



# The Esli Newsletter

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## How to define logistics risks

**> What do supply chain risks involve and how to define them? Because the definition can vary depending on the job and the sector, we have interviewed logistics professionals from different branches. A common theme emerges from their responses: a perception of risk which goes beyond company boundaries.**

Supply Chains are permanently changing and are part of networks. This means that they are exposed to the possible weaknesses of their multiple partners and to events affecting the enterprise itself.

Evaluating and quantifying these risks and being able to control them through methods and tools require first of all the ability to identify them. For Arnaud Rabier, Logistics Manager at KME Brass Francs SAS: "in a just-in-time system, stock reduction, which is necessary in the management of fixed investments, reinforces the dependent nature of the client supplier relationship. A break in sourcing leads to problems in terms of organisation and often of service. An accurate assessment of these impacts allows you to quantify the level of acceptable risk for each service provider." For Philippe Bernard, Transport and Customs Manager at Guerlain SA; "logistics risk is linked to the relative fragility of systems. In fact to reduce risks, it is necessary to reinforce production tools and warehouse logistics, thanks to replacement systems in cases of technical failure and also to contracts which guarantee the continuation of

activity in the case of a major incident on a site. There remains one large risk which is difficult to insure against: the accuracy of forecasts, which is dependent on the quality of flow control." For Lionel Marcheteau, Logistics Manager at Plan Ornamental; "logistics risk in our area, the despatch of young plants, is a break in the chain between order preparation and delivery to the client". For William Bloch, Head of Auchan's Logistics Department, there are two main risks in the retail sector. The first involves the safety of personnel: handling accidents, pallet stacking errors, not wearing safety equipment. The second concerns logistics products (checking errors on volumes received, bad signalling, incorrect product valuations, unchecked dates and ignoring the rules of the cold chain.)"

We can begin to appreciate the different approaches to Supply Chain Management risk and the advantage of a consensus around its meaning so that usable, common and appropriate risk management tools can be created. Because we can see that risk crosses the legal boundaries of the company.



→ Graduate studies  
Company-school partnership



→ Continuing studies  
Succeed in your CQP with ESLI



→ Perspectives  
The local food chain



# Rayon de Soleil: a company-school partnership

> As part of the "Project Management" module, ESLI students are using their logistic skills to manage an extra-curricular project. The development of long term partnerships with companies helps enormously with their success. Below is an example with the group Rayon de Soleil.

Each year for the last 5 years, 6 students have invested in a humanitarian project at ESLI: Rayon de Soleil, which organises the transportation of a container full of non-medical material to an African country. The group is supported by the Lions Club and this year they are part of the Redon association: "Espoir sans frontière". The objective is to transport wheelchairs, boxes of clothes and teddy

bears to an orphanage for 125 children and to a local dispensary in Madagascar. This year the team has decided to send a 40 foot container (about 60m<sup>3</sup>) compared with 20 foot (33m<sup>3</sup>) in previous years. Rayon de Soleil raises funds

for the cost and collection of 15m<sup>3</sup> of equipment. Hôpital Assistance, the other partner of the group, is responsible for 75% of the container. To undertake this project the provisional budget was 16,200 euros. The students manage all the logistics from the filling of the

trucks in Redon to the customs in Madagascar and are responsible for handing over the equipment at the end of its journey. This project could not exist without a solid partnership created with the company Transports Massicot. The equipment collected by the ESLI students is transported to Marseille by this Breton company. The Massicot trucks which take furniture to Marseille

are filled up with equipment destined for Africa. On arrival in Marseille the equipment is stored in the building of "Hôpital Assistance" and then leaves for the African continent. At the end of April 2010 when the boat arrives at its destination,

the equipment will be transferred to a second boat, as the orphanage is on a small island off the north east coast of Madagascar. This is a demanding logistic project, which every year depends on a network of solid partners.



Dominique Massicot and five students of Rayon de Soleil

## Transports Massicot, a priceless partnership...

Transport Massicot was created in 1954 and today is the third largest new furniture transporter in France. From its headquarters in Brittany it offers its services throughout France and also serves Belgium, Switzerland and Luxembourg. It delivers to nearly 1400 clients per week and transports a volume of 2300m<sup>3</sup>. 70 full time employees work there with a fleet of 40 vehicles and a 6000m<sup>2</sup> warehouse. For Dominique Massicot, the company's director, this partnership with ESLI's charitable association is a long term project. "Rayon

de Soleil approached us 4 years ago and since then the group has always been able to count on us. If we did not make our lorries available their costs would be prohibitive. They need some support and we're able to give it to them." Thanks to Transport Massicot, the students of "Rayon de Soleil" receive invaluable assistance in their charitable project.

