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Reducing Distribution Waste to Improve On-Time and Complete Deliveries

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Abstract: Achieving On-Time and Complete order deliveries is a necessity under current competitive environments. Distribution strategy definition and execution is fundamental to achieve these requirements and furthermore, it determines the behavior and the size of order lead times and therefore customer order satisfaction. This paper presents a description of the design and implementation of a distribution strategy for a Mexican company located in Monterrey that needs to improve order delivery time to stay competitive. The suggested approach includes the application of waste elimination in warehousing and transport operations, and the re-definition of inventory control policies. The validation of the strategy through a pilot test is included and current performance results are illustrated.

Keywords: Lean and agile distribution, order cycle time, waste elimination.