



Bobcat Avoids Delays With Kuehne + Nagel Postponement Strategy

Eliminates 48-72 hours of in-transit time and increases order-to-cash cycle times

SITUATION

In 1958, the Melroe Manufacturing Co., Gwinner, N.D., introduced a self-propelled loader originally conceived to help a Minnesota farmer work the tight areas of his turkey barns. Over the years, the loader, dubbed the Bobcat, became more powerful, sprouted dozens of attachments to become a staple of construction sites. More than 500,000 have been manufactured.

Today, Bobcat, now an Ingersoll-Rand business, remains based in Gwinner. It has undertaken an international expansion, however, broadening its specialized material-handling offerings to include hydrostatic telescopic material handlers and backhoes built by companies in Germany, France and Japan.

With global expansion came logistics challenges. One example: The German material-handling machine, when assembled with its cab, was too tall to fit into a standard 40-foot high cube ocean container, the tallest in use. Use of roll-on/roll-off ocean carriers, which charge by the cubic meter, was deemed too expensive.

SOLUTION

Kuehne + Nagel, which has provided freight forwarding service to Bobcat for two years, including customs clearance of German, Japanese and French product to Kuehne + Nagel's Minneapolis distribution center, suggested shipping the units disassembled. The units could be shipped in groups of three in two containers. One container would hold two material handlers, the second container holding the third unit and the three cabs.

Both containers are trucked to Kuehne + Nagel's Minneapolis warehouse. The KN staff, certified by Bobcat, uses a forklift-mounted, Bobcat-designed "carriage" to lift the cab onto the body. They then affix the eight bolts and plug in the necessary controls.

French and Japanese machines arrive assembled at the Minneapolis warehouse. By keeping the German stock in Minneapolis, Bobcat can ship its Gwinner-manufactured units to Minneapolis for shipment blending with the French, Japanese and German stock.

RESULTS

As a result, Bobcat avoids transporting the German equipment containers from Minneapolis to Gwinner for assembly and return, eliminating as much as 48 to 72 hours of in-transit time. Now, loaders can go out the door 24 hours after the order is received, ensuring faster order and order-to-cash cycle times.

"Kuehne + Nagel works as an extension of our business," said Sherman S. Wehlander, Import / Export Compliance & Logistics Coordinator. "The ability to manage sub-assembly increases our product availability, which makes our customers happy."

Kuehne + Nagel
Contract Logistics
1-888-856-8726
logistics@kuehne-nagel.com
www.kuehne-nagel.com

