



## Dar Al Riyadh Insight #44

### Logistics – Consolidation Centers, Warehouses, and Laydown Areas

*Dar Al Riyadh Insights reflect the knowledge and experience of our Board, executives and staff in leading and providing PMC, design and construction management services. Dar Al Riyadh believes in the importance of broadly sharing knowledge with our clients and staff to improve project outcomes for the benefit of the Kingdom of Saudi Arabia.*

Capacities and locations of any **consolidation centers, warehouses, and laydown areas** are key logistics considerations. Effectiveness and efficiency of each of the points along the logistics chain is influenced by the thoroughness of planning that has taken place; continuous awareness of the overall supply chain condition and trends; predictable demand management (execution of project per plan); and technology enabled inventory tracking (bar codes; RFID; and inventory management systems, including AI enabled inventory management).

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#### **Construction Consolidation Center:**

*A distribution center supporting project logistics by channeling material deliveries to one or more project sites (intermediate and final). It facilitates load consolidation, relieving logistical pressures on constrained sites and supporting just in time delivery. This latter consideration is essential on highly congested sites, sites co-located with operating facilities, and congested urban areas with zero-laydown.*

*One example is the Heathrow Consolidation Center (HCC), established in 2001, to support work at Heathrow Airport.*

*Advantages include significant reductions of freight traffic to the site; increased workforce productivity; waste and carbon emission reductions; and improved sequencing of materials to the site.*

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