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**Case Study**  
**Annual 2019**

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# LAA Case Study Annual 2019

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# Chairman's speech

*An address by the Chairman of the LAA Judging Committee, Charles Dey.*

ON BEHALF of our LAA custodian, Di Holton, and the judging panel of Logistics Achiever Awards 2019, I need to tell you that we are simultaneously motivated, inspired and confused:

- Motivated both by the record number of entries submitted and the high standards of excellence demonstrated by this year's participants.
- Inspired by the depth and breadth of entrepreneurship to which we were exposed.
- Confused because, after all, isn't South Africa going downhill fast, with little or no hope of anything good coming out of it?

This year's entries reminded me of a remark once made by George W Bush Snr., "I have spoken of a thousand points of light, of all the different communities that are spread like stars throughout the Nation, doing good," he said. Each solution presented to us represents a South African point of light; what was so pleasing was the variety of those solutions - from ensuring that our naartjies are marketable in China through strict temperature control, to disrupting a pervasive culture of diesel skimming, to transforming a tannery from an environment of uncertainty into long-term well-being, with impressive financial turnaround, and much more in-between.

So, those thousand points of light are you, the LAA 2019 entrants: They are you in the ways in which each has taken your respective situations and devoted time, effort and resources in looking at each problem and coming up with unique solutions; they are you in the ways in which you have taken your solutions and, using dogged determination, teamwork and leadership skills, made sure that they worked; they are you in the ways that you have now installed the necessary measures to make these solutions sustainable.

So, here's a thought: What can we take away from this year's LAA so that those points of light can be joined into something from which all of us can begin to benefit? Going back to George Bush Snr., "The old ideas are new again

because they are not old, they are timeless: duty, sacrifice, commitment and dedication." It is these very characteristics which were key to the successes of this year's entries:

**Duty:** The principle that nobody is entitled to anything, that empowerment comes from within and in taking ownership of both one's successes and one's failures.

**Sacrifice:** The ways in which so much was achieved with so little: Maximum results from minimum input, showing clearly that it was the people element who were prepared to focus intensely, travel long distances and sacrifice much of their quality time in order to achieve what we see here tonight.

**Commitment:** A theologian, Howard Thurman, once said "Don't ask what the world needs. Ask what makes you come alive and go do it, because what the world needs is people who have come alive." Nothing would have been possible unless each member of every team had been persuaded that it was their vibrancy, their vigour and their vitality which had to be applied with an unrelenting sense of obligation.

**Dedication:** The clear understanding that, in order to have what we've never had before, we'll need to do what we've never done before, and that this means the extra yard, the extra mile, not just once, but with consistency over extended periods until at last the solution is achieved

Logistics Achiever Awards salutes our 2019 winners not because this recognition is deserved, although it is; Logistics Achiever Awards salutes our 2019 winners not because it makes them feel good, although it should; Logistics Achiever Awards salutes its 2019 winners because it is they who are the points of light who show each of us so plainly what is needed to transform this country of ours.

For these reasons we cannot commend the LAA contestants too highly, and we lay down this challenge: By next year, how many of you will become points of light to continue motivating, inspiring and confusing us all? •

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# Partnership is powerful

*Annelize van Niekerk, Senior Project Manager at CHEP Sub-Saharan Africa, describes how partnership allows each of us to succeed.*

“IT IS the long history of humankind (and animal kind, too) that those who learned to collaborate and improvise most effectively have prevailed.” The English natural scientist Charles Darwin said that. And if we consider the pace of evolution within the animal kingdom alone, it is obvious that Darwin had a point. But, I doubt that he would have ever suspected that true collaboration would be perfected within the supply chain environment.

Partnership lies at the very heart of what makes the supply chain work – locally and around the world. By working closely together, companies and their suppliers can create highly competitive supply chains that increase market share, reduce inventory and improve service delivery and quality. Failing to collaborate, however, results in the distortion of information as it moves through a supply chain, which, in turn, can lead to costly inefficiencies such as excess inventories, slow response times and lost profits.

Let me use an example from our European business, where we work with suppliers and retailers to save wasted truck miles. CHEP uses its unique scale, reach and data to enable its customers to get all the benefits of transport collaboration, cutting empty miles, wasted fuel and needless CO<sub>2</sub> emissions from its supply chain. It is a win-win situation.

Closer to home, the Logistic Achiever Awards each year celebrate how companies have partnered with customers and suppliers to find truly innovative solutions to unique challenges. And as a company that champions partnership, CHEP continues to be a proud sponsor of the awards, which are in their 31<sup>st</sup> year already.

We are a supply chain solutions company with over 10 million shipping platforms and more than 64 service centres across sub-Saharan Africa. We partner with our customers to ensure that they get the equipment they need, when and



*Dawie van Niekerk (MA Automotive Rosslyn) and Annelize van Niekerk (CHEP Senior Project Manager SSA, Sub-Saharan Africa).*

where they need it, cutting costs and facilitating growth.

But, I doubt anyone understands the power of partnership better than those of you who ran the stellar projects that were finalists in this competition. The entries have again proved to be of exceptionally high quality and showcase just how collaboration has allowed us to excel.

Let me also commend Di Holton for her vision and determination in making these awards a reality each year – thank you Di! We are proud to partner with you and congratulate each of the entrants on partnering for success. •

# Scenario planning

By Pamelyn Lindsey, Oliver Wight Americas



*Scenario planning is a necessary skill to drive better decision making in integrated business planning.*

## What is IBP?

Integrated Business Planning is a decision-making process to align strategy, portfolio, demand, supply and resulting financials through a focused and exception-driven monthly replanning process. The result is a single operating plan, over a 24+-month rolling horizon, to which the senior executives hold themselves and their teams accountable for achieving. Done well, it is the formal way that the business is managed and strategy is connected to execution.

THERE'S A tendency in business to think of planning numbers as being cast in stone. It can be uncomfortable when things happen that threaten the accuracy of numbers, even on the upside. To paraphrase a common statement: "Don't just think what could go wrong; also think what could go right."

There's also a tendency to not want to think about what may cause future plans to change. That's why best practice Integrated Business Planning (IBP) includes a review of assumptions and, when needed, scenario planning to help businesses anticipate and manage change.

In reality, nothing is ever static in business. Wise business leaders think in terms of the current reality, best case and worst case scenarios. These scenarios are ideally prepared in advance and updated with the planning assumptions as needed, monthly as part of IBP, as well as annually as part of strategic planning.

In my 28+ years of industry experience, the development of scenarios is a skill that is acquired. Integrated Business Planning (IBP) is a cross-functional process. That means that coordinators of the product management, demand, supply, finance and integrated reconciliation reviews need to be well skilled in scenario planning as well as risk and opportunity management in order to implement IBP more effectively.

Capital intensive industries tend to be good at risk management and scenario planning. Think of industries that produce chemicals, oil, pharmaceuticals and power. Accidents in these industries can be catastrophic, impacting lives, assets, facilities and the environment. Accidents can also be highly disruptive to company revenue and sometimes, the overall economy. The ability to plan around these events is critical to business success. Risk management and scenario planning are an ongoing process for many businesses in these industries. Some companies have functions



or departments, like process safety and risk management or financial planning and analysis, where that is one of their primary responsibilities.

A clear, concise 'evergreen' scenario planning process is essential. It solves the problem of having to 're-educate' business leaders every month on the data and information being presented.

It is not uncommon to identify the need to do a better job with scenario planning until after implementing the IBP process. I recommend that scenario planning be included as part of the initial design of the IBP process.

Here is some advice and observations on how to design scenario planning as part of an IBP process:

### 1. Agree on a framework

Adaptation of an existing framework is a very useful approach for getting things done in a minimal amount of time. Don't reinvent the wheel. The Project Management Institute's (PMI) risk management framework is a useful model to adapt for IBP scenario planning as well as risk and opportunity assessment. If this framework is already in use for project or product management, it has the added advantage of being understood by at least a subset of people involved in the IBP process.

### 2. Test the framework across functions for a 'real' case

Be sure to test the framework based on a real business issue that will be addressed in IBP. A best and worst case for sales revenue and margin will involve all of the reviews in an IBP cycle. The response and impact of bringing down a key production line for maintenance or landing a very large sale will involve all reviews in an IBP cycle. These are examples of possible test cases to prove out the framework.

#### Questions to ask after testing the framework include:

- Did everyone who needed to provide input for the scenario participate and understand their roles?
- Was information presented in a format that provided a clear understanding of the impact on the business, the options and the tradeoffs of each option?
- Was too much information gathered and analysed, which made it time consuming and difficult to get to the heart of the situation?
- Were business leaders willing to provide direction and make a decision?
- How does the framework need to be refined to

facilitate better scenario planning and decision making?

