

## Portland led a comprehensive supply chain transformation program for a large agricultural supply business

### Supply Chain Project Scope

Supply Chain Strategy / Business Model	
Network Optimisation	Cost to Serve
Supply Chain Planning	Inventory Management
Transport Operations	Warehouse Operations
Manufacturing	Supply Chain Enablers

### Industry Segments

Industrial	Construction
Mining	Utilities
Consumer Goods	Food & Beverage
Retail	Services
Financial	Transport
Healthcare	Government

### Business Challenge

- Portland’s client is the leading supplier of fertiliser products to farmers in southern and eastern Australia, supplying imported and manufactured products
- Inventory turnover had decreased 50%, with some stock-out issues due to poor forecast accuracy, forecast bias and safety stock issues
- Massive demand seasonality was causing difficult supply chain planning and management
- The distribution network had become non-optimal due to acquisitions, mergers and local organic growth over time

### Our Solution

- Portland conducted an end-to-end review and assessment of supply chain operations and the logistics network including planning, inventory management, transport arrangements and supply chain partnerships;
  - Demand, supply and S&OP planning; redesign of process and planning hierarchies that resulted in upgrades to the planning systems
  - Design and implementation of safety stock and inventory planning models
  - Optimisation of international inbound shipping, covering port costs, ship sizing, transport costs, inventory holding and demand profiles
  - Optimisation and rationalisation of the network, including the development of joint operations with competitors and strategic partners

### Outcomes

- Delivered \$20M in annual cost savings and a \$50M inventory reduction with achievement of full annual savings in two years

