

## Pulp transport innovation brings productivity improvements

Mondi Business Papers and service provider Super Group Freight Division received a Silver Award for outstanding achievement in logistics for developing and implementing a customised and sustainable transport solution.



When Mondi's Merebank Mill increased production by an additional 260 000 tons/annum it was faced with a double dilemma in that the number of trucks delivering daily into the region would increase substantially whilst the cost of delivered pulp from Richards Bay needed to be decreased to improve the returns of this large capital investment.

Super Group's Freight Division has enjoyed a successful business partnership with Mondi South Africa for more than 30 years. Over this period Super Group's Freight Division has focused on Mondi's outbound and inbound logistics requirements and has always provided the edge in terms of technology, achieving superior payloads and displaying unwavering commitment to the quick and reliable fulfillment of Mondi's delivery promises.

With the Merebank Mill situated on the edge of a residential area, huge public pressure over the years had been placed on Mondi to limit and restrict the trucking activity levels in and around the mill.

With the increased production being used to manufacture A4 photocopying paper for the overseas market, Mondi needed to reduce the current transport rate per ton for the existing off-take of 100 000 tons/annum and for the increased additional future pulp off-take of 260 000 tons.

In terms of tonnages, the previous 308 tons of pulp delivered daily to Merebank was due to increase significantly to 960 tons per day. Based on the existing operating standards it would mean that the fleet would have to increase from four to 14 vehicles without any decrease in the rate per ton.

The project team needed to improve the payload efficiency factor, which would reduce the rate per ton whilst still remaining within the legislation norms,

and also increase the number of trips done per day per vehicle to reduce the number of trucks in the system.

Super Group's Freight Division recognised the importance of uniting all involved partners to find the optimal solution. Through an analysis approach the team focused on technology, processes, rules and measurements. It re-engineered the fleet design, re-shaped the pulp bales, changed terminal behaviour patterns, incentivised drivers, dedicated the fleet and measured all operating parameters, and also introduced a policy whereby any measured non-conformance allows for due compensation to the other party.

A significant part of the improvement was the redesigning of the trailers that carry the pulp bales. One of South Africa's leading trailer manufacturers, Trailord, was tasked with the reconfiguration of the fleet trailers. The result was a significant saving for Mondi in that the unique design allowed the trailers to carry materially larger loads within legal limits, reducing the number of loads and therefore the number of vehicle trips to move the increased volumes.

The outcome achieved from the first year of operation, and which is continuing on an ongoing basis, includes: a rand/ton saving in excess of R4-million/annum; working capital savings of R750 000/annum as a result of a 1 500 ton stock holding reduction; reduction in fleet requirement – from four to six vehicles against the projected 14; increased service levels to Merebank due to fleet availability and cycle times; payload improvement; terminal time improvements; vehicle productivity improvements; RTMS accreditation; and the winning of the coveted Mondi supplier of the year award in 2008. ●