### 3. Appoint a scenario management leader

Having a scenario management leader facilitates making informed decisions in the IBP process. This, in turn, enables business leaders to more quickly perceive the value of scenario planning in IBP for managing the business more effectively and driving financial and operational improvements.

The scenario management leader needs to have analytic skills as well as the ability to see the big picture. This person also needs to be well respected by managers and executives. Often the coordinator of the Integrated Reconciliation Review (IR) is the ideal choice for the scenario management leader.

### 4. Honour the discipline of the process

Shortcuts lead to poor decisions. The framework of the process should be designed to produce thorough assessments of risk and opportunity upon which to base the development of scenarios.

When tempted to skip steps in the process, the following questions should be asked:

- What information or data analysis will be missing?
- Who will be cut out of the process, and what will the impact be?
- What won't be delivered to the executive team in terms of information and recommendations? Will they still be able to make an informed decision about what will be best for the business?

### 5. If scenarios are not included in every IBP cycle, ask why not

Business is rarely stable. Things change, including demand, sales capability, product innovation schedules and production output. Things happen, including weather disasters, earthquakes and tsunamis, political unrest, changes in the economy and tariffs.

Business leaders can control the anticipation of what could happen and contingency planning. If they are not regularly reviewing the output of risk and opportunity assessments in the form of scenario plans, they should ask why not. They should also task the IR leader to ensure that appropriate scenario planning is being done.

The development of most scenarios should not be a last-minute task, but should be incorporated into business planning processes in the appropriate time horizon. A best practice IBP process is planning in the aggregate at least 24 months in the future, with the ideal focus being months four to 24. The purpose of a demand control, or demand execution, process is to manage change in months one to three in the planning horizon. •



*As supply chain becomes more integral to your company's success, are you taking advantage of these important technologies?*

Courtesy QAD DynaSys,  
[www.dys.com](http://www.dys.com)

## Advanced analytics are changing the focus of supply chain management

NOT TOO long ago, supply chain managers relied on historic data combined with forecasts to develop plans to guide their day-to-day activities. Management relied on these plans to understand how much product needed to be manufactured, what capacity was required for that volume and how customer expectations could be met. These plans were tweaked monthly or quarterly and renewed annually.

No more. Supply chain planning and management are undergoing a rapid evolution with the application of machine learning and advanced predictive analytics. More accurate fact-based decision making is already emerging faster than might have been anticipated a few years ago, and the pace of that change will continue to accelerate. The time is here to determine how your enterprise will benefit from these advancements.

Until now, the use of machine learning and advanced predictive analytics to develop artificial intelligence (AI) in supply chain management has been typified by pilot projects, proofs of concept and initial adoptions. The very nature of supply chain value is also changing, from being a tool that increases efficiency to becoming a competitive advantage that enables an organisation to grow and prosper. Even a small supply chain

performance ROI percentage improvement now justifies the time and expense needed to engage this technology.

Concurrently with the pace of these advances is a rise in the rate of adoption – and the rate of change in the technology itself. All these factors have converged to make it easier and less costly for new adopters to engage with AI. Based on the results that we've seen to date, the technology has entered early maturity for commercial transactions.

### **Where to begin?**

The need for planning hasn't disappeared with this technological revolution, but the role of planning is changing. What former President Dwight Eisenhower said decades ago is even more appropriate today: "Plans are worthless, but planning is essential." In other words, the tools of the planning process may add more value than the plans themselves. If the process is robust, then it can be rapidly repeated to respond to change.

As AI ascends, planning will still be an important process although actual plans will become more dynamic and agile. Plans might last only a day, hours or minutes before they will be reviewed and rapidly revised based on the

massive real-time data stream that feeds machine learning and predictive analytics. With the Internet of Things (IoT) and connected devices now firmly in place throughout the world, integrated platforms move data seamlessly between different actors in the supply chain. This very high level of connectivity is making it possible for end users to access data and information they would not have thought possible three or four years ago.

### How it works

In the realm of machine learning, there are three levels of engagement: supervised, unsupervised and deep learning. Supervised machine learning requires data of a known structure; i.e. customer code, customer name, annual sales, etc. The system knows the data it's retrieving, as well as the desired solution. It uses that information to identify correlations and causation if possible.

At the next level, unsupervised learning works with data of a known origin but unknown structure, looking at the data points for cross-reference matches and recognising correlations between different data over time.

Deep learning is the most complex. Artificial neural networks process much like a human brain and can identify cause-and-effect relationships. These networks are built with logic nodes. The deep learning machine categorises data throughout this network and every time it receives a new data point it works through the network answering yes or no questions about that data point until it gets to the lowest common node.

### Where do we go from here?

One specific application of machine learning is product cluster analysis, which allows planning at an aggregated product level (a cluster). For a consumer goods manufacturer that has thousands of SKUs at multiple selling and/or customer locations, it has only been practical to manage their product flow at an aggregated (or hierarchy) level, rather than at the SKU level. These hierarchies have been chosen somewhat arbitrarily – by brand, product size, financial category or some other category that was practical to manage – rather than truly correlating to the sales behaviour of the product. These hierarchies have been better than nothing, and have been used to develop budgets, capacity requirement plans, raw materials requirement plans and longer-range strategic planning.

Now, machine learning makes it possible to look for products that have common sales behaviour, capacity consumption, raw material

consumption and profit contribution. Under this regime, analysis can also be much more reliable because it results from a much larger product sample, providing greater confidence in the relevance and accuracy of the data.

It has also become possible to mine data across multiple supply chains to discover how components critical to one type of production are being affected by other, unrelated, consumption trends. For example, basic capacitors and resistors are used across a wide range of products in the automotive, healthcare, consumer electronics and other industries. It could be useful for a healthcare product provider to know if a major electronic manufacturer is significantly increasing its own demand for standard capacitors and resistors, allowing more time to plan for potential supply scarcity and/or increased cost. Advanced analytics come into play here, with automated decision making that would quickly toggle between dual component sources as their ability to supply fluctuates.

### Accelerating complexity makes change imperative

Geopolitical upheaval is underway, with previously predictable trade patterns now in turmoil. China, Britain, Central America and other markets now require much greater attention from supply chain planners and managers. Fortunately, the advent of machine learning and advanced predictive analytics arrived when the need was greatest.

As noted earlier, the planning process is essential, even as the lifespans of plans shrink to days and/or hours. Now, by using machines to produce advanced predictive analytics, planners and managers can rapidly change/update plans to meet the challenges of the increasing pace of change. For example, 3D printing is headed toward the ability to print products to a customer's particular specifications, and at a location so close to the customer that it greatly decreases inventory and its related costs.

It is also now reasonable to envision platforms or ecosystems that will take the initiative when the need arises for shifts in supply chain strategies. This could even extend to product manufacturing that is customised to the individual customer level.

Data, which used to be viewed as a discipline best handled by the information technology group, should now be viewed as a critical enterprise asset. The manufacturers who can best leverage data will be highly successful. The tools are now available to do just that, with machine learning and advanced predictive analytics. To ensure a successful future, consider these technologies when you are selecting a supply chain partner for your organisation.



# Integration of the supply chain

*Ceramic Industries is a leader in the design and manufacture of ceramic tiles and bathroom ware.*

CERAMIC INDUSTRIES, a business at the forefront of innovation, automation and technology in the ceramic tile and bathroom industry, manufactures one out of every two tiles, baths and toilets purchased in South Africa.

## **The challenge**

The company operates in an extremely complex and competitive environment. The group comprises seven factories, shipping in excess of 2,900 tons per day across South Africa using external transport providers.







It needed an integrated supply chain solution for better visibility across all operations.

### The solution

Ceramics Industries partnered with Inhance Supply Chain to deliver a truly integrated supply chain solution. The solution provides business-wide visibility of its operations through its overarching control tower and intelligently manages orders from point of placement through to delivery at customer.

Using a complex and powerful solver developed by OPSI Systems, the solution can dynamically build, plan and allocate least-cost transport routes against service-level agreement (SLA) and manage the order through to delivery. The real-time yard management solution continues to manage the order from transporter arrival through to dispatch, ensuring constant visibility of an order against plan.

### The outcome

In an environment where you are servicing an ever-increasing and splintered customer network, the solution has empowered staff with the right tools to manage this growth, enabling the business to further increase throughput to end customer whilst reducing its cost to serve. With auto allocation, EPOD and automated invoicing coming soon, both

Ceramic and Inhance continue to strive for a truly autonomous supply chain.

