



Technology & Electronic Solutions

CASE STUDY

Global Crossdock Expansion Solution Creates a Competitive Advantage



CHALLENGE

- Diverse transportation processes across products prevented Energizer Holdings from reaching the maximum potential for savings and efficiency.

SOLUTION

Expand a successful crossdock solution in China to incorporate all of Energizer Holdings' business lines.

RESULT

Energizer Holdings has reduced their transportation budget and cut the total weight and volume shipped between U.S. DCs by 65% due to added visibility, efficiency, and up front planning. ○

Energizer Holdings is a dynamic company that offers 30 global brands to consumers in 160 countries around the world. Beyond just batteries, Energizer Holdings offers several other commodities—from household products to infant and feminine care items, even skin, sun, and shaving goods—to make their customers' and consumers' lives better.

After the acquisition of several businesses, Energizer Holdings experienced swift growth across the globe. As the company expanded, it was common for individual products to have a unique ordering and transportation process when shipping from Asia to the United States. As new companies and their procedures were integrated, two primary processes evolved—one for household goods and another for personal care products.

Historically, shipments of Energizer household products from China were sent to one warehouse in Memphis, TN. From there, orders were broken down and shipped via full truckload to distribution centers (DCs) throughout the United States.

“We selected C.H. Robinson based on the competitiveness of the bid of course, but also on the quality customer service we received over years of working together.”

– Ana Pieper,
international
transportation
manager,
Energizer Holdings

Personal care products were ordered from vendors in Southern China. Depending on the order size, single SKU loads were shipped in full 40' containers, less than container loads (LCL), or 20' containers. Once in the United States, products were transported to one of four DCs to be combined with other items for transportation to retailers around the country.

The separate transportation arrangements of household and personal care items resulted in missed opportunities to optimize freight. There were frequent situations where multiple 20' containers or LCL shipments were in transit at the same time. These types of circumstances resulted in additional costs, obscured total landed costs, diminished efficiency of container utilization, and unnecessarily long transit times. According to Josh Wright, senior manager of international warehousing and transportation at Energizer Holdings, “We needed a more holistic transportation strategy. Our company had expanded and with that expansion came opportunities to move goods more efficiently.” Energizer Holdings recognized the growth of the company as an opportunity to improve their global supply chain.

ADDING EFFICIENCY AND SAVINGS WITH A GLOBAL STRATEGY

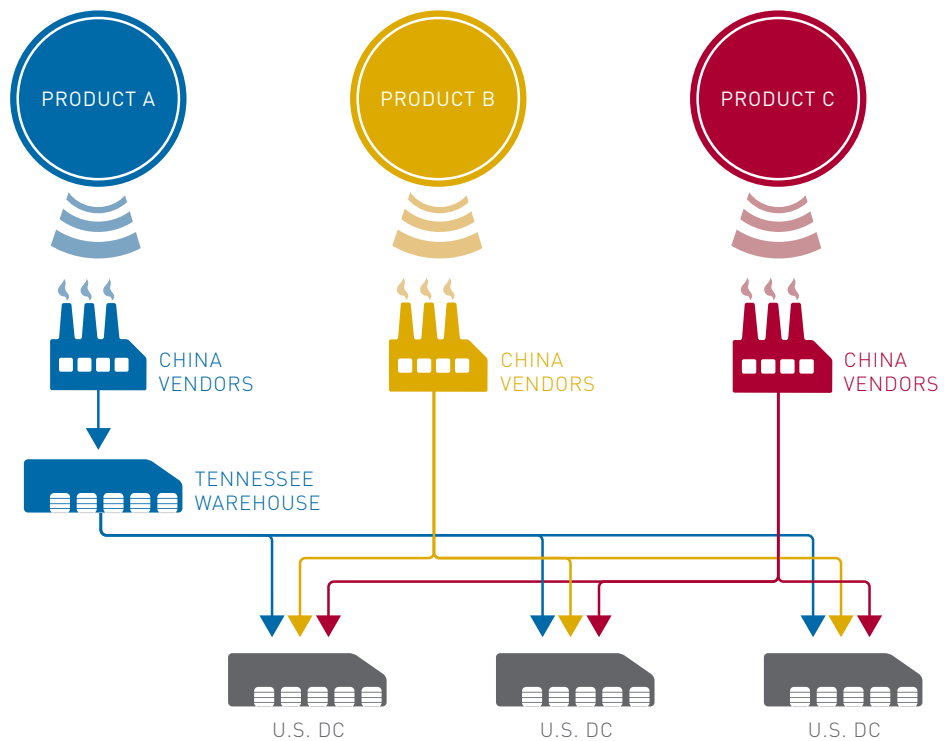
Energizer Holdings developed a crossdock solution in Shenzhen, China, for one family of products. Through the crossdock, products from multiple vendors are consolidated at a warehouse in Shenzhen. The goods are then sent directly to a regional DC in the United States rather than a sorting warehouse. By eliminating the need for an additional warehouse, Energizer Holdings saw many benefits from the new process, including reduced domestic transportation needs and costs, faster speed to market, and greater control over order and shipment distribution.

Thanks to the success of the crossdock, Energizer Holdings started plans to expand the process for the remaining products shipped from Asia to the United States. They anticipated this expansion would help consolidate activities and cut redundancies in order to drive financial savings. This led to a search for answers from an external company whose expertise could build a customized solution that would scale with future growth goals. Multiple companies submitted bids to oversee the project, including C.H. Robinson. Energizer Holdings already had a strong relationship with C.H. Robinson as a freight forwarder for their business, which ultimately influenced their choice for the crossdock expansion. According to Dwayne Baldwin, supply chain leader at Energizer Holdings, “C.H. Robinson delivered a competitive bid, but we also considered their quality customer service and flexibility in working out viable solutions in our decision process.”

