, Ryder's service has kept pace with Nissan's rapid expansion and pro-actively anticipates their continuous need for strict cost controls and quality systems. This includes managing a supplier base that has expanded almost every year throughout the nineties. In 1999, bar coding of parts was introduced and deliveries increased to nine times every 24 hours.

Today Ryder's fleet of 102 trailers and 32 tractor units travels some 180,000 km, collects from 91 suppliers and makes over 190 deliveries each week.



Services include:

- ▶ Delivery of production, service and export parts
- ▶ Order Processing
- ▶ Order Management
- ▶ Order Tracking
- ▶ Order Configuration (to lineside requirements)
- ▶ Supply Chain Scheduling
- ▶ Supplier Management
- ▶ Management Reporting
- ▶ Continuous Improvement

At a time when price competition among car manufacturers is at an extreme level, the additional efficiencies Ryder brings are essential in helping Nissan provide their customers with leading value specifications across their Micra, Primera and Almera ranges.



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