



Helping a major producer of cereals and snacks to reduce costs and transform their supply chain

Increasing cost pressures have stimulated a US based Food company to take a closer look at its Packing and Supply Chain operations. Individual cost savings initiatives would be an obvious and traditional way forward, but complexity in the Supply Chain made it difficult to determine if stand alone projects will deliver a net benefit to the business. A positive step in one area of the business might potentially cause issues in another.

Business Challenge

James Ross Consulting were asked to assist in formulating the way forward. The first step was a review of current business activities in the Supply Chain to look for traditional cost saving opportunities. This was a practical means to gain an understanding of physical products and business practices. To address the issue of providing more clarity towards a virtuous cycle of Supply Chain activities, James Ross Consulting has taken a radical approach.

How JRC Helped

James Ross Consulting developed a software tool to model complexity in the Supply Chain. The tool was designed to model what is happening in the chain of events from Plants to Customers. The computational ability of the software allows changes in the packaging, handling and transporting of products to be mapped over a network of Plants, Warehouses and Customers.

Value Delivered

In this way, influences of changes that are made upstream in the products or processes are captured in the downstream activities and presented as a business cycle snapshot. By programming changes in these parameters, the model can be used to compare alternative scenarios for the business. The results provide some predictions for cost effective change, and can be used to support basic cost saving initiatives through to comprehensive restructuring in the Supply Chain activities.

About the client

Our client is in a constant battle for the #1 spot in the US cereal market with its main rivals. They have a considerable market share and produces some of the largest brands in cereals. And while the company fills many a cereal bowl every morning, it buffs up its bottom line with snacks, cookies and cereal bars.

About James Ross Consulting

James Ross Consulting is a mid sized global manufacturing consulting, technical support and analytical services company, with offices established in the UK, USA and Australia. Our three competence groups, Cost Optimization, Technical Support and Analytical Services, develop a full spectrum of services and solutions that address business opportunities and challenges common across industries. Our home page is www.jrconsulting.com.

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