

PRESS INFORMATION

Pallet Networks on the Right Road, Big Potential Savings for UK Transport

Government Funded Study Shows Pallet Networks Provide Business and Environmental Benefits, but There's Still Plenty of Room for Improvement

Pallet Networks are improving our transport efficiency, benefiting business and the environment, but there is still potential for greater improvements and many regional and small transport companies could improve. That is the conclusion of a report carried out by supply chain consultancy The Logistics Business on behalf of TransportEnergy BestPractice programme (TEBP), established by The Department for Transport to reduce energy costs in transport.

The freight areas of the TEBP programme's aims are to help improve operational efficiency within the freight industry and reduce the impact of freight movement on the environment. It does this by providing independent, authoritative information and advice in the form of publications, videos and software to help truck operators implement best practice.

A leading consultancy in freight logistics, The Logistics Business undertook the project on behalf of TEBP. "Being part of a pallet network has certainly helped some transport companies," commented Les Beaumont, author of the report. "They improve the performance of UK transport as a whole with greater vehicle efficiency, reduced charges to customers and productivity gains."

This will come as good news for the UK's road transport industry, according to Beaumont. "But it is not all good news. There is a big difference between the best and worst operators. If everyone could operate as well as the best, there would be even more gains. If more small transport operators in the UK adopted better practice, this would bring huge savings."

He points out that the best operators use far less fuel than others, delivering savings which could amount to over £12,000 a year for each trunking vehicle, reducing carbon dioxide emissions by a whopping 40.5 tonnes each. "As fuel prices rise, this will be an even bigger cost saving. Repeated across the number of heavy good vehicles doing that job on our roads, that's quite a difference."

The report, Key Performance Indicators for the Pallet Sector, surveyed the operations of 17 different transport companies across three pallet networks. A number of Key Performance Indicators (KPI's) were analysed. Resulting data included vehicle utilisation, empty running, and deviations from schedule, time utilisation and fuel efficiency.

The report identifies a number of areas for potential improvement including use of vehicle kits for streamlining, driver training and assessment, vehicle type and engine power. Reorganisation of collections and deliveries, route planning technology and departure times are also discussed.

"There is a range of opportunities for all operators within the pallet network sector, that are also available to all regional and small fleet operators," concluded Beaumont. "This report just highlights what considerable potential there is for efficiency and reduced environmental impact in UK transport."

The full benchmarking guide is available from TransportEnergy BestPractice – by calling the Hotline on 0845 602 1425 or by visiting the website www.est.org.uk and click on 'Make your fleet more efficient'.

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Note to editors:

The Logistics Business has been established for over 12 years and is now one of the UK's foremost specialist supply chain and logistics consultancies. The team at The Logistics Business has a well-established record of planning and developing supply chain, distribution and warehousing operations. This work covers supply chain strategy, distribution strategy and networks, development of distribution operations, warehouse design and layout, manufacturing logistics and IT system design. With the knowledge and expertise to optimise the supply chain process to meet the needs of a wide variety of organisations, helping their clients to achieve 'joined-up thinking' throughout their supply network, thereby improving customer service, minimising costs and maximising profits. More information 01527 889060, www.logistics.co.uk.

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2. The TransportEnergy BestPractice programme provides authoritative, independent information and advice to help implement sustainable transport initiatives. This information is disseminated through publications, videos and software, together with seminars, workshops

and other events. For further information visit our website at www.transportenergy.org.uk and click on 'Make Your Fleet More Efficient' or contact the Hotline 0845 602 1425.

3. Widening the scope of the TransportEnergy BestPractice programme, encouraging best environmental practice in the distribution industry is part of the Government's Sustainable Distribution strategy, as stated in the document "Sustainable Distribution: A Strategy" (1999) and restated in The Future of Transport White Paper (July 2004). Visit the DfT website at www.dft.gov.uk and follow the links to publications.