

Ryder System, Inc.

Miami, Florida

Client

As a global leader in supply chain transportation and management solutions, Ryder serves a diverse group of customers including automotive and heavy equipment, retail, aerospace, food and beverage, and telecommunications. The company's product offerings range from full-service leasing, commercial rental and programmed maintenance of vehicles to integrated services such as carrier management. In addition, Ryder offers comprehensive supply chain solutions, consulting, lead logistics management, and e-business solutions.

Problem Statement

Due to the nature of its business, Ryder is constantly opening and closing distribution centers (DCs). The company was encountering problems starting up new facilities because of the absence of a standard implementation strategy. This resulted in delays, cost over runs, and customer dissatisfaction. In addition, many of the operating difficulties during the life of an account could be traced to issues that were not addressed during the startup process.

Scope-Of-Work

Tompkins Associates was initially engaged to develop procedures for streamlining the opening of new DCs. The project was expanded to not only include start-up functions, but to also provide comprehensive procedures and policies for managing the day-to-day operations at a facility.

Tompkins conducted an investigation that consisted of site visits, subject matter expert interviews, and a site survey to identify and document areas where problems existed. Working closely with Ryder, Tompkins developed a comprehensive guide on how to start up a new DC. This guide provided a standard methodology that could be used by all Ryder operations to attain a more consistent implementation.

The guide provided detailed instructions on every aspect of starting up and managing a distribution facility. Some of the areas addressed included: due diligence, program management, systems technology, storage and equipment, human resources, facility management, warehousing procedures, inventory control, value-added services, crossdocking procedures, safety, maintenance, quality assurance, site administration, and financial management.

Tompkins also provided guidelines on how to relocate and close a facility, and participated in developing location-specific operating procedures that are used to manage the day-to-day operations of a DC.

Results

Tompkins provided Ryder with standardized start-up procedures for new distribution locations that effectively shorten the time required to start-up a new DC and reduce associated costs. In addition, Ryder now has a consistent process for each operating site to document and manage ongoing operating procedures.