

Press Release

New Multi Supplier-Multi Retailer platform: Biscuits suppliers and retailers are setting up a collaboration for sustainable logistics

- **Four major Belgian biscuits suppliers consolidate their deliveries to four Belgian retail stores to reduce truck movements and to increase the truck's fill rate.**
- **Collaboration is guided by trustees and specialised lawyers to ensure that it complies with EU competition law.**
- **The more companies that bundle their freight volumes, the higher the gains in sustainability and in business.**

Brussels, April 26th, 2017. Behind tasty biscuits and pastries there's often a complex logistics system. For example, medium and small biscuit suppliers have to cross the country to carry their small shipments to the distribution platforms of wholesalers and retailers. City congestion makes such deliveries increasingly difficult, expensive and harmful to the environment. Moreover, most of these suppliers frequently face a shortage of storage space, partly due to seasonal fluctuations. From their side, the efficiency of the retailer is highly impacted by a large number of fragmented deliveries. Simply increasing the order quantity is not an option for retailers, as this would expose them to the financial risk of keeping higher levels of stock.

Within the EU's Horizon 2020 Project, NexTrust, a collaborative consolidation has been set-up as part of a pilot project: a new Multi-Supplier/Multi-Retailer platform. A key component of this pilot is a warehouse, which acts as a consolidation centre. Here, each supplier keeps a certain level of stock available, and retailers can check the inventory and order full trucks with a mix of products from various platform suppliers. There are already instances where retailers ask suppliers of the same product category to deliver on a common platform, and these have demonstrated benefits. However, these cases usually end up unilaterally favouring the organising retailer. The proposed approach in this pilot is ground-breaking because of its impartiality and neutrality towards all supply chain partners, including multiple suppliers such as Vondelmolen, Vermeiren Princeps, Poppies and Desobry, retailers such as Delhaize Le Lion/De Leeuw, Colruyt, OKay and Retail Partners Colruyt Group RPCG.



The second key element of this NexTrust-pilot case is its trustee business model. The role of the trustee is to arrange a legally anti-trust compliant environment in which competing suppliers and competing retailers can collaborate. Tri-Vizor and Giventis act as trustees guided by Kneppelhout & Korthals Lawyers. During the pilot, Tri-Vizor will also test some active orchestration concepts to achieve better synchronization of the suppliers' and retailers' supply chains. The pilot has also been supported by academic partners Vlerick Business School & Vrije Universiteit Amsterdam, and is running under the guidance of GS1 Belgium.

Depending on the delivery profile and scalability of the platform, the cost savings for the participating companies increase as more companies join and there is potential for substantial reductions in greenhouse gas emissions. There is also a clear leverage effect on the number of participating suppliers and retailers. The more freight volumes that can be bundled smartly, the fewer trucks there will be running empty or at less than full capacity. The test pilot ran from 6th- 30th March 2017. During that period, the distribution centre of Kuehne + Nagel in Mechelen served as a consolidation platform. Kuehne + Nagel coordinated most of the transportation between suppliers & the platform as well as the platform & retailers. For logistics service providers, such platforms are quite disruptive as they go far beyond the traditional transportation contract between the service provider and its principal. As one of the world's leading logistics service providers, Kuehne + Nagel immediately showed interest in participating in this pilot. This demonstrates the importance of these new types of collaboration partnerships for the future of logistics.

After the test pilot, all involved companies will evaluate and consider a transition to a permanent consolidation centre for the Belgian retail distribution of biscuits and pastries. More biscuits manufacturers, as well as other retailers have already shown interest in participating. Parties who are interested in finding out more information may contact the trustees: Alex Van Breedam, Tri-Vizor, alex.vanbreedam@trivizor.com, Rein Westra, Giventis International, rwestra@giventis-elq.com, Niko Oertel, Kneppelhout, noe@kneppelhout.nl.

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About NexTrust:

NexTrust (www.nextrust-project.eu) is funded by Horizon 2020 and is administrated by the EC's Innovation and Networks Executive Agency (INEA). The project duration is 42 months. NexTrust's objective is to increase efficiency and sustainability in logistics by developing a flexible innovative business model with interconnected, trusted, collaborative networks along the entire supply chain. The pilot cases cover a broad cross section of the entire supply chain (from raw materials to finished goods to retail inbound and to end consumers) for multiple industries. NexTrust expects its pilot cases to reduce 40 percent of lorries, 15 percent of delivery vehicles, 70 percent of greenhouse gas emissions and increase load factors by 50 percent.

The full consortium comprises:

2degrees, Arcese, Beiersdorf, BLUEWAVE, Borealis L.A.T, Colruyt Group, CRITT Transport et logistique, Delhaize Le Lion/De Leeuw, ELUPEG, EVO Dutch Shippers Council, Fiege Logistik, Giventis International, Greenyard Foods GS1 Belgium & Luxembourg, GS1 Germany, GS1 Switzerland, Kimberly Clark, Kneppehout Korthals Lawyers, Mondelez, Norwegian Logistics, Panasonic Europe, Pastu Consult, Scala, TRI-VIZOR, TX Logistik (Co-ordinator), Unilever, Vlerick Business School, VU University Amsterdam, Wenzel Logistics, Wolters Kluwer Transport Services, YSCO.

Pilot Partner apart from NexTrust Consortium:

DESOBRY, www.desobry.be: Belgian manufacturer of biscuits since 1947 headquartered in Tournai.

POPPIES, www.poppies.com: Belgian manufacturer of biscuits, frozen desserts, bakery products and spread since 1976 headquartered in Zonnebeke.

VERMEIREN PRINCEPS, www.vermeirenprinceps.be: Belgian manufacturer of speculoos biscuits and spread since 1919 headquartered in Bornem.

VONDELMOLEN, www.vondelmolen.be: Belgian manufacturer of ginger bread since 1867 headquartered in Lebbeke.

KUEHNE + NAGEL, www.kuehne-nagel.com: Founded in 1890, Kuehne + Nagel has grown into one of the world's leading logistics providers. Today, the Kuehne + Nagel Group has more than 1,300 offices in over 100 countries, with over 70,000 employees.