The solution has been running for two and a half years and to date has delivered an ROI of over 600 percent, enabling Ceramic Industries to further increase supply chain efficiencies and delivery footprint whilst improving customer service levels. •







# Storage-in-a-box project

*Resolve Solution Partners offers supply chain managed services, integrating operations through tailor-made supply chain management solutions.*

TO DEPLOY 239 medicine stores across the Malawian countryside within six months takes a great amount of logistics planning and coordination. Resolve Solution Partners' project logistics capabilities, coupled with its

modular infrastructure solutions and previously implemented projects in-country, were part of the recipe for success in dramatically increasing access to essential medicine for the poorest rural patients across Malawi.





### The challenge

Resolve was contracted by Chemonics and the Malawi Ministry of Health to design, engineer and ultimately deploy 239 medicine stores across Malawi. This was the third deployment phase of this nature, with Resolve also contracted for the first two successful phases. The logistics challenges for this project were immense.

### The outcome

The project was completed within budget and within the planned time frame of six months. The 239 units represent the equivalent storage capacity of a 14,200 square metre warehouse with 3,560 pallet positions and 4,750 shelves. Half of the units (117) are stand-alone, off-grid, powered by solar PV systems, and two of the units are situated on islands in Lake Malawi. •



### The solution

The secret to success lay in the synchronisation of Resolve’s 20 deployment teams, across three regions, each running a sequence of deployment waves, and the just-in-time arrival of trucks carrying the components for each modular unit. One of the major challenges was the weather, with certain periods during Malawi’s rainy season causing interruptions; bridges and roads were regularly washed away and trucks were only able to cover an average of 200km per day.

The primary transportation leg was between Johannesburg and Lilongwe. Primary load consolidation took place in Johannesburg, with secondary consolidation (by build-site) in Lilongwe and subsequent secondary delivery to site – timed to coincide with the deployment team’s arrival.





# resolve

We focus on these key value-added offerings:

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better.

**Managed Services** entail critical operational capabilities such as supply chain management and logistics synchronised services through the use of world-class control towers.

**Technology Solutions** cover the design and implementation of mobile solutions, custom software development and business intelligence, hosting and application support of systems that enable the supply chain.

**Advisory Services** offer clients innovative and practical advice on how to streamline and optimise their operations, bringing people, operations, processes and technology seamlessly together. Focus areas include supply chain optimisation and business processes and systems.

**Facility Solutions** involve the design, project management and construction of modular or custom designed facilities across Africa and other developing countries, with a focus on healthcare-related infrastructure.

**Resolve is more than just a name; it reflects the way in which we do business. We are all about making business better.**

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# A company rejuvenated

*Mossop-Western Leathers has made fine leather for more than 170 years. This is the story of its dramatic turn-around.*



MOSSOP-WESTERN Leathers was established way back in 1846 in Wellington, where it is still located today. The leather has been used by various shoe companies and has been crafted into bags, furniture and countless fashion accessories by the leather goods industry.

### The challenge

Gert Kruger, CEO explains: “Leading up to 2016, the company faced substantial challenges. The imports of hides were problematic, with many supplier and logistics problems, exacerbated by a highly volatile rand/dollar exchange rate. The leather

products covered a wide spectrum, and this led to quality inconsistencies, large amounts of work-in-progress, long lead times to clients and missed promised dates.”

### The solution

During 2016, Mossop and Cargo Solutions embarked on a project to optimise the entire supply chain, using the theory of constraints to change processes and the Symphony warehouse management system to enable these new processes.

The company started sourcing local good quality hides with very short lead times,







managed with the aid of dynamic buffers that adjust according to supply and demand issues. A number of very high offtake products were identified, and the supply of these items was changed from a make-to-order process to a make-to-stock process, again based on dynamically adjusted buffers.

Based on this ability, a new partnership was formed with key customers, namely four substantial footwear factories in Cape Town, Groot Brakrivier, Port Elizabeth and Pinetown. Inventory data is relayed from these factories daily to Mossop in Wellington, who replenishes on a frequent basis based on demand at the factories.

### The outcome

The results are impressive. Mossop has become financially sound over the past three years from a returns on revenue and capital employed point of view. Through its partnership programme, its customers have managed to reduce inventories from up to six months to around two weeks. The production lead time has decreased by more than 50 percent, and the cash-to-cash cycle has reduced from some six months to eight weeks. A story of great inspiration for local manufacturers of apparel, footwear and clothing. •



# STRONGER TOGETHER



## Six Reasons why you should join **CILTSA**:

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### Networking - local and international:

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## Who we are:

The Chartered Institute of Logistics and Transport is the leading professional body for individuals and organisations involved directly and indirectly in transport, logistics and supply chain management.

## A word from the industry professionals:

"I belong to CILTSA because it provides an unrivalled conduit for me to learn and stay up-to-date on industry developments."

Martin Bailey, FCILT - Chairman Industrial Logistic Systems.

"CILTSA offers supply chain professionals the opportunity to meaningfully engage in and be kept abreast of supply chain trends and developments. As a vocational society, it is a sought - after membership that allows members to become more employable as their credentials become sought-after."

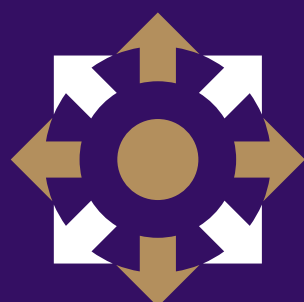
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# Cost savings using fuel probe solution

*Sunstone Logistic Systems' fuel probe solution used in partnership with ABInBev resulted in fuel and cost savings, and accurate and available data.*







SUNSTONE LOGISTIC Systems is an agile and dynamic, African focused technology solutions provider with a suite of route planning, optimisation and fuel telemetry solutions that drives competitive advantage within the logistics and supply chain industry. It prides itself in offering plug ‘n play as well as bespoke software and hardware solutions that are developed in-house.

Anheuser-Busch InBev (ABInBev) is the largest fast-moving consumer goods company in the world, including 13 countries across sub-Saharan Africa.

### The challenge

The challenges ABInBev faced included:

- The business had little or no way of recording, predicting or monitoring fuel usage.
- Fuel has a high risk of fraud and theft.
- Management and analysis of fuel is challenging.

These challenges resulted in:

- Inaccurate data.
- Poor budgeting and forecasting.
- Poor visibility to identify cost-saving opportunities.
- A delayed decision-making process.

### The solution

Sunstone’s robust fuel probe solution offers world-first calibration methodology, producing accuracy readings of > 99,2 percent. It is implemented in harsh and remote conditions across seven countries in sub-Saharan Africa (Ghana, Mozambique, Nigeria, South Africa, Uganda, Tanzania and Zambia) in over 850 vehicles.

### The outcome

Sunstone’s robust fuel probe solution combined with ABInBev’s distribution process optimisation method, driver behaviour management and global key performance indicators, resulted in the following:

- ABInBev achieved a 17 percent reduction in fuel spend from CY17 to CY18.
- Return on investment – four-month project payback.
- Accurate and available data allowed for improved budgeting, forecasting and swift decision making.
- Visibility to identify cost-saving opportunities.
- The Africa Fuel Probe Implementation Project was awarded Best Practice nominee for AbInBev Africa 2018. •

# Efficient deliver- from-store model

*The Clicks Group's Direct Medicines store delivery project, implemented by Inhance Supply Chain, dealt with a particularly challenging task in a highly innovative way.*

INHANCE IS a supply chain services business focused on enhancing customer performance using appropriate technology and services, founded in 2010 (formally SizweAfrica). The Inhance Group includes Inhance Supply Chain Services, Inhance Technology Solutions,

Omnia (UK) and Open Vantage (development business). The group has offices in South Africa (Johannesburg, Durban and Cape Town) and the UK (Omnia), with 110 heads employed, 500 years of cumulative technology and supply chain experience. It is 60 percent black owned,



**Clicks Direct  
Medicines Project**





LAA 2019 -  
Platinum and  
Gold Winner



# SUPPLY CHAIN SOLUTIONS THAT *DELIVER*

**INHANCE is a supply chain services business focused on enhancing customer performance using appropriate technology and services.**

Inhance is a leading provider of Supply Chain Solutions for a wide range of industries, across over 100 customers in 15 countries. Winner of both a Platinum and Gold Logistics Achievers award for 2019, we pride ourselves in creating innovative solutions for our clients' unique supply chain needs. We offer everything from design and implementation, to fully outsourced solutions. We are proudly a South African company and a BBBEE Level 2 Contributor.

**INHANCE**  
Insight • Innovation

For further information, please contact us on +2711 615 4048 or email us at [contactus@inhancesc.com](mailto:contactus@inhancesc.com)





a BEE Level 2 contributor (value-added) with R1 billion customer savings to date.

