



Import Export Support

*confidence through clarity*

## CLIPBOARD CASE STUDY

Johnson Controls



# Johnson Controls: taking back control of their import export processes

Johnson Controls (JCI) are a global leader in automated control systems. In the UK, Johnson's 125-strong team in Great Yarmouth designs and builds fire suppression systems which are installed around the globe. Key to the firm's success is managing imports of components and chemicals from the EU, US and China.

### The key challenge

For many years, the company's imports, exports and customs activities had been the sole responsibility of a single employee. However in 2016 his untimely passing at a relatively young age not only had a devastating impact on his fellow colleagues but created a huge problem for the business, as no-one knew his systems.

### The solution

Tracey Renshaw from IES was recommended to step in a de-risk the gap left by this tragedy, and IES' first job was to keep the company's imports and exports moving.

Next, Tracey set about identifying ways to improve processes and strategy. Following the appointment of John Huxtable as Manufacturing Operations Director in 2017 things began to change. He takes up the story "I could see straight away that if the company didn't make changes, the financial impact could be very great".

Working with Tracey, the company have agreed a long-term plan which includes changing staff responsibilities, updating systems and attaining customs authorisations. These include Inward Processing, Customs Warehouse, Customs Freight Simplified Procedures (CFSP) and Authorised Economic Operator (AEO) status. John says "We needed a customs structure in place, not just one person".

The company has appointed a Customs Controller, the key link between HMRC, senior management, internal departments and external companies.

The Controller coordinates the teams in purchasing, warehousing, engineering, shipping and sales who now work with fully documented supply chain processes.



**"Tracey Renshaw has  
a very clear view of  
the business"**

John Huxtable, Manufacturing  
Operations Director



**“Tracey Renshaw was very good at putting the strategy in terms people could understand”**

John Huxtable, Manufacturing Operations Director, Johnson Controls

John Huxtable, Johnson Controls' Manufacturing Operations Director with Tracey Renshaw MD of ImportExportSupport

To illustrate the importance of the new processes, John uses the example of a ubiquitous fire extinguisher. As a stand-alone item it attracts one tariff rate, but as part of a larger fire suppression system it has different tariff rates in different countries. John says “It’s absolutely critical these things are picked up because when you’re dealing with high value systems, it can mean a lot of money”.

JCI are also planning for Brexit. John says “We’re well ahead of other companies - we’ve got Tracey to thank for that”.

#### **Results**

The risk associated with having one person running all JCI imports and exports has been mitigated. The company’s newly documented processes and structure are embedded into the business bringing clarity to the supply chain, streamlined processes, improved efficiency and reduced costs.

New processes to accurately classify products can potentially save a business hundreds of thousands of pounds and the opportunity to cut costs has been seized. John Huxtable says there are “Significant improvements in efficiency for the business. Tracey has done a really good job in this respect”.

**Stop Press: HMRC have just granted AEO status to the Great Yarmouth site. Marc Turco, US Director of Global Manufacturing Operations says “Woohoo!! Thank you all for your efforts here. Great work!!”**

To find out how IES can help your business:  
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#### **In brief**

Johnson Controls had to define a new way of controlling their import and exports.

They brought in Tracey Renshaw of IES to plan and write processes to help the company move to an efficient, transparent supply chain.

The results for the business have been threefold. First, new

efficient processes have led to significant cost savings.

Secondly, IES have helped JCI win HMRC Authorisations including AEO which will further improve efficiency.

Thirdly, Tracey Renshaw has helped the business plan for Brexit, putting the company ahead of competitors in this respect.