



ArcelorMittal Construction - innovative logistics digitalisation project

Digital Global Supply Chain

Collaborative innovation in logistics and transport, by ArcelorMittal Construction

Transport and logistics are two key aspects of ArcelorMittal Construction's business strategy. Our Group is dedicated to providing its customers with a controlled supply chain to guarantee a high-quality service.

ArcelorMittal Construction's logistics policy faces a number of challenges. Its aim is to optimise costs, carefully manage loading schedules, secure our customers' goods, respect our delivery commitments and collect performance data, all while pursuing ambitious environmental objectives to reduce our carbon footprint in this sector.

As part of our ongoing efforts to improve our processes, ArcelorMittal Construction is once again investing in the development of its logistics policy. Our teams are actively working on the creation of a fully digitised ecosystem, in collaboration with external partners and carriers.

Reintegrating logistics skills into the organisation

The importance of these aspects became apparent after a challenging situation arose at one of our sites. In 2015, ArcelorMittal Construction had outsourced this job to an external agency. Various issues were quickly identified: disorganisation of logistics flows, imbalance in the transport plan, excessive loading times, delivery delays, reduced appeal and difficulty finding trucks...

This situation encouraged us to rethink our logistics outsourcing model, before deciding to bring these skills back in-house while also simultaneously restructuring our organisation.

ArcelorMittal Construction made the decision to develop a truly innovative project, known as the Digital Global Supply Chain. It is designed to optimise our entire logistics process, with a 100% digital approach.

A global solution: from creating trucks to tracking our deliveries

A set of specifications comprising more than **280 criteria** was drawn up following a detailed audit to identify our customers' expectations. This has allowed us to build a global digital ecosystem with various technological building blocks:

- **TMS (*Transport Management System*)**: our computerised transport management tool designed to automate, manage and monitor shipments.
- **Load optimiser**: automates the calculation of truck capacities, optimises the fill rate and maximises the number of deliveries in each truck.



- **Mapping software:** allows the construction of routes and the scheduling of delivery points for each vehicle.
- **WMS (Warehouse Management System):** a software package dedicated to stock management.
- **YMS (Yard Management System):** optimises and regulates the flow of vehicles on our sites, allowing a real-time view of activity which triggers corrective actions if necessary.
- **Automation of driver reception teams:** streamlines identification tasks, document editing and ensures optimal quality control and efficient security conditions at the exit point.
- **Web portal:** manages loading slots, available on-line and allows interaction with our transport partners.
- **ETA (Estimated Time Arrival):** calculates the predicted time of arrival, with various features including a notification system in case of delay.
- **Geofencing:** geo-references vehicles in real time and alerts when it enters a certain defined area (loading or delivery proximity).
- **e-CRM:** digitises this document, allows electronic signature by the recipient.
- **Precise measurement of CO₂ emissions** of each journey with proposed actions to reduce the carbon footprint through eco-responsible transport solutions.
- Etc.

A unique and comprehensive project: the very best in collaborative supply chain management

After requesting quotations from several companies and discussing the various possibilities and solutions proposed, ArcelorMittal Construction quickly realised that a business model capable of mastering all these skills was not viable, given the challenges and complexities involved. We soon understood that it would be impossible to rely on just one company to carry out this ambitious project, which covers a wide range of functionalities. However, it would be perfectly feasible to **combine the strengths of several companies to achieve this goal.**

The old adage "*If you want to go fast, go alone, if you want to go far, go together*" has never been more relevant. To build the most effective version of this tool, ArcelorMittal Construction has had to identify and bring together several highly-qualified partners who are renowned in their respective fields of expertise.

ArcelorMittal Construction initiated this innovative project by choosing 3 leading French experts in the field of digital transportation. Motivated by this unifying project carried out hand in hand with ArcelorMittal Construction, the 3 partners chosen are:

- DDS Logistics, publisher of the TMS
- STACKR, specialist in site security solutions (including digitalisation of reception areas)



- S2PWeb, and its GedMouv solution providing the "Track & trace" function

The new Digital Global Supply Chain programme which is currently being implemented is the result of a concerted and in-depth study with the various partners of the ArcelorMittal Construction group to offer multiple, efficient logistics services that guarantee security and peace of mind for its customers.