At the Chair of Logistics & Supply Chain Management of TUM School of Management we work on:

**Project Study**

in cooperation with Wolf Tabakwaren e.K.:

**Cost Allocation for Vending Machines**

**About the company:**
Wolf is a medium-sized company group which has been family-owned for almost 120 years now. Working in various fields of business, the company currently generates about 170 million € in annual turnover with around 200 employees.

The Group is primarily engaged in trade, one of its mainstays being tobacco wholesale and retail. For this, Wolf Tabakwaren e. K. provides cigarettes, cigars and other tobacco products to retailers like kiosks, gas stations etc. (wholesale-business) and sells cigarettes to customers via cigarette vending machines (retail-business). The company supplies about 22,000 cigarette vending machines with around 75 fleet vehicles and three establishments in Bavaria, Saxony and Thuringia.

The company sells about 0.5 billion cigarettes every year generating 140 million € in annual turnover. This makes it one of the five biggest tobacco suppliers in Germany. The headquarters are located in Gerolzhofen near Würzburg (Franconia).

**Problem situation:**
The company has several thousand cigarette machines in different regions in Germany, which have to be refilled. Each vending machine is assigned to a driver, who has to refill the machine on a tour. The main cost drivers for these vending machines are the holding costs and the transportation costs. In this project study the group shall analyze the current situation and identify unprofitable vending machines. Therefore, the costs have to be fairly distributed on the machines as outlying machines should pay a higher share of the costs.

**Key project tasks:**
- to make a literature research cost assignment
- to analyse the demand data and cost structure
- to calculate the profit for the machines
- to interpret the results
- to prepare presentations and final reports

**Requirements:**
The project study is for students of the study-program TUM-BWL. Qualified candidates have a major in Supply Chain Management. The ability to work independently as well as analytical skills are required.

**Begin:** on going
**Advisor:** Pirmin Fontaine (pirmin.fontaine@tum.de)

... wir handeln!