### The challenge

Clicks had historically delivered medicines under its Clicks Direct Medicines project through a central warehouse using a traditional courier model. The challenges relating to this included time taken to deliver, address master data accuracy issues and having the required medicines in stock. More specifically:

- The traditional courier model is expensive and slow.
- Pharmacy courier is moving into a new 'Uber for Meds' era.
- A store delivery proximity model solution was required to provide a faster and more responsive service at a reduced cost.
- The in-store model also had the following challenges/risks:
  - Store pharmacists are not logistics experts.
  - Up to Schedule 5 drugs being delivered, compliance to Medicines Control Council (MCC) process critical.

- For the overall savings targets to be realised, the store operating costs could not increase, so no store should be allocated more work than it could handle.
- Dispensing process is slow by nature, this process could not make it slower.

### The solution

The solution was to implement a deliver-from-store model, allowing customers to receive orders within hours of placement and from a store that typically held the required medicines in advance.

The address optimisation solution, along with optimised dynamic planning and sign-on-glass workflow from Opsi Systems, allowed for a highly responsive service that was quicker, more customer centric and over 20 percent cheaper than before.

### The outcome

This solution has formed the backbone of a growing on-demand capability that Inhance is rolling out with other clients in South Africa and abroad. •





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# Unlocking supply chain value

*DSV Raceway's multi-client vision is to foster a knowledgeable culture of cost consciousness across its supply chain, wherein key stakeholders understand cost drivers and collaborate to unlock cost synergy within a sustainable variable cost business model.*

DSV IS a leading global transport and logistics business that has enjoyed major growth since its establishment in 1976 to the current position as fourth largest global logistics business. DSV Solutions is the warehousing division and is well represented in South Africa.

## The challenge

In 2014, the company made the decision to move from dedicated warehousing to shared multi-client facilities to unlock supply chain

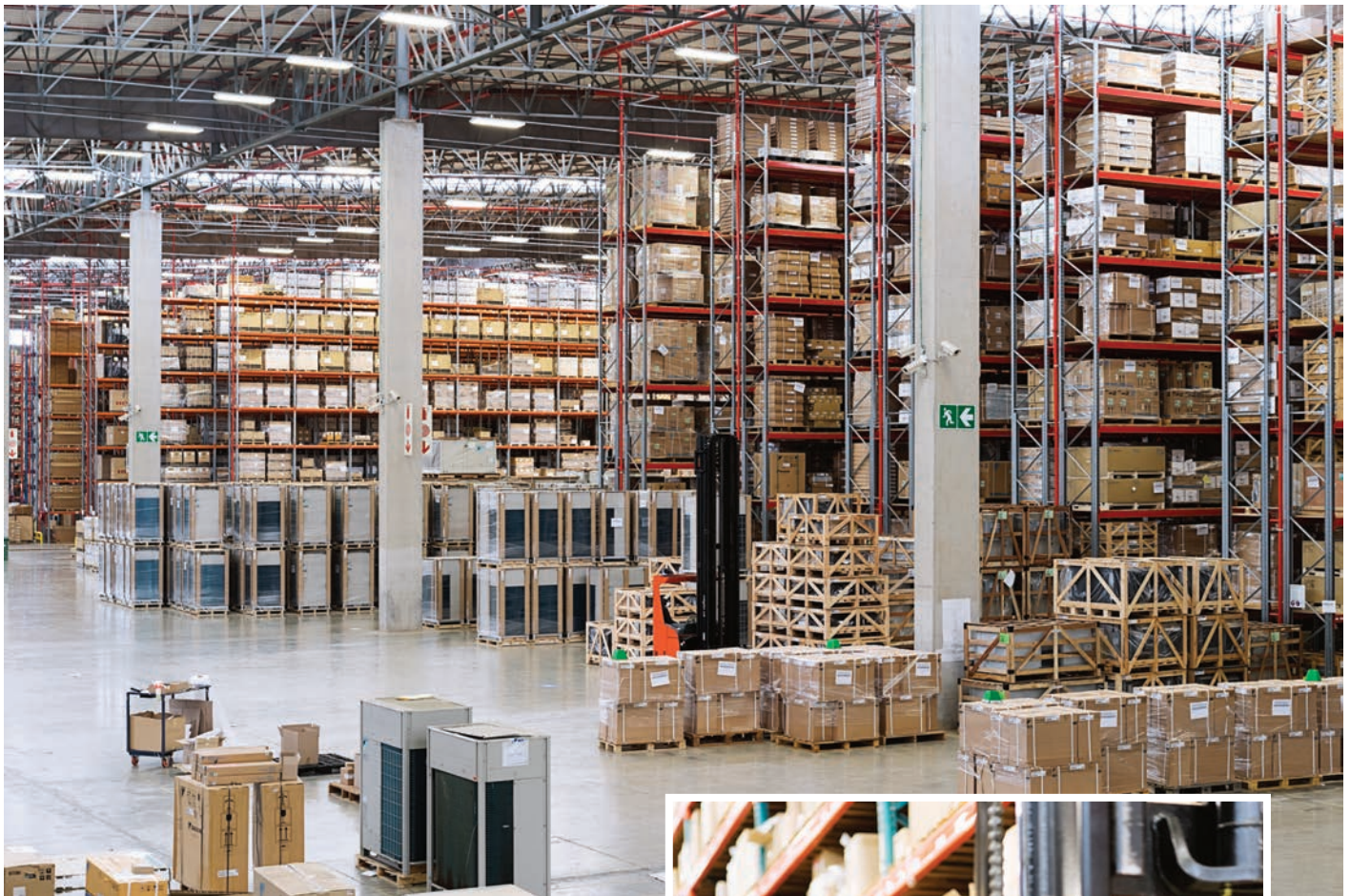
cost synergy for the mutual benefit of DSV and its supply chain partners. Raceway was founded in Johannesburg in 2015 with 40,000 square metres and three initial clients.

## The solution

Through an ongoing process of change management, DSV partnered with its internal and external stakeholders to educate and upskill them on the benefits of collaborating to identify and manage cost out of its shared







supply chain, and then reinvest the savings for mutual benefit. This has resulted in a culture of cost consciousness and ownership, underpinned by stringent measurement of costs and the ongoing development and sharing of dynamic resources.

### The outcome

In 2018 and 2019, the company will have saved R6.8 million, and reinvested by:

- Funding lower increases for clients whilst defending a fair margin;
- Funding supply chain design and inventory optimisation projects for clients;
- Funding the upskilling and cross-training of its staff and;
- Acquiring technology that reduces cost, increases operating efficiency and reinforces environmental responsibility (such as solar and LED).

Due to this culture wherein cost synergies are maximised and reinvested, DSV has achieved an extremely high retention of clients, staff and suppliers. And the journey continues. •





# CALL FOR ENTRIES:

Have you implemented a solution which reduced your impact on the environment and realised tangible benefits for your supply chain?

**We are looking for your green supply chain story.....**

The LAA Enviro awards have been a well-supported awards category of the LAA awards, recognising the impact that supply chains have on our environment and showcasing the innovative case studies that have resulted in significant reductions in waste, CO<sub>2</sub> emissions and improved operational efficiencies.

**Closing date for entries: 30 May 2020**

# LAA 2020



**LOGISTICS ACHIEVER AWARDS**

*Submit your entry today, visit [www.logisticsachieverawards.co.za](http://www.logisticsachieverawards.co.za) or contact Dianne Holton on [dianne@logisticsnews.co.za](mailto:dianne@logisticsnews.co.za) for further information.*



# Client-centric and fully integrated



*The OneLogix Umlaas Logistics Hub, situated 66km from the Durban Port, was born from in-depth market knowledge to provide a solution that was not yet available to clients.*

THE HUB, situated in Camperdown, KwaZulu-Natal, was established in 2014 and started operations in early 2015. It is the epitome of a client-centric, fully integrated supply chain solution.

### **The challenge**

The holistic goal is to provide storage and onward distribution of passenger vehicles, the full range of commercial vehicles as well as

agricultural equipment. Development to date has been undertaken in three phases, with the third phase currently underway in response to market demand.

### **The solution**

The Umlaas Logistics Hub is not a pure distribution centre and offers a wide range of industry specific services including: customs and bond management, homologation



facilities, vehicle preservation, refuelling and vehicle fitment, repair and inspection facilities.

This total supply chain solution allows clients to store and distribute vehicles near the first point of rest at reduced storage costs, thereby improving the effectiveness of onward distribution and eliminating historical duplicate logistics legs. OneLogix has received major benefits from this initiative through load consolidation and improvement in running cost. Furthermore, the Logistics Hub has also catalysed the implementation of pioneering solutions such as truck-on-truck carriers, a first in South Africa. A common thread throughout has been a focus on reducing OneLogix's environmental footprint while working closely with the local community in order to improve their living conditions.

