



Case Study van Gansewinkel

Van Gansewinkel Groes is a waste management and energy corporation, founded in 1964. Van Gansewinkel is part of van Gansewinkel Group with a top-5 position in Europe and market leader in Benelux. With more than 120,000 commercial and industrial customers in Benelux, a revenue 1.1 billion euro, 5,800 employees and over 1,000 vehicles, van Gansewinkel operates a modern, innovative company with a strong focus on environment and sustainability.

BUSINESS STRATEGY

Management objectives for project

Increase service flexibility by removing order cut-off time and implementing true 24-hour service and "On the fly" evaluation of impact on time windows

Increase utilisation of vehicles by reduce fixed costs, removing/ outsourcing orders which impede the optimum

Increase process control

Consolidate knowledge and implement best practices

Reduce direct costs within waste collection by driving less (empty) miles, increasing driver productivity and reducing number of vehicles

Enhancing support for sales and management by evaluating impact of time-windows and service frequencies, support what-if analysis (depot locations, outsourcing, 3rd party contracts)



COLLECTION MODES

Bins

Residual waste, paper & cardboard, glass, compost and confidential documents are collected in bins

Various types and sizes are available, from 240 litre bins up to 5,000 litre bins

90% are collected on a fixed contract, with pre-agreed collection days, varying from once per 4 weeks to 5 or even 6 times per week, whereas 10% are on-demand orders, where customers call the day before

The vehicles are predominantly planned using 4 week master plans which are reviewed on a seasonal basis. The vehicles consist of specialised vehicles equipped with various pick-up systems, side loaders and waste compressors

Skips & roll-off

Waste types: Bulky, construction, demolition, wood, scrap metal, etc.

Skips and roll-off containers vary in shape and size, from portal crane operated 3m3 skips to hook or cable pulled 40m3 containers

Skips and roll-off transport is usually on demand, which makes the transport extremely dynamic

Most skips and roll-off orders require several activities as they move between customers, disposal sites and stock locations

The fleet uses various specialised vehicles, with portal cranes, hook- and cable pulling systems and various types of trailers



TECNICAL SOLUTION

Situation before Implementation

Before implementing the solution, all master routes were made manually, which took several weeks and needed driver involvement and acceptance. All skips and roll-off container orders were planned "intuitively" using the traditional T-card system. Time windows were missed during operation due to poor data quality and the challenge of planning. Low service levels resulted in many complaints and a lot of administrative work. In aaddition to this, routes were very inefficient and difficult for temp drivers to execute.

Pilot Phase

Early 2009, a pilot project was initiated to single out the functional enhancements needed for a proof-of-concept. As part of the pilot a major enhancement of the skips and roll-off container functionality was developed and tested. The pilot showed significant potential for saving mileage and driving time and a large potential for increasing productivity (bins and skips handled per hour). In October 2009 the pilot was accepted by the board and further integration and roll-out of the system began.

Pilot Phase Enhancements

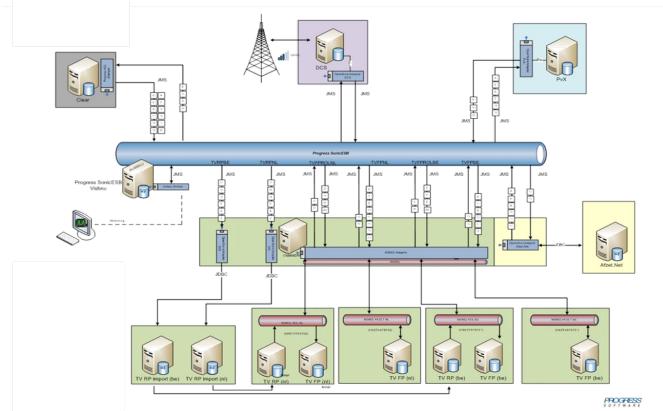
The pilot phase added value by identifying and implementing the following enhancements:

Skips and roll-off container multi-orders for annihilation (e.g. automatically find opportunity to drive an empty container to customer instead of stock locations)

Stacking of skips on top of each other on both vehicle and trailer (full container always on top plus customers site restacking constraints)

Limitations on entering specific areas, mostly in cities, with certain vehicle types and trailers (allow for extra time for setting off trailer in plans)

Keeping track of stock level of different skips at depots as they are picked up or delivered





THE BUSINESS CASE

Buy-in on all levels

Van Gansewinkel needed a strong business case to secure buy-in on all levels and were met with many challenges to get an overall acceptance of the system. Drivers and planners had difficulties accepting the new route proposals and challenged route quality. Some unprofitable customers had to be outsourced or even discontinued. Data quality was poor and fundamental changes in routes and service levels had to be made in order to gain the required optimisation.

To secure buy-in on all levels in the company van Gansewinkel took the following steps:

Included Transport optimisation in the long-term companywide programme (Target10) to cut cost

Performed strong project leadership and involved multi-level focus groups involved in all stages

Amde functional changes to facilitate better acceptance; management accepted consequences of lowered optimisation potential

Improved corporate visibility; strong internal communication plan with lots of "good news" in the company magazine and intranet pages...

"One doesn't very often encounter a supplier who offers a rich and intelligent product, but still has a large willingness to be curious about what it cannot do yet and to make the product even better. All this with enthusiasm and dedication, on time, on budget. 'No problem for Transvision' was therefore an often used phrase from the lead consultant. And fortunately I have not yet been able to prove him wrong!"

Geert Geraedts Manager Business Application ManagementCorporate ICT van Gansewinkel Group

Results

Large reduction in miles driven and driving time

Reduction in number of vehicles and drivers

Large reduction in administrative work

Significant increase in productivity (especially within skips and roll-off container transport)

Ability to assess profitability before accepting new customers

Improved customer service and less complaints by meeting promised time windows

Ability to balance service levels and transport cost

Control of the planning and ability to deliver optimised plans

Sense of security, structure and manageability

2.5% reduction of total cost within the bins operation

3.2% reduction of total cost within the skips container operation

Improvemnet in annihilation:

Key figure	Trip Min	Trip Max	Trip Average	Region Total
Multiorder count	2	8	5.25	84
Single order count	0	1	0.25	4
Annihilations	0	4	0.94	15
Container types	1	6	3.13	19

Key figure	Trip Min	Trip Max	Trip Average	Region Total
Multiorder count	2	8	5.6	84
Single order count	0	1	0.26	4
Annihilations	0	6	1.66	25
Container types	1	6	3.23	19