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PREMIUM WATER

High Quality Water Delivery Service

December 18, 2023

Ezaki Glico Co., Ltd.

KRS Corporation

Yamato Transport Co., Ltd.

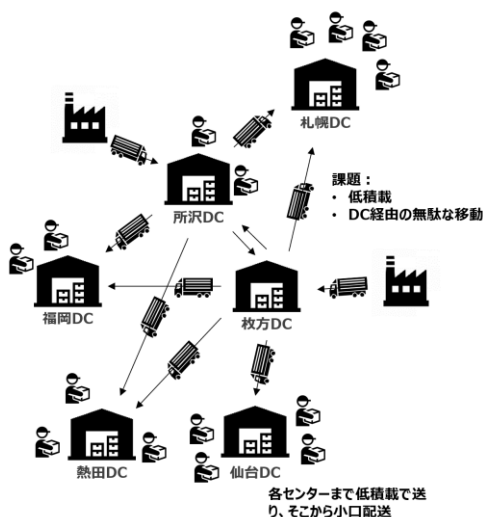
PremiumWater inc.

Winner of the Green Logistics Partnership Conference's 2023 Special Award for Excellence in Logistics Partnership

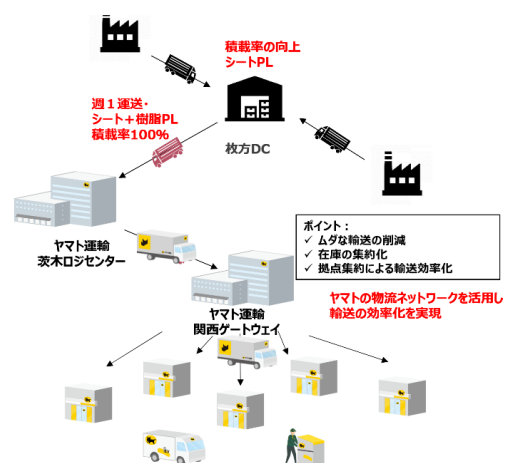
Awarded for consolidating bases with extended delivery lead times and
building an integrated pallet transportation scheme

Ezaki Glico Co., Ltd., KRS Corporation, Yamato Transport Co., Ltd., and PremiumWater inc. were awarded the Special Award for Excellence in Logistics Partnership for 2023 by the Green Logistics Partnership Conference on December 18, 2023. The four companies worked on consolidating bases with extended delivery lead times and building an integrated pallet transportation scheme with the aim of building sustainable logistics in the transportation of promotional products for PremiumWater. These efforts resulted in improved productivity and reduced environmental impact in logistics.

Before



After



Mechanism for consolidating bases with extended delivery lead times and building
an integrated pallet transportation scheme

Sapporo DC
Tokorozawa DC

Challenges:

- Low loading ratios
- Wasteful travel to/from DCs (distribution centers)

Fukuoka DC

Hirakata DC

Atsuta DC

Sendai DC

Trucks with low loading ratios sent to each center then delivered in small lots

Loading ratio improvement sheet PL

One shipment per week/sheet + resin PL

100% loading ratio

Hirakata DC

Yamato Transport Ibaraki Logistics Center

Key improvements:

- ✓ Reduction of wasteful transportation
- ✓ Consolidation of inventory
- ✓ Transportation efficiency through consolidation of bases

Yamato's logistics network is utilized to improve transportation efficiency

Yamato Transport Kansai Gateway

About the Initiative

Ezaki Glico had been delivering promotional products for PremiumWater to its nationwide selling points the day after orders were received, utilizing six distribution centers (DCs) holding inventory across Japan. However, this created an uneven distribution of inventory throughout Japan, resulting in low loading ratios between inventory-holding locations, wasteful transportation, and difficulty in securing drivers during peak periods. In addition, trucks were loaded with a mix of bulk (unpackaged, large-quantity) and pallet-based loads, with the former posing significant burden to drivers in the form of time-consuming loading and unloading.

The four companies therefore began working together in May 2023 with the aim of optimizing inventory and reducing driver burden PremiumWater significantly extended the lead time from order placement to Ezaki Glico to delivery from one day to 10 days after the order date, allowing them to establish an efficient transportation scheme by consolidating inventory-holding locations from six to one and utilizing Yamato Transport's nationwide network.

Improved Logistics Productivity and Reduced Environmental Impact

An estimated 1,550 truck trips per year will be saved^{*1} by consolidating inventory-holding locations and improving logistics productivity for the transportation of promotional products for PremiumWater. This is expected to reduce annual CO₂ emissions by 93.7 tons, or 39%^{*2}.

In addition, by unifying transportation from the Hirakata Distribution Center to Yamato Transport's Ibaraki Logistics Center to a single method, pallet loading, cargo handling time and driver workload has been reduced.

*1, *2 Based on Ezaki Glico's calculations

Future Developments

In Japan, logistics operators and shipper companies are facing what is called the "2024 problem," where an impending cap on overtime for truck drivers is leading to worries of labor shortages and stagnating logistics. In addition, there is a need to establish environmentally friendly green logistics. The involved companies will continue to work together with those involved in shipments (both at the origin and destination) and logistics providers to build sustainable logistics, including productivity improvement and reduction of environmental impact.

Reference

About the Green Logistics Partnership Conference and Excellent Businesses in Logistics Partnership

The Green Logistics Partnership Conference was established by cooperation between the Japan Institute of Logistics Systems, the Japan Association for Logistics and Transport, the Ministry of Economy, Trade and Industry, the Ministry of Land, Infrastructure, Transport and Tourism, and the Japan Business Federation (as an observer). The conference aims to promote voluntary efforts to reduce CO₂ emissions in the logistics sector, and to achieve broad-based cooperation between shipping companies (both at the origin and destination) and logistics operators.

Each year, the conference names Excellent Businesses in Logistics Partnership for outstanding achievements in reducing environmental impact and improving logistics productivity in the logistics sector. Companies and other organizations are awarded in honor of outstanding achievements in building sustainable logistics systems, recognizing their exemplary efforts in the logistics sector.

Ministry of Economy, Trade and Industry Press Release: Excellent Businesses in Logistics Partnership Named (December 4, 2023)

URL: <https://www.meti.go.jp/press/2023/12/20231204001/20231204001.html>

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