

Company Profile

Kimberly-Clark

Kimberly-Clark

Kimberly-Clark Corporation is a global health and hygiene leader serving 1.3 billion consumers in more than 80 countries featuring such global brands as Huggies, Kleenex, Scott, Kotex, Pull-Ups and Depend. In the U.S., Kimberly-Clark contracts with a base of roughly 100 carriers - including its "Core 7," a group of seven large truck carriers that move about 80 percent of the company's product by volume via intermodal, over-the-road, LTL and package truckloads.

Contact

Stelios Chrysandreas
Transportation Manager
(865)541-7349
schrysan@kcc.com

Number of Employees: 56,000+
worldwide

SmartWay has helped the freight sector reduce 14.7 million metric tons of carbon dioxide (equivalent of removing 2.88 million cars off the road), 215,000 tons of nitrogen oxide, and 8,000 tons particulate matter, while saving 1.5 billion gallons of fuel (a savings of \$3.6 billion in fuel costs).

SmartWay Helps Lead Kimberly-Clark to Greater Efficiencies and Reduced Transportation Costs

September 2012

Company Message

"At Kimberly-Clark, we see SmartWay as both good environmental policy and good business. The transportation strategies that SmartWay recommends are saving us fuel, lessening our carbon footprint, and making a big difference in bringing us closer to our sustainability goals." - Stelios Chrysandreas, Transportation Manager.

Why Kimberly-Clark joined SmartWay

Kimberly-Clark is committed to sustainability in all areas of its business, including the delivery of its products. Joining SmartWay presented K-C's Corporate Transportation team with a great opportunity to more actively engage and expand its role in the company's sustainability plans.

Upon joining SmartWay, in 2006, K-C's most immediate objectives were to improve communications and gain efficiencies among the fleets it hires.

SmartWay Focus

Through SmartWay and supporting sustainability practices K-C adopted several programs that are effectively increasing intermodal usage, reducing length of haul, total miles, empty miles, as well as wait time and idling at shipping and receiving docks.

One of K-C's first actions as a SmartWay partner was to modify its Carrier Assessment Program and ask carriers - its Core 7 and all others doing business with the company - to join SmartWay and begin the process of benchmarking and reporting their environmental performance. Data generated by SmartWay's freight management tools served as a catalyst for opening up a positive dialogue between K-C and its carrier base, which in turn has contributed to a number of freight efficiency and productivity gains.

Today, 99% of K-C's miles and 96% of its shipments are made with SmartWay carrier partners. The performance-based data that SmartWay carriers generate continues to be a key factor and is reviewed on a regular basis to help K-C in managing and improving the performance of its transportation network.

Early on in its partnership with SmartWay, K-C also made a significant new investment in its Transportation Management System (TMS) software, enabling the company to improve freight mode selection compliance and increase intermodal utilization due to the tool's ability to select between the various intermodal options.

Further efficiency improvements have been achieved through K-C's "Network of the Future" - a new Distribution Center (DC) footprint - which places new DCs close to intermodal ramps, also reducing length of haul. Company DCs also provide comfort stations for the drivers so they don't have to sit in their trucks idling.

Other programs in place are designed to convert customer deliveries to drop & hook and to implement product compression technology in the personal care and tissue businesses to increase cube utilization.

SmartWay Helps Lead Kimberly-Clark to Greater Efficiencies and Reduced Transportation Costs

Benefits & Results

Since K-C joined SmartWay in 2006, the company shows that it has expanded intermodal utilization by 86 percent, going from 42,141 loads in 2006 to 78,502 loads in 2010.

Since the redesign of its distribution centers and network, as well continuous improvements in its sourcing strategies, K-C estimates that it has reduced total miles by over 22 million.

Through the growth of intermodal, the company estimates that it has saved more than 66 million gallons of diesel fuel, reduced CO₂ emissions by more than 730,000 tons, and saved money in the process. In addition, by reducing the average length of haul for customer deliveries from 603 miles in 2006 to 516 miles in 2010, the company reduced its diesel fuel consumption by about another 8 million gallons.

With nearly 100% of its shipments on SmartWay carriers, the company improved its SmartWay "shipper score" to 1.22, up from 1.05 when it originally joined, representing a 16% improvement. Shipper scores are the EPA's calculation of a carrier's combined CO₂, nitrogen oxide and particulate matter emissions, and reflect the environmental performance of carriers participating in SmartWay.

And finally, since 2006, K-C has increased customer drop & hook deliveries from 34.1% to 40.1% and has improved its average unload time at customers from 1.55 hours in 2006 to 1.34 hours in 2010.

Looking Ahead

As Kimberly Clark looks to the future, it will continue its practice of contracting with carriers that are strong environmental performers as demonstrated by their participation in SmartWay. K-C will work with carriers that are lagging to find ways to improve their performance through the technologies and logistics management solutions SmartWay encourages. Working together through SmartWay, K-C and its carriers have made great progress in collaborating to meet sustainability goals and the company looks forward to future gains.

