

If, after reading these, you would like to know more, or would like to explore options to improve the way that your supply chain works, then please contact either **Alan Stevenson** or **Rona Sutherland**, of SAOS, to whom you can talk in confidence.

Alternatively, if you are already working collaboratively and would like to shout about it, let us know and we will be pleased to promote you and your partners in our case study series.

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Collaboration Delivers Real Commercial Benefits

ADDING VALUE: BUSINESS EFFICIENCY

Why collaborate? The question should really be why not? When we talk about collaboration, we simply mean working in partnership. You can be as competitive as you like, but there are always some areas where co-operating with others makes more sense.

We've produced a series of case study examples to illustrate where companies have worked with other partners in their supply chains for mutual benefit. That last bit is key. There has to be something in it for everyone involved, or it is not true collaboration. This doesn't mean that the benefits are necessarily shared equally by all partners, but it does mean that they're shared fairly, recognising the effort that each has contributed.

The series looks at how companies are working together to tackle business issues for mutual success. However, it's not easy to start collaborating with others if you are operating in a supply chain where there is very little trust and openness.

No collaborative processes will work, unless you can develop relationships based on trust, so we've also tried to include good practice examples of what other companies have done to develop the right sort of relationships and ensure the benefits are shared with everyone.

CASE STUDIES

Business efficiency, in its most simple terms, is about minimising waste and maximising value.

Working with partners in its supply chain, **Girvan Early Growers** is continually looking for ways to reduce the levels of waste across the chain, whilst at the same time improving the overall quality of the product. All parties contribute to this process and the financial benefits that accrue can be substantial. An improvement in product quality has been achieved through the use of better agronomy techniques, better equipment (that could not have been afforded by individual companies in the chain), coupled with improved IT systems. This has led to fewer rejections, better prices and, therefore, increased revenue. The additional benefits of reducing the amount of waste has also contributed to reduced disposal costs and consequential environmental benefits.



“The concept of working in collaboration with others helps us to supply the market, by ensuring that the supply chain is structured to meet the needs of the ultimate consumer. Economies of scale and scope are additional benefits that a more collaborative approach brings to the supply chain as a whole.”

Drew Young (Girvan Early Growers)

The **Edrington Group** and **Highland Grain** evaluate their performance against others through a benchmarking tool available from the Home Grown Cereals Authority, called PROBE (Promoting Business Excellence). Application of this management tool led to the identification of an opportunity to purchase barley tailored to Tamdhu Maltings requirements. The barley produces malt that provides additional spirit yield (of 1% - 2%) and improved processability (more effective protein breakdown and reduced gum build-up in the mash tuns). Simon Barry, Chief Executive of Highland Grain and Dr Bill Crilly of the Edrington Group agreed on a specification for the barley and on a protocol for communication, planning, reporting and performance review. At subsequent meetings following barley deliveries, the performance of the crop in the maltings and the distillery was discussed. This feedback resulted in a new database of knowledge spanning the entire malting and distillation process and the specification of the barley was further refined and developed. The specification has now been developed to a point where there are key parameters for nitrogen, screenings and water sensitivity. Delivering this specification requires careful management from Highland Grain and they have developed a system that supplies what the Edrington Group need. The process starts on the farm immediately after the barley crop is harvested. 30 tonne batches are sampled for nitrogen content, moisture, screenings, germination and thousand corn weight, the results are logged and farmers are immediately notified of their results. The information on quality is then used to plan the collection of the crop from the farm to the drying and storage plant.



“It gives growers a real buzz to know how their barley has performed.”

Simon Barry, (Highland Grain)

For a specialist company like **Coldwater Shellfish**, business survival is the starting point for measuring success. In this supply chain, it is achieved by ensuring that the industry remains competitive by encouraging everyone in the chain to maximise the quality potential of the raw material resource. Fishermen also want to maximise the yield and the price they receive for their raw material, which is dependent on how carefully they handle the shellfish. The best yields come from catches where fish have been carefully looked after. Information, knowledge and expertise are shared across all parts of the supply chain, along with technical advice on handling and quality control. By feeding back information along the chain and providing advice from industry support organisations, it helps everyone to maximise their returns from what is a very competitive industry.