

## Just-In-Time Strategy Helps California Innovations Speed Time to Market, Reduce Freight and Storage Costs

### SITUATION

California Innovations invented the collapsible cooler in 1990. Today, the company sells more soft-sided insulated products in more channels of distribution, and in more countries, than anyone else. In 2009, California Innovations began working with Weber Logistics to manage the majority of its U.S. import-related warehousing, inventory management, order fulfillment, and outbound transportation needs. The company was eager to increase supply chain efficiency by assembling products on-demand, thereby improving delivery times and reducing transportation and storage costs.



### ACCOUNT CHARACTERISTICS

- 1,000 SKUs.
- 302,000 SF footprint within a multi-client DC.
- Average throughput of 125,000 cases per month.

### KEYS TO SUCCESS

- **Hardbody® cooler line.** Products are made of two primary parts — soft-sided collapsible cooler bags that are thermal insulated and produced in China and HardBody® liners manufactured locally in Chino, CA that give the product its shape. Weber added two assembly lines to complete final product configuration at its Southern California distribution center, where a team of 20 to 40 trained workers insert the liners into the cooler bags. The strategy reduces storage costs at the distribution warehouse.
- **Integration of co-packing and distribution.** Weber's final assembly capabilities enable California Innovations to eliminate an outside co-packer and the freight costs to move goods from the co-packer to the DC.
- **JIT delivery of components.** HardBody® liners are nested on pallets and stored at the component manufacturer's nearby plant until required for assembly. This further reduces inventory carrying costs since the liners are managed and owned by the supplier until needed on the assembly line.

### RESULTS

“ We used to assemble large volumes of our Hardbody cooler line at another facility in Los Angeles and then ship them to Weber, where they were stored awaiting an order. It was very difficult to predict demand for this entire line comprising over 30 SKUs. Today we have an agile, demand-based strategy. By assembling the product at the distribution center as needed, we have saved more than \$500,000 annually in freight and storage costs and can better respond to a continuously changing market demand. ”

**Carlos Garrido**

*Director of Operations, Logistics & Distribution*