

Linfox



**ASSIGN
BUSTER**

Arnott's has developed in the recent 144 years, and it has been recognised as a piece of Australian history and a national icon. Today, Arnott's has been one of the leading food companies in Asia Pacific region with a variety of produce covering sweet, snacks, soup and juices. Strengthening the market share of chocolate industrial is their next step to go. Arnott's provide more than 4, 500 job opportunities for Australians, and other several thousand people work for Arnott's in the Asia Pacific countries such as New Zealand, Indonesia, Malaysia and Japan.

In Australia, there are seven manufacturing sites located in Sydney (Three), Melbourne, Shepparton, Brisbane and Adelaide respectively. Campbell Arnott's enjoy a very nice reputation accepted by 97% Australian families. And in New Zealand, Arnott's accounts for 30% share of the biscuit market. In the last decade, \$3 billion has been spent to purchase raw materials and services from local farmers and companies by Arnott. Arnott spend approximately \$300 million per year buying:

- 70, 000 tonnes of flour and grains from areas including the Darling Downs, Moree, Riverina, South Australia and Western Australia.

Some farmers, like those in the Riverina growing soft wheat, can sell their entire crops to Arnott's

- 25, 000 tonnes of sugar from far North Queensland
- 3, 900 tonnes of dairy products from Victoria
- 405 tonnes of canola oil sourced from canola crops in Western New South Wales.

Linfox and Arnott's began to cooperate with each other in August 2004, and Arnott's outsourced around 80% of its Australian logistics operations to Linfox. The reason why Arnott's choose Linfox is that Linfox is famous for the ability of establishing a cooperative culture with its customers.

Linfox could fit distinct requirements of volume and handling, and it also has the resources to arrange and ensure the huge network running at one time. The distribution routing of Arnott's [pic] The Arnott's focus on the manufacture process and then the trucks of Linfox will pick up the goods to the warehouse managed by Linfox WMS and SAP system, and then transport them followed the order, the trucks would select the produce from DC and dispatched them to the local stores to serve the final consumers.

The contract of Linfox and Arnott's Linfox Logistics' Supply Chain Solutions Group has a contract with Arnott's to promote the level of value of Arnott's, from logistics network and distribution centres, inventory control. The crucial principle is to make sure that Linfox provide the most efficient technology available to serve customers better. It is responsible to Arnott's transportation, distribution management, transition arrangement and storage management.

Linfox and Campbell Arnott's signed a contract about several stages to improve some requirements. The three steps are shown below Step 1: Linfox take the responsibility of manage the Arnott's current biscuits and snack foods warehouse as a major outsourcing project agreed by Linfox. Step 2: Linfox provides sufficient support to the logistics transition apart from the direct store delivery model to a central warehouse operation.