

Smurfit Kappa Paper UK Case Study

Smurfit Kappa SSK (2003 - Present)

The Challenge

Our Customer, a manufacturer of paper from recycled fibre, had signed a long term contract with one of the national operators. The solution was a fixed fleet with the support of their UK Network, at a fixed price. It became clear that they had been sold the wrong solution.

Collection points for recycled fibre and paper delivery destinations were both set to tight time windows and a constantly changing pattern; preventing a good level of utilisation.

Our Solution

After analysis we proposed a much more flexible approach which took into account the varying delivery / collection patterns and the rigid time delivery windows. The operation is collapsible to take into account peaks and troughs and the only constant is our onsite traffic team.

Benefits

- Reduced the empty running (and carbon footprint) and delivered an
- Immediate 5% saving.
- Continuous improvement initiative leading to further 6.5% year on year saving

Smurfit Kappa Ireland (2005 - Present)

The Challenge

The existing solution was to hold a considerable amount of stock centrally in North Dublin for onward delivery to group corrugated plants in Cork, Lurgan and South Dublin.

Our Solution

Analysis proved that the central warehouse was not even in the right location to service the Dublin operation. We sourced and managed 3 separate warehouses close to the delivery points, with a more coherent stock profile.

In consequence, we decreased the amount of stock held mileages (and carbon footprint).

Benefits

- Improved service
- Immediate 15% saving
- Service levels increased confidence, facilitating a move to direct GB - IRL deliveries
- 3 warehouses phased out leading to a further 8% saving



Smurfit Kappa TH (2007-Present)

The Challenge

The manufacturing plant in Snodland, Kent, had a legacy In-house fleet, the support of vehicles operated by other group sites and various sub-contractors. The operation consisted of collections of baled waste cardboard and deliveries of finished product.

Our analysis showed an underutilised fleet and traffic staff who delayed planning to help support it; to then allocate traffic to sub-contractors proved challenging and expensive. Also, due to the waiting time to load/unload, very little work was carried out by the external group fleet.

Our Solution

We located an operations team on site to allocate work to the in-house fleet first, then group fleet, and finally the sub-contractors. Operating strictly to the agreed rate schedule, we worked with the site to reduce loading / unloading times, thus increasing the work given to Group fleet.

Benefits

- 5% initial saving by adhering to legacy rate schedule, eliminating overspend
- 400% increase in traffic allocated to Group fleet
- In-house fleet phased out and volumes reallocated saving a further 4%
- Continuous improvement leading to further 6.5% year on year saving

Smurfit Kappa Pitea (2009 - Present)

The Challenge

Smurfit Kappa Pitea ship Kraft paper to Sheerness docks, Kent, for onward delivery to the mainland UK and both Northern and Southern Ireland. Historically they had sourced all of their logistics services through the third party warehouse keeper.

Our Solution

We analysed the operation and produced a report identifying potential efficiencies and savings. This affirmed that the basic solution provided was effective, if overpriced. We put a system in place whereby we utilised vehicles operated by external group fleet through use of our collaboration platform, CSL Live; their own customer vehicles and through our bank of partner hauliers.

Benefits

- Significantly improved service to end customers
- 8.5% saving on GB deliveries
- 17% saving on deliveries to Northern and Southern Ireland
- Reductions in group fleet empty running and corresponding wasted Carbon emissions.

