

December 5th, 2011

JSP and HF-Czechforge to bundle plastics and steel shipments from Czech Republic to Germany

European "CO³ Project" for horizontal collaboration delivers its first success

Introduction

On the morning of November 28th 2011, a Czech truck, fully loaded with consignments of lightweight plastic beads bags and heavy metal automotive brake disks, successfully delivered this bundled payload to its destinations in Germany, the plastics manufacturing plant of JSP in Eschenau, and the metal forgery of Hammerwerk in Fridingen.

Co-loading of light and heavy goods

This trial run was the result of a carefully prepared co-loading experiment involving JSP and Hammerwerk with support from a large European innovation consortium. The objective: to improve the efficiency, effectiveness and sustainability of logistics networks through orchestrated horizontal collaboration or "Carpooling for Cargo®".

JSP is the global leader in the production and the development of ARPRO®, an essential product for the automotive, packaging and consumer goods industries. ARPRO® is used in light weight, energy absorbing, and structural applications delivering environmental and economic value.

Hammerwerk Fridingen (HF)-Czechforge is a manufacturer of advanced metal components for the automotive and aviation industry.

Because of the inherent characteristics of their respective products, neither JSP nor Hammerwerk are able to efficiently utilize available transport capacity when shipping only their own freight. The majority of Hammerwerk's products are heavy and compact; JSP's products are voluminous and light.

By synchronizing and then consolidating their overlapping freight flows between the Czech Republic and Germany, both companies can now share trucks that are loaded to maximum capacity both in terms of volume and weight.

Corporate Social Responsibility

Through bundling, i.e. synchronized consolidation of their light and heavy shipments, JSP and Hammerwerk need less individual trips and vehicles to replenish their manufacturing plants in Eschenau and Fridingen. In addition, the co-loading allows for a higher delivery frequency, significantly increasing customer service levels and manufacturing flexibility. Last but not least, inventory-in-transit cost is reduced and double digit gains are realized in the CO₂ emission per ton-kilometer of transported product.

As such, this horizontal collaboration pilot project delivers **significant benefits in all dimensions of the “Triple Bottom Line”** (People, Planet, Profit) for JSP and Hammerwerk. It is therefore not surprising that both companies will now consider making **logistics bundling an integral part of their Corporate Social Responsibility strategy**.

TRI-VIZOR as neutral orchestrator

TRI-VIZOR, a Belgian company specialized in horizontal collaboration, acted as Cross Supply Chain Orchestrator® for the bundling pilot. As a **neutral matchmaker, TRI-VIZOR brought JSP and Hammerwerk around the table, evaluated their logistics synergy potential, facilitated the process integration and helped the companies to overcome their various operational and mental barriers.**

Earlier this year, TRI-VIZOR, a spin-off company of the University of Antwerp, already succeeded in creating a groundbreaking horizontal collaboration community between healthcare multinationals Baxter and UCB.

Fundamental European Support from CO³

This JSP-Hammerwerk bundling project was supported and will be further championed by **“Collaboration Concepts for Co-Modality (CO³)”**, a European initiative for **innovation through horizontal collaboration in logistics**, driven by 18 consortium partners with financial support from the **EU 7th Framework for Research Program**.

Companies who want to transport their goods across Europe with **“fewer and friendlier miles”**, can make use of the services of CO³ **to identify potential bundling partners and to set up test projects.**

The CO³ program will run until September 2014 and will work together with an extensive network of European enterprises and knowledge centers.

Conclusion and next steps

The trial run demonstrated that **it is possible to simultaneously achieve double digit gains in logistics efficiency (cost), effectiveness (customer service level) and sustainability (carbon footprint) through horizontal collaboration.**

In the coming months, JSP, Hammerwerk and TRI-VIZOR will attempt to gradually **increase the intensity and level of sophistication** of their collaboration, introducing extra components such as a **multilateral transport contract, a dynamic gain sharing mechanism, and an ICT cockpit for collaborative order synchronization** and administration. This will happen in close collaboration with the logistics service provider.

The CO³ consortium will closely monitor the results of this project, documenting the learnings and converting them into a **generic training package that can be shared with the entire European logistics market.**

Knowledge dissemination and application

Between 2012 – 2014, the CO³ consortium will disseminate its knowledge and tools on horizontal collaboration in the entire European logistics market through a series of **international conferences, trainings and seminars.**



Companies interested to learn more about horizontal collaboration, or who wish to take part in applied test projects are kindly invited to contact the CO³ consortium partners mentioned below.

Contact and additional information

For additional questions, or for more information about CO³ test projects and conferences, please contact:

CO ³ Test Project Coordination:	CO ³ General Project Office:
Sven Verstrepen Business Development Director TRI-VIZOR nv Waterfront Research Park Galileilaan 18 2845 Niel België T +32 (0)3 292 62 14 M +32 (0)498 51 81 67 E sven.verstrepen@trivizor.com www.trivizor.com	Dirk 't Hooft CEO Nederland Distributieland (NDL) Holland International Distribution Council (HIDC) Röntgenlaan 11 2719 DX Zoetermeer Nederland T +31 (0)79 343 81 11 M +31 (0)6 513 871 67 E d.thooft@ndl.nl www.ndl.nl

JSP contact:

Gary Carr
 JSP
 Communications & Marketing Manager
gary.carr@jsp.com
 +44 13 44 72 46 74