

# Plant Expansion Demands On-Time Delivery



Major baking company looks for reliability and cost savings

## Challenge Summary

Grupo Bimbo was experiencing tremendous growth in the Colombian market, which necessitated a rapid increase of production at its facilities there. This required a major expansion of the Tenjo Plant, one of the company's most important plants in the country.

## Services & Technologies Used

- Project management (planning and execution)
- Logistics management team
- Packing and crating
- Transportation: air, ocean, land
- Oversize and overweight cargo transportation
- Smart customer portal for visibility of product shipments
- Global Customs brokerage
- Legal study for trade agreements and tax optimization

## The Challenge

Grupo Bimbo, a multinational company founded in Mexico, is one of the largest baking companies in the world. The leader in its field in Mexico and Latin America, it has a presence in 19 countries in the Americas and Asia, where it distributes 10,000 products and over 103 brands.

To help it meet its plant expansion activities in Colombia, the company wanted a transportation and logistics resource with both local and global expertise that could quickly ship machinery, equipment and other cargo.

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-Eduardo Calderón, Logística Internacional, Bimbo de Colombia

## The Solution

A number of firms were being considered by Bimbo. Following the due diligence process, meetings with PSA BDP's logistics and management team and based on PSA BDP's experience and the strategy solution proposed for this project, Bimbo selected PSA BDP Colombia. The team included Ms. Diana Gonzalez – Bimbo Executive Account, Mr. Fredy Ramos – Managing Director, LATAM, and Mr. Enrico Benedetti – General Manager.

After reviewing resources, we selected them because we wanted an experienced organization that could give us strong support," said Eduardo Calderón, Logística Internacional for Bimbo de Colombia.

What are the primary capabilities Mr. Calderón looks for in the selection of a transportation and logistics resource to meet his company's needs?

"I want to feel confident that my cargo is being transported by professionals, and that I have excellent service without paying more," he said. "A high level of service and attention to cost management are important to our company."

PSA BDP provided Grupo Bimbo with a comprehensive range of transportation services -sea and land- to deliver cargo to the company's four plants in Colombia. The cargo had to be in place within one month.

Two hundred and fifty containers of manufacturing machinery were shipped from three locations in the United States and Canada. These included mixers, toasters and other special equipment, such as flat racks.

### The Results

The transportation went smoothly: ocean shipments in break bulk, flat rack, and FCL including pick-up in the shipper's plant with flat beds. The more urgent pieces had to be moved by air.

The only issue was a result of strong winds caused by Hurricane Sandy in October 2012. Two flat rack containers of mixers, which were being transported by motorboat from Jacksonville to the port of Cartagena, were lost in the turbulent seas.

PSA BDP had to act quickly and make decisions. Replacement equipment was found in Venezuela. The team worked with the insurer on behalf of the client and also ensured the port inspections of the replacement equipment went smoothly and the shipment made it safely and on time to the plant.

"Despite the initial loss of the flat rack containers, for Bimbo Colombia it was a positive experience," Gonzalez said. "Today the plant expansion is a reality and is producing what the Colombian market demands. [PSA BDP] is pleased to know that the success of the project was a result of well planned logistics and executed by a strong team of professionals."

Mr. Calderón agreed. He pointed to particular efficiencies provided by PSA BDP Colombia. "We benefitted from low costs and better lead times," he said.

### Customer Benefits

- |                              |  |
|------------------------------|--|
| On-time destination delivery | Integrated team concept optimizes working relationship |
| Materials visibility         | In-house project leader                                |
| Transportation visibility    | Cost control/reduction through value-added services    |
| Reporting tools              |  |

"Plus, the confidence and security of working with a local provider with the strength of a global company like [PSA BDP] is an important value-added element," he pointed out.

"With [PSA BDP] I have found a professional team who offer me the service I demand for all Bimbo de Colombia's projects, however small they may be. I receive the best advice for transportation and schedules. As I mentioned, I always look for cost savings and [PSA BDP] has helped me reduce costs for my company.

"Since our first operation with [the team], we have received reliability, strong support and certainty. [PSA BDP] is now now our strategic partner," Mr. Calderón said.

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-Eduardo Calderón, Logística Internacional,  
Bimbo de Colombia