



TOYOTA

Case Study: Toyota GB

Overview

Toyota Logistics Services GB and Bibby Distribution have worked in partnership since 1981.

As the market leader within the automotive manufacturing sector, Toyota has developed a strong partnership with Bibby Distribution. From Toyota's Parts Centre in Lutterworth, Bibby Distribution has supported Toyota's philosophy of "fix it right first time" by introducing a professional and committed team, with a support infrastructure of specialised delivery vehicles and a state of the art Track & Trace IT system.

Customer

Toyota is the world leader in automobile manufacturing, excelling in service of the highest order, endeavouring to meet spare part requirements in full first time. Using Kaizen methodology to maximise all aspects of their business, Toyota is a proven innovator in the automotive sector.

Current Solution

Bibby Distribution provides a 'Through the Night' delivery service for spare parts to 266 Toyota and Lexus Centres. Leading edge technologies are deployed in the operation including barcode track & trace of parts and assets with a complete reverse logistics capability. A dedicated customised fleet provides a UK wide delivery services with outbases in Avonmouth, Crawley, Bradford, Warrington, and Scotland providing the most efficient delivery service available. The delivery and fleet profile is constantly monitored using an extensive KPI system to fine tune the solution and react to changes whilst maintaining the most cost effective service.

A most impressive service offering is the Toyota SDS or Same Day Service. This enables Toyota Centres to order replacement parts before noon and have them delivered by 3 pm so a customer vehicle can still be repaired on the same day without the need for an expensive re-booking or courtesy vehicle, thus supporting Toyota's "fix it right first time" policy.



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Service Offering:

Through the Night

- UK & Northern Ireland and offshore distribution
- Roll Cage deliveries
- Approx 19,000 lines handled per day
- 38 Delivery routes – 9 Trunk routes
- 266 drop points nationwide including Lexus centres
 - Strategic trunking to Bibby outbases
 - Combination of delivery types; VOR and stock orders
 - All deliveries to be completed by 08:30 hrs

Same Day Service

- 5 Strategic UK Warehouses and the National Parts Centre
- All consignments to dealerships must be delivered by 3 pm.
- 5 Shared user warehousing locations to minimise costs through resource flexibility
- Between 8-14,000 SKUs at each of the 5 locations
- Real time traceability of deliveries via satellite and instant Pods via data packet transfer

Contract Evolution

- 1981** The partnership is established at Toyota's Crawley premises; initial operation is weekly stock order to dealers via daytime delivery
- 1991** Relocation of parts warehouse to Lutterworth, introduction of night time VOR service
- 1994** Introduction of joint daily stock order and VOR delivery through the night. All product loose loaded
- 2005** Joint initiative establishes the introduction of roll cages, this significantly reduces damage and shortage claims. Improves speed of loading and unloading



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- 2007 Introduction of the SDS sub-depots in Manchester, North and South London after an extensive trial at Lutterworth.
- 2009 Introduction of two further SDS sub-depots in Avonmouth and Glasgow are live by 2nd qtr 2009
- 2009 New fleet operational after re-scheduling of all routes took place, reducing the amount of vehicles required therefore reducing the cost base

Benefits

28 year partnership for parts distribution, forming a strong foundation and allowing joint strategies to be developed

Constant measuring, monitoring and improvement through KPIs, contract reviews, strategy reviews and joint Kaizen initiatives

Use of leading edge technologies to ensure service levels are achieved and minimise errors Current delivery service: > 99.60 %

Superior customer service delivery with Same Day Service (SDS) provision

Cost effective Multi Customer warehousing for the SDS area

Bibby Distribution's ability to adapt and evolve with the changing needs of Toyota's business

Testimonial

"Bibby Distribution has a caring family atmosphere, which complements Toyota's values. They deliver daily to 266 Toyota and Lexus Centres throughout the UK, providing a top quality bespoke service appreciated by Toyota Logistics Services G.B. and our customers alike. Bibby Distribution's consistent integrity and trustworthiness is invaluable."

Ray Duffey, Senior Manager, Toyota Parts Centre G.B.