



A 2-day intensive course

# **Managing Cost Optimization in the Transportation & Physical Distribution**

23 - 24 July 2008 ■ JW Marriott Hotel, Kuala Lumpur

## **COURSE HIGHLIGHTS**

- Understanding The Supply Chain Mechanism
- How Logistics Plays An Important Role In The Success Of A Supply Chain
- How To Optimize Logistics Costs – Transportation And Distribution Costs
- Cost Aspects Of Global Logistics And Distribution Functions
- How To Harness Modern Concepts In Optimizing Distribution Costs
- The Influence Of The Product Life Cycle In Transportation And Distribution Costs
- Inventory Strategies And Transportation Cost Implications
- E-Commerce And Internet Based Business Models
- Local Transportation

## **PLUS: Exercises & Cases**

### **WHO SHOULD ATTEND**

*Managers and Executives in the Supply Chain, Transportation, Logistics, Purchasing, Inventory Management, Distribution, Traffic, Warehousing and others who would like an appreciation of the course.*

## Course Introduction

**Goods and services need to reach specific customers at predetermined time, in the right quantity, within specified quality levels, and above all, at an optimal cost to the organization.**

*While goods for customers may be available as promised, ensuring that it reaches customers intact and within the time frame promised may not be possible all the time. Quite often, through no fault of the producing organizations, goods may not reach its destination right on time and worst still, with the intended purpose of fit for consumption, due to physical damage while on transit. Failure of transportation modes in meeting customer priorities may be, due to unavailability, cost of alternate transportation, too many levels of distribution channels, and most of all information flow and communication deficiencies.*

*Meeting high customer service levels often entail high cost of doing business, specifically, ensuring that inventory is available when needed in the right quantity. A chain of events designed to meet stringent customer needs occur within the organization and integrates with a host of external players, with unique processes and parameters that may not be fully compatible and may not interface seamlessly. Some of the greatest challenges managers face today - how to fulfill customer's needs within the specified time, in the most efficient delivery mode, and most of all, at an optimal total cost to the organization.*

*An organization's policies and strategies determine the level of customer service and inventory holdings. Inbound logistics addresses the supplier-buyer interface that ensures materials are available for transformation into quality finished products that outbound logistics fulfills at the desired customer service levels. Both functions need the complex delivery and transportation mechanism to achieve the targeted success levels. Cost of transportation and physical distribution has escalated over the years, more so with the rising fuel cost all over the world. **The greatest challenge that managers face now is how to reduce these costs.***

## Day 1 - Wednesday, 23<sup>rd</sup> July 2008

- 9.00 **UNDERSTANDING THE SUPPLY CHAIN**
- Overview of supply chain management
  - Defining and mapping the optimal supply chain
  - Integrating SCM with functional operations
  - Supply chain efficiency drivers
- 9.45 **THE ROLE OF LOGISTICS IN SUPPLY CHAIN**
- Inbound Logistics – Materials Management
  - Outbound Logistics – Physical Distribution
  - Activities
  - Planning and forecasting
  - Information systems - communication, order processing, customer service
  - Inventory management – procurement, warehousing, etc.
  - Materials Handling – packaging, handling systems etc.
  - Traffic & Transportation – fleet management, mode efficiencies, etc
  - Reverse Logistics
- 10.30 Morning Coffee
- 10.45 **OPTIMIZING LOGISTICS COST**
- Transportation – the inbound costs
  - Distribution – the outbound costs, channel costs
  - Reverse logistics costs – returns and rejects transportation, other associated costs
  - Transportation modes and Total Cost Analysis
  - Outsourcing and in-house fleet management
  - Tracking and monitoring; maintenance service, regulatory requirements, etc.
- 1.00 Lunch & Zohor
- 2.00 **GLOBAL LOGISTICS & DISTRIBUTION COSTS**
- ISO & Security Issues in transportation and distribution
  - Costs of International Distribution Channels
  - INCOTERMS and transportation cost implications of doing business internationally
  - Barriers of global trade

3.30 Afternoon Tea

3.45 **EXERCISES AND CASES**

5.00 End of Day 1

## *Day 2* - Thursday, 24<sup>th</sup> July 2008

9.00 **MODERN CONCEPTS AND THE IMPACT OF DISTRIBUTION AND TRANSPORTATION COSTS**

- JIT
- Vendor managed inventory
- “Milk-runs”
- DC & Cross Docking
- 3PL & 4PL

9.45 **PRODUCT LIFE CYCLE AND LOGISTICS COSTS**

- Business implications of the PLC
- Cost aspects of PLC
- Demand push
- Demand pull

10.30 Morning Coffee

10.45 **INVENTORY STRATEGIES AND TRANSPORTATION COST IMPLICATIONS**

- Logistics strategies – speculation and postponement
- Inventory management and stock holding
- Customer service needs and safety stocks
- Transportation and warehousing costs

