



## Lead Logistics Management

# Malaysian Newsprint Industries (MNI) Overhauls Supply Chain to provide efficient service

### The History

Malaysian Newsprint Industries is a Newsprint Producer with the vision of being a competitive newsprint provider in terms of cost, efficiencies, quality and service for supplying the demand for the local Newsprint Industry. Majority of production is supplied to the local market with the rest being exported to Europe and other countries around the world.

The management was under pressure to improve profitability by reducing cost and improving efficiency through an overhaul of the supply chain as well as forging integrated long-term relationships built on communication, commitment and mutual gain. Key areas in quality, service and cost needed to be managed efficiently to provide the company the ability to build long lasting relationships

In their effort to meet the demands of the local market for efficient service and affordable product, MNI, recognise the fact that their specialty is in production of newsprint products and that they needed to outsource the running of their supply chain in order to achieve higher efficiency and profitability.

### The Solution

Upon through examination, evaluation and analyzation on the scope of MNI requirements as well as visitation to MNI's mill and their other infrastructures, SnT proposed their Supply Chain Execution and Total Logistics Management Services solutions:

- Strategic supply chain model development and on-going enhancements
- Order management and execution
- Physical product management
- Finished goods inventory planning, management and execution
- Delivery and distribution planning, management and execution

## Malaysian Newsprint Industries Newsprint Producer

### Information

Mill: 65 Hectares Land Area  
Produces 250,000 tonnes of newsprint per annum

SnT Solution: Supply Chain Execution and Total Logistics Management Services

**"SnT Global's commitment towards services offered to MNI is excellent"**

*Phang Kwok Keong, C E O  
Malaysian Newsprint Industries Sdn Bhd*



## The Execution

The implementation of the Supply Chain Execution and Total Logistics Management Services solutions was planned by a team of specialised professionals together with a team leader who analyse in details the total organisation and management structure of MNI's supply chain and logistics. This whole study took a total of 3 months to be completed and the data gathered was meticulously examined.

With the data gathered, SnT was able to perform the following implementation

- Design and populate the network optimization database
- Develop a network optimization model
- Implement the network model
- Validate the network structure
- Compute the reconfiguration cost benefits

SnT focused project managed the transition from the current operations to the future on-going operations team to ensure overall operations are not disrupted during this period

The supply chain underwent analysis and diagnosis utilizing the SCOR model together with the award winning HeLP platform

Due to the escalating cost of transportation as a result in increased cost of diesel, insurance and toll hikes, there was also urgency for SnT to manage the distribution channel to control the efficiency and maximise the inbound and outbound loads

## The Results

With the implementation of SnT's solutions, MNI saw vast improvements in all aspects of their supply chain and distribution channel.

SnT reduced the risk during this transition period with their experience as well as by utilizing our innovative technologies and methods

MNI saw immediate reduction in management fees and variable cost. Efficiency was also up due to a clearer visibility of information along the supply chain.

MNI's operations, due to the utilization and improvements implemented by SnT, is now more responsive to each and every customer's unique individual requirements which resulted in enhance service performance to the satisfaction of the end customer. This flexibility is seen in both manufacturing and in their distribution.

Local goals in execution and cost reduction goals were also achieved through integrated strategy and close collaboration

The distribution channel saw an additional financial payload per quarter as well as an improved backhaul load which increased savings as a result of better utilization and handling of assets.

