

ArvinMeritor Corporation

Western Regional Warehouse Network Optimization Study

Business Challenge

Formerly Meritor Automotive, ArvinMeritor was formed when Meritor acquired Arvin Industries. The company makes components for commercial vehicles (axles, transmissions, and clutches) as well as for light vehicles (door, roof, exhaust, and suspension systems). After the merger of the two firms, it was decided that a Warehouse Network Optimization Analysis was needed to identify the best number and location of warehouses to serve the new company. WCL Consulting with its extensive knowledge of both Warehouse Network Optimization Analysis and an in-depth knowledge of the Western United States goods movement and warehousing dynamics was retained.

How WCL Consulting Helped

WCL Consulting worked with the Logistics Department of ArvinMeritor to secure the data needed to develop the warehouse location model and run the location optimization analysis. WCL Consulting used the LogicNet Plus software, a warehouse network optimization tool, to develop the model and run the warehouse location optimization. WCL also performed a Center of Gravity study based on: the number of lines, shipments, cubic feet, and weight to double-check the validity of their findings. Once the lowest cost, best service area was identified WCL conducted a Logistics Warehouse Site Selection Components SWOT analysis of both that location and of the surrounding locations.

According to feedback from ArvinMeritor's Logistics Group the information provided by WCL Consulting was extremely helpful in their warehouse location network enhancement decisions.

