



Spitfire_project management

Formula 1 Race Team Logistics Cost Reduction

Client

Formula 1 Engine Supplier

Background and Challenge

The glamorous world of Formula 1 exudes quality and excitement, demanding speed, precision and efficiency not only on the track but particularly behind the scenes.

As is the case for all Formula 1 teams, dictated by the season's calendar, a significant tonnage of Race Team equipment has to move around the globe.

'Fly away' Grand Prix such as Australia, China and Brazil, require the equipment to be delivered by high cost air freight incurring a staggering annual logistics cost of just under US\$1m.

Introduction of new technologies for the 2009 season suggested this annual cost would rise to almost US\$1.9m.

The challenge was to reduce the operating cost, ensuring all capital expenditure was covered by savings within the 2009 race season.

Solution

Spitfire Consultancy were recruited to utilise the time between race seasons to implement a challenging Sea Freight strategy.

This involved design of a bespoke garage, specification and procurement of four identical sea freight kits and development of an improved garage set up process.

Implementation

After an initial study of the garage set up process at the race track, an installation process was developed for all garage equipment together with a robust project delivery plan to meet the deadline for the 2009 race season.

During project delivery, Spitfire focused on the following areas:

- Race Team member involvement
- Set up time reduction
- Set up repeatability
- Safety risk reduction
- Implementation of best practice
- Clear communication via weekly project reports
- New and existing supplier liaison

The business case was written for and paid back within the 2009 race season.



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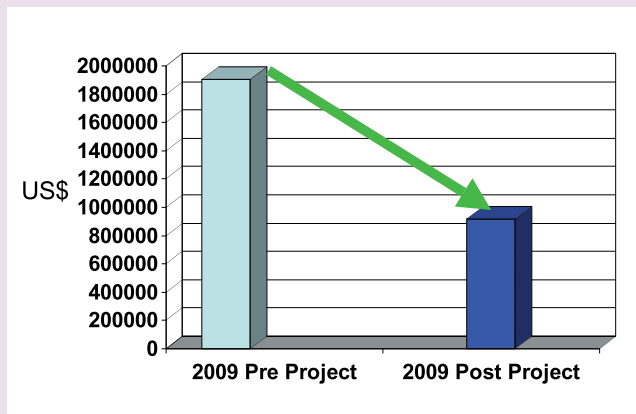
Case Study - S056

Results

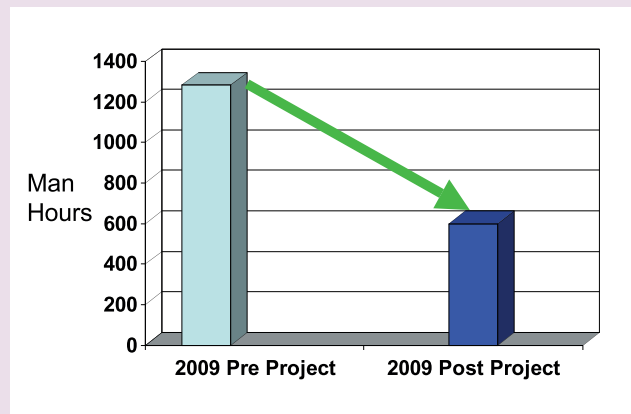
The project delivered significant improvement in three key areas:

- **Logistics operating cost reduced by over 50%** to US\$915k more than covering the increase in Race Team equipment freight cost forecast for the 2009 season
- Race Team **set up time was reduced by more than 50%** from the 2009 estimate, and 25% lower than 2008
- Key safety risks were eliminated

Logistics Operating Cost Reduced



Garage Set-up Time Reduced



Client Testimonial

"I must thank Spitfire Consultancy for all their efforts, all of which will make our lives significantly better at races this year"

Race Team Leader



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