



CASE STUDY

**(NOW INTERNATIONAL AUTO COMPONENTS GROUP LTD)
AUTOMOTIVE COMPONENTS (COLLINS & AIKMAN)**

THE COMPANY

Collins & Aikman is a \$3.9 billion global automotive components supplier.

The company manufactures cockpit modules, automotive floors, acoustic systems, instrument panels, automotive fabric, plastic-based trims and convertible top systems.

THE BACKGROUND

Traditional disposable plastic film and strapping is annually thought to waste 222,000 tonnes of plastic and 30 million man hours, at a cost of £400 million to the UK logistics industry.

Following continued pressure from consumers and competitors alike Collins & Aikman is openly committed to a cost driven, environmentally friendly strategy which includes the elimination of disposable items such as cardboard, shrink wrap and wooden pallets in the supply chain.

The UK arm of the company has been driving forward this environmental agenda through a multi-site pilot project in partnership with Loadhog, the pioneering Sheffield Company that is transforming the returnable transit packaging industry. The multi green-award winning company provided Collins & Aikman 1,000 fully recyclable Loadhogs which are specifically designed to secure a level load to any standard wooden or plastic pallet, so replacing shrink wrapping and banding.

It teamed up with a Loadhog partner TNT Container Logistics, the world leader in the hire and sale of reusable intermediate packaging, to provide the pilot sites with plastic pallets and sleeves – removing the need for traditional wooden pallets.

By switching to the Loadhog system Collins & Aikman estimates it has saved a staggering £250,000 a year at the two pilot sites alone.

Well documented problems in the US automotive industry have recently resulted in the European operation of Collins & Aikman being put into administration. Cash conscious administrators have continued Loadhog rental contracts and C&A have ongoing plans to extend the implementation of the product to other C&A sites in a bid to make further savings.

THE SOLUTION

Switching to the innovative Loadhog lid system has provided such major cost savings and benefits across the entire supply chain by reducing labour requirements and eliminating single-use packaging.

Collins & Aikman new products packaging engineer Steve Baker said: "Part of our corporate ethos is to get rid of disposable items like cardboard, shrink wrap, strapping and wooden pallets which we can do with Loadhog.





THE BENEFITS

- **Unrivalled load stability:** reduces product spillage and loss
- **Ease of application:** typically saves over 40 seconds per pallet application compared to conventional stretch wrap and banding
- **Elimination of waste:** makes considerable cost savings by eliminating single-use plastic materials
- **Safety of application:** retractable straps allow a single operator to secure load in seconds with minimum effort – up to 140kg of tensions can be delivered per strap without need to bend or any risk of strapping cuts
- **A tidier workplace:** improve your workplace environment by removing expensive, dangerous and unsightly waste
- **Stackability:** the Loadhog lid can be double or triple stacked to maximise trailer fill or conserve space in the workplace
- **Load security:** security tags can be inserted into the lid to evidence load tampering and misuse
- **Branding:** customised webbing and lid enhances brand awareness
- **Tracking and traceability:** The lids can be fitted with an RFID tag making them traceable
- **Versatility:** can be used on returnable transit packaging such as tote bins, trays and conventional cardboard boxes

Loadhog has supplied Collins & Aikman with lids for both standard UK and Euro-sized pallets. The ongoing pilot will see the system rolled out across the supply chain, both for internal packaging and transportation of components and when they are shipped out to European customers and sub-suppliers.

Steve Baker added: “The potential savings from using Loadhog are astronomical and that is money which goes straight onto the profit margin.

“Everybody wins. There is just no down side and we have been very impressed not only with the product but also by the support services we have received from Loadhog.”

“The costs of moving materials around as work-in-progress items are simply huge but we are already seeing significant savings from switching to the Loadhog lid system.

“A key thing is time. Stretch wrap takes about a minute to put on whereas a Loadhog lid takes around 20 seconds. The system is also much more secure which means we suffer far less product damage.

“From a health and safety point of view, packaging is notorious for causing trip hazards and wooden pallets have a habit of falling apart and leaving large nails around for people to stand on.

“The Loadhog lids and pallets get rid of all such problems and from every angle this is a real winner – you save money and help the environment.”

