Creating a high performance managed transport platform for Aggregate Industries

We knew that there were areas we could improve and were keen to utilise Norbert Dentressangle’s proven expertise and really start to reap the benefits as a company.

Both teams wanted the new integrated transport management platform to be a success and everyone involved worked hard to make it work. We’re really pleased with how straightforward the whole process has been.

We were also amazed at how quickly Norbert Dentressangle responded to our needs and how efficiently they worked to get the KeyPL platform up and running by November. The team really pulled out all the stops. I know now that if Norbert Dentressangle say they’ll do something, they will!

Supply Chain Director, Aggregate Industries

Aggregate Industries (AI), part of the Holcim group of companies, is an international construction and building materials company. Formed in 1997 following the merger of Bardon Group plc and Camas plc., AI produces a range of aggregates, ready-mixed concrete, asphalt and pre-cast concrete products as well as construction and surfacing services.

The company is a market leader in the UK and the US, with operations spreading throughout Europe and all regions of the United States.

Norbert Dentressangle’s new state-of-the-art technology gives greater business clarity for Aggregate Industries: access to key figures, order information, customer and supplier details.

Norbert Dentressangle oversees the entire operation from end-to-end and delivers a completely optimised solution.

Unlocking your supply chain
AI was aware of Norbert Dentressangle's environmental responsibility is high on the AI agenda, and as part of their commitment to reducing environmental impact, the company knew it needed to optimise supply chain management processes.

Their existing supply chain involved approximately 500 hauliers and a variety of local processes and systems. With lengthy journey times, inadequate service performance and rising costs, change was clearly needed but proving difficult to deliver.

AI needed a company-wide solution to maximise operational efficiency, reduce empty miles travelled and cut logistics costs from £48 million per year.

AI was aware of Norbert Dentressangle’s existing transport management platform (KeyPL) with Corus, and approached Norbert Dentressangle for a similar solution. The ‘fit’ between Norbert Dentressangle and AI was good and the two agreed to build a ‘true’ KeyPL transport management solution, that is one where Norbert Dentressangle would take purely a management role, with no assets of their own deployed.

THE CHALLENGE

- Environmental responsibility is high on the AI agenda, and as part of their commitment to reducing environmental impact, the company knew it needed to optimise supply chain management processes.
- Their existing supply chain involved approximately 500 hauliers and a variety of local processes and systems. With lengthy journey times, inadequate service performance and rising costs, change was clearly needed but proving difficult to deliver.
- AI needed a company-wide solution to maximise operational efficiency, reduce empty miles travelled and cut logistics costs from £48 million per year.
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OUR SOLUTION

- In July 2008, Norbert Dentressangle and AI entered into a partnership with the aim of saving over three million road miles per year and cutting carbon emissions by 12%. The eight year contract covers the entire UK road transport operation for AI and is being rolled out to 69 sites nationally.
- In order to give AI the confidence to enter into this arrangement, the two businesses worked together to develop a business plan. This involved site visits, process mapping, modelling and many other cross business workstreams each undertaken jointly. These gave Norbert Dentressangle the confidence that they could have a significant impact (base line savings of 10% were agreed), and allowed AI to see Norbert Dentressangle staff in action. After a two month exercise, the business plan was signed off by the AI CEO in June 2008.
- In November 2008, a new transport platform, managed by a Norbert Dentressangle team, opened at Linby in the Midlands. This was an incredibly tight schedule and required a great deal of collaboration from both sides. However, the programme was implemented on time, on budget and to plan.
- AI preferred hauliers, all of whom remained in place, were contracted to work for Norbert Dentressangle, who co-ordinate their day-to-day activities using Norbert Dentressangle’s specialist IT infrastructure in order to maximise delivery efficiency.

THE BENEFITS

- Drivers now have their own laptops, giving them access to up-to-date information and enabling them to view jobs in real time. In addition, all the warehouse systems are linked, giving both the transport and warehouse teams access to the most current information.
- The new state-of-the-art technology, which had already been trialled within Norbert Dentressangle, gives greater business clarity for AI. With access to key figures, order information, customer and supplier details, Norbert Dentressangle are now able to oversee the entire operation from end-to-end and deliver a completely optimised solution.
- Norbert Dentressangle are now operating to four KPIs, including on time delivery, Health & Safety measures, customer service and continuous improvement.
- Norbert Dentressangle and AI have set performance achievement targets which Norbert Dentressangle looks set to achieve. Should any results fall below the agreed levels, Norbert Dentressangle take on the associated costs – which means minimal risk for AI.

THE FUTURE

- Since the initial platform implementation and launch, Norbert Dentressangle and AI have identified many areas for future development.
- Projects include production management developments, stock management initiatives, streamlining supplier operations and a pallet management programme.
- Further integration projects are also being considered with other companies to deliver even bigger reductions in CO2 emissions.
- AI is keen to push forward with industry-wide initiatives involving both customers and competitors, to reduce carbon emissions and costs. Through collaboration, they can see opportunities streamline the supply chain and reduce empty miles travelled. Norbert Dentressangle’s KeyPL platform is a model that enables collaborative programmes such that shared benefits become a reality.

Aggregate Industries were open with us from the start. They were keen to share any issues with us and we were quick to unearth any potential problems from the outset.

In that respect, we were ideal partners – both teams were really driven to make this work.

Paul Hayes
Director KeyPL, Norbert Dentressangle

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