### The outcome

The Umlaas Logistics Hub has created value for all stakeholders within the OneLogix ecosystem, such as clients, shareholders, staff, the community and OneLogix itself. The value translates into total savings of more than R193 million to date, while simultaneously improving quality, lead time, visibility and CO<sub>2</sub> emissions in the supply chain. •







# Customised and technologically advanced solutions

*Röhlig-Grindrod's new facility in Linbro Park has brought about effectiveness in the operation, flexibility to customers and huge financial benefits to the organisation.*

RÖHLIG-GRINDROD is a leading logistics provider with a large global footprint and an impressionable network in southern Africa. The company specialises in providing a complete logistical offering that includes freight forwarding, customs clearing, contract

logistics and national distribution, amongst other value-added solutions.

## **The challenge**

The space challenges of the company's former four facilities brought about its own



complexities, which, at times, resulted in compromised service delivery to customers.

### The solution

The new facility in Linbro Park, Johannesburg is a product of the challenges experienced due to systemic growth in the business. The former four facilities were consolidated into one facility and this brought about effectiveness in the operation, flexibility to customers and huge financial benefits to the organisation.

In the newly designed flow-through of the warehouse, coupled with the globally leading warehouse management system, JDA, the operation has been largely automated, which lives to the creed of delivering superior customer satisfaction.

The facility serves as a key enabler within the



company's strategy to secure new business. As contract logistics is generally seen as the last mile, it is used as an enabler to secure additional business in the form of freight forwarding and customs clearing.

The warehouse, which was designed to cater for multi-faceted customer needs, consists of 21,000 square metres, with a capacity to store and transition 36,000 pallets. Based on the innovative thoughts and intellectual

investments, the operation has achieved an overall key performance indicator (KPI) achievement in excess of 99.93 percent.

### The outcome

These successes and continuous improvement initiatives have elevated the Röhlig-Grindrod brand internationally. They have further enabled the business to deliver customised and technologically advanced solutions to the market. •



# CALL FOR ENTRIES:

We are looking for the supply chain game changers, the practitioners and innovators who have made a tangible difference within their supply chains.

The Logistics Achiever Awards has showcased, recognised and celebrated excellence in logistics and supply chain management for over 30 years.

Do you have a story to share?

Submit your entry today, visit [www.logisticsachieverawards.co.za](http://www.logisticsachieverawards.co.za) or contact Dianne Holton on [dianne@logisticsnews.co.za](mailto:dianne@logisticsnews.co.za) for further information.

Closing date for entries: 30 May 2020

# LA A 2020



LOGISTICS ACHIEVER AWARDS



# Long-term storage and distribution solution

*Sasol's new wax warehouse in Sasolburg is a long-term solution that delivers on a host of business requirements in support of an improved customer experience.*

SASOL'S WAX business develops and produces one of the most comprehensive ranges of mineral oil-based and synthetic paraffin waxes as well as petroleum jellies. The company's highly specialised and experienced professionals serve

customers in industries such as candles, hot-melt adhesives, bitumen modification, construction board, personal care and cosmetics, industrial applications, packaging, pharmaceuticals, polymer processing and rubber and tyres.





### The challenge

Sasol invested R13.6 billion in the building of a new wax plant in Sasolburg, which will make Sasol South Africa one of the world's leading wax producers, ensuring a sustainable future feedstock solution to global markets. A project of this scale would see a significant push of product into the market.

Supply chain was tasked to look into a short-, medium- and long-term storage and distribution solution in support of Sasol's Fischer-Tropsch Wax Expansion Plant's (FTWEP) marketing strategy. Given the age and inefficiencies at the primary warehouse in Sasolburg, a short- to medium-term solution was put in place to outsource storage and warehouse operations for new production and distribution into the market. As the project

ramped up volumes, the logistics solution proved to be inefficient and led to an increase in costs throughout the logistics network.

### The solution

A team was assembled to find a long-term solution that would be more cost efficient, cater for production volume ramp-up, be in close proximity to the plant and optimise transportation modes, allowing for a more seamless operation out of a single facility.

### The outcome

The new wax warehouse in Sasolburg is set to deliver on these business requirements in support of an improved customer experience when dealing with Sasol chemicals. •



# End-to-end visibility

*RTT Distribution's strategic objective was to create visibility of its customers' freight and enable tracking thereof from the time it leaves the distribution centre to the point of delivery into its stores' POS systems.*



RTT DISTRIBUTION is a world-class national logistics network offering comprehensive distribution solutions across a broad range of industries. It also offers specialist lifestyle logistics to shopping centres via RTT Style.

## **The challenge**

The company's strategic objective was to create a full end-to-end visible solution to manage inventory from its distribution centre through the delivery process and

acknowledge its stock into the store POS system seamlessly at point of delivery handover. The solution had to create an opportunity to expand the company's ability to service an e-commerce environment through its brick and mortar facilities via an integrated collection model.

The company needed to formulate a rollout plan to deliver all 2,800 The Foschini Group (TFG) stores a personal digital assistant and take RTT Style into the new



technology era by moving away from a manual delivery system to become paperless. It needed to manage a workforce through practical visibility of live delivery schedules.

It also needed to deliver through an integrated level into the TGF store point of sale (POS) system by creating a level of visibility between TFG's distribution centre and its store delivery, allowing the inventory to become visible in real time on the TFG store's POS system.

### The solution

The results include real-time stock processing and management for TFG stores, management of the stores' sales staffing requirements, managed delivery routes and optimised route configurations. The RTT Style managed delivery teams reduce overtime expenditure. The enabled agility within both RTT and TFG means new services are implemented quickly, and integrated inbound transportation and e-commerce capabilities allows full visibility and reduced lead time from live collection points. •



# Improved process and efficiency



*Checkout Supermarkets, in partnership with iWMS, streamlined processes and increased real-time visibility and speed of fulfilment.*

CHECKOUT SUPERMARKETS, the largest, independent supermarket chain in the South African FMCG retail industry, targets lower to middle income groups (LSM 1-7). It has 50 stores nationwide and manages 25,000 SKUs, of which 5,000 are controlled from its 7,000 square metre distribution centre (DC). Checkout was conceived as a community-based store, servicing customers employed and living in and around townships.

## **The challenge**

Checkout's exponential growth necessitated it moving away from a primitive

paper-based system to re-engineering its supply chain processes to maintain its competitive edge and remain profitable.

## **The solution**

HighJump's partner in southern Africa, iWMS, partnered with Checkout and made various key operational recommendations, such







as dynamic wave picking, and assisted in Checkout's choice of WMS. iWMS is a global independent software developer, innovator and team augmentation partner.

Checkout's choice of HighJump's Warehouse Advantage WMS Solution resulted in immediate process and efficiency improvements:

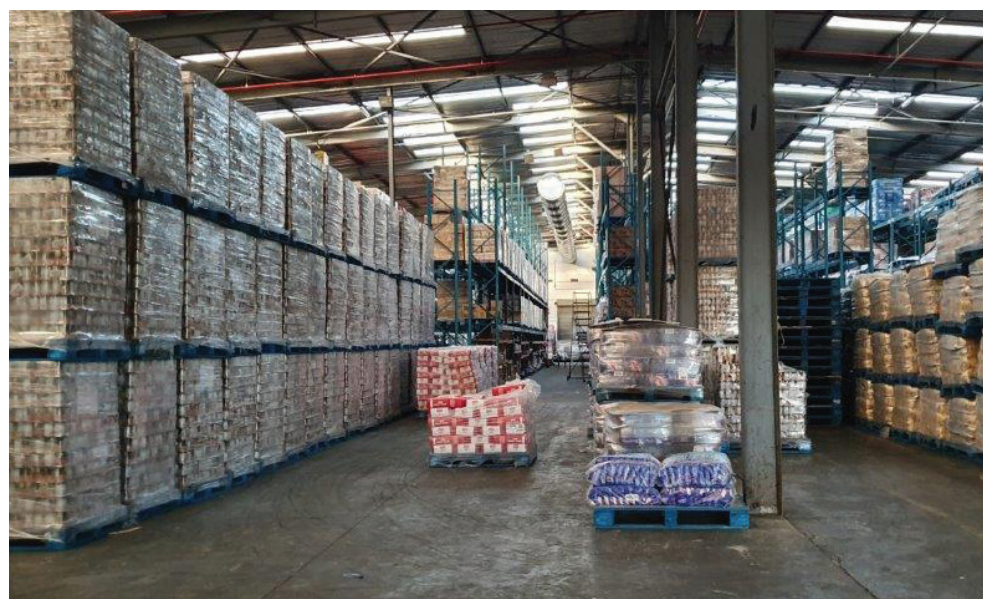
- Out of stock items easily identified.
- Received goods feedback: Accurate/instant.
- Picking times reduced by 30 percent.
- Distribution goals achieved: 1,000+ SKUs distributed daily.
- 23 percent cost savings: Increased profitability.
- Labour reduced by 22 percent: Fewer errors.
- Enhanced warehouse layout: Optimised space utilisation and employee safety/security strengthened.
- Continuous learnership programmes: Uplifting community employees in acquiring technical skills/knowledge.

