



Dec. 18, 2020

# Lion Jointly Receives the Award of the METI Director-General for Commerce and Service Industry Policy under the Excellent Green Logistics Commendation Program of the Green Logistics Partnership Conference

## Improved Work Environments and Reduced Environmental Burden through Joint Transportation by Three Manufacturers

Lion Corporation, Mondelēz Japan Ltd., J-OIL MILLS, INC. and Suzuyo & Co., Ltd. jointly received the Award of the METI Director-General for Commerce and Service Industry Policy under the Excellent Green Logistics Commendation Program\*<sup>1</sup> of the FY2020 Green Logistics Partnership Conference held December 16, 2020.

Reference: The Ministry of Economy, Trade and Industry's website for the FY2020 Green Logistics Partnership Conference (Japanese) https://www.greenpartnership.jp/

\*1. A program under which the Ministry of Economy, Trade and Industry, Ministry of Land, Infrastructure and Transport and other related organizations commend business that have made especially significant contributions to building sustainable logistics systems by, for example, decreasing environmental burden or improving productivity.

### **■Winning Initiative and Reasons for Award**

Initiatives to reduce CO<sub>2</sub> emissions in the logistics sector are needed to combat global warming and reduce environmental burden. These include both improvements to transportation equipment and facilities as well as revisions and efficiency improvements to transportation routes and coordination between shippers and contractors to enhance the efficiency of overall logistics processes. Furthermore, while the expansion of the e-commerce industry is driving growth in logistics demand, the transportation industry faces chronic shortages in capacity due to driver shortages, and realizing labor environments that are accommodating for women and drivers over the age of 60 is an urgent task.

Under this initiative, Lion, Mondelēz Japan Ltd., and J-OIL MILLS, INC.—each a manufacturer in a different industry—are transporting their cargo using Suzuyo & Co.'s high-capacity swap body trucks\*2 for relay transportation\*3 with a relay point midway between the Kanto and Chukyo regions. By doing so, the initiative has reduced the total number of trucks required, increased loaded running capacity utilization and reduced the work and waiting time required, thereby simultaneously alleviating environmental burden and improving driver work environments.

The award was given in recognition of the project's contributions to reducing environmental burden and improving logistics productivity through the coordinated efforts of the three manufacturers and a transportation provider to level out fluctuations in transportation volumes and adjust transportation timing to enable joint transportation.

- \*2. Trucks onto which cargo containers can be mounted and dismounted that can handle containers with greater interior clearance than standard large-sized box trucks.
- \*3. A form of transportation used for long-distance routes with long driving times in which drivers are changed at a midway relay point.

#### ■ Achievements and Outlook

The three manufacturers estimate the following results from the coordination of their transportation operations.

- 1. Reduction in trucks required: 3 trucks/day ⇒ 2 trucks/day
- 2. Improvement in transportation efficiency: 96.5 % loaded running capacity utilization
- 3. Reduction in environmental burden: CO<sub>2</sub> emissions reduced 137.3 t/year (approximately 43%)

Furthermore, by using high-capacity swap body trucks, which can be separated from the cargo containers, these transportation operations are estimated to realize the following effects.



Award ceremony

From left: Tomozumi Ishibashi, Executive Officer, J-OIL MILLS; Hiroyuki Iwaki, Deputy Director-General for Commerce and Service Industry Policy Ministry of Economy, Trade and Industry; Fumitomo Noritake, Director and Executive Officer, Lion; Norimasa Matsuyama, Director, Suzuyo

- Reduced work time: Using containers that can be dismounted from trucks at loading points speeds
  up operations and reduces waiting times
- 2. Improved work environments: Two-truck relay transportation enables drivers to return to their starting points on the same day instead of staying overnight at the destination
- 3. Reduced administrative work: Regular, pre-scheduled operations reduce truck dispatch and tracing work

#### **■Outlook**

Going forward, by proactively expanding such initiatives to work with all kinds of potential partners, regardless of industry or business, we will continue to build efficient and sustainable logistics systems.

Figure 1. Previous Logistics Flow

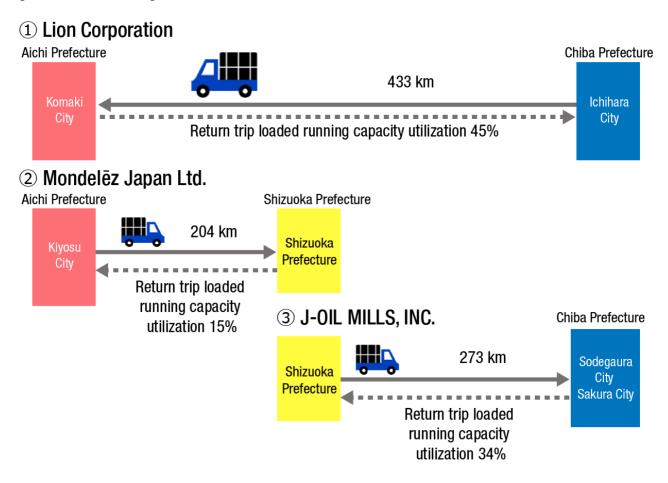
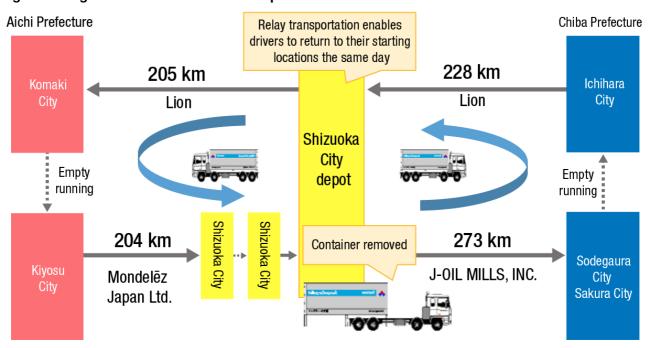
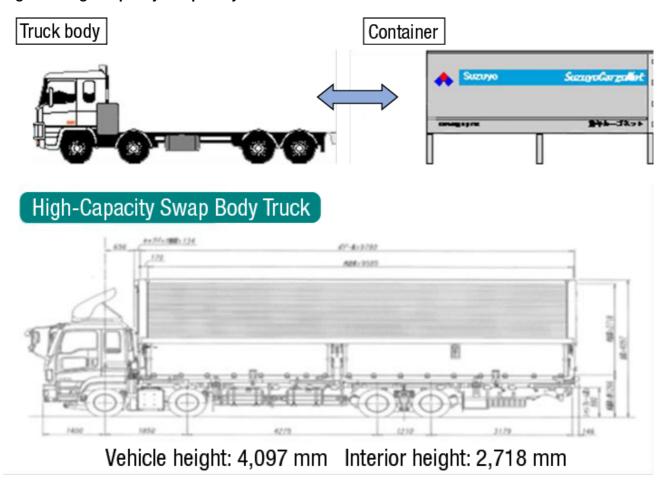


Figure 2. Logistics Flow with Joint Transportation



\* Solid lines indicate loaded running, dotted lines indicate empty running

Figure 3. High-Capacity Swap Body Trucks Used



The initiative uses tall containers that provide greater interior clearance than even the cargo boxes of large-sized box trucks