4PL — SUPPLY CHAIN TRANSFORMATION

Get the supply chain you deserve

Menlo Worldwide Logistics helps your business implement best-in-class supply chain solutions that provide a continuous flow of value from the supplier all the way to your end customer, at the lowest cost. We’ll align your global supply chain with your long-term business strategy and deliver increased earnings per share.

Menlo acts as a neutral single point of control for your supply chain by managing the procurement, optimization, information analytics and operations of your supply chain network. Customer relationships are based upon a long-term strategic view of outsourcing the planning and execution management of integrated logistics activities across their enterprise.

Menlo’s 4PL solutions are focused on collaboration — we work with you to create a flexible supply chain solution that supports your unique corporate strategy while increasing supply chain savings and service improvements. In addition, Menlo acts as the change agent necessary to ensure the success of your supply chain transformation. Key tenets of our offerings include:

• Deployment of lean tools and methodologies
• Self-funding initiatives
• Delivery of flexible supply chains built to withstand business change and improve velocity
• Delivery of best-of-breed and customer-specific business solutions

How we work

Menlo deploys Value Stream Mapping to drive stakeholder alignment and prioritize transformation initiatives. We establish a “true north” supply chain vision for customers and enable a business case methodology to validate bottom line savings and ROI for every initiative. We design and implement a governance process to oversee business cases from their design all the way through to their implementation. Our SMEs have the flexibility to support these and all our initiatives throughout the life of the program.

Value-based engineering

Menlo employs lean practices and processes within supply chain management. Lean is a fundamental part of how we approach our daily work. Instead of reactively focusing on problems, we proactively focus on flow, adding value and reducing waste. Lean practices such as Value Stream Mapping (VSM) visually depict the customer’s supply chain and identify opportunities (kaizens) for improvement and efficiency.

This results in an exceptional customer experience. Whether your company embraces lean principles or not, you will still benefit from the experience and practical solutions Menlo brings to the table.
Operational excellence

At Menlo, the primary drivers in our supply chain redesigns are achieving savings and improving core competencies. By validating and monitoring the effectiveness of our solutions through the implementation of a structured business case process, we validate savings as it directly affects the customer’s P&L. Menlo is able to put in place a flexible, shared-risk commercial structure that relies on a pay-for-performance model to fund operations and future initiatives. All of this adds up to added value and increased savings for our customers.

Results

Our results speak for themselves. Menlo has launched and implemented key transformation platforms in logistics IT strategy, sourcing strategy, global network strategy, finished vehicle distribution strategy and lean material flow strategy. A few key examples include:

**Automotive Customer**
- Managed more than 12,000 locations
- $4 billion logistic spend
- $648 million in savings
- Utilized business case methodology to identify and measure savings

**High-tech Customer**
- Over $30 million in savings throughout engagement
- $9 million cost reduction through network rationalization and optimization in Year 1
- Integration of regional operations into enterprise-wide network

**Heavy Equipment Customer**
- Support $400 million global logistics network
- On track to achieve a 25% reduction in supply chain spend
- Cross business unit solutions including:
  - Global transportation networks
  - Regional infrastructure requirements
  - New landed cost modeling

The value the 4PL delivers to a customer is primarily built upon savings realized through the integration of their supply chain, the monitoring and management of supply chain performance and the implementation of continuous improvement programs within the customer’s organization. The objective is the elimination of waste and an increase in supply chain competencies.

“Our goal is to build a world-class logistics capability that drives value and helps us better serve our customers on a continuous basis ... we proved to ourselves that the concept of strategic collaboration really works. Vision, strategy and process all came together. We’ve formalized the approach and restructured our team into a blend of Menlo expert resources and Navistar experience.”

— Ed Melching
Director of Global Logistics, Navistar

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