



AMCS Case Study SPF-Selskabet

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The transport department at SPF-Selskabet specialises in the transport of health-certified breeding stock and young pigs. With a high number of transport regulations and an annual order volume of more than 8 million animals, route planning is demanding. By implementing a planning solution from AMCS, SPF-Selskabet has completed an ambitious quality improvement and cost reduction process with excellent results.

SPF-Selskabet in brief

SPF-Selskabet is a leading supplier of breeding stock and young pigs, working in close cooperation with Danish pig farmers. In extension of this activity, SPF-Selskabet specialises in the transport of animals between breeders.

Transport Manager Henrik Ringskær says, “Basically, we offer protected transport of health-certified SPF pigs. It is a large transport operation with 100 trucks operating on a daily basis.

“It is common knowledge that our customers within the agriculture industry operate on low profit margins. Consequently, we are very serious about being able to operate efficiently. After all, our prices have an effect on the individual farmer’s bottom line.

“Back in 1994, we therefore searched the market for a planning system which could support us in our aim to make the transport process more efficient while increasing transport quality. “We had a series of dialogues with different potential providers. AMCS proved superior in optimising our transport, and we therefore chose them as our provider.”

Complex planning

SPF-Selskabet is challenged by a complex set of transport constraints and restrictions. During the planning process, the usual aspects of quality route generation must be taken into consideration, for instance time windows, capacity limits, access conditions and a number of other qualifications. Besides these, planners must take account of as many as 23 different diseases potentially present on the visited farms.

“Trucks have to be cleaned and disinfected after every completed route, and they must have been quarantined for 12 hours before they leave in the morning”, explains Henrik Ringskær. “Still, they have to visit the farms according to a certain disease category schedule throughout the day.

“To minimise livestock infection, each truck must set out on the farm with the least infected stock and proceed gradually to the farms with more infected animals. This creates many possible combinations for the planners, resulting in a very complex planning problem.

“Because of this high level of complexity, we believed that we would benefit greatly from implementing a planning solution with precise calculation features and automatic route planning functionality.”



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The transport operation

Regarding the transport process, Henrik Ringskær explains, "A large number of orders come from permanent agreements between the major pig farmers. Taking these orders as our starting point, we make an optimised base plan.

"Subsequently, we typically receive a number of last-minute orders up to and during execution, because farmers trade pigs as if they were stocks on the traditional stock market.

"The planning solution enables us to perform automatic insertion of last-minute orders into the plan as well as manual order insertion with tooltips displaying invalid changes, if any. This means that we are now able to manage both last-minute and standard orders without any deadlines."

"The planners are responsible for their own regions", continues Henrik Ringskær, "but with AMCS's solution we are capable of carrying out planning across these regions. This means that we can now effectively share resources between regional border areas.

"An additional benefit is that the management team is now able to actively monitor the transport operation. This facilitates analysis of transport performance on a minute-by-minute basis. We can also run simulations of, for example, the consequences of handling new disease categories or taking in new types of orders and services.

"Without these modelling capabilities in the AMCS solution, we simply would not have come through our process of reducing costs and improving quality."

Quality and efficiency improvements

In conclusion, Henrik Ringskær notes that "it was difficult to move from manual to automatic planning, and it has necessitated a clear understanding and evaluation of our business and processes.

"However, the result is that we have much fewer errors in our planning today, and we have improved our operations significantly."

Major benefits from implementing the system:

- ▶ A reduction of 5-7% in the overall transport costs
- ▶ A centralised planning process including planning across regions
- ▶ An 80% automatic planning process as well as instant calculation of the consequences of manual actions
- ▶ Automatic warnings if the planners break any rules
- ▶ No lost or overlooked orders, increasing the overall transport and customer service quality
- ▶ The ability to make simulations with various cost models

More information

To find out what an advanced optimisation system can do for your organisation, please visit our website or contact sales. We will be pleased to help you discover which efficiency gains your company can achieve with an AMCS system.

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70% of our costs relate to transport. Looking at it in an isolated way, the planning solution from AMCS has contributed to efficiency gains of 5-7%. Therefore, it has also contributed to the fact that our transport prices have not increased for more than four years.”

