



GREAT FIT WITH HANGING GARMENTS FOR TDG

TDG now has considerable expertise in managing the 'hanging garments' supply chain following the ongoing success of its Daisy and Tom business.

The move into hanging goods came about through TDG's long term relationship with Early Learning Centre (ELC). For the past 10 years, TDG has managed the distribution and warehousing for ELC's toy business within the UK, as well as providing a pioneering end to end proposition for the company to bring its products into the UK from the Far East.

Following the sale of ELC to The Chelsea Stores Group, headed by Tim Waterstone, founder of the Daisy and Tom children's department store, TDG was asked to put together a bid that would merge the distribution of ELC's wholesale channels with Daisy and Tom products to drive cost out of the logistics business.

Says Sue Dorkin, supply chain director from The Chelsea Stores Group "We were confident in TDG's flexibility and innovation to be able to keep pace with ever changing business requirements. "

Having identified that there would be a good fit between the ELC and Daisy and Tom both in terms of physical constraints and economies of shared facilities, TDG built a small (2000 pallets) warehousing area adjacent to the existing ELC warehouse in Swindon which went live December 2004.

This accommodated both clothing and nursery goods for Daisy and Tom and product for ELC's wholesaling operation, which is a case/picking operation.

The warehouse is particularly space efficient, as the nursery product needs a picking area, the wholesale operation requires bulk storage, whilst the lighter-weight clothing for Daisy and Tom is ideal for the mezzanine floor above the marshalling area. In total the warehouse has around 2000 pallet spaces and 650m hanging rail which can hold up to 30,000 garments.

With all the stock effectively controlled on one site, TDG looked to make further savings by delivering clothing along with palletised product in the same vehicle. It devised a 'hanging goods cage' for this purpose, so the ELC stores product (including that is cross-sold into Daisy and Tom stores) can be integrated into the transport of clothing and nursery goods as well.

Says Frank Priddy, TDG general manager on the ELC site "TDG's solution has realised substantial savings in the first year and we are on target to continue to take costs out of the business, as well as exceeding all KPI's agreed.

"We have been able to smoothly move from being solely a case picking site to a mixed picking and clothing operation."

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Notes to Editors

About TDG

TDG works in partnership with its customers to provide supply chain management services, with operations in six European countries.

It has a reputation for professionalism and operational reliability combined with commercial dynamism and innovation. The company's mission is to work in partnership with its clients so that it can respond to their changing market conditions and create value for shareholders.

In addition to its contract logistics strength, which includes the UK's largest hazardous chemicals network, it also manages inter-continental end to end supply chains. In the UK it has the largest temperature controlled services network and is able to provide rail-based transport across the country. TDG's clients operate mainly in the chemicals, consumer goods, industrial and retail sectors.

www.tdg.eu.com

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