

## **PRESS INFORMATION**

# **Direct Wines Relocate to Cater for Spectacular Growth, With the Help of The Logistics Business**

**Fast growing home delivery specialists Direct Wines are scaling up their distribution operations to cater for increasing consumer demand. The company has tapped into outside expertise in the shape of The Logistics Business to make sure they deliver successful supply chain operations. This is culminating in a major new build distribution centre on the outskirts of Gloucester.**

With UK wine consumption increasing by 23% in the last 5 years, Direct Wines has become a successful player in an expanding market, being the name behind Laithwaites, the Sunday Times Wine Club, plus many other wine clubs for blue chip companies such as American Express and BA. Such expansion does not come without problems, as Helene Wylde, customer services director, explains.

“We started off in a fifty thousand square foot distribution centre in Reading, which we outgrew quickly. We then outsourced some of our operations and used a third party warehouse in Derby, which also relocated. With further growth forecast, the Reading site constrained and an outside operator running some of our vital pick pack operations, we embarked on a logistics review.”

Yet with ever growing demands, existing staff were focused on maintaining the high levels of customer service which are behind Direct Wines' success. "We decided to bring in some outside expertise to work with us developing our supply chain," comments Wylde. "We needed people who know the logistics world inside out, could focus on the review without the distraction of day to day operations and provide independent advice."

"We were looking for a long term partnership and a really good fit for our culture," explains Wylde. "That's why we chose The Logistics Business. They really understood where we were coming from and had done similar work in the past."

Analysis and validation led to the choice of a major new distribution hub in the West Midlands and a site was located at Gloucester Business Park. By junction 11a of the M5 motorway, this is also close to Direct Wines' transport company. It will bring warehouse and picking operations back in house in a new, efficient operation.

Initially, the thinking was leaning toward a sophisticated warehouse with a high degree of automation, but careful analysis of forecasts changed that recommendation. "We are still looking at a large building, but a more conventional operation," comments Wylde.

"Throughout this The Logistics Business have been flexible in approach and are driving through the warehouse design."

"Its' one thing deciding what to do, another making sure it happens," adds Wylde. "Here The Logistics Business is also helping to manage our biggest ever logistics project, with Clive Weston taking on the really key role of project engineer. We didn't have that expertise in house and we now see him as almost part of Direct Wines. I think that really close relationship is important."

The specialist supply chain consultancy has also been playing a role in specifying and selecting the all important computerised warehouse management system, which will run the 17,300 square metre (186,000 sq ft) operation once it is opened in 2007.

"The Logistics Business have been able to guide us through the process and brought a range of skills to compliment our team," Wylde continues. "They are great to work with and have delivered everything I wanted. I am confident we have the right solution."

The new site will be at the heart of operations which see Direct Wines delivering over 50 million bottles per year. Laid end to end, this would stretch from England to Australia, which incidentally is one of the sources of Direct Wine's popular, quality products.

"This is a very exciting development and very important for Direct Wines," states Helene Wylde, who has Board responsibility for all supply chain and customer service activities from wine imports through call centres to customer deliveries.

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