



## **LOGISTICS OF THE FUTURE: THE TMS PROJECT**

SIBUR has automated container shipments.

SIBUR launched a multimodal container shipping management system based on SAP Transportation Management (SAP TM), a solution that enables end-to-end automation of the entire logistics chain, from scheduling shipments to delivery to the customer.

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