



Case Study: Lucite

Overview

Lucite International & Bibby Distribution have been working together for 16 years. The initial site was the first former ICI facility to be outsourced to a 3PL provider. By successfully delivering on joint strategic initiatives the relationship has grown into a thriving supply chain partnership. Bibby Distribution has taken ownership of logistics complexity to allow Lucite to concentrate on its core activities.

Customer

Formerly known as ICI & Ineos Acrylics, Lucite International is the largest global manufacturer of Methyl Methacrylate (MMA). This acrylic sheet forms into 2 Main products; Lucite sheet used for bathroom and spa products and Perspex sheet, used for signage, lighting and building fabrication products.

Current Solution

Bibby Distribution's Walker Park facility is the largest Acrylic sheet cutting operation in Europe. Our responsibility starts at the end of the production line and ends at the final customer. Deferred production forms an integral part of this full contract logistics solution which covers warehousing, domestic and international transport

Service Offering

- National next day distribution
- Warehousing: 24/7 Operation, 147,000 sq.ft site
- UK & International distribution of 'oversized' product
- Management and consolidation of Inbound International deliveries
- Deferred production: 4 Saws for sheet cutting linked to sheet optimisation software
- Revenue generation: Selling of previously scrapped off-cut material
- Systems integration: SAP R3 ERP – Linked to WMS (Questar)
- Sales & Operational planning
- Bi-lingual Bibby Distribution Customer service team



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Contract Evolution

1992 – Bibby Distribution becomes the first ever 3PL selected by ICI to outsourcing acrylic cutting operations for their Blackpool Cutting & distribution centre

2000 - Implementation of Project Focus – reducing fixed costs by £500k per annum

2001 - Bibby Distribution design, build and capital fund a purpose built warehouse in Blackburn including a £2m Bibby Distribution investment in a state of the art sheet cutting operation.

2001 - Implementation of Project Colt – reduction in cost to serve per Tonne

2001 - European Supply Chain Excellence award

2003 - Implementation of Project Widespec – Initiative to sell B grade material off-cuts into Far East markets generation an additional £2.5m p.a.

2003 - Implementation of Project Lionheart – Integration of a dedicated Perspex sheet selling operation direct to end users formally sold via distributors

2008 – Base standards introduced, bonuses linked to qualitative & quantitative measures to ensure customer satisfaction

2008 – Management restructure to broaden roles and reduce costs.

Benefits

Join long term strategies for revenue generation & cost savings developed:

New market for B grade & off-cut material generating £2.5 p.a. in sales



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Fixed cost reduction initiative - £500k per annum

Variable cost monitoring & reduction

Logistics complexity outsourced – deferred production

Investment and operation of state of art saws performing the final phase of the manufacturing process

Systems integration

4 Saws linked to sheet optimisation software

SAP R3 ERP linked to WMS

Fast Board-level decision making on vital issues:

24 hour turnaround on application for £2m saw investment

Testimonial

“The Bibby Distribution/Lucite partnership goes beyond the traditional warehousing and distribution service to include responsibility for the final stage in our manufacturing process. Bibby Distribution are a key customer facing aspect of our business; with critical importance to both final product quality and delivery to our customers. The success of this customer service requires an extremely close relationship with all aspects of the Lucite business. The core of our long-standing relationship is based on both companies being engaged in the continuous improvement of quality, customer service and business improvement.”

Clive Makin, General Manager, Lucite International