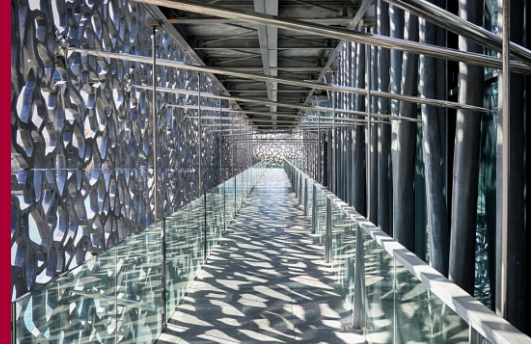


U.S. trucking labor crunch creates Steel industry hurdle

Improved outbound logistics gets trucks rolling, more product moving



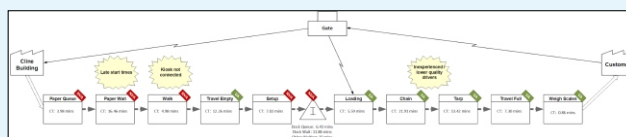
Our client, a **global steel manufacturer**, produces rolled, tube, and plate products across the U.S. This client has repeatedly engaged Implementation Engineers over the years to solve tough challenges when internal resources were unable to do so.

This company, like many others in the Steel industry, was struggling with the shortage of truck labor, and obtaining the trucks required to ship product out. Implementation Engineers was engaged to analyze the issue and develop a roadmap to address.

The steel producer believed their problems stemmed from two situations:

- (1) The loading capacity split between loading rail cars and loading trucks hampered transportation throughput
- (2) The time between gate in and gate out (truck turnaround time) affected the number of trucks it could contract on any given day

1. Value stream and process maps, focus interviews, and floor observations helped to identify the key sources of delay, misalignment, and improvement opportunity



2. Initial issues were quickly identified in two broad areas:

(1) **Transport capacity needed to be aligned with the production rhythm** to avoid inventory buildup. (2) Both the logistics and the operations departments felt, in the **absence of data**, that the other department was creating the problem.

3. Truck **planning and scheduling** improvements, non-value add **delay reduction**, and **metrics** were implemented. The solution aligned the logistics and operations departments to effectively co-own the process.
4. IE **worked hand-in-hand with the client team** to validate findings real-time, and begin working on 'quick wins'. Client personnel were able to develop a **better understanding of their issues** through this journey.

50%

Non-value identified time
in loading processes

28%

Required process cycle
time reduction Required
process cycle time
reduction

\$5M

Identified inventory
reduction carrying cost
benefit through improved
material movement

As a result of the improvements, the client personnel were able to better manage factors within their control to reduce cycle time, and improve process accountability. The client was able to get more trucks to the docks, and turn them around faster.