

The logo for LOGISCO, featuring the word "LOGISCO" in a bold, blue, sans-serif font.

Crompton and LOGISCO: Integrated Operations with a Global Reach

When Crompton Corporation needed help staffing and managing a large distribution facility in South Carolina, they turned to LOGISCO's Southeast Division.

Crompton, with annual sales of \$2.2 billion, is a producer and marketer of specialty chemicals and polymer products and equipment. Additional information concerning Crompton Corporation is available at www.cromptoncorp.com.

Robert Stewart, vice president of logistics, and James McGrath, manager of distribution and outsourced services, headed the Crompton team that evaluated the Carolina location's current and future requirements.

"Our decision to move to LOGISCO was based on the Southeast Division's reputation in the region and its commitment to excellence," McGrath said. "We also believed that we would receive the necessary attention from all levels of LOGISCO's management team to ensure successful operations."

The distribution facility at Ft. Mill, South Carolina, provides packaging materials and intermediate products to Crompton's Gastonia, North Carolina, manufacturing plant and also fulfills and ships orders to customers around the globe. This facility is a hybrid between plant support and distribution. Crompton realized that successful operation of this facility could reduce costs while simultaneously providing world-class customer service.

The Gastonia plant started operating in 1955 as a latex compounding plant, and the site has gone through several expansions and changes during the last 48 years. The 12-acre facility manufactures or formulates urethane prepolymers and curatives, dispersants, fabricated products and various crop protection chemicals.

The products from Crompton's Gastonia plant present several challenges. With a myriad of regulatory requirements, which vary from country to country, the distribution facility manages a wide variety of destination-specific shipping instructions and documentation requirements.

"Since so much of the shipping is heading overseas, simply managing the inventory of product compliance labels in all the possible languages is a formidable task," said John Kiser, regional vice president for LOGISCO's Southeast Division. "We also have to prepare the appropriate documentation for ocean-going shipments. In addition to the foreign shipments, we ship materials to U.S. government installations around the globe, which presents its own unique challenges in our post 9-11 society."

Crompton and LOGISCO: Integrated Operations with a Global Reach (cont'd)

For the first six months of operations, from February to August 2003, Crompton and LOGISCO formed a cross-company team that communicated daily to address the operational requirements of the Ft. Mill facility. During regularly scheduled conference calls chaired by Kiser, the team reviewed operations and key performance metrics to make sure they were on target.

After just six months, Crompton already could see evidence of its partnership with LOGISCO in its bottom line.

“We helped the Ft. Mill facility utilize space more efficiently, and we focused on some of their operational issues, freeing them up to focus on other issues,” Kiser said. “Because of that, the facility was able to handle this season’s inventory and distribution of crop protection chemicals entirely in-house without having to contract out for additional storage space. By working together, we saved the company money and increased their operating efficiency.”

McGrath is realizing another benefit of working with LOGISCO.

“We’re seeing other benefits that aren’t quite as quantifiable,” McGrath said. “Because of the savings we are seeing, the employees in this business unit are developing a higher level of confidence in the quality of service they are able to provide and their role in the company.”

Crompton realized another benefit after working with LOGISCO for only two months. The Ft. Mill facility had an error-free month.

“In a high-volume, complex environment like this one, it’s a real challenge to operate error-free,” McGrath said. “We chose LOGISCO because we wanted to improve our distribution operation at every level. LOGISCO has delivered with operations that are efficient and safe. They have become a partner in our business operations.”