

# Supply Chain Award - Project of the year 2010

## Metropolis Business & Communication Center Antwerp



## The DCS Green Logistics Concept

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## Content

- Content
- 2XL – The Company
- The project
- The UK distribution today
- The UK distribution via the DCS concept
- Savings
- Cases
- Investments
- Performance measurement
- Continuous improvements
- Conclusion
- Q&A

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## 2XL – The Company

- Family company created in 1999, Zeebrugge (B)
- International Transport – specialisation UK
- Logistics – 65.000m<sup>2</sup> warehouse – railconnected
- Turnover 60.000.000 € – staff 250
- Mission:



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## The project

- The Goal:

Organising the UK distribution directly from a platform in Zeebrugge meeting the current and future requirements of our customers.

- The Result:

Reduction in overall costs for our customers

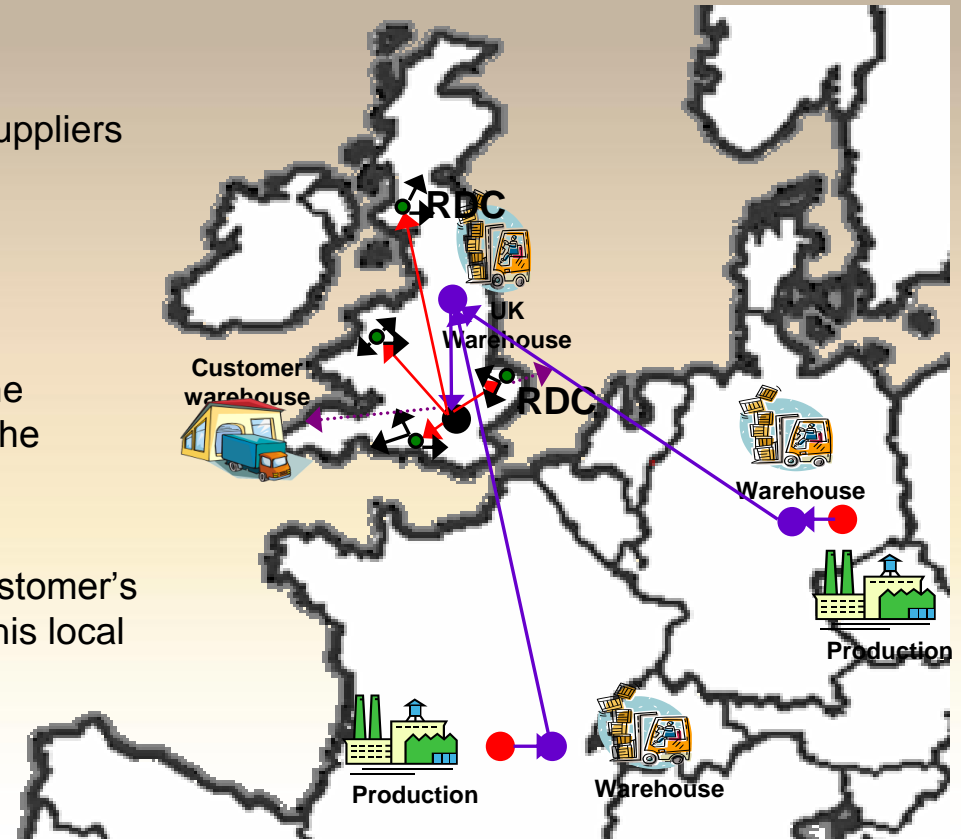
Reduction of the carbon footprint for our customers

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## UK distribution today

- Inbound to a central suppliers DC in the UK
- Mostly road
- UK distribution from the suppliers' platform to the customer DC
- Redistribution from customer's central warehouse to his local DC's
- Delivery to the store





