



# C.H. ROBINSON



Retail Solutions

## CASE STUDY

### How Radio Flyer brought the Tesla Model S for Kids to Europe



#### CHALLENGE

- Radio Flyer wanted to develop a global supply chain solution to successfully introduce the Tesla Model S for Kids to retailers and families across Europe.

#### SOLUTION

Radio Flyer's solution integrated ocean and port services with customs, warehousing, storage, pick and pack and order fulfillment services to deliver direct to consumers' homes in 12 European countries.<sup>1</sup>

#### RESULT

- Radio Flyer now has a fulfillment channel established in Europe to pursue more opportunities.
- Processed more than 50 full container load (FCL) containers in 2017.
- By December 2017, more than 100 cars were shipped per day.

Radio Flyer has delighted children for more than 100 years with tricycles, scooters, ride-ons and wagons—including the #18 Classic Red Wagon, a popular product in the United States for more than 70 years. This is the story of how this iconic American toy company opened a strategic global market for its products in Europe with the launch of the Tesla Model S for Kids.

#### THE GOAL: EXPANDING BUSINESS TO EUROPE

Before 2016, Radio Flyer, headquartered in Chicago, made most of its sales through retail outlets and direct shipment to consumers in the United States and Canada. But the company wanted to expand its business footprint by importing one of their newest ride-on toys—the Tesla Model S for Kids—to European retailers and consumers. They planned to do a soft introduction to avoid investing too much at once—something any company expanding into new markets can appreciate. Once they developed a robust supply chain operation in Europe, they could establish a presence and make the rest of their product line available on the continent.

<sup>1</sup> While last mile delivery is not a core service for C.H. Robinson Europe, our relationships with specialty providers across the continent can sometimes help companies develop creative solutions to meet supply chain requirements. For more information, or to discuss available services to meet your specific needs, contact us directly at [info-europe@chrobinson.com](mailto:info-europe@chrobinson.com).

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Radio Flyer had experience with United States ecommerce solutions, but its arrangements with local internet retailers in Europe had not proven to be financially viable. Each Tesla Model S for Kids is detailed after the ride-on vehicle is shipped from Asia, so license plates and other features would have to be obtained from vendors in Europe and packed with the vehicle before being shipped to customers. In addition, the director of operations and sustainability, Eric Selner, said the company had not shipped directly to consumers' homes in Europe before.

“To make final mile deliveries, we needed to find specialty carriers, navigate shipping regulations, understand the VAT process and more,” said Selner.

As a United States-based company, Radio Flyer looked for a logistics partner that had both local market expertise in Europe and strength in the United States market. A friend referred Selner to C.H. Robinson. He liked the fact that C.H. Robinson had a global presence, since that would make it easier for Radio Flyer to expand in other regions of the world.

“Another big reason for choosing to work with C.H. Robinson was their familiarity with the complexities of doing business in Europe,” said Selner. “We were talking to several 3PLs at the time, and C.H. Robinson was able to best answer the questions we had. We felt confident that choosing C.H. Robinson would allow us to achieve our goals.” C.H. Robinson also introduced Radio Flyer to a partner who would help them handle the tax side of the business equation to meet European regulations.

Radio Flyer and C.H. Robinson developed a complete solution that moves products from the port of entry in Europe all the way to consumers' doorsteps. Together, they identified the requirements, overcame challenges and coordinated a launch plan for shipping the Tesla Model S for Kids in Europe.

### **EXECUTING A COMPREHENSIVE GLOBAL SUPPLY CHAIN SOLUTION**

Radio Flyer Tesla Model S for Kids products are shipped by ocean, primarily using full container load (FCL), to the port of Rotterdam. There, C.H. Robinson handled the customs clearance and moved the product by barge to the warehouse in Tilburg, Netherlands.

In the warehouse, C.H. Robinson supervised storage, pick and pack services and order fulfillment. They helped identify providers in Europe who could manufacture customised license plates, flyers and other

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materials to be included with each ride-on vehicle. And, they managed the over the road transportation to ship the product to customers.

As is the case in the United States, coordinating final mile delivery in Europe remains one of the transportation industry’s largest challenges. This is especially challenging for products like the Tesla Model S for Kids, which is too large to be shipped by a regular parcel delivery company. C.H. Robinson made special arrangements with European carriers and country specialists to arrange for delivery to consumers’ doorsteps.

In October 2016, Radio Flyer’s European supply chain was in operation, with a few cars shipping per week. By Christmas 2017, the program had expanded significantly; more than 100 cars were being shipped per day.

“Alone, there were too many hurdles to overcome in accessing the European market,” said Selner. “With C.H. Robinson’s support, we now have a firm fulfillment channel established in Europe that will allow us to pursue other opportunities.”

Selner praised Robin Kruijt, C.H. Robinson’s business development manager in Amsterdam, for helping make this project a success.

“Robin spoke frequently with our team in the United States and Hong Kong. When we faced challenges, he found a solution. The project would not have been successful without his dedication and creativity,” said Selner.

Kruijt believes the growing relationship between the two companies is the real key to success. “Radio Flyer and C.H. Robinson shared the same hands-on strategy,” he said. “Together, we are improving their supply chain and helping them grow their global presence.”

### **NEXT STEPS**

Due to the successful launch of the Tesla Model S for Kids in Europe, Radio Flyer has expanded its relationship with C.H. Robinson. The two companies continue to work together, supporting the transportation of other products and securing additional third-party warehouses throughout Europe for timely fulfillment.”

“Radio Flyer is a beloved company in the United States. Generations of families have created warm memories while using our products. We hope to create the same legacy in Europe, and C.H. Robinson will help us make that happen. Certainly, there will be more products and more customers. We feel confident that together, we can tackle the challenges ahead.”

Learn more about C.H. Robinson’s [global supply chain programs](#).

To learn more about C.H. Robinson, watch [our video](#), visit [our website](#) or email [info-europe@chrobinson.com](mailto:info-europe@chrobinson.com).



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