



Case study – efficient and effective supply chain

During 2014, the [Freight Expert Advisory Panel](#) worked with Tasmanian small to medium businesses to assist them to improve their freight outcomes.

Through its work, the Panel also identified businesses with considered, well-developed and efficient freight logistics systems in place. Elphinstone Engineering, located at Triabunna, is one of these businesses. It has developed a supply chain that is responsive, cost effective and tailored to meet the specific needs of its products and customers.

Elphinstone Engineering

Elphinstone specialises in the design, manufacture, sale and service of logging trailers and log truck equipment, on-vehicle weighing systems, and Antarctic transport and building support equipment.



Freight requirements

Elphinstone's freight needs vary across the business – ranging from the time sensitive transport of small spare parts to the interstate delivery of b-double trailers.

Elphinstone's freight movements focus on the import of materials for manufacturing processes, and the movement of products and parts throughout Tasmania and interstate to its customers.

Timing and reliability of freight services are essential for this business.

Supply chain and freight arrangements

A combination of air, road and sea freight is necessary to service Elphinstone's freight needs.

Using freight options to meet specific needs

Elphinstone has developed supply chains to meet its product and customers' needs. This includes using air freight to get small parts to customers quickly; and using established sea freight options tailored to meet customer needs – i.e. a higher-cost, faster service or a lower-cost, slower service.

Negotiating freight rates

Elphinstone engages with freight providers to negotiate rates and service levels to meet its varying product and customer logistics needs. This ensures that for each mode of transport used – sea, road and air – they have a cost effective and reliable option.

Elphinstone has invested effort in researching and building its knowledge of the freight and logistics market. This helps the business negotiate contracted rates and services with freight providers.

Managing regional location

Elphinstone has been innovative in structuring its logistics to operate effectively between its Triabunna site and the State's major freight hubs. This has included using local operators already servicing or located in the area; and using Elphinstone staff who reside out of area to transport air freight to the Hobart Airport.



Packaging

While packaging is often developed with a focus on product presentation, it also has freight implications. Packaging is important to support efficient handling, reduce the likelihood of damage, and to best use available space during storage and transit.

Elphinstone uses product specific packaging. As a result, products are easy to handle, store, pack and the likelihood of damage during transit is reduced.

Site logistics

Elphinstone has designed its site to support the efficient receipt and dispatch of freight.

Identifying assistance available

As a manufacturer, Elphinstone is aware of its eligibility for assistance through the Tasmanian Freight Equalisation Scheme (TFES). This includes both northbound and southbound freight costs. Elphinstone has structured its administrative processes to make claiming TFES efficient and worthwhile.



For more information on things to consider in developing or improving your supply chains, also see the Panel's information sheet – Efficient and cost effective freight and supply chains.