

Home: Issue 7 2008 > On the move



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Elsen Logistics GmbH is a provider of logistics and supply chain solutions to the manufacturing industry

Dominik Elsen formed Elsen GmbH in 1870, as a haulage company. Over the years, the business has met the requirements of its customers within the transport sector. It has developed from a traditional transport company into a modern complex supply chain solution, delivering organisations with strong executional experience.

Today in 2008, the company applies its 138 years of experience to the four sectors of the business, which are traditional transport, logistical operations, air and sea transport and supply chain solutions.

Based in Rheinland-Pfalz, Wittlich in Germany and with 650 employees operating in ten central towns across Europe, Elsen is well-positioned to bring its customers combined tasks to the desired conclusion, keeping a constant dialogue with its specialists in the field.

Thomas Klein, COO at Elsen, describes the largest areas of the company's business, logistics and supply chain solutions: "We operate a unique model, which sets us apart from our competitors. It is all about merging of lean logistics and lean manufacturing elements to a holistic and most balanced approach, which we call 'LOGIFACTORING'. As many of our rivals offer a very strong logistics service, this model demonstrates that we are pioneering new systems and services within our industry. Of course we still have a transport operation along with our other product portfolio, but we offer added value even in transport. We have developed systems like 'the rolling material disponent'. Our driver is in constant contact with our customers' material planners to react as quickly as possible on any net changes on the supply chain to, first and foremost prevent over-shipments and secondly, provide early warning for a potential disruption of our customers production lines."

He continues: "As probably one of very few 3PLs, we also have a very strong competence in lean manufacturing which we balance with logistics, with the aim of achieving an optimal supply chain approach to achieve best product cost for an enterprise. Our main clients for LOGIFACTORING are mainly within the manufacturing industry, in particular the automotive sector. This industry is continually looking at cost cutting initiatives. We work closely with the customer to understand what kinds of logistics activities they can remove from the overall manufacturing cost. In all cases, we have been able to achieve a significant cost reduction for the client. This is because our core competency is that we do more with less and cheaper at a very high degree of quality – we are much more efficient than other companies in our sector, and so our customers see better results."

Wolfgang Gross Elsen, CEO & president of Elsen says: "The company aims to provide customer-orientated quality in its logistics services and it takes its responsibility for the environment very seriously." The business' goals include logistical solutions, which aim to provide uniform branch standards and environmental protection and, in doing so, integrated quality awareness. The company relies on its employees, who are located across Europe, to implement these standards and processes.

In recent years the company has undergone huge restructuring, as Volker Gross, CFO at Elsen elaborates: "We are seeing the benefits of these recent changes. In the last few years we've grown the supply chain solutions business significantly, which has led to the gain of a considerable amount of work in this area. We have also been able to increase our logistics operations by a further 25 per cent.

"Key customers from the automotive area such as world class companies like TRW, Tekfor-Neumayer or Tenneco, just to name a few, trust Elsen's unique knowledge base and strong service levels and see significant contribution for their respective business, as we have been working with these companies for a few years now. Very recently we have been nominated by the German Tekfor-Neumayer group for all of its global operations to assess its logistics capabilities and identify cost cutting opportunities at even higher logistical quality.

He adds: "Within our scope of extending our European boundaries; we have signed a strategic contract with a North American company called nVision to be its exclusive sales and operations partner in Europe. nVision provides software for a variety of functions in particular in the freight audit and pay process, all of which fit very well into our portfolio," Volker comments.

In terms of potential setbacks to the business, Thomas explains how Elsen will work to overcome any issues: "The main challenge for us is to demonstrate to our customers that what we are doing will ultimately aid their cost cutting initiatives. This is not usually too difficult, as we have a strong reputation in the industry and after the first few sessions, the client clearly understands our principles. They see that we come in with a highly qualified team of people, and we don't just tell them how to tackle their supply chain problems and leave them to it, but we offer practical solutions and help the companies to implement them by executing it with our own operations. We have one business motto that counts – 'No come & go – we stay.'"

With this in mind, Elsen aims to expand further in the coming years. Volker explains why the difficult financial conditions of the market right now, will not deter these plans: "We definitely see great opportunities to grow, despite the current climate. We have a historically driven advantage. The transportation market is very diverse and we have a huge customer base. This provides us with a wide range of customers; all our clients in transportation offer other services within the supply chain, allowing us to extend our reach. We are able to advise former transportation customers if it would be beneficial for them to explore other business opportunities and this has been an area of great success for us.

"Looking ahead, I believe that ultimately we will grow steadily in all sectors. The predominant growth is likely to be continued in consultancy and within logistics. The ultimate aim is to increase our business and revenue line

by at least 80 per cent within the next five years."

Elsen Logistics
www.spedition-elsen.de
Employees: 650