

➤ Case study

30%
increase in
productivity over
three year period

Customization
capabilities for
online orders

Reduction in
overall costs with
better inventory
utilization

We streamlined warehousing and distribution for a major toy retailer.

 THE CHALLENGE

Using warehouses inefficiently

In today's retail environment, companies need to be exible enough to adjust to changing market conditions and customer demands. For retailers, it is about providing the right product, at the right place, and at the right time to take advantage of full price selling.

Working with a major U.S. toy retailer, Ryder was called on to create a solution to enhance the company's warehousing and distribution operation with the goal of improving inventory utilization and reducing costs. Prior to signing on with Ryder, the retailer was using multiple warehouses for its businesses—pulling from separate inventories for its retail and e-commerce businesses. This model prohibited the retailer from quickly adjusting to market conditions and reallocating inventory as required by the market.

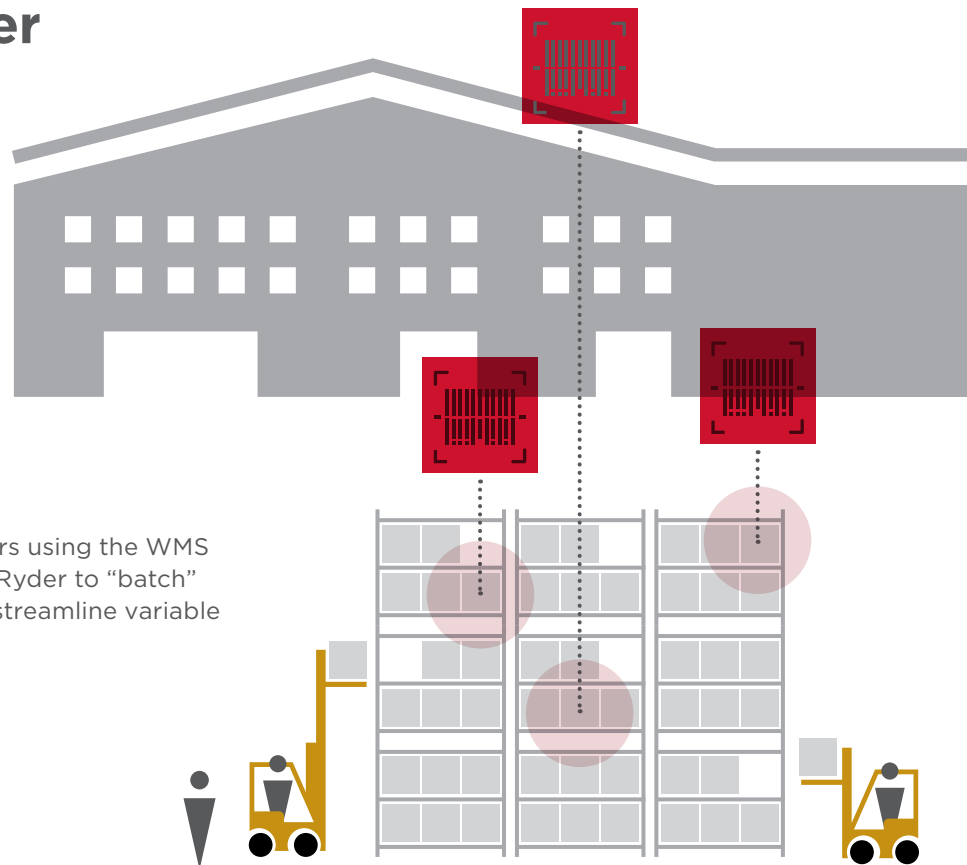


 THE SOLUTION

A consolidated warehouse and distribution center

Ryder created a warehousing and distribution center providing the major retailer with the ability to consolidate all its inventories into one, which allowed them to leverage multiple distribution channels from a single place. This was achieved through Ryder's innovative Warehouse Management System (WMS). Ryder and the retailer utilized this technology to support the operational flow and demand of the merchandise—significantly reducing the variable labor to control two inventories.

Ryder also helped the retailer reduce costs by improving its process for picking orders using the WMS technology. This proprietary software allowed Ryder to “batch” orders, “slot” inventory, prioritize picking, and streamline variable labor costs.