# UK distribution via the DCS concept

## Organizing the UK distribution from a platform in Zeebrugge

### OPTION 1

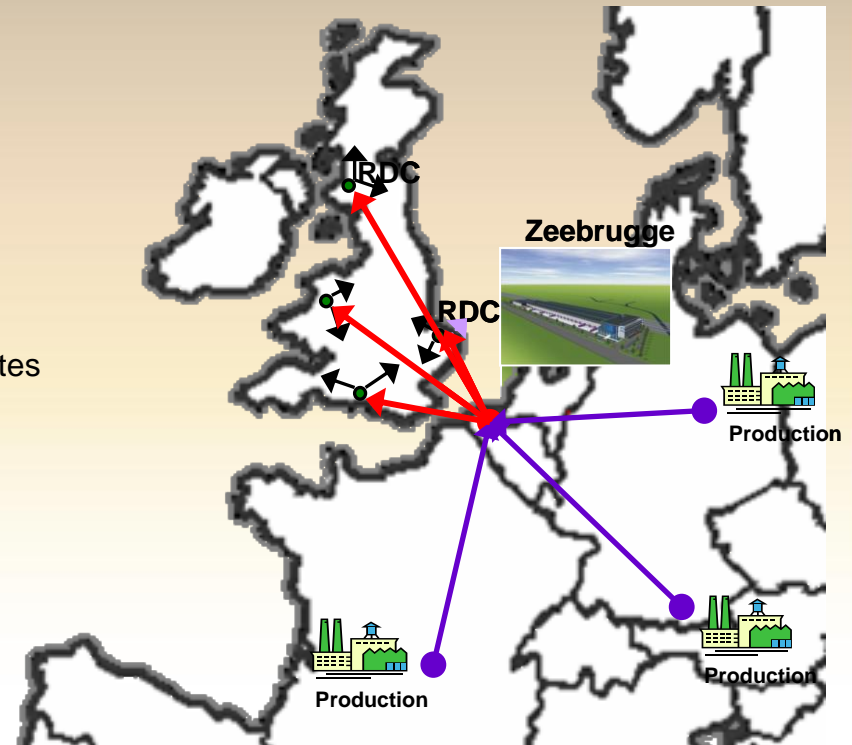
- 1 customer with 1 production site
- 1 central warehouse Zeebrugge
- Multiple UK customers

### OPTION 2

- 1 customer with multiple productions sites
- 1 consolidation center Zeebrugge
- Multiple customers

### OPTION 3

- Various vendors (customers)
- 1 consolidation center Zeebrugge
- 1 end customer with various RDC's



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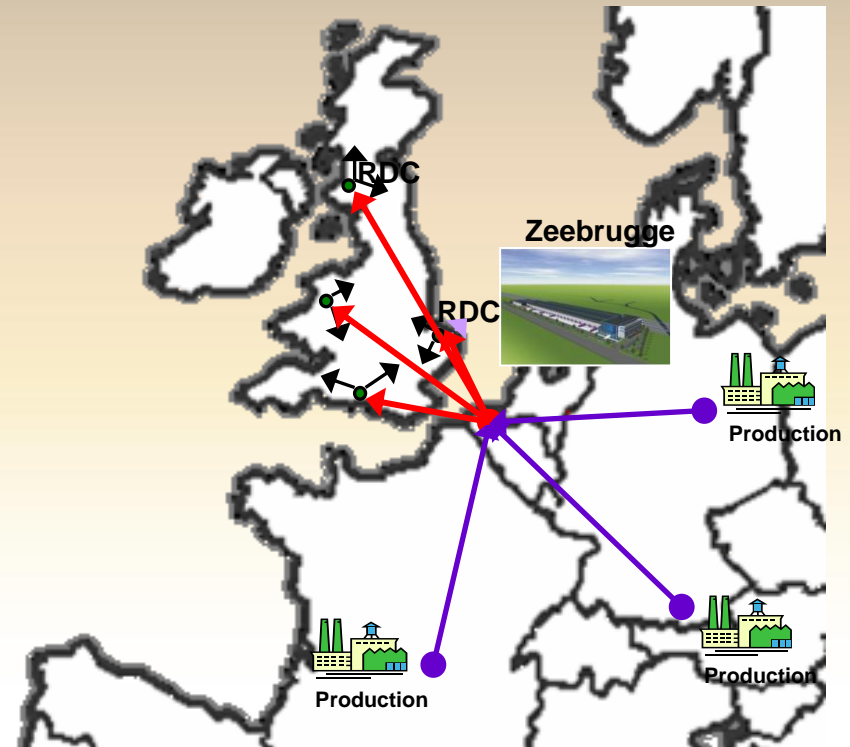




# UK distribution via the DCS concept

## Customer requirements

- On Time Arrival
- Lead time 24 hours
- 24/7
- FTL & LTL
- Value added services
- Rush orders
- Paperwork



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# UK distribution via the DCS concept

## 1/ Inbound: Full loads to 2XL Zeebrugge

- Train conventional
- Train Intermodal
- Road



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## UK distribution via the DCS concept

### 2/ Consolidation: Zeebrugge warehouse

- 52.000 pallet places + 10.000m<sup>2</sup> floor storage
- WMS with traceability up to case level
- Railconnected
- Value added services
- Bonded
- BRC certified



