



CORPORATE PERFORMANCE IMPROVEMENT

LOGISTICS AND DISTRIBUTION SERVICES

OPTIMIZE AND TRANSFORM YOUR SUPPLY CHAIN
NETWORK FOR IMPROVED AGILITY, PERFORMANCE
AND COST EFFICIENCY



ALVAREZ & MARSAL

LOGISTICS AND DISTRIBUTION SERVICES

Optimize and transform your supply chain network for improved agility, performance and cost efficiency.

An evolving global network and changing customer demand present ongoing logistics and distribution challenges. Today's market requires that companies operate at peak efficiency despite increased complexities. A&M's experienced professionals deliver rapid results that reduce cost and optimize service to solve today's problems and position your logistics and distribution networks for the needs of tomorrow.

CLIENTS CALL US WHEN:

- They need to reduce their total logistics cost while meeting or improving service levels.
- They have outgrown their existing logistics and distribution operations and need to rationalize or optimize their entire supply chain network.
- They need to significantly improve their logistics and distribution performance including evaluating alternative operating models and outsourcing arrangements.
- Their current 3PL / 4PL provider is underperforming and/or needs to be replaced.
- They are challenged with creating efficiencies as a result of increased e-commerce or omnichannel distribution complexities.

OUR CORE SERVICES



RAPID COST REDUCTION

Clients turn to us when they need to remove or reduce costs quickly and intelligently. From sourcing to asset management, we work shoulder-to-shoulder with management to find and make speedy and sustainable improvements in EBITDA, cash flow and organizational efficiency.

- Transportation and Distribution Sourcing
- Freight (FTL, LTL, Ocean, Air, Intermodal / Rail), Small Parcel and 3PL
- Consumption and Demand Management
- Asset Management and Maintenance



NETWORK STRATEGY AND DESIGN

When distribution networks no longer meet the needs of the business, it is time for a change. Our teams help clients identify network improvements, completely overhaul their existing network to meet customer demand and service expectations, or realize synergies following a merger, acquisition or divestiture.

- Network Optimization
- Merger Integration and Carve-out Services
- Service Delivery Model Design and Execution
- Omnichannel Design and Implementation



OPERATIONAL EXCELLENCE AND TRANSFORMATION

A&M transforms clients' logistics and distribution capabilities in response to major strategic, technological, organizational or market disruptions and helps drive tangible results through service level optimization and continuous improvement. We apply a pragmatic, end-to-end approach and use data-driven methods to help clients identify and address the root cause of performance issues.

- Operating Model Design and Execution
- Organization and Process Improvement
- Insource / Outsource Evaluation and Optimization
- Performance Metric Design
- Logistics and Transportation Technology Selection and Implementation
- Interim Management

SUCCESS STORIES

LOGISTICS AND DISTRIBUTION TRANSFORMATION TO MORE THAN DOUBLE EBITDA

A leading sustainable cleaning products company engaged A&M to help increase EBITDA across its entire logistics and distribution operations and other cost of goods sold (COGS) related spending. A&M sourced multiple modes of transportation (Truckload, LTL, Intermodal and Ocean) as well as product warehousing and distribution, delivering savings of 15 percent across the transportation network. Additionally, A&M evaluated the use of a dedicated bio-diesel fleet and determined that client expenses were higher than a comparable outsourced model. As a result the client was able to reduce their dedicated fleet expenses by more than 65 percent. A&M completed a network optimization analysis and recommended infrastructure changes to scale the business effectively for expected growth. Overall, the project delivered a 120 percent improvement in company EBITDA when combined with other spend sourced.

NETWORK IMPROVEMENTS DELIVER \$12 MILLION IN SAVINGS

An \$11 billion global rolled aluminum products manufacturer expected a significant shortfall in EBITDA and was actively pursuing cost savings opportunities. They engaged A&M to analyze \$200 million in logistics and distribution spend for savings opportunities and to optimize their logistics network. The A&M team modeled current spend and identified multiple cost savings opportunities. Based on the assessment, A&M constructed a two year strategic roadmap to reduce costs, mature the client's logistics capabilities and increase EBITDA through network improvements. Over the next year, A&M partnered with the client to produce \$12 million in savings through five performance improvement projects including shipment planning and execution, strategic sourcing, operating model development, key performance indicators implementation and transportation management system selection.

