Case Study

## Kimberly-Clark Mexico & Nuvocargo: Building lasting partnerships for sustained efficiency and success.

Discover how Kimberly-Clark Mexico's relationship with Nuvocargo evolved from navigating COVID-related challenges to a long-standing partnership focused on strategic collaboration and supply chain efficiency.

Estimated 5 min read

# Key Takeaways



#### Building long-lasting partnerships What started as a response to the carrier shortage during the COVID pandemic has blossomed into a

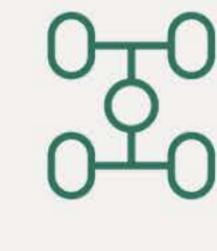
resilient partnership spanning over three years. This sustained collaboration is a testament to Nuvocargo's and KCM's commitment to providing the highest level of service to their customers.



### Continuous supply chain improvements through data Monthly Business Reviews led by Nuvocargo provide a comprehensive analysis, essential for Kimberly-

Clark Mexico's strategic decisions. This includes evaluating shipping volumes for better seasonality planning, monitoring on-time arrivals for efficiency, and examining the billing cycle from invoicing to payment.

organization, ensuring alignment around the intricacies of KCM's operation, thus facilitating a



#### Centralized communication with stakeholders Nuvocargo collaborates with stakeholders across four levels of the Kimberly-Clark Mexico

proactive and collaborative response to evolving needs.

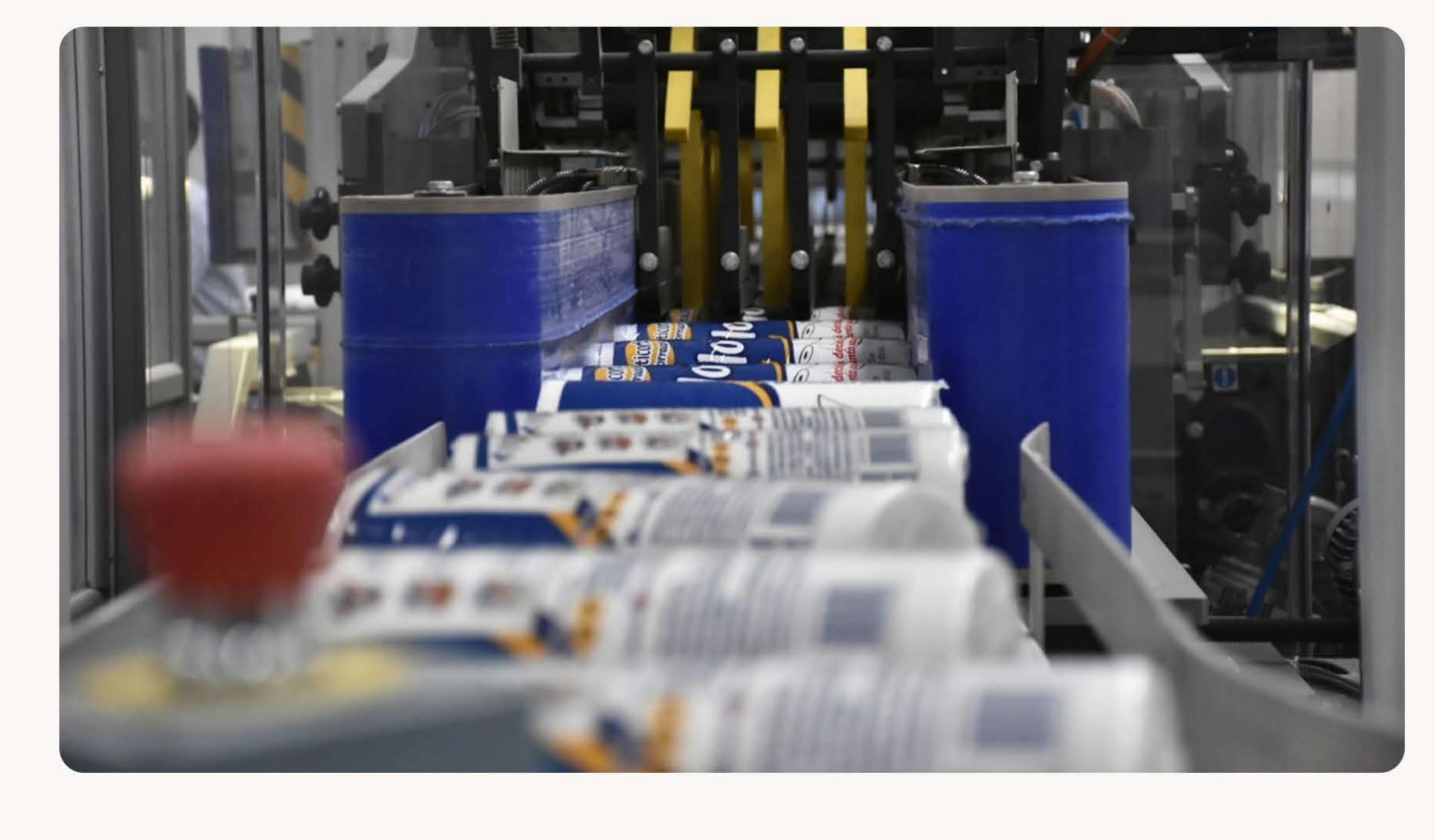
### Ol Starting point:

