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# Manufacturing & Distribution Footprint Optimization



Ensuring your global manufacturing & distribution footprint is optimized for competitive advantage

Part of Maine Pointe's integrated suite of end-to-end supply chain optimization offerings to help CEOs prepare for a potential downturn

### **Global Manufacturing & Distribution Footprint Optimization**

As the impact of geopolitical tensions and tariff volatility intensifies, and the disruptive impact of Industry 4.0 takes effect, corporate profitability is at risk as whole supply chains shift in industries. As financial analysts and corporations downgrade their forecasts for 2020, uncertainty is the only certainty. In a volatile business environment, it is critical that organizations scrutinize their global manufacturing footprint to ensure each value-added activity takes place in an appropriate geographical location to achieve the greatest possible competitive advantage. Maine Pointe's TVO approach to supply chain planning and optimization helps executives assess the effectiveness of their plan, buy, make, move, fulfill supply chain and optimize it for advantage.

The result: a fit-for-purpose supply chain strategy supported by a pragmatic implementation roadmap and implementation program aimed at delivering the greatest value for customers and stakeholders at the lowest cost to business.

## **Ideal for:**

CEOs, CFOs, COOs, CSCOs, CPOs wanting to understand how to make smarter decisions about their manufacturing footprint and offset the risk of margin erosion.

<sup>66</sup>The team tailored Maine Pointe's collaborative, integrated TVO approach to the specific needs of each of our diverse business units, identifying and opportunities and implementing sustainable growth and savings across our business.<sup>99</sup>

CFO global transportation solutions provider<sup>1</sup>

### **Benefits:**

- Reduce supply chain cost and complexity
- Mitigate against supply chain risk
- Improve operating flexibility and position
  organization for growth
- Drive visibility across the enterprise, enabling informed decision making
- Achieve the optimal balance of cost-to-serve and level of service

<sup>•</sup> We are ahead of our competition in the wake of tariffs because of the savings we obtained from the project.<sup>99</sup> CEO high-tech & electronics company<sup>2</sup>

## **Core Deliverables:**

#### **TVO Analysis**

- Understand your strategies and priorities
- Determine optimal footprint for sourcing, production and distribution sites
- Develop business case and roadmap for measurable results

### **TVO Implementation Journey**

- Align your leadership and operational teams with the strategic imperatives and transformation agenda
- Implement the improvement goals
- Infuse best practice and deliver a quantifiable ROI
- Train, mentor and enhance internal teams for sustainable performance

# Maine Pointe

Total Value Optimization • Guaranteed™

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# TVO Manufacturing Footprint Rationalization

# An Imperative in Today's Market

A robust strategy for production location selection is an imperative. The optimization process balances a wide range of critical factors including improved operating requirements, increased cost efficiency and access to new markets. A narrow focus on only cost reduction does not allow a company to capture the broad range of value improvement opportunities.

Our approach is effective because we have experienced analytics professionals working closely with the supply chain and logistics organization. Maine Pointe's toolkit is used to analyze and improve the transportation decision-making process and establish optimal policies and implementation.

# Footprint Rationalization in Action

Shifting production is no easy task but, with the right support, it is possible. For example, when a global technology company wanted to shift its entire production footprint and improve EBITDA. Maine Pointe helped move operations and sourcing locations across five countries and two continents and rationalize internal manufacturing facilities.

To achieve this, we took our TVO approach across the organization, deploying advanced data analytics to provide visibility of the endto-end supply chain, encompassing asset rationalization, sales & operations planning, new product introduction, leader and organization improvement and data analytics.

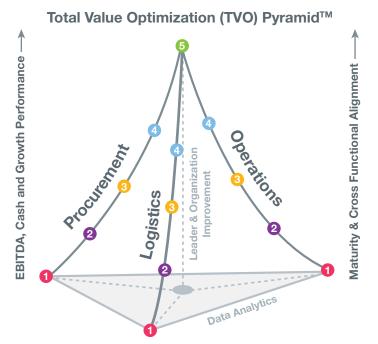
#### **Results:**

- Improved EBITDA by 32%
- Reduced global procurement spend by 10.9%
- Improved operational efficiency by 6%
- Aligned global strategic sourcing
- Rationalized three internal manufacturing facilities
- Leveraged suppliers and lowered cost of internal operations

Another Maine Pointe client, a high-tech transportation solutions provider wanted to accelerate the transfer of products from US manufacturers to their Mexico facility, drive savings and centralization across the corporation through reduced labor rates. We helped introduced fundamental changes to quality and on time delivery to support Mexico as a viable alternative. The company reduced costs, maintained quality and accelerated product delivery which, in turn, facilitates quicker release of progress payments. As a result, the client increased revenue recognition by 70% in 80 days.

<sup>66</sup>Maine Pointe helped us deliver on our highest level of revenue ever, we had a measurable improvement in EBITDA that was significant and beneficial to the company and we are going to continue to reap a return on our investment in the next year and a half.<sup>99</sup>

CEO global high-tech transit solutions provider<sup>3</sup>



Total Value Optimization(TVO)<sup>™</sup> is achieved when an organization is dynamically able to anticipate and meet demand through the synchronization of its buy-make-move-fulfill digital supply chain to deliver the greatest value to customers and stakeholders at the lowest cost to business.

Maine Pointe's integrated suite of end-to-end supply chain optimization offerings:

- Global Manufacturing Rationalization
- Sourcing Optionality and Optimization
- Logistics and Network Optimization

To learn more, contact us for a no-obligation chat. Email: info@mainepointe.com

<sup>1</sup> Maine Pointe Success Story CS223, <sup>2</sup> Maine Pointe Success Story CS200, <sup>3</sup> Maine Pointe Success Story CS210

### www.mainepointe.com