For more information contact: <[www.transports-massicot.com](http://www.transports-massicot.com)>

## NEWS

### ESLI, partner of ESC Rennes

ESLI has become a partner of ESC Rennes for the specialisation year of the International Bachelor in Management (IBPM). The objective of ESC Rennes' IBPM is to train students for three years after the Bac to become field managers equipped with the management tools and skills required in a turbulent globalised economy. These future "junior specialists" begin to specialize in their final year of the Bachelor. Two options are available to them: Sales and Marketing field management or Operations and Supply Chain Management. For this specialization year, ESLI will bring all its logistic expertise to the students who choose the Supply Chain Management option.



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### Cambridge : the first session has taken place

ESLI has decided to offer to those students who have obtained more than 750 points in the TOEIC the possibility of taking the Cambridge Certificate in Advanced English (CAE). In the world Cambridge English exams are taken by 2 million people every year and the CAE exam enables students to confirm their advanced level in spoken and written English. ESLI has now been accepted as an Exam Centre for the CAE exam, so that students are able to take the exam at the school. 13 students took the exam in December and the results will be known in February 2010.

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### ESLI adopts the Opti-Time tool

The delivery round optimisation tool, Tour Solver (Opti-Time) constructs optimal delivery rounds by taking into account customer, vehicle and driver imperatives. More and more companies, like Ouest France, for example, are using this type of software. This investment means that ESLI will be in line with company expectations. Students use this software in particular as part of their Génial research projects. This software is a complement to the flow simulation software Extend.

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# Succeed in your CQP with ESLI

> The “Certificats de Qualification Professionnelle” (CQP’s) give employees the chance to increase their skills as part of a continuous improvement programme. Anne Gauvin, Logistics Assistant at Cabreta, is preparing for the CQPM of “Logistics Technician”, the certificate of her professional sector, metallurgy. This is a tailor-made training which leads to a qualification.

Anne Gauvin, Logistics Assistant, has worked for Cabreta in Ille-et-Vilaine, a subsidiary of CIF Bennes, for 12 years. The tailor-made courses, the teaching methods and the support are organized by ESLI and prepare employees for this certificate. The courses are delivered in the form of seminars relevant to the participants and concrete case studies are used. The courses are given by professionals and experts in their area. Anne Gauvin follows this training on a sandwich course system to prepare the Logistics Technician CQPM. “I am at ESLI a few days a week from October to February. Spread out over time this training course allows me to stay in my job. This course helps to increase my knowledge, not only of my sector, but also of other sectors of activity.”



Anne Gauvin is preparing a CQPM as a Logistics Technician

The Logistics Assistant also benefits from personal support and advice in relation to the writing of a report which is submitted at the end of the course. The project is based on a problem in the company and is a reflection on current practice as part of a continuous improvement approach. Anne Gauvin says

“ For me this certificate is an asset in terms of career development. It’s an advantage to obtain a certificate recognized by my sector and it adds to my experience.” For the company, the CQP is a way to bring together skills development, added value and recognition of an employee’s area of expertise. ESLI now offers

a model which is adaptable to all Logistics CQP’s in the different professional sectors.

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## The CQP Professional national recognition

The “Certificats de Qualification Professionnelle” (CQP’s) are created and delivered by professional sectors as part of Continuing Studies. They enable staff to obtain a qualification by confirming their acquired knowledge and skills. There are more than 400 CQP’s in about 60 different sectors of activity, which meet very precise requirements.

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## Short training courses

> ESLI offers short courses, theme-based, designed to acquire tools, techniques and indispensable methods to master different processes of the logistic chain. All of the training courses deal with technical and managerial aspects.

### LEARNING THE BASICS OF INDUSTRIAL LOGISTICS

2 days : 27 – 28 January 2010

**Objectives :** To learn about the methodology and essential tools to understand the global logistics chain. To master the different logistic functions and related issues.

### SETTING UP A WAREHOUSE MANAGEMENT SYSTEM (WMS)

2 days : 10-11 February 2010

**Objectives :** To understand the different stages in the setting up of a WMS. How to draw up specifications and choose a WMS.

