



DELIVERING THE GOODS

From production to distribution



Supply chains and logistical arrangements are becoming more complex. The proliferation of omni-channel options has impacted on order fulfilment methods, meaning manufacturers have had to become more flexible to meet the needs of their customers. Many brand owners have started looking to supply consumers directly as well as through their traditional sales channels via retailer businesses. The demand for more products and the expectation of near instant delivery means that a stalled production line or delays in the supply chain (particularly if global) could spell disaster for manufacturers and brandowners.

- Manufacturers can take advantage of "big data" to ensure their supply and distribution plans match local demand for products
- Modern software can provide inventory visibility, specific customer preference data and logistics management applications. For example, warehouses can be fitted with computer-based stock monitoring
- Having a distribution network in place that can respond to the increasing demands of retailers and direct consumers is key, whether through the manufacturer's own distribution centres or through partnering with logistics specialists to keep the supply chain moving
- Some firms are looking to technological innovations to inform future delivery options. Amazon are currently testing drone delivery, while Volvo are looking to trial delivery direct to a purchaser's vehicle
- Even with the latest technology, maintaining all of the relevant supplier and partnership contracts across the supply chain process can be daunting

- ► GSCOP can help manufacturers/suppliers to establish more predictable relationships with certain larger retailers, helping future planning, e.g. it prevents designated retailers requiring significant changes to supply chain procedures either without reasonable written notice or without full compensation for the supplier's costs where insufficient notice is given
- Serious investment in UK road and rail infrastructure will be pivotal to manufacturers keeping pace with changing demands
- Another pressure on distribution may arise depending on how the Paris Climate Change agreement is implemented - there will inevitably be a push to reduce CO2 emissions from the transport sector and this will add further cost to the logistics bill
- Managing the cost of fulfilment is going to become an increasing issue - "click and collect" strategies reduce delivery costs but increase logistics and employment costs. Can fulfilment costs be shared with the consumer?

They're great on complex stuff, and you can trust them on matters of high value and importance. They're technically excellent, level-headed, and very commercial and practical.

How we can help

SUPPLIER AGREEMENTS

- ▶ Procurement and tender process advice
- ► Supplier and logistics contract drafting
- ► Third party agreements
- ▶ Joint ventures

PROPERTY MANAGEMENT

- ► Real estate portfolio management
- ► Development/acquisition of distribution depots
- ► Construction and site development
- ► Property disputes and litigation

DISTRIBUTION AND DELIVERY

- ▶ Logistics services agreements and outsourcing
- ► Third party logistics partnership arrangements
- Compliance advice:
 - ▶ GSCOP
 - ▶ Dangerous Goods
 - Data protection
 - ▶ Health & Safety

REDUCING COSTS

- ► Competitive fee proposals
- ► Embedded Transaction Services Team of paralegals
- ▶ Development of standard precedents and approaches
- ► Sharing industry know-how, market practice and horizon scanning updates

Who we have helped

We have advised Diageo on major supply arrangements and logistics outsourcing, Britvic on supply chain development and logistics outsourcing, John West on outsourcing of logistics and warehousing services, Kettle Foods on a wide range of distribution and agency arrangements assisting Kettle on bringing product to market, N Brown Group on its warehousing and logistics agreement with TNT (and on the novation of that agreement to Parcelnet,) Primark on a 1 million+ sq ft new depot development described as "one of the UK's largest ever pre-let developments" Sainsbury's on the innovative development management of new depot development programme, a road haulage company in respect of a road haulage agreement with a well known cosmetics company and a large food company on the termination of a logistics deal.

Who to contact

JONATHAN DAVEY Partner

0161 934 6349 jonathan.davey@addleshawgoddard.com



CLARE WALKER Associate

0113 209 2588 clare.walker@addleshawgoddard.com



JOE MAITLAND Managing Associate

0113 209 2486 joe.maitland@addleshawgoddard.com



© 2017 Addleshaw Goddard LLP. All rights reserved. Extracts may be copied with prior permission and provided their source is acknowledged. This document is for general information only. It is not legal advice and should not be acted or relied on as being so, accordingly Addleshaw Goddard disclaims any responsibility. It does not create a solicitor-client relationship between Addleshaw Goddard and any other person. Legal advice should be taken before applying any information in this document to any facts and circumstances. Addleshaw Goddard is an international legal practice carried on by Addleshaw Goddard LLP (a limited liability partnership registered in England & Wales and authorised and regulated by the Solicitors Regulation Authority and the Law Society of Scotland) and its affiliated undertakings. Addleshaw Goddard operates in the Dubai International Financial Centre through Addleshaw Goddard (Middle East) LLP (registered with and regulated by the DFSA), in the Qatar Financial Centre through Addleshaw Goddard (GCC) LLP (licensed by the QFCA), in Oman through Addleshaw Goddard (Middle East) LLP in association with Nasser Al Habsi & Saif Al Mamari Law Firm (licensed by the Oman Ministry of Justice) and in Hong Kong through Addleshaw Goddard (Hong Kong) LIP, a Hong Kong limited liability partnership pursuant to the Legal Practitioners Ordinance and regulated by the Law Society of Hong Kong. In Tokyo, legal services are offered through Addleshaw Goddard's formal alliance with Hashidate Law Office. A list of members/principals for each firm will be provided upon request. The term partner refers to any individual who is a member of any Addleshaw Goddard entity or association or an employee or consultant with equivalent standing and qualifications. If you prefer not to receive promotional material from us, please email us at unsubscribe @addleshawgoddard com. For further information please consult our weeks entire www. addleshawgoddard and com.