

How to Build a Resilient Supply Chain

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“Navigating the waves of resilience”

Supply Chain resilience is more than just a buzz word these days..it is essential and whilst some feel they have been forced into resilience by more recent events over the past few years, In this document we will share our expertise and give examples of opportunities that exist in creating value that can be achieved whilst making our supply chains more resilient.

Key Takeaways



View your supply chain as a profit chain



Give you practical solutions to build resilience



Identify risk and issues within your own supply chain



Issues we are seeing today!

Panama Canal

Delays caused by drought – 2023

Suez Canal

Spate of attacks on ships – Dec 2023

The Red Sea is one of the worlds most important routes for oil and fuel shipments, as well as consumer goods.

- Since December 2023 delays have been caused by the drought in the Panama canal where they believe by February vessel transits will be reduced by up to 50%,
- The Suez Canal has also been impacted due to a spate of attacks on Cargo ships by rebels. All major shipping giants (BP, Maersk and a host of others) all paused shipments and re-routed.
- We will definitely be feeling the impact throughout Q1 and Q2.
- So much is outside of our control





Voice of Customer

The pressure on supply chains across suppliers and retailers has never been so intense, and neither has the expectation been so great on us all

I believe Supply Chain excellence is now compulsory

**I want a really wide
assortment**

**Next Day
delivery**

**I expect you to be
responsible**

**I don't expect you to
use unnecessary
plastic**



What can we do?

Supply Chain Tool Kit



**Balance your
Sourcing Strategy**



**Reduce Working
Capital**



**Better terms and
improved profitability**



**ESG – Environmental
Social Governance**



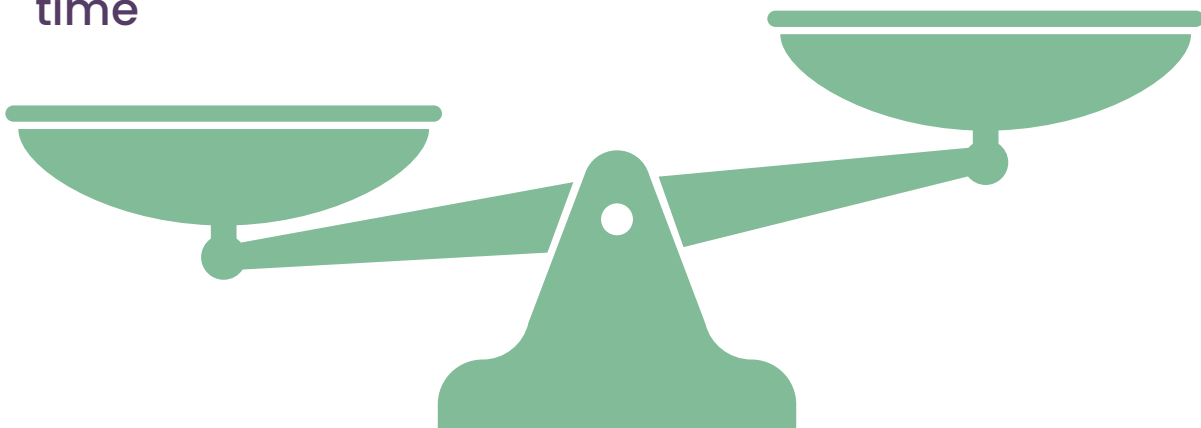
BALANCE YOUR SOURCING STRATEGY

If you are over reliant then move

- Set your goal (eg. ASIA %:ROW%)
- Invest in resource & support
- Act now as it will take time

Check the resilience of your current supply

- Management & succession plan
- Production planning (ERP) & processes
- Tier 2 relationships (inc power & raw materials)
- Financial checks for stability



Reduce your working Capital



Lead time Reduction

Challenge the
60 days
It's out of
date!

Better Planning

Is delivered
by better
collaboration

Inventory Management

Understand
the levers
find that right
balance
between
overstocking
and
understocking

Better terms and improved profitability

Lets create some funds from
the supply chain itself



Increase payment Terms

Challenge those traditional 30 days
payment terms - if you are buying FOB you
are effectively paying for the goods as they hit
the dock if not before



Rebate for Growth

Time to negotiate those rebates, factories will
be on your side when talking about growth.-
draw plans up together.



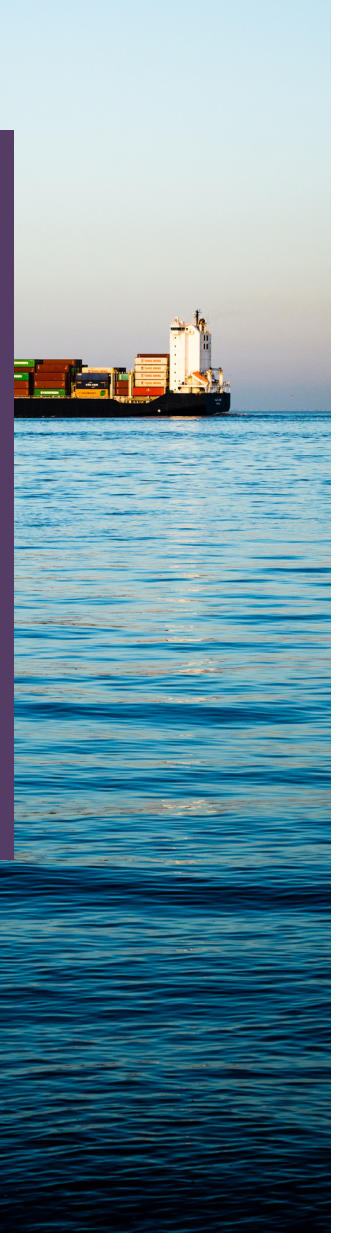
Drive Costs Out...and do deals

Don't allow your processes to hold back your
buyers. Allow them to buy big, buy clever, do
deals especially when things are quiet.
Factories are always up for deals.



Getting more from factory partners

What is often missed is understanding what
your factories want to achieve . This is not
always just doing more business. Find out what
they want and when you deliver it, you will
unlock more benefits and value.



ESG

63% of all consumers studied say that sustainability and being environmental is important

Remove plastic Packaging

It is good for the environment
Avoids plastic tax
Consumers demand it

Ensure strong procedures to prevent child labour

Remove harmful substances

Deal with your returns responsibly - no landfill!

Reduce CO₂





Disruption!

The Global Impact

Are we causing our own disruption?

- Yes probably.....I believe the things we are doing will cause disruption to the global supply chain . This does not mean we are doing the wrong things, but what we are doing will cause disruption. It is our responsibility to manage carefully the implications of what we do, which is critical

Indicators that predict significant changes afoot

- China is still the manufacturing powerhouse of the world...as one multi factory owner said to me last week, “we are not known as the finance capital of the world”, not known for technological advancement”...we are the manufacturing powerhouse.....and we are looking for more business!
- China export is depressed, small factories are closing quicker than UK pubs or Starbucks refresh programmes...with many more predicted to close in Q1 2024.
- and the China domestic market is quiet, the fact that Xi Jinping is travelling is a mark that things are challenged for China

Thank You



FREE *Supply Chain Healthcheck*

Get in touch
today!



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