1.00 Lunch & Zohor

2.00 **E-COMMERCE AND INTERNET BASED BUSINESS MODELS**

- Doing business differently
- Distribution costs
- B2B and B2C

3.30 Afternoon Tea

3.45 **LOCAL TRANSPORTATION**

- Understanding local regulations
- JPJ/Puspakom
- Commercial Vehicle Licensing Board
- Cost of managing fleet with local constraints

5.00 End of Course

## Course Objectives

*This Course Is Designed To Trouble-Shoot Following Challenges...*

1. *One of the biggest cost items for almost all companies is physically moving the materials to its customers.*
2. *Products, either raw materials or finished goods, are useless if they are not transported to customers. No transport, no sales.*
3. *The last part of the value chain is transporting or distributing and this could be strategic and expensive to the organization.*
4. *Companies often ignore the last lap of the Value Chain, although it is quite a strategic and expensive lap.*

## After Attending This Course, You Will Return To Your Job...

1. *Knowing how to increase internal organizational efficiencies in meeting customer inventory needs and reducing overall supply chain costs.*
2. *Learning how inbound logistics – materials management, interfaces with external parties like suppliers, transportation companies and outsourced services to optimize process costs.*
3. *Learning how the outbound logistics – physical distribution, fulfills customer needs by ensuring the cost of distribution is minimized and the total cost of goods available for customers is optimized.*
4. *Using transportation to increase customer service and reduce total logistics cost.*
5. *Optimizing the total cost of transportation through modern concepts and management strategies.*

Program topics, speakers and schedules published herein are confirmed as at printing time. Please refer to the event's timetable page at [www.cmtevents.com](http://www.cmtevents.com) for the most up-to-date information.

Managing Cost Optimization in the Transportation & Physical Distribution

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 Tel \_\_\_\_\_ Fax \_\_\_\_\_

Company \_\_\_\_\_  
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**Fees:** The full Registration Fee includes cost of all sessions, luncheon, coffee/tea & documentation.

	1 Person	Group fee for 3 or more* (from the same company)
<b>Regular Fee</b>	<b>RM2,495</b>	<b>RM2,095</b> <b>(MIN SAVINGS OF RM1200)</b>

\* Terms and conditions apply.

**Cancellations, Refunds & Transfers:** A full refund will be promptly made for all written cancellations 3 weeks before the meeting. Thereafter, cancellations are not refundable. A substitute may be made at any time.

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Photocopy Registration Form to Preserve Brochure Copy. July 2008

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**TO REGISTER**

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**CERTIFICATE OF COMPLETION**

A Certificate of Completion will be awarded upon successful completion of each course. This serves as evidence of your personal and professional commitment to you career.

**COURSE TIMING**  
 Registration: 8.30 am, Course Begins: 9.00 am,  
 Morning Coffee: 10.30 am, Lunch: 1.00 pm to 2.00 pm,  
 Tea Break: 3:30 pm, Course Ends: 5.00 pm

Register online ~ [www.cmtevents.com](http://www.cmtevents.com)

## LEARN FROM THE BEST

**MANO HAARAN** has more than 21 years of practical work experience in contracts administration, supplier management, procurement, project management, supply chain and logistics, etc. He specializes in training, facilitation and consulting to both the public and private sector in areas like Procurement Efficiencies including addressing issues of contracts administration, fraud, cost management and product life cycle management, Warehouse Management, Operations Management, Total Cost Management, Supply Chain Management, Total Logistics management, Stock Taking and Auditing,

His landmark consulting experience was designing of materials part numbering and coding systems, preparation of standards, policies and procedures for a large rail network. He was also involved as a consultant for the development of an automated business solution for a wholesale/retail stationery business with off shore branches where he was instrumental in business process analysis, process improvement, project management and eventual successful completion and commission of the system.

Mr. Haaran's sample of illustrious clients list for training include Shell, UMW Toyota Motor, Celcom, Samsung, Proton, Colgate-Palmolive, Eon Finance, Philips, Hicom-Yamaha, Malaysian Oxygen, NEC, Petronas, General Electrics, Gamuda, Johnson & Johnson Medical, JVC, Kontena Nasional, Glaxo Wellcome, Hitachi, Hong Leong Lurssen Shipyard, National Heart Institute (IJN), Kenwood, Macfood Service, Nestle, Mattel, Matsushita Industrial Corporation, Maybank, Minolta Precision Engineering, MISC, Perwaja Steel, Seagate, Canon, BASF and UPS, Petronas Carigali, Sidel, Western Digital, Perodua, Sharp, Panasonic

He holds Masters in Business Administration (MBA) USA.

### METHODOLOGY

- Interactive Lectures
- Group Discussions
- Exercises/Cases
- Questions & Answers

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