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# UK distribution via the DCS concept

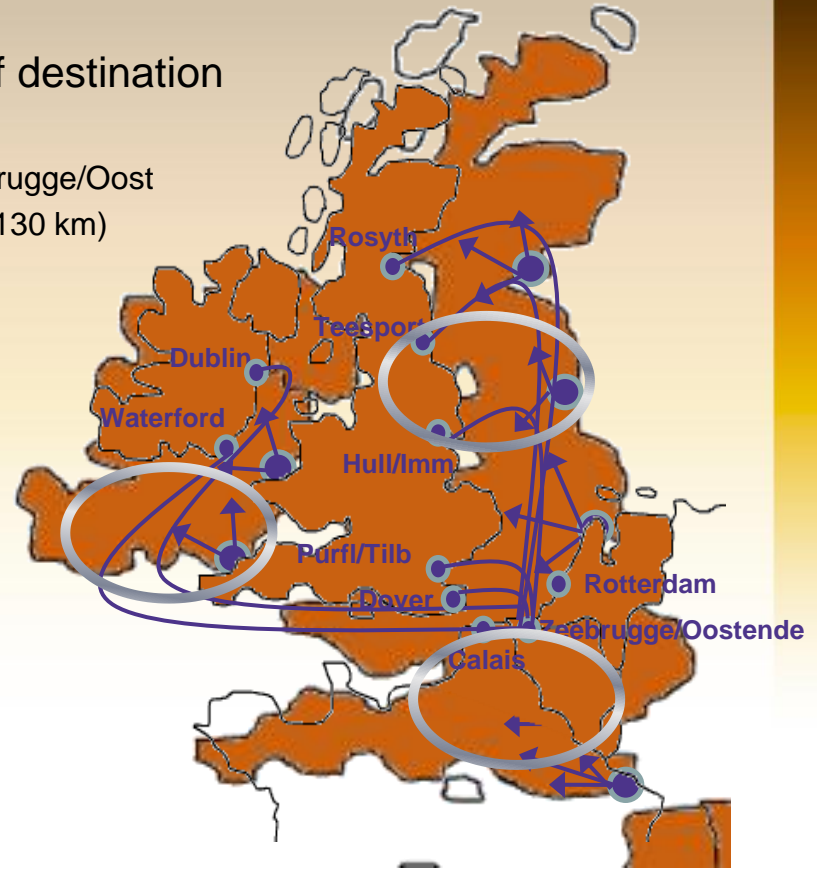
## 3/ Outbound: FTL to the UK

- Shipping to the nearest point of destination

- \*\* 20 daily departures to the UK ex. Zeebrugge/Oost
  - \*\* back-up: Calais = over 30 departures (130 km)
  - \*\* Unaccompanied - Accompanied

- Distribution UK

- \*\* local delivery
  - \*\* less road haulage
  - \*\* avoid most of the traffic jams
  - \*\* same drivers – same customers
  - \*\* 24/7



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## Savings

- Cost Saving

Savings in Transport	→	Savings possible up to 35%
Savings in Storage	→	Zeebrugge 1/3 of the UK cost
Savings in Stock	→	Less warehouses = less stock

