

Designing and executing unique solutions for critical products



Strategic warehousing and multi-vendor consolidation solutions reduce cycle time from order to delivery

Challenge Summary

Welmed is a privately held manufacturer of disposable medical supplies that are critical to a multitude of health care providers and thousands of patient's daily needs. When one of Welmed's end customers needed faster delivery of products, Welmed turned to PSA BDP to develop a unique warehousing solution.

Services & Technologies Used

- Ocean Transportation
- Origin/Vendor Consolidation
- Domestic Warehousing & CHB
- US Customs Clearance Services

Customer Benefits

- Customized solutions
- Multi-vendor consolidation saves time and cost
- Experienced shipping provides quicker, more dependable delivery
- Sophisticated information services

The Challenge

One of Welmed's end customers required a more rapid, consistent delivery of multiple products to their distribution center in Texas. This created a challenge in terms of lead and transport timelines due to the location of Welmed's existing distribution centers in the Midwest and on the East Coast. Welmed sought to eliminate the premium charges associated with expedited Less Than Container Load (LCL) shipments, while also taking the end customer's warehouse storage space into consideration.

The Solution

With several key strategic warehouse locations across the US, including a large facility in Houston, Texas, PSA BDP developed a unique warehousing solution for Welmed to help them fulfill their customer's "just in time" needs. PSA BDP's solution also eliminated the need for cross country LTL and parcel services to maintain inventory. Additionally, because the products were sourced from multiple vendors in China, PSA BDP proposed a consolidation program to merge vendors and maximize ocean container volume. Combined with

PSA BDP's NVOCC service offering and US CHB services, a total end-to-end offering was designed to meet the specific requirements for Welmed.

"[Their] global network and broad service offerings provided Welmed the right solution at the right time. We were able to put a plan in place and execute it with the support of [their] global team, and the results have proven to be beneficial for all stakeholders," noted David Pearlman, Vice President, Logistics & Inventory Management, Welmed.

Results

Team members from PSA BDP China worked with several of Welmed's vendors on an origin consolidation program specific to this US customer, which allowed for the movement of Full Container Loads (FCLs) from multiple vendors directly to the Port of Houston. The team in Houston organized a system to store excess inventory and strategically choose which custom orders would ship on a bi-weekly basis for next day delivery to the end customer. The solution resulted in both significant cost savings and a reduced cycle time from order placement to delivery.

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