NEW DATA AND REPORTING CAPABILITY ENABLES 20 PERCENT COST REDUCTION

A multi-national engineering, procurement and construction company hired A&M to design a data and reporting framework that would allow them to monitor and compare performance among its many subsidiaries. A&M worked with the client to define fleet-related metrics, a measurement and data plan and reporting processes that provided new visibility into cost saving opportunities and subsidiary best practices that could be implemented to improve enterprise performance. Overall improvements led to significant cost reductions of over 20 percent across multiple equipment spend categories.

NEW OPERATING MODEL DELIVERS SAVINGS AND SUPPORTS CLIENT'S GROWTH

A leading specialty food and beverage manufacturer, distributor and retailer engaged A&M to identify opportunities to reduce their increasing supply chain costs. A&M strategically sourced freight and small parcel and re-specified a high-cost priority air freight service. The result was a 35 percent reduction in addressable spend. Three years later, the company had doubled in size, and the logistics and distribution operating model could not scale effectively in terms of service level or cost. A&M and the client worked collaboratively to develop a national and regional carrier strategy by converting the current LTL delivery model to a hub-and-spoke model to optimize transportation modes. The work resulted in a more than 15 percent reduction in costs across the entire network while maintaining existing service levels. Additionally, A&M developed a plan for a second production facility to support expansion to east coast markets and an outsourcing evaluation for internal warehousing and distribution operations.

WHY CHOOSE A&M?

SOLVING COMPLEX PROBLEMS IS IN OUR DNA.

After 30 years of resolving some of the most urgent challenges in business history, we have honed critical expertise that clients at all levels of maturity can use to achieve rapid results.

SENIOR-LEVEL EXPERTISE AND LEADERSHIP.

Our seasoned executives and operators, many of whom held senior leadership positions in industry, bring independent perspectives and practical solutions based on real experience.

URGENCY FOR ACTION AND RESULTS.

Our clients frequently comment that we drive change and results at a scale and pace that our competitors cannot match.

OBJECTIVE AND INDEPENDENT.

We are supplier and technology agnostic. A&M offers objective, credible advice you can trust to be in your best interest, not our own.



"A&M helped create a logistics vision and strategy that would evolve as our company grew and matured. Their senior team brought a balance of best practices and industry experience, enabling them to transform our strategy into action. With A&M's support, Peet's reduced its logistics costs by over 20 percent."

— Shawn Conway, COO, Peet's Coffee & Tea

"A&M worked alongside our team to develop a strategic roadmap, accelerate savings and enhance capabilities. The new model positions logistics as a strategic lever for the business."

— Emilio Braghi, SVP and President, Novelis Europe

"The A&M team drove rapid results and improvements across our entire supply chain. A&M's experienced team brought deep category expertise, an accelerated pace of change and a collaborative style that pushed our team to uncover and close gaps and inefficiencies across our supply chain including warehousing, distribution, network design, bio-diesel fleet and other modes of transportation."

— Gary Embleton, VP Global Operations and Supply Chain, Method Home Products



LOGISTICS AND DISTRIBUTION SERVICES PRACTICE LEADERS



TIM WATERS
MANAGING DIRECTOR, LONDON
+44 207 863 4743
twaters@alvarezandmarsal.com



GEOFF POLLAK
MANAGING DIRECTOR, ATLANTA
+1 952 456 2647
gpollak@alvarezandmarsal.com



TOM SKIDMORE
PRIVATE EQUITY LEAD, CHICAGO
+1 312 404 2692
tskidmore@alvarezandmarsal.com



LEE MAGINNISS
MANAGING DIRECTOR, DALLAS
+1 713 301 1650
lmaginniss@alvarezandmarsal.com



RAMIN TABIBZADEH
MANAGING DIRECTOR, LOS ANGELES
+1 310 560 0160
rtabibzadeh@alvarezandmarsal.com



JASON CHANG
SENIOR DIRECTOR, SAN FRANCISCO
+1 415 691 9181
jchang@alvarezandmarsal.com



ABOUT ALVAREZ & MARSAL

Companies, investors and government entities around the world turn to Alvarez & Marsal (A&M) when conventional approaches are not enough to make change and achieve results. Privately held since its founding in 1983, A&M is a leading global professional services firm that provides advisory, business performance improvement and turnaround management services.

With over 3000 people across four continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, help organizations transform operations, catapult growth and accelerate results through decisive action. Comprised of experienced operators, world-class consultants, former regulators and industry authorities, A&M leverages its restructuring heritage to turn change into a strategic business asset, manage risk and unlock value at every stage of growth.

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