✓ THE RESULTS

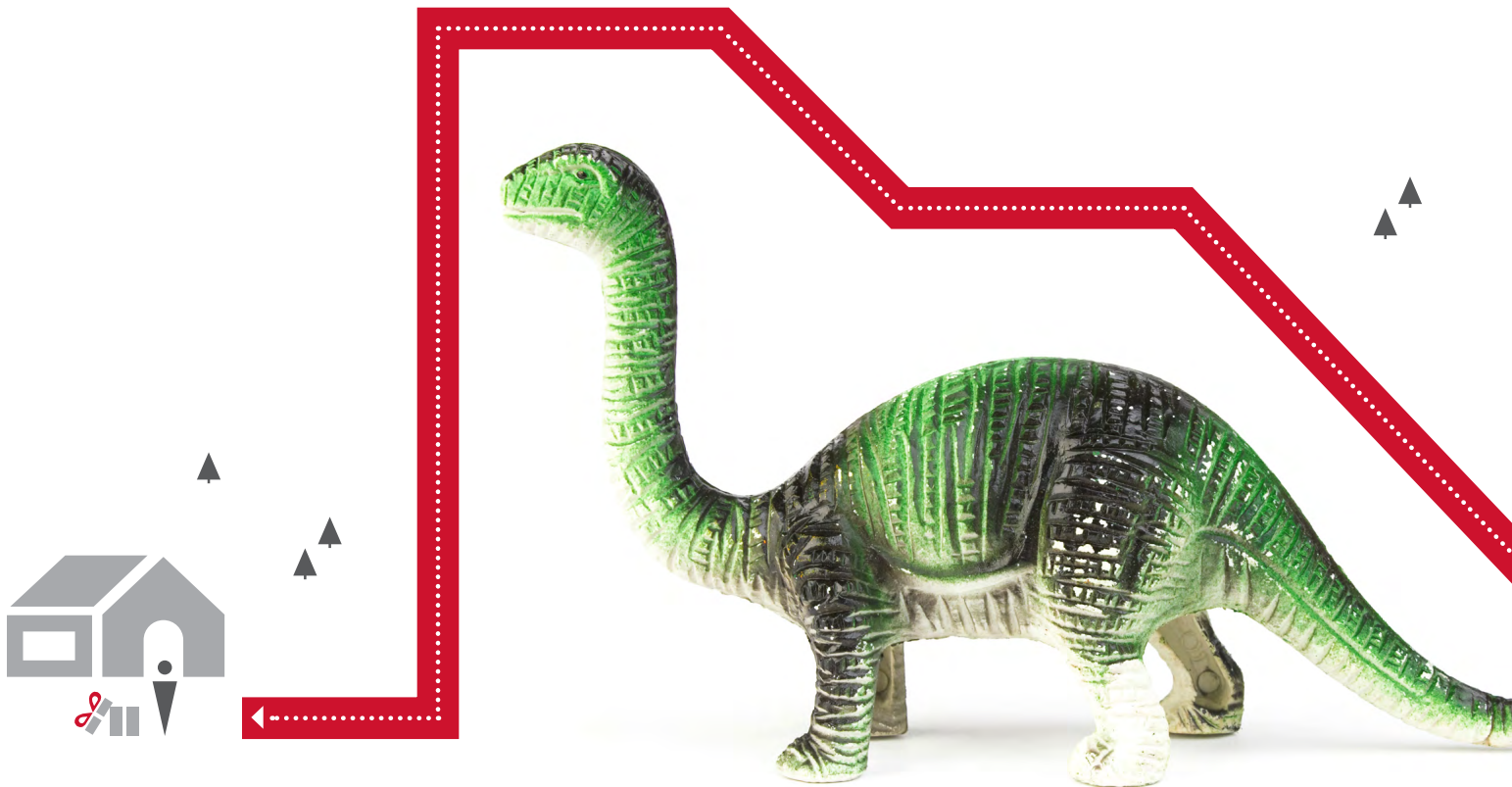
Improved productivity and increased customer satisfaction

In less than 3 years, these effective solutions planned and implemented by Ryder, allowed the retailer to improve productivity by 30 percent, decreased through-put time, and increased customer satisfaction.

In addition, with the consolidated warehouse solution, Ryder allowed creative, value-add services for the special building of products for customized online orders— allowing customers to choose specific products and accessories and have the customized orders shipped directly from Ryder’s facilities to the retailer’s customers.



With Ryder as its dedicated 3PL, the company is well positioned to grow in all channels, ultimately allowing the brand to get closer to the consumer with world-class, scalable solutions.



About Ryder System, Inc.

Ryder System, Inc. (NYSE: R) is a leading logistics and transportation company. It provides supply chain, dedicated transportation, and fleet management solutions, including warehousing and distribution, e-commerce fulfillment, last-mile delivery, managed transportation, professional drivers, freight brokerage, leasing, maintenance, commercial truck rental, and used vehicle sales to some of the world's most-recognized brands. Ryder provides services throughout the United States, Mexico, and Canada. Ryder is regularly recognized for its industry-leading practices in third-party logistics, technology-driven innovations, commercial vehicle maintenance, environmental stewardship, corporate social responsibility, world-class safety, and security programs.

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