



TPL SOLUTIONS Extracts

DIRECTORS' BRIEFING ■■■

Tactical Responses

To Current and Foreseeable Threats To Food and Non-Food Grocery Suppliers

First the News :

- Retail sales decline
- Retailers recover cost from their suppliers
- Suppliers' sales volumes and margins are threatened
- Suppliers' dilemma :

How to survive and prosper faced with this double challenge?

Nobody wants to work for nothing, so how lean and mean do suppliers have to be ?

TPL advocate two winning strategies for those who are willing to accept the challenge:

1. Understand the true cost to serve each customer and use that knowledge with ruthless intensity. Information creates opportunities...
2. Transform existing processes to maximise the value of Supply Chain assets and divest where there is no return.

Nothing new so far - But why hasn't everybody done it ?

How relentlessly are Food and Non-Food Grocery Suppliers pursuing these themes ?

A recent public survey, corroborated by a TPL survey among TPL MANDI members, shows that only 15% of FMCG suppliers feel confident they are making sufficient progress in meeting these challenges.

For the forward-looking Suppliers, among the other 85% who are either not satisfied with their progress or have not yet started addressing these issues, TPL have the experience, methodology and resources to help them justify action and get results:

- Intimate knowledge of the retailer/supplier relationships in the supply chain.
- Well-proven methodology to help identify true cost to serve each customer in the UK and across Europe, and identify areas for improvement.
- Experience and skills in process transformation to help redesign Supply Chain infrastructure and implant management processes to meet current and foreseeable challenges.
- A record of wins for clients across several product categories.

Can Suppliers still afford to pull punches ?

In TPL's experience, the answer is emphatically "No!". The Retailers are in the driving seat and setting the agenda. Decision makers among affected Suppliers have two choices: run and lament, or take tactical initiatives based on sound facts and understanding of their options. **The question remains – How to prioritise and not waste limited resources? The answer may be in the Invitation below.**

- **Contact: Bob Wileman, Commercial Director**

consultancy@tpl-logistics-management.co.uk

INVITATION ■■■

If you supply any of the major UK retailers, Bob Wileman, TPL Commercial Director, invites you to test your current position by completing the questionnaire below and draw your own conclusions.

"If you answer even a single "No", then you should consider taking advantage of our in-house Directors' Briefings and our in-house Senior Executive Workshops, to find out how to start the process of tactical response and transformation needed to meet the specific challenges your company is facing."

TPL Clients who have recently selected this approach include several household names of international repute from the Grocery Supply Sector – for instance, the UK division of an international drink wholesaler and an international food manufacturing group.

"At some stage, you might also like to discuss with us how TPL could implant

essential techniques and train your personnel to use them." - An approach successfully taken by, for example, an international health and beauty products manufacturer and a UK manufacturer of bathroom equipment.

- **Contact: Bob Wileman, Commercial Director**

consultancy@tpl-logistics-management.co.uk

A clear vision and action plan, but limited management resources ?

Hire an experienced TPL Project Manager to lead the implementation

- Failure to implement does not win brownie points

resourcing@tpl-logistics-management.co.uk



Forthcoming Events ■■■

The Pallet Dilemma

– Do you vote Red or Blue? ...Or is there a Real Alternative?

30 June 2005 (Near Heathrow)

Work with TPL, our independent experts and TPL MANDI Members, to explore alternatives to the current pallet pool provision and set out criteria for change.

To join TPL MANDI,

- please contact **Rhiannon Spurgeon**

tplmandi@tpl-logistics-management.co.uk

TPL In Action ■■■

TPL LOGISTICS MANAGEMENT

Telephone: + 44 (0)1252 737 939
info@tpl-logistics-management.co.uk

Facsimile: + 44 (0)1252 733 474
www.tpl-logistics-management.co.uk

© TPL Logistics Management Ltd

If you supply the major retailers, please complete this questionnaire by circling the answer that reflects your opinion ... and draw your own conclusions.

- I disagree with the case for urgent supply chain review advocated in the "Directors' Briefing" above. Y / N
- In my company we already have adequate programmes of review and tactical response to the current and future pressures. Y / N
- We have a regular Joint Demand Planning Review process involving the heads of all relevant functions. Y / N
- The level of collaboration between these functions is sufficient to achieve our objectives. Y / N
- I am fully confident that we know accurately the Cost To Serve our customers Y / N
- We are making full use of this information in our negotiations with the main Retailers Y / N
- We are working successfully with Retailers to improve our On-Shelf Availability and it is beginning to pay dividends. Y / N
- We have a clear policy for Shelf-Ready Packaging and will have plans in place in time to meet TESCO's Conditions of Trading deadline of July/August 2005. Y / N

Based on your conclusions, is it time to open up your options ?

If so, call, fax, mail or email TPL LOGISTICS MANAGEMENT – but get in touch today for a confidential exploratory discussion with Bob Wileman, Commercial Director, or Jonathan Kittow, Commercial Development Manager.