### DEFINING AND SETTING UP A TRANSPORT PLAN

2 days : 10-11 February 2010

**Objectives :** To understand the different in house and outsourced transport organisations. How to calculate an optimal transport plan.

### SETTING UP PERFORMANCE INDICATORS

2 days : 24-25 February 2010

**Objectives :** To conceive and manage a piloting tool, to optimise the combination of technical, economic and human elements for all the logistic functions. To design and put in place improvement actions.

### OPTIMISING STOCK MANAGEMENT

2 days : 03-04 March 2010

**Objectives :** To check and optimise stock level and to understand procurement methods.

### UNDERSTANDING PROCUREMENT METHODS FOR IMPROVED CUSTOMER SATISFACTION

2 days : 10-11 March 2010

**Objectives :** To understand: the role and management of stocks, setting up a sourcing plan, safety stock, forecasting, EDI, coordination of purchasing and sourcing.

## A local food chain

> **How to create, in a specific area, a logistics chain which is short, environmental and can be easily reproduced so that producers, retailers and customers can benefit from it?**

In 2007 the Ille-et-Vilaine Chamber of Agriculture surveyed producers in the Vitré area, who wanted to sell their products through local retailers. The Vitré office of the Rennes/Brittany Chamber of Commerce and Industry (CCI) supported this survey as part of its project to develop businesses and craft enterprises. The CCI is in fact responsible for making local businesses more dynamic by financing collective actions in rural areas. It was decided, therefore, to bring together local producers with about 30 managers of food retail outlets, interested in the sale of local products – the idea of a local food chain was born. A Food Trade Fair in September 2009 enabled people to sample products and to take part in the project. For the Chamber of Agriculture, this is the ideal way for producers to make their products known and to meet a local network potentially interested in distribution. To make this collective action have a wider impact, Philippe Ramé, Manager of the Vitré office of the Rennes

CCI, suggested that the Génial research laboratory (Groupement d'Etudes et de Novations pour l'Ingénierie et l'Aide à la Logistique) of ESLI develop a new model in the form of a local logistic food chain. Subsequently the Génial group undertook to set up and compare different logistic scenarios for a distribution network involving the 57 communes taking part in the project. This work will consider options including for example, the creation of a common distribution centre which allows producers to deposit their products and retailers to collect them. From the different possible options will emerge the optimal logistic chain in economic and environmental terms. This innovative plan, which ideally will be adoptable by other regions, ought to convince the growing number of consumers attracted by local, seasonal and environmental consumption. A new logistics model to produce, sell, and consume responsibly can be discovered during the Génial conference in June 2010.

## Entretiens de la logistique 2009 : Anticipate to innovate

On the 13th of October nearly 200 people took part in the sixth edition of the "Entretiens de la Logistique" and the theme was "Your Supply Chain 2020: what you have to do from today". For ESLI this conference is the opportunity to emphasize that the needs of companies are at the heart of its operations and its programmes. During this day, Michel Savy, professor at the University of East Paris stressed the importance of preparing for the changes at an organisational, technological and economic level. Five key subjects were dealt with during the conference: sustainable Logistics; e-Logistics; the employment market in the Supply Chain sector; the impact of the Internet of Things on



Michel Savy of Paris East University

you are one of the 97% of respondents who declared that they were ready to participate in the next conference, we look forward to seeing you in 2011.

## Diary

→ **February 2010**  
**Logicon 2010 – Brussels, Belgium**  
**Annual Conference for Supply Chain Professionals**  
 From 2 to 4 February  
 Venue: Hotel Le Plaza, Brussels  
 Phone: 44(0)20 7368 9465  
[www.logiconeuropa.com](http://www.logiconeuropa.com)

**International Congress ATEC ITS – France 2010**  
**The Future of Transport systems in the light of innovations and possible developments**  
 The 3rd & 4th of February  
 Venue: Palais des Congrès at Versailles  
 Phone.: (33) 1 45 24 09 09  
[www.atec-tec.net](http://www.atec-tec.net)

→ **March 2010**  
**RFID**  
**The Trade Fair dedicated to communication technologies, computer technology and information systems**  
 From the 23rd to the 26th March  
 Venue: Paris Nord Villepinte Hall 6  
[www.rfid-show.com](http://www.rfid-show.com)

**SITL Real Time International Logistic solutions trade fair**  
 From 23 to 26 March  
 Venue: Paris Nord Villepinte Hall 6  
 Phone: (33) 1 55 21 34 95  
[www.salon-sitl.com](http://www.salon-sitl.com)

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