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Jean-Marc Leblond, Sales Director and Project Manager  
Komatsu



## NYK Logistics and Manhattan Associates join forces to deliver fulfilment solution for Komatsu France

Initially established in 1921 in Japan, Komatsu is today a diversified provider of industrial-use products and services. By upholding quality and reliability as the most important elements in its drive to be a full-fledged global corporation, Komatsu is committed to providing safe, innovative products and services that best meet the needs and expectations of its customers around the world.

Operating in Europe since the early 1960s, the company is now one of the region's leading manufacturers of construction equipment. In order to support its rapid growth in Europe, Komatsu is in the process of replacing its incumbent distribution model relying on a single central European distribution centre (DC) located in Belgium. The overall project aims to provide Komatsu with complete visibility over its inventory and operational processes, enabling the company to optimise its complex order-to-delivery processes.

Specifically within France, Komatsu wanted to find an optimum location for a new DC and at the same time identify a new warehouse management system (WMS) that would allow it to optimise the level of service it provides to its network of 25 French dealers. Consisting of a wide number of diverse goods with very different product characteristics—more than 12,000 individual stock keeping units (SKUs) ranging from bolts to engine tracks—Komatsu dealer orders are extremely diverse and need the support of a highly organised supply chain infrastructure. Combined with strong business growth, the company's fulfilment operation had to be able to manage a high degree of complexity as well as ensure accurate and rapid delivery to a large and growing number of delivery points.

The NYK Logistics / Manhattan solution was chosen in the wider context of a transformation project Komatsu is undertaking to optimise its entire European distribution operation. A central point of Komatsu's strategy was that the new supply chain model adopted in France could be easily replicated in other European countries to support the development of the company's activities across the region.



**Headquarters:**

Saint Quentin Fallavier, France

**Distribution locations:**

1 in Saint Quentin Fallavier

**Platform:** IBM i

**Manhattan solution:**

Warehouse Management

**Challenge:**

Komatsu's incumbent distribution model was unable to support the company's rapid growth in France and Europe.

**Goals:**

Improve efficiency of fulfilment operation to reduce order-to-delivery cycle time and guarantee next-day delivery of complex orders.

**Solution:**

Manhattan's supply chain solution was selected as it would allow Komatsu to streamline its entire supply chain operation.

**Result:**

Komatsu has significantly reduced order-to-delivery cycle time and is able to fulfil complex orders on a next-day pre-8:00am delivery basis.

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Jean-Marc Leblond, Sales Director and Project Manager  
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### NYK / MANHATTAN SOLUTION SELECTED BECAUSE OF ITS CAPACITY TO IMPROVE SERVICE LEVELS

Having evaluated a number of competing solutions, Komatsu in the end selected NYK and Manhattan Associates. The joint project involved the implementation of Manhattan Associates' Warehouse Management solution to run a Komatsu-dedicated section of a large NYK distribution hub in South-West France. The facility is part of NYK Logistics' Parc des Chênes site in Saint Quentin Fallavier, near Lyon, which boasts more than 100,000 square meters of storage space.

NYK / Manhattan Associates' solution was chosen for several reasons:

- NYK Logistics' ability to service Komatsu's national network of 25 French dealers
- Manhattan Associates' solution's proven capacity to handle complex order fulfilment operations in the context of global supply chain operations
- Manhattan Associates' solution's ability to optimise information processes beyond meeting volume objectives of a classic fulfilment operation
- The capacity of NYK and Manhattan to easily and rapidly replicate a new supply chain model across Europe

Komatsu's choice was also influenced by previous successes working with Manhattan Associates and NYK elsewhere in Europe.

### NYK / MANHATTAN'S NEW SOLUTION HAS ENABLED KOMATSU TO DRASTICALLY REDUCE ORDER-TO-DELIVERY CYCLE TIME AND GUARANTEE NEXT-DAY DELIVERY TO ITS 25 FRENCH DEALERS

Implemented at NYK Logistics' distribution centre at Saint Quentin Fallavier, Manhattan Associates' Warehouse Management solution has allowed Komatsu to instantly optimise its fulfilment operation as well as streamline its entire supply chain through the introduction of new techniques like flow management that have improved the speed at which the company can ship goods to its dealers.

Within the first few weeks of go-live, Komatsu drastically reduced its order-to-delivery cycle time and is now able to guarantee to its 25 dealers that any order sent before 5pm will be delivered next day before 8am.

“Within the first few weeks following go-live, we saw immediate benefits. Whilst our order-to-delivery cycle time was previously several days, we are now able to guarantee to our dealers that any order sent before 5:00pm will be delivered next day before 8:00am,” said Jean-Marc Leblond, sales director and project manager at Komatsu. “The NYK Logistics / Manhattan Associates solution not only allowed us to meet our primary objectives but it also allowed us to streamline our entire supply chain operation through the introduction of new techniques like flow management that have improved the speed at which we can ship goods to our dealers. The new system is critical for supporting our rapid growth in France as it has provided us with complete visibility of inventory and our operational processes.”