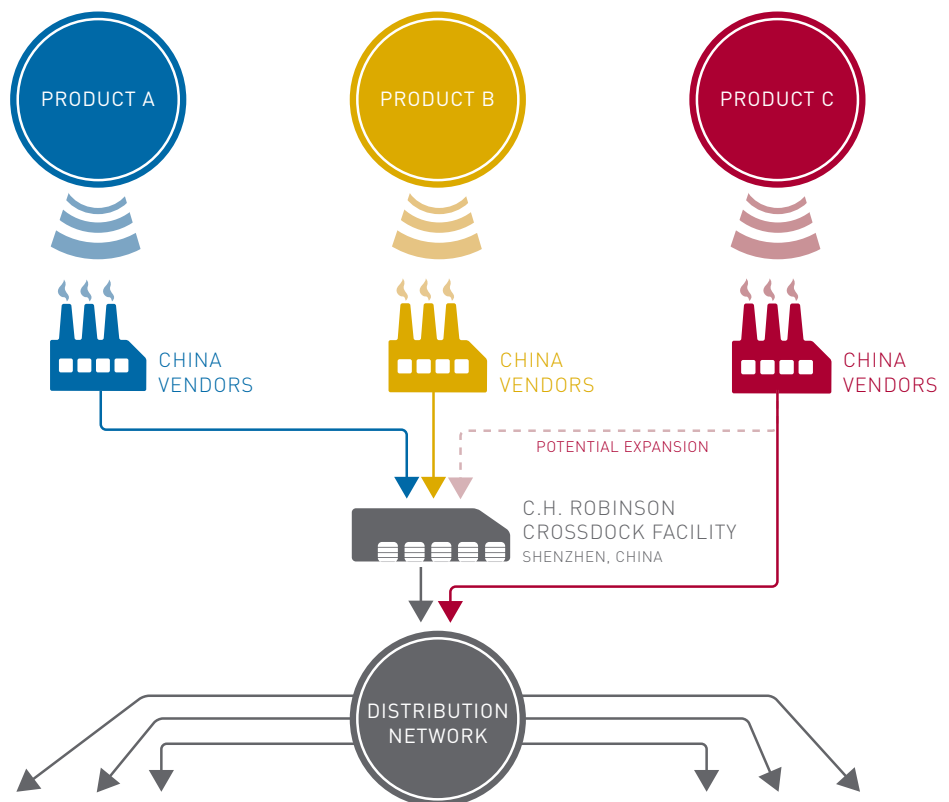
C.H. Robinson’s global forwarding team in Cleveland, OH, approached the ongoing challenges Energizer Holdings faced with a fresh perspective—one that could see the big picture. Through numerous cost scenarios and by working closely with the team from Energizer Holdings, a plan swiftly took shape.

It became clear that Energizer Holdings required more than just an expansion of the crossdock. Thus, the crossdocking facility in Shenzhen, China, also became a virtual stocking location. As a virtual stocking location, the facility appears within Energizer Holdings’ ordering system as a warehouse that can fulfill orders. In addition to consolidating multiple SKUs into full container loads for shipment to the United States, the location also acts as a DC for orders in the Asia Pacific region—eliminating unnecessary international transportation costs.

BEFORE:
 Products were ordered, shipped, and distributed separately, causing inefficiencies across the Energizer Holdings supply chain.



AFTER:
 A single crossdock solution in Shenzhen, China, streamlined the shipping process and led to significant transportation savings.



“C.H. Robinson’s straightforward communication and support in resolving problems has helped us overcome challenges and be more responsive.”

**—Josh Wright,
senior manager
of international
warehousing and
transportation,
Energizer Holdings**

A SCALABLE SOLUTION FOR LONG-TERM SUCCESS

C.H. Robinson helped Energizer Holdings establish a stronger link across product lines. Because all suppliers—no matter the product—coordinate transportation with C.H. Robinson, Energizer Holdings is able to achieve more comprehensive visibility to their supply chain. This helped them surmount the efficiency challenges caused by the previous independent processes.

“C.H. Robinson’s straightforward communication and support in resolving problems has helped us overcome challenges and be more responsive,” stated Wright. “Their reliable service acts as a strong pillar for our entire supply chain.”

The greatest cost savings were achieved from the consolidation of goods at the crossdock facility, but the crossdock expansion led to reduced distribution costs throughout Energizer Holdings’ supply chain. Beyond savings, Energizer Holdings has achieved value in many other areas of their global supply chain:

- Established new container fill rate thresholds in conjunction with an updated container optimization strategy and a twice-weekly deployment schedule
- Reduced total weight and volume shipped between U.S. DCs by 65%
- Eliminated use of 20’ shipping containers for more cost effective 40’ containers

Ongoing improvement efforts will continue to yield results well into the future. Energizer Holdings and C.H. Robinson plan to implement similar crossdock solutions in other areas of the world, starting with several Latin America countries, for maximum benefit around the globe. Wright stated, “The team at C.H. Robinson is good at offering solutions. Through open discussions, they helped us understand all our options and what to expect from the start. This helped us make the right decisions and achieve our goals.”

To learn more about C.H. Robinson, watch [our video](#), visit [our website](#), call 800-323-7587, or email solutions@chrobinson.com.