With a legacy spanning over six decades, Kimberly-Clark Mexico has been a leader in cleaning, personal hygiene, and care products, exemplified by top-tier brands like Huggies®, Kleenex®, Kotex®, and Jabón Escudo®.

KCM's dedication to delivering high-quality products and prioritizing customer needs fueled its openness to onboard

new logistics partners that contributed to maintaining and improving their highest operational standards. The carrier shortage during the COVID-19 pandemic heightened the need for a strategic partner capable of helping them fulfill their business promise to all customers.

The transition from addressing a capacity crunch to establishing a strategic partnership marked a pivotal moment in Nuvocargo's and KCM's relationship. With its commitment to excellence, Kimberly-Clark Mexico found alignment with Nuvocargo, a partner equally dedicated to delivering excellence in every aspect of the supply chain.



#### For Kimberly-Clark Mexico, a primary concern was to secure a logistics partner capable of maintaining streamlined communications across various organizational levels. Beyond just enhancing communication, it was essential to ensure

02 The challenge:

that this collaboration upheld the operational efficiency required for every segment of their supply chain to operate in seamless synchrony. In addition to managing the complexities of its expansive operation, a significant challenge was ensuring that carriers were thoroughly vetted and capable of consistently meeting their high-standard protocols and detailed

requirements. This was particularly critical given KCM's vast geographical footprint, spanning over 50 distinct crossborder routes, each presenting its own set of demands and challenges. Furthermore, in the highly competitive consumer goods industry, even the smallest operational efficiencies can lead to significant competitive advantages. The ability to proactively gather information, analyze performance data, and act

upon detailed insights was crucial for Kimberly-Clark Mexico to identify and seize opportunities for improvement.

#### Kimberly-Clark Mexico, a leader in the consumer goods industry, specializes in manufacturing, distributing, and marketing personal care and hygiene products. With a history spanning over 60 years

Company Profile

direct and 10,000 indirect workers. Their portfolio includes renowned brands like Huggies®, Kleenex®, Kotex®, and Jabón Escudo®, significantly enhancing daily life quality. Kimberly-Clark Mexico is publicly listed on the Mexican Stock Exchange (KIMBER) and boasts annual sales exceeding MXN 30 billion, with exports over MXN 1.5 billion. O3 The outcome:

and operating eight production plants, they employ over 8,000



#### approach has enabled both parties to make informed, strategic decisions, further contributing to the partnership's long-lasting success. A dedicated team of cross-border experts works directly with KCM to extract valuable insights and address operational needs. This team is accountable for key metrics that are presented to KCM's stakeholders

during Monthly Business Reviews to find ways to simplify and streamline their operations. Actual time of transit: Empowers KCM to meticulously plan upcoming shipments, ensuring timely and efficient supply chain management. Average time of customs clearance: Directly influences the overall timeline of shipments, allowing KCM to streamline its processes.

Leveraging KCM's culture of continuous improvement and innovation, Nuvocargo was able to enhance the existing

