

BP CHEMICALS

Allying forces in Europe



Peter Rose,
European Logistics
Development Manager,
BP Chemicals.

Improvements in driving safety is BP Chemicals' top priority for 2004. Along with achieving excellence in customer service, it is one of the key motivations for its decision to entrust the transport of petrochemical products in Europe to six strategic Alliances. Each Alliance is coordinated by a lead company, which is BP's central point of contact. Their role is to manage several other European hauliers in an Alliance tasked with improving safety, customer service and quality at reduced cost.

Six companies have joined forces in what BP calls the “Norbert Dentressangle Alliance”, ensuring that 500,000 tons of polymers in pellet form reach customers across Europe safely every year. And it’s quite a challenge. Before the creation of the Alliances, BP Chemicals worked with over 80 logistics suppliers across Europe from headquarters in Surrey, UK. That led to inefficiencies for BP and patchy quality for its customers. Just a year after the Alliance won the tender for packed solids, both are seeing the benefits of a single point of contact. *“Initially some of our customers were destabilised by working with new haulage companies, but Norbert Dentressangle helped us to address the issue immediately,”* explains Peter Rose, European Logistics Development Manager, BP Chemicals.

“They had the right management structure, with a single person visiting our sites and customers, and made substantial improvements. Complaints were brought down to acceptable levels very fast.” The Alliance is judged against Key Performance Indicators which are reviewed at quarterly strategy meetings attended both by Norbert Dentressangle and BP.

E-connectivity for improved reactivity

“We’re currently developing a new electronic logistics system, and Norbert Dentressangle has a very good IT department who’ve been working closely on this with us”, says Peter Rose.

Simpler, more efficient and more reliable than traditional phone and fax methods, the electronic hub system will act as a transfer device between different IT systems, allowing BP’s customers to key in orders directly. Norbert Dentressangle then receives them directly on screen, allowing them to allocate the right truck or driver.

“E-connectivity will help eliminate mistakes, says Peter Rose. And a reduced number of Alliances makes it easier for BP to implement.”

“We were looking for partners like Norbert Dentressangle, whose safety record, strategic positioning in Europe and excellent reputation on site made them one of the major players we wanted to work with over several years ahead.”

Improving Performance

Any reduction in performance can lead to sanctions, for example a cut in the duration of the contract. This is especially true for safety; currently BP’s number one concern. Senior managers from Norbert Dentressangle attended BP’s first Haulier Safety Day last year and the company recently introduced a series of safety rules which all those driving on BP business must comply with. These include training in defensive driving and fatigue awareness, and strict

rules on breaks and the use of mobile phones. *“Accidents are an ever present risk within a company like BP, but most of our injuries or fatalities occur on the road, so we expect the Alliance to take driving safety very seriously,”* says Peter Rose. *“Norbert Dentressangle is clearly aware of the need for a step change in safety performance. They have their own safety department and training programmes and have been very willing to work with us on driving this issue forward.”* The “Norbert Dentressangle Alliance” contract runs for 5 years - time to ensure it continues to achieve improved performance and contributes to the substantial savings BP is looking for. Time, in short, to prove that it is truly an ally for change.