- CO<sup>2</sup> Saving

Savings possible up to 50%  
Savings possible up to 75% using inbound rail

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**Aim High**

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## Cases

- Paper industry

*Sappi:*

*120.000 tons/year*

*FTL + Milk rounds*

- UK retail

*Asda Wal\*Mart:*

*75.000 pallets/year*

*Wine – food – general merchandise*

- Food & drink

*Danone Waters:*

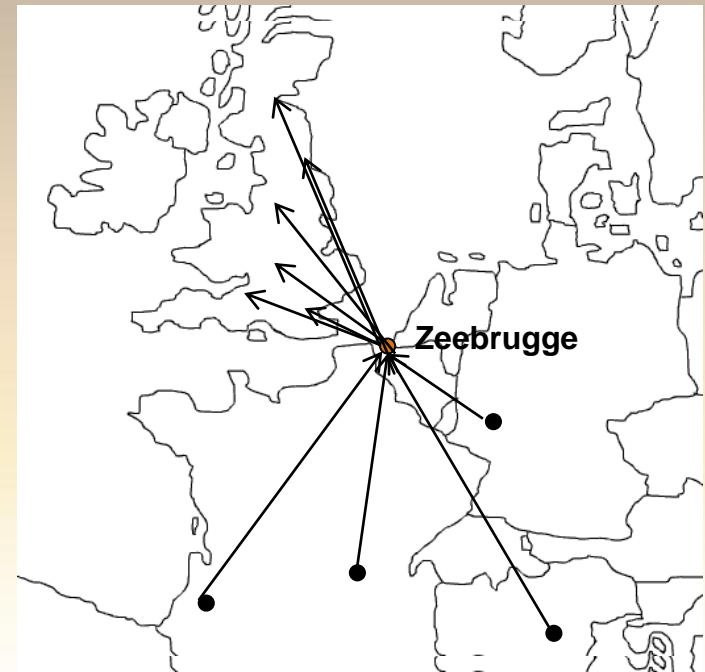
*70.000 pallets/year*

- General merchandise

*Ontex:*

*70.000 pallets/year*

*Hygiene products (tissues, etc.)*



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## Investments

- Warehouse  
Building, racking & systems: 26.000.000€
  
- Rail connected warehouse  
300m + 200m rail-track inside both warehouses

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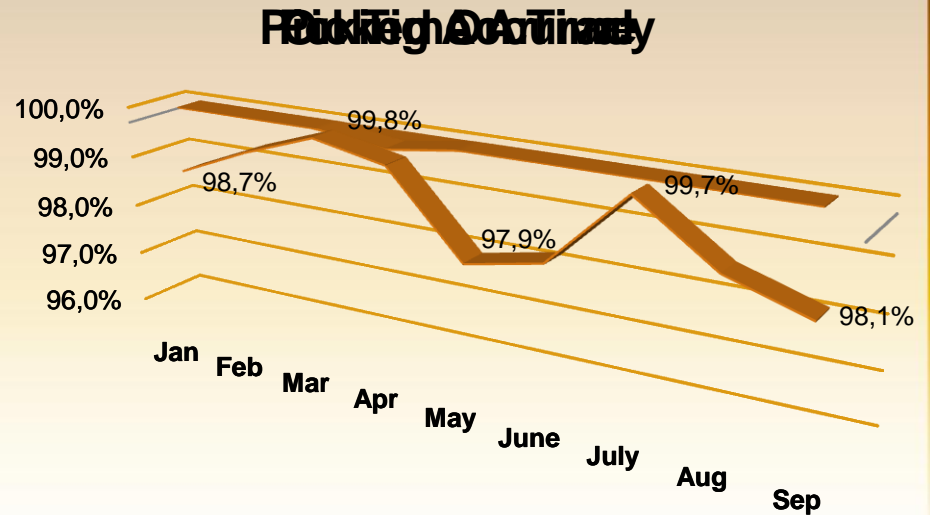
# Performance measurement

## KPI's

- On Time Arrival

- Picked On Time

- Picking Accuracy



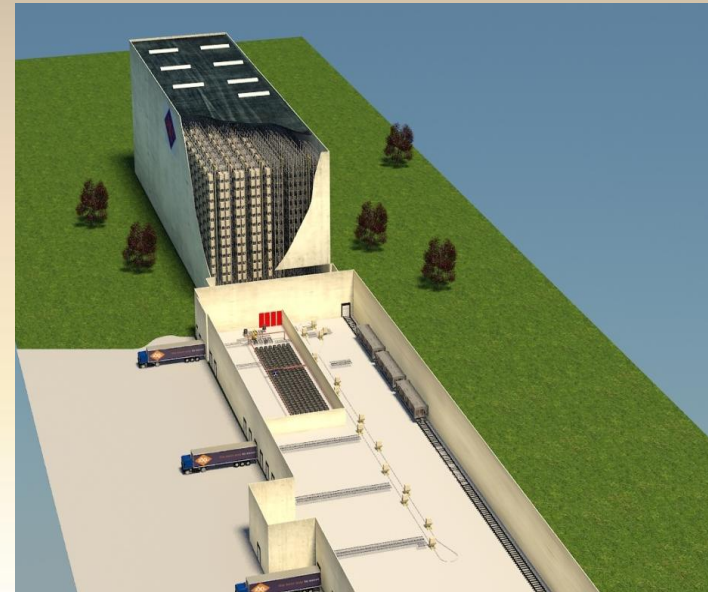
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# Continuous improvements

Warehouse automation



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## Conclusion

The **DCS** concept =

- From a strategic consolidation platform in Zeebrugge
- Organizing direct deliveries to the end destination in the UK
- Via a combination of rail – road – sea
- Reducing our customer's carbon footprint
- Reducing cost in our customers' supply chain

## A proven and reliable service

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the best way to excel  
is with 2XL

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