



Weetabix

“This is a journey of continuous improvement”

The Client

Since 1932, Weetabix has been a popular part of a British family breakfast. Weetabix itself is the nation’s favourite breakfast cereal, and the brand includes a wide range of tasty, nutritious cereals, bars and muesli. Weetabix Head Office is located at its main production site, Burton Latimer, a 75 acre site that produces circa 3 billion Weetabix every year.

The Challenge

- ◆ For Weetabix, the decision to outsource their logistics operation was not taken lightly. As a family business with a reputation as a family favourite, the company had, in the past, tended to retain as many services in-house as possible.
- ◆ Weetabix conducted their own 12 month investigation into identifying areas of the business where saving and efficiency improvements could be made.
- ◆ They highlighted logistics as one of their priorities. TDG got involved in February 2009 when they were invited to assess the feasibility and potential benefits of changing to a 3PL solution.
- ◆ Weetabix stressed to tendering organisations that, alongside cost, customer service was their key priority. TDG impressed on both counts.
- ◆ As part of the process, Weetabix visited four TDG reference sites, including cereal manufacturer, Kellogg’s.
- ◆ The visits gave them a true insight into TDG’s ideas in action. Delighted with their overall proposition and excited by the possibilities of working with them, Weetabix awarded TDG the five year contract in July 2009.

The Solution/Benefits

- ◆ TDG needed to ensure a seamless transition to the 3PL solution. So the initial phases of the handover were devoted to ensuring the right terms and conditions for circa 170 members of staff who were being TUPE transferred to TDG.
- ◆ As a way of increasing capacity and cutting staffing costs, TDG recommended partially automating the 350,000 square feet warehouse at Burton Latimer.
- ◆ The TDG contract went live in mid-November – and gave a good test of the functionality of the 3PL arrangement. Christmas puts a considerable demand on the retail sector, and TDG needed to ensure that they were ready to meet it head-on and maintain order levels throughout the season.
- ◆ The Weetabix company does everything it can to maintain its exemplary reputation for quality of product and customer service, this is why they had consciously resisted outsourcing any component of their operation in the past, and why meeting the Christmas rush was a good early indicator of TDG’s ability to preserve that reputation. It was, in fact, a key stage in the young relationship. TDG fulfilled their requirements on time and to budget, without any disruption from the previous service.
- ◆ There are additional savings: one of the most visible signs of Weetabix’s improved capacity is the new high cube network of vehicles that TDG has brought in to change the way Weetabix transports its stock to shops. Whereas a standard bulk transport vehicle can hold 390 UK standard size pallets, a high cube vehicle with a 3.1m side aperture holds 468 pallets – a 20% increase.
- ◆ That means fewer vehicles on the road; a reduction in the number of journeys required and a reduced cost to Weetabix.
- ◆ But it also means fewer freight and food miles, which ties in well with Weetabix’s drive for leaner, greener operation in adherence to the Food and Drink Federation’s 10 point plan for greener food transport.
- ◆ TDG delivers the product to market, collects and returns the empty pallets to the warehouse and then re-fills them with the next consignment.