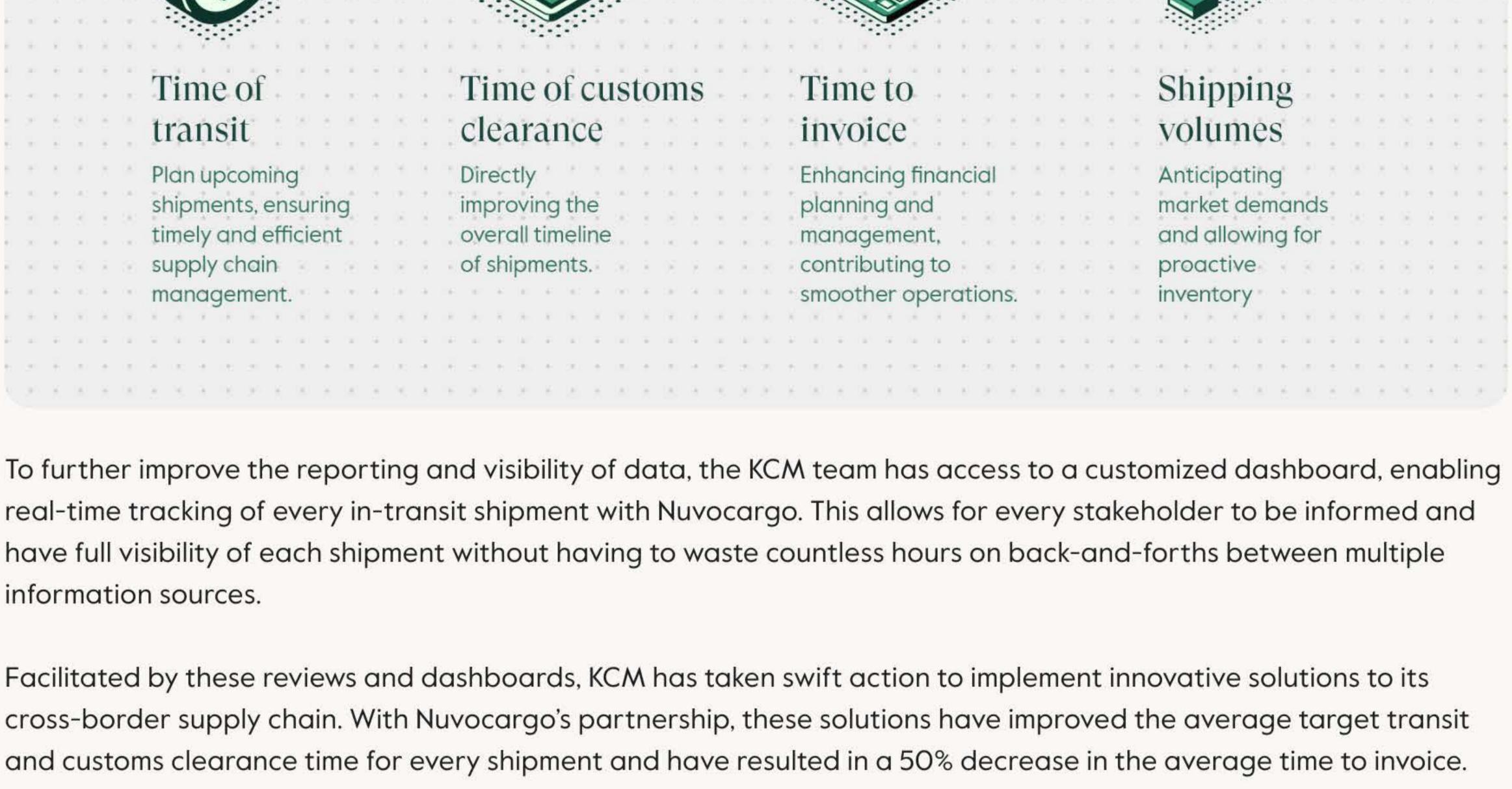
operation and contribute to its overall efficiency by proactively proposing solutions based on data and insights. This

#### Provides KCM with a strategic advantage by anticipating market demands, allowing for proactive inventory management during peak and off-peak seasons.

Shipping volumes:

Average time to invoice:

Enables KCM to enhance financial planning and management, contributing to smoother business operations.



"Over the last three years, Nuvocargo has not only matched but exceeded our commitment to operational excellence. Their monthly reviews aren't just checkins; they're strategic talks that add real value to our operation. They've become a close partner that we can trust to maintain the service standard expected from Kimberly-Clark Mexico."

Logistics manager, Kimberly-Clark Mexico

04 Conclusion:

What began as a response to a capacity crunch evolved into a long-standing partnership that has now covered more than 6 million kilometers between Mexico and the U.S. Marked by deep collaboration, heightened efficiency, and a shared commitment to excellence, this alliance has been significantly strengthened through data-driven insights and strategic actions. KCM's unwavering dedication to meeting high standards and delivering the highest level of service to its customers has pushed Nuvocargo to not only meet but exceed their expectations. This partnership stands as a testament to the transformative power of commitment and collaboration in overcoming logistical challenges and enhancing operational success.

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