Checkout's environmental sustainability philosophy:

- Fresh produce waste utilised at pig farms near stores/DC.
- Unwanted store packaging returned to DC for recycling.
- DC roof solar panels: Conserve power/ reduce carbon footprint.

### The outcome

Checkout's demand and supply improved and, together with its marketing strategy, customers were retained and increased. •





# Streamlining solution creates flexibility

*Cummins created a solution that allowed more flexibility, increased productivity and enhanced responsiveness at its Southern Africa Regional Distribution Centre.*

CUMMINS IS an American corporation that designs, manufactures and distributes engines, filtration and power generation products globally. As part of the Cummins Africa strategy, the Southern Africa Regional Distribution Centre (SARDC) was established in Johannesburg to support the expansion of Cummins business in southern Africa, aimed at improving customer experience and service

support through enhanced parts availability, shorter lead times, lower end-to-end logistic costs and value-added solutions.

## **The challenge**

Policy changes, currency repatriation challenges in Angola and Zimbabwe and the power crisis in South Africa resulted in an increase of inbound shipments of



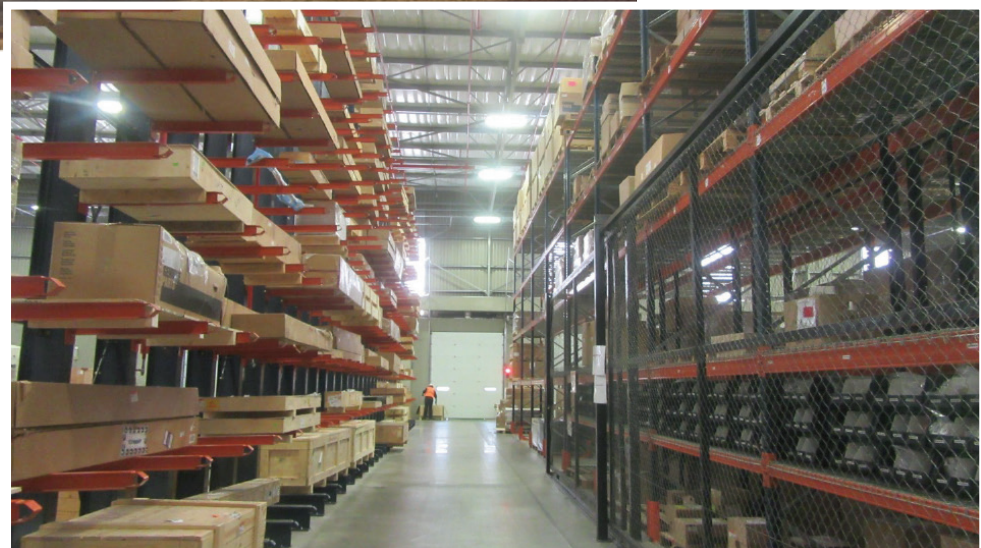


optimisation of the warehouse space, by transforming floor locations into multiple vertical racks, product profiling, zoning, reconfiguration, addition of racking locations and consolidation.

**The outcome**

The solution allowed more flexibility to

parts, filtration and power generation products into the SARDC, causing space constraints in the warehouse. This caused delays in the ‘dock to stock’ lead time, negatively impacting customer delivery. Heavy reliance on 3PL warehouse attracted additional cost.



**The solution**

The approach was to create a value stream map of the supply chain to examine opportunities for improvements. The outcome of the analysis emphasised inefficiencies in the ‘dock to stock’ process, which meant radical warehouse design and layout changes requiring a R4 million capital investment.

The solution streamlined and eliminated waste from the process, including

handle both long-term projections and short-term needs, increased productivity and enhanced responsiveness to evolving customer needs and expectation. The reduced reliance on 3PL services and savings from consolidation offset the capital expenditure in seven months. Cummins drives excellence through continuous improvement in tools and techniques. •

# Partnering for success

*A partnership between Eazi Access and Resolve has resulted in a Resolve-managed services solution supporting improvement in overall distribution performance, visibility, carrier management and distribution savings.*

FOUNDED IN 2003, Eazi Access is Africa's market leader in work-at-height and material handling solutions. The business offering includes machine rental and sales, parts sales, servicing and training across a range of industries and applications.

## The challenge

In 2017, Eazi Access and Resolve entered into a partnership that led to the redesign of the network distribution model. The objective was to find innovative and bespoke ways of improving, monitoring and delivering cost-







effective services to meet customers' needs.

### The solution

Resolve assisted in guiding the transport request for proposal (RFP) process by designing and implementing an integrated solution supporting service reliability, transport cost-efficiency and end-to-end visibility on performance challenges.

The solution offered daily optimised planning and execution management. The deployment of mobility technology provides real-time information on load status, vehicle positions, driver workflow interaction and enables the operation team to respond more effectively. The integrated model also enhances machine availability through improved collection efforts and forward planning activities, ensuring machine

turnaround is achieved in line with demand requirements.

The 3PL delivers a 'greener' supply chain by reducing fleet carbon emissions through advanced fleet models and less time spent on roads, a reduced paper trail and ultimately creating a safer operating environment.

### The outcome

The Resolve-managed services solution has supported the improvement in overall distribution performance, visibility, carrier management and distribution savings. Integration and commitment between the Eazi Access and Resolve teams have been a significant driver behind the project's success and are a key strategic driver for the business.

This partnership also validates the Eazi Access commitment to continuously improve its service offering to its valued customers. •



# Groundbreaking yard execution solution

*Massmart Logistics co-creatively partnered with Trackmatic to develop Link, a groundbreaking, mobility-based, yard execution solution.*

## **The challenge**

Massmart needed a yard execution solution to provide end-to-end visibility of its national distribution centres and deliver measurable compliance and empirical metrics that highlight yard inefficiencies across critical touch points in real-time.

## **The solution**

Massmart Logistics co-creatively partnered with Trackmatic to develop Link, a groundbreaking,

mobility-based, yard execution solution. The technology monitors and controls the entire yard execution process from managing gate arrival and booking compliance, to all yard activity touch points (including documentation processing) through to final departure.

It also delivers powerful real-time execution dashboards and interactive BI models for continuous performance improvement and better collaboration and alignment between Massmart and its suppliers.





### The outcome

The collaboration has enabled Massmart to significantly transform its yard performance, improve gate-to-gate turnaround times, overall production planning and supplier engagement.

It has enabled the radical reduction of seconds per case offloading times and overall vehicle dwell time. The transcendent UI has cultivated an atmosphere of collaboration with common goals and unified success metrics.

The entire yard has evolved from simply moving trucks and pallets into an environment of co-creative continuous learning and improvement. •





# Key tactical benefits on a single platform

*The TrenStar Yard Management Solution for the Pick n Pay Distribution Centre at Longmeadow was developed to deliver key tactical benefits on a single platform.*

## The challenge

Pick n Pay Longmeadow struggled to manage the DC yard and, specifically, the over 400 delivery vehicle turnaround times. A lack of visibility of the vehicle location, dwell time in specific areas, actual whereabouts of the vehicle and real-time accurate data to enable fast and effective decision making became a real challenge. This negatively impacted

