



Chaos rules

Christmas is hardly round the corner and we are not just experiencing endless queues in shopping malls, checkouts and car parks but it is also one stage down the line on the delivery ramps of shops that this leads to partially chaotic conditions beginning already in October.

Surveys by logistics service providers have demonstrated that while there are trading enterprises where hold-ups are kept at a manageable level, in 20% of the cases surveyed, waiting times at the ramps run to well over two hours. Much to the great annoyance of freight forwarders and suppliers, who were already forced in recent years to optimise their route plans, personnel planning and connected processes, because of increases in tolls and the cost of fuel. The objective was always to 'deliver' as time-efficiently as possible in order to provide the customers with the best-possible service in the usual quality and without undesirable extra charges. These benefits are completely lost in the case of long hold-ups.

The question naturally arises as to why such scenarios have to arise, particularly at times when managing the complete supply chain is seen and proclaimed as a core competency of trade. Looking in greater detail, it becomes apparent that the main cause is order quantities and delivery times that are not coordinated between procurement and logistics, which is also confirmed by the filling levels and throughput times in the shops. The fact that procurement benefits can be negated by increased logistics and handling costs is not taken into consideration.

Here it is worthwhile to perform an ongoing analysis in the inventory and cost planning between procurement, logistics, sales and the IT systems in use and to improve these, so that losses of information are avoided.

The sooner this planning is available and deployed in detailed form, the more precisely delivery scenarios, warehousing capacities and loading occupancy can be ascertained. In addition to that, particularly during the pre-Christmas time, special windows of time for short-term deliveries that can be reduced but not completely avoided must be taken into account.

By means of these measures as well as sustainable implementation, it is not only downtimes but also the blood pressure of some truck drivers and warehouse managers that can be significantly reduced in future.

In this sense, I wish you a pre-Christmas period free of hold-ups, a Merry Christmas and a successful start for the New Year.

Yours
Patrick Umgeher

Patrick Umgeher is a Consultant and Manager Region South at x|vise innovative logistics GmbH in Kalsdorf.