



“ Dear Customer,  
 During the last year, Volvo Logistics has opened four new offices: one in Brisbane, Australia, one in Dallas in US, Pederneiras in Brazil and in Umeå, Sweden. We are also well ahead with our plans to open offices in other markets such as Russia and Japan. We have a number of ambitious projects within the framework of our core values. For example, EnvCalc is now available in all markets. This system makes it possible to calculate the environmental impact for various logistics alternatives. Our ambition is to be more proactive towards you, our customers, during 2008. I would like to take the opportunity to thank you for this year and wish you a Merry Christmas and a Happy New Year! Let's be Successful Together!

*Åke Niklasson, President and CEO, Volvo Logistics*

# deliveries

NEWSLETTER FOR VOLVO LOGISTICS' CUSTOMERS



DECEMBER 2007

## GENERAL VOLVO LOGISTICS NEWS

### New office down under

**SINCE 1ST** of October 2007 Volvo Logistics is officially present in Australia as part of the Volvo Commercial Vehicles Australia (vcva). It all started when Volvo Logistics received the challenge from Volvo Trucks to implement the distribution of the trucks built in Australia. Renato Andrade is Volvo Logistics ambassador in Australia. It is his mission to put the company on the map and develop business.

“Australia is experiencing a significant economic growth and Volvo Logistics will support Volvo Truck Wacol factory to meet their production plans with top quality logistics solutions” says Renato Andrade.

“We need to be close to the customer, by doing so, we are able

to fully understand the customer's process and logistics needs. We can participate on projects from the very beginning, we are able to foresee any implications and react to avoid disturbances on their flows. The challenge to implement a lean distribution for Volvo to all dealers in Australia and New Zealand faced not only the physical handling of trucks but a completely new way of doing things”. continues Renato.

Volvo Commercial Vehicles Australia is a dual brand part number factory, where 50% of the production are Mack models. Therefore represents an important part of the business and any changes in the Volvo process should also be able to include Mack process as well. The factory located



in Wacol, an industrial suburb of Brisbane, went through the merger of Mack and Volvo in the late 90's. Since then both brands are produced under the same facility and both brands have started several activities to reach common process for both brands.

## REPORT FROM ASIA



### First overseas distribution for Volvo Road Machinery

**IN NOVEMBER** Volvo Logistics made the first overseas outbound for Volvo Road Machinery. 12 sets SD100 rollers were picked up from Linyi plant in China and delivered to Singapore. Volvo Logistics handled all the process including the Inland handling, Customs clearance and Shipment. Meanwhile, Volvo Logistics also made the first domestic outbound transportation for the Hunan Wejia Machinery Co., Ltd which is one of the Volvo Road Machinery dealers. 2 sets DD110 rollers were delivered from Linyi to Changsha by Volvo Logistics under zero insurance deductible level.

## NEW OFFERINGS

### New small plastic box now available

**VOLVO LOGISTICS** now introduce a new small plastic box – EMB 500.

EMB 500 is a new small plastic box developed to support the Volvo Production System and Lean Production. In many applications it can also replace EMB 100 one way box, giving environment benefits and component price decreases. Two EMB 100 are the same volume as one EMB 500. The smart Stack-Nest design gives efficient transport economy for both empty and filled flows.

Please contact your Key Account Manager at Volvo Logistics Emballage for more information.



#### Product specification

**Size:** 300 x 200 x 150 mm

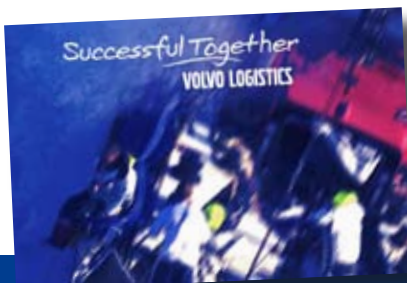
**Net. volume:** 5.1 liters

**Weight:** 0.45 kgs

## UPCOMING EVENTS

### Volvo Logistics at Montreux Conference

Volvo Logistics will be represented with a stand and a speaker at Automotive Logistics Europe Conference 4–6 March 2008 in Montreux, Switzerland.



## CORE VALUES

### Active choice, passive building

**AT THE** beginning of 2008, Volvo Logistics will be opening its new office in Ghent. It is not just any standard office either. This is the Volvo Group's very first passive building.

Being active in the struggle to improve the environment means being passive in terms of energy consumption and the emission of harmful greenhouse gases. This does not simply involve vehicles and transport. The offices of the future are also being built according to increasingly green principles.

**A PASSIVE** building is defined as one in which the energy consumption is less than 15 kilowatt hours per square metre and year. To reach such low values, the insulation in the walls is extra thick, the ventilation is more sophisticated than usual and the heat and cold are extracted from the soil.

“Our new office building is the result of modern architecture, innovative engineering skills and creative thinking,” says Stefan Catelijn, Project manager. “Our decision to



build a passive building also fits in with the company's active realisation of one of its core values – promoting sustainable environmental development.”

**“THE ENERGY** consumption in this passive building is 60–75 per cent lower than that in a traditional office building. This naturally sharply reduces carbon-dioxide emissions. As we are using geothermal heat instead of the oil we previously used, this reduces the total emissions by almost 100 per cent,” says Caroline Sjöberg, Environmental Manager Volvo Logistics.

## GENERAL VOLVO LOGISTICS NEWS

### New tools for risk management

In 1947, the Volvo Logistics' Risk Management Department (RMD) placed the first transport insurance on the London market through a broker. Today, 2007, the department is still going strong, not only providing all customers with an insurance solution all through the logistics chain, but also actively working on reducing risks through Quality Assurance.

During the autumn 2005, a project was initiated to develop systems for RMD. It was decided to develop a system for regulation of claims and damage prevention. In addition, it was decided to develop a business analysis system to give RMD and VLC a tool to monitor damages and minimise risks.

#### RMS – RISK MANAGEMENT SYSTEM

The system is built for mainly two functions within RMD, Quality Assurance and Claims Management.

RMS will allow RMD to become more efficient by reducing double and manual handling,

improved tools to run the business and common procedures globally. By integrating RMS to the financial system, the transaction data is transferred through out the whole chain and thus enabling us to get a complete picture of the costs at any time.

RMS is one of the source systems to BAS.

#### BAS – BUSINESS ANALYSIS SYSTEM

The system is a data warehouse where information from a number of source systems is collated. For example, by comparing damage statistics from RMS to the number of products shipped, it is possible to see results and trends, and thus be able to reduce the risks of damages.

BAS gives valuable information for both internal and external customers. It is possible to drill down and analyse information in the form of reports, graphs or traffic lights.

Internal and external users will access the reports via the new VLC portal to give online immediate information.