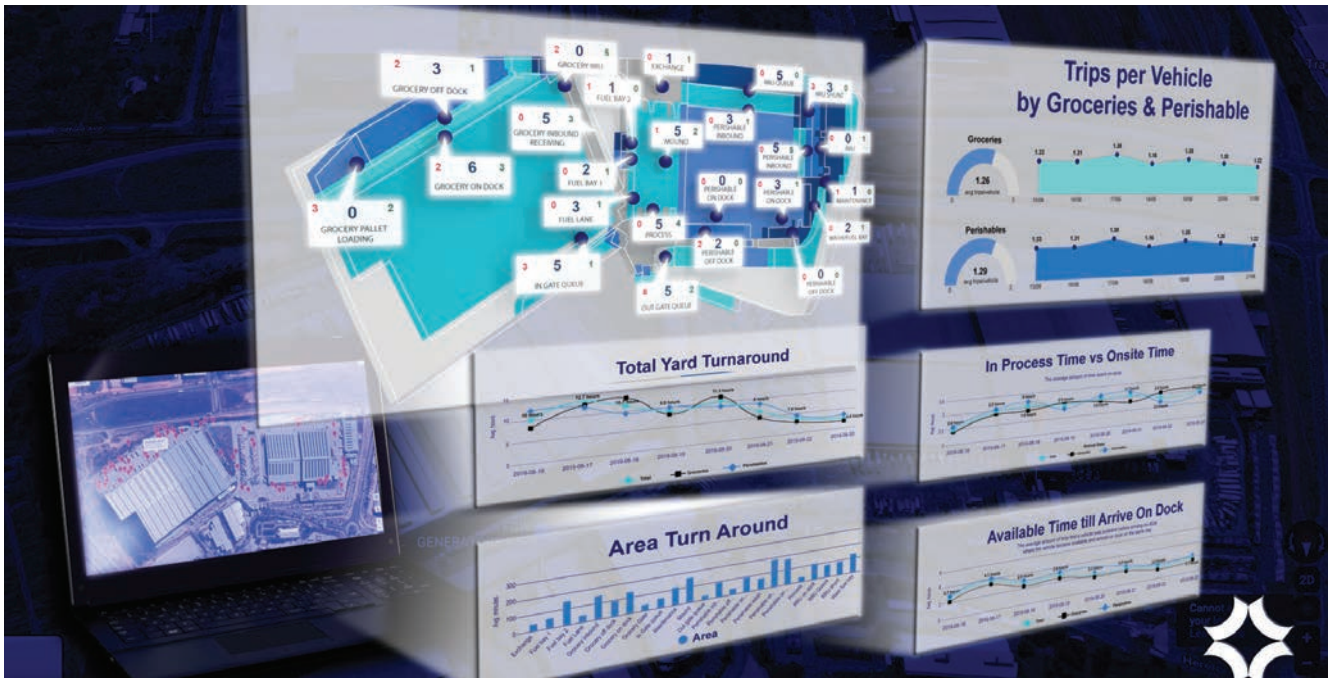
the distribution centre's on-time delivery performance with substantial knock-on effect on cost and waste.

## The solution

With no 'off the shelf' product to address the need, TrenStar, in collaboration with Pick n Pay Longmeadow DC, had to configure and build a solution to meet the desired outputs and







agreed Pick n Pay key performance indicators, against set business rules.

The TrenStar Yard Management Solution for the Pick n Pay Distribution Centre at Longmeadow was developed to deliver key tactical benefits in the form of increased visibility, reduced turnaround time and zero manual intervention and input, on a single platform.

This is achieved by showing the user where in the yard (or outside the yard) a vehicle is, what

the status of the vehicle is, whether the vehicle has broken any yard business rules and, lastly, a history of the vehicle movements – all in near real time and in a single view dashboard.

**The outcome**

The benefits of using the TrenStar YMS (Yard Management System) include the tools for operational monitoring that can assist in key business decisions and drive continuous improvement throughout the yard. •





# First-ever fruit on rail project in Bela-Bela

*Transnet Freight Rail and Kholwa Logistics developed a system that enabled the first-ever direct shipments of citrus from farms and packhouses to the port using trains.*

## The challenge

- The export of citrus fruit is growing very fast and the growing Chinese market poses increased compliance to the health regulations in China.
- There is increasing quality expectation from customers – especially in Europe and China.
- High logistics costs with traditional channels: Farm – packhouse – road transport of pallets to coast – cold storage – packing of reefer containers – road haulage into port – port stack – vessel to international destination.
- High environmental impact of transport: Movement on road creates significant greenhouse gases.

## • In 2018:

- Not enough road vehicles to move packed products to the ports.
- Damage of pallets en route to the port.
- Insufficient cold storage in coastal areas.
- Road congestion into the port.
- Reduced quality.
- Significant losses.

## The solution

To cope with this, Transnet Freight Rail and Kholwa Logistics developed a system that enabled the first-ever direct shipments from the farms and packhouses to the port using trains.

The full requirements entailed the certification of the farms and the packhouses



by Gogo Fruit, the client whose fruit is being handled. After packing, the fruit is pre-cooled to a temperature of  $-1.2^{\circ}\text{C}$  and maintained at that level for at least 72 hours.

Containers are road hauled from the developed container road rail terminal in Bela-Bela to the farms in Marble Hall and are pre-cooled during this journey. The cold products are packed in the shipping reefer containers and transported back to Bela-Bela.

In Bela-Bela, the containers are either loaded directly on trains or placed in the stacking area, both provided with electricity supply. The temperature of the content of the containers is kept at a level of between  $-1.2^{\circ}\text{C}$  and  $-0.6^{\circ}\text{C}$ .

Every container is fitted with a temperature probe to continuously monitor the temperatures and this will be monitored before loading of the train, offloading of the train and dispatching of the container from the port in China. The trains used for the conveyance are provided with electricity supply from a diesel generator and are fully supported during the trip to Durban with a technician.

### The outcome

The results of this year and previous years indicate a 100 percent success rate in acceptance of the fruit in China. For next year, volumes may double from current volumes. •



# New terminal in Cato Ridge project



*The development and operation of Cato Ridge Container Terminal (CATCON) by Transnet Freight Rail's (TFR) Container and Automotive Business (CAB) Unit is to serve as a major inland port.*

CATCON PROVIDES back of port facilities for value-added services, conveying import and export volumes to and from the Port of Durban and distributing containerised cargo through the provision of rail services on a regional and national basis.

## **The challenge**

An interim logistics solution to the proposed Cato Ridge Logistics Hub project was needed, hence the new terminal, which is based on the expressed needs by both existing and prospective customers as well as other role players within the industry.

## **The solution**

The terminal offers a shuttle service between the Port of Durban and CATCON, where customers' cargo is transferred from rail and road-hauled to customers' premises. TFR saw the opportunity to serve an emerging market in the Cato Ridge area, which comprises new businesses, and to unlock the uncaptured demand by understanding market and supply chain requirements, as well as creating innovative supply chain solutions that would delight customers.

The success of the CATCON terminal largely resides with the power of





collaboration with critical role players in the supply chain and is an indication of the growth opportunities available within the container sector, which can grow rail market share, provide relief to the country's road infrastructure and create a greener economy.

**The outcome**

With minimal investment, CATCON has far

exceeded its expectations and continues to deliver value not only for the business community, but also in stimulating job creation and the alleviation of poverty in the Cato Ridge area. Rail demand continues to grow and exceed capacity. Focus is now on the development of medium- and long-term solutions that can accommodate a 50,000 square metre terminal to service the needs of the industry. •



# LAA Enviro Awards 2019

*The LAA Enviro Awards are aimed at rewarding organisations that are making genuine efforts to minimise the environmental impact of their supply chain processes.*

THE SCIENCE is overwhelming, the latest IPCC 1,5° report paints a bleak picture. The report, issued by the UN Intergovernmental Panel on Climate Change (IPCC), says the planet will reach the crucial threshold of 1.5°Celsius (2.7°Fahrenheit) above pre-industrial levels by as early as 2030, precipitating the risk of extreme drought, wildfires, floods and food shortages for hundreds of millions of people. 2030, that is 11 years from now, which falls well within the lifetime of many people alive today, based on current levels of greenhouse gas emissions.

The planet is already two-thirds of the way there, with global temperatures having warmed about 1°C. In order to avoid this outcome, global net emissions of carbon dioxide would need to fall by 45 percent from 2010 levels by 2030 and reach 'net zero' around 2050 in order to keep the warming around 1.5°C. Lowering emissions to this degree, while technically possible, would require widespread changes in energy, industry, buildings, transportation and cities, the report continues.

Even if warming is kept at or just below 1.5°C, the impacts will be widespread and significant. The desire for environmental and social stewardship are the top pressures driving sustainability efforts. Top performing companies (smart companies) are the ones who can match these concepts that are not always easily understood in the business world, to clear actionable, measurable improvements to the bottom line.

Most companies, however, are still struggling to factor sustainability into the

'hard' areas of their business, such as supply chain and the budget.

Sustainable business practices have become as important as the creation of shareholder returns, and whilst this may impact operations in the short term, the implementation of environmentally sound processes will provide incalculable benefits in the long term in terms of cost savings and operational efficiencies.

The LAA Enviro Awards are aimed at rewarding organisations that are taking cognisance of this trend and are making genuine efforts to minimise the environmental impact of their supply chain processes.

#### **The criteria for the awards are:**

- Companies should demonstrate compliance with environmental regulations, both national and international.
- Companies will need to illustrate success in minimising waste from the supply chain process and the overall adoption of 'green' practices across their supply chains.
- Companies will need to demonstrate success in reducing their carbon footprint.
- Companies will need to illustrate success in transforming the green agenda into a business opportunity that offers added value.
- Companies should be proven to regularly take measures to improve their environmental performance, such as through the application of environmental criteria to assess and choose suppliers, transporters and other partners.

The award winning entries in this category





have demonstrated thought leadership in supply chain optimisation solutions, incorporated innovation warehousing solutions and economic and emissions savings through the application of sound logistics principles and transportation fleet management and redesign.

In conclusion, the age of climate adaption is upon us, business will have to adjust to the rapidly changing environment or they will end up having to through regulatory measures as world leaders come under pressure to reduce global emissions. In his impassioned speech delivered to the Global Climate Action Summit in San Francisco, Harrison Ford, a multi-award winning actor, made the following plea, “Rich or poor, powerful or powerless, we will all suffer the effects of climate change and ecosystem destruction, and we are facing what is quickly becoming the greatest moral crisis of our time. That those least responsible will bear the greatest costs.”

**Enviro Award winners**

**1. DSV Solutions (Pty) Ltd (Raceway complex):** Through the redesign of a warehouse facility to a multi-client environment, this ISO 14001 accredited

facility achieved significant savings in energy requirements, improvement in MHE operating equipment footprint and recycled 90 percent of all site waste.

- 2. Eazi Access and Resolve Solution Partners:** Through the redesign of fleet requirements and the implementation of optimised routing and scheduling, kilometres travelled reduced significantly, fuel efficiency improved and the carbon emissions of the fleet were reduced.
- 3. Sunstone Logistic Systems fuel probe implementation, partnering with Anheuser-Busch InBev (ABInBev):** Through the implementation of a fuel probe project, in over 850 vehicles across seven countries in sub-Saharan Africa, combined with optimisation of distribution process, driver behaviour management and robust key performance indicators (KPIs), massive fuel savings and resultant carbon emissions savings were achieved.
- 4. OneLogix:** Innovations in the Umlaas Logistic Hub resulted in fuel usage reduction, water savings through the operation of a closed loop wash bay system, improved biodiversity, recycling initiatives and community upliftment.





# Previous winners of the Logistics Achiever Awards



- |             |   |             |   |
|-------------|---|-------------|---|
| <b>1989</b> | Volkswagen South Africa                               |             | Imperial Logistics; Shoprite Checkers/ILS; Buhle Betfu/Cargo Carriers   |
| <b>1990</b> | Unifruco  |             |   |
| <b>1991</b> | Meadow Feeds Delmas                                   |             |   |
| <b>1992</b> | Foschini  |             |   |
| <b>1993</b> | Mondi Board's Springs Mill                            |             |   |
| <b>1994</b> | South African Air Force                               |             |   |
| <b>1995</b> | Polifin PP  |             |   |
| <b>1996</b> | Mondi Forests   |             |   |
| <b>1997</b> | Vierhoek Trust  |             |   |
| <b>1998</b> | Toyota Automotive Components; The Help Foundation     |             |   |
| <b>1999</b> | Robor Tube  |             |   |
| <b>2000</b> | National Brands                                       |             |   |
| <b>2001</b> | Supply Chain Solutions/Pep Stores                     |             |   |
| <b>2002</b> | Spoornet Orex; Viamax Logistics                       |             |   |
| <b>2003</b> | Dimension Data/UTi; SPAR Eastern Cape                 |             |   |
| <b>2004</b> | Kutama Sinthumule Correctional Centre; Sasol Polymers |             |   |
| <b>2005</b> | Kintetsu World Express SA; Cape Epic/                 |             |   |
|             |   | <b>2006</b> | BMW SA  |
|             |   | <b>2007</b> | Illovo Sugar SA/Barloworld Logistics  |
|             |   | <b>2008</b> | Woolworths; Flavourcraft  |
|             |   | <b>2009</b> | GMSA/UTi  |
|             |   | <b>2010</b> | Nike SA/Barloworld Logistics; UTi Pharma  |
|             |   | <b>2011</b> | Maputo Corridor Logistics Initiative  |
|             |   | <b>2012</b> | Crickmay & Associates   |
|             |   | <b>2013</b> | Nissan South Africa; Savino Del Bene; BAE Land Systems SA/UTi Africa  |
|             |   | <b>2014</b> | Lebone Litho; Paarl Media/UTi; MTN/RTT Group; Nike SA/Barloworld Logistics; Western Cape Government Health / UTi Pharma |
|             |   | <b>2015</b> | SA National Blood Service/Trenstar  |
|             |   | <b>2016</b> | Barloworld Logistics; Meadow Feeds  |
|             |   | <b>2017</b> | Transnet Ceres Rail/Transnet Soletu Marine Services/Vodacom/ZZ2   |
|             |   | <b>2018</b> | Cimerwa Cement/DSV Locker/Maputo Corridor/ZZ2 Avocado SC  |

*“Partnership lies at the heart of what makes the supply chain work, both in South Africa and around the world. Each year, the Logistic Achiever Awards showcase how local companies have partnered with customers and suppliers to find truly innovative solutions to unique challenges. As a company that champions partnership, CHEP continues to be a proud sponsor of the Awards,” says Hermann Haupt, Vice President, CHEP Sub-Saharan Africa.*



## South African wine producer promotes use of reusable pallets

CHEP, THE supply chain solutions company, has been working with South African wine producer and exporter Origin Wine for more than a decade in a managed pallet pooling program that has shown to be more economical and more environmentally sustainable than white wood pallets and other delivery platforms.

Origin Wine, based in Stellenbosch in South Africa's Western Cape wine-producing region, has grown from a two-man business 17 years ago to a global operation with nearly 350 employees, selling in excess of 40 million litres of wine a year. Wines are exported to the UK, Russia, the

Netherlands, China, Canada, Sweden, USA, Denmark and Germany, to name a few.

Privately owned Origin Wine is a fully vertically integrated operation, sourcing grapes and wines throughout the world. Satellite offices are located in the UK, Sweden, Canada and Switzerland. The company's main brands are Stormhoek and Grand Vin de Stellenbosch.

Lise Ewins, Origin Wine Marketing Manager, says, “Two major trends we are seeing at the moment are premiumisation and sustainability. People are willing to pay more for a higher-quality product. Our challenge is to continuously





explore new innovations, ideas and markets. Sustainable production is a major concern and requires our ongoing commitment. We see it as our responsibility to work in partnership with our clients to decrease the carbon footprint for the products we trade.”

Origin Wine production is centred on a 16 hectare site in Stellenbosch, which includes 10.7 hectares of premium vineyard, a blending cellar with 64 tanks and 3.2 million litres’ capacity, three production lines of accumulated capacity of 10,000 bottles an hour including a bag-in-box (BIB) filling line with accumulated capacity of 180 bags per hour, a fully accredited laboratory and a 2,200 square metre warehouse.

Colleen Carstens, Origin Wine Supply Chain Manager, says, “CHEP is our preferred method of dispatching due to cost efficiency, the sustainability aspect that pallet pooling provides, as well as CHEP’s excellent service. The fact that CHEP recognises our challenges and has assisted

Origin Wine by offering a competitive cost structure for this very challenging year proves their commitment as a logistics partner,” she notes.

“With the current emphasis on sustainability, I believe pallet pooling will become the preferred method of distribution, if not mandatory in South Africa,” observes Carstens. “CHEP makes it its business to understand its clients. That’s why we’ve built a good partnership with the company over the past decade.”

Chris Perumal, CHEP Director, FMCG, CHEP South Africa, says, “Origin Wine has been on a program to replace one-way and white wood pallets with CHEP pooled pallets. The cost to purchase white pallets has been steadily increasing, while sub-standard quality and lower durability add a measure of risk to logistics operations. CHEP pallets are of consistent quality and strength, minimising the chance of product damage,” he adds. •

# Directory of supporting industry associations

## **CILTSA**

Chartered Institute of Logistics and Transport SA  
011-789-7327 • [www.ciltsa.org.za](http://www.ciltsa.org.za)

## **CIPS**

Chartered Institute of Purchasing and Supply Southern Africa  
012-345-6177 • [www.cips.org/southernafrica](http://www.cips.org/southernafrica)

## **CSCMP**

Council of Supply Chain Management Professionals  
SA Round Table  
011-678-1820 • [www.cscmp.org](http://www.cscmp.org)

## **RFA**

Road Freight Association  
011-974-4399 • [www.rfa.co.za](http://www.rfa.co.za)

## **SAAFF**

SA Association of Freight Forwarders  
011-455-1726 • [www.saaff.org.za](http://www.saaff.org.za)

## **SAEPA**

SA Express Parcel Association  
[info@saepa.org.za](mailto:info@saepa.org.za) • [www.saepa.org.za](http://www.saepa.org.za)

## **SAIIE**

Southern African Institute of Industrial Engineering  
011-607-9557 • [www.saiie.co.za](http://www.saiie.co.za)

## **SAPICS**

The South African Production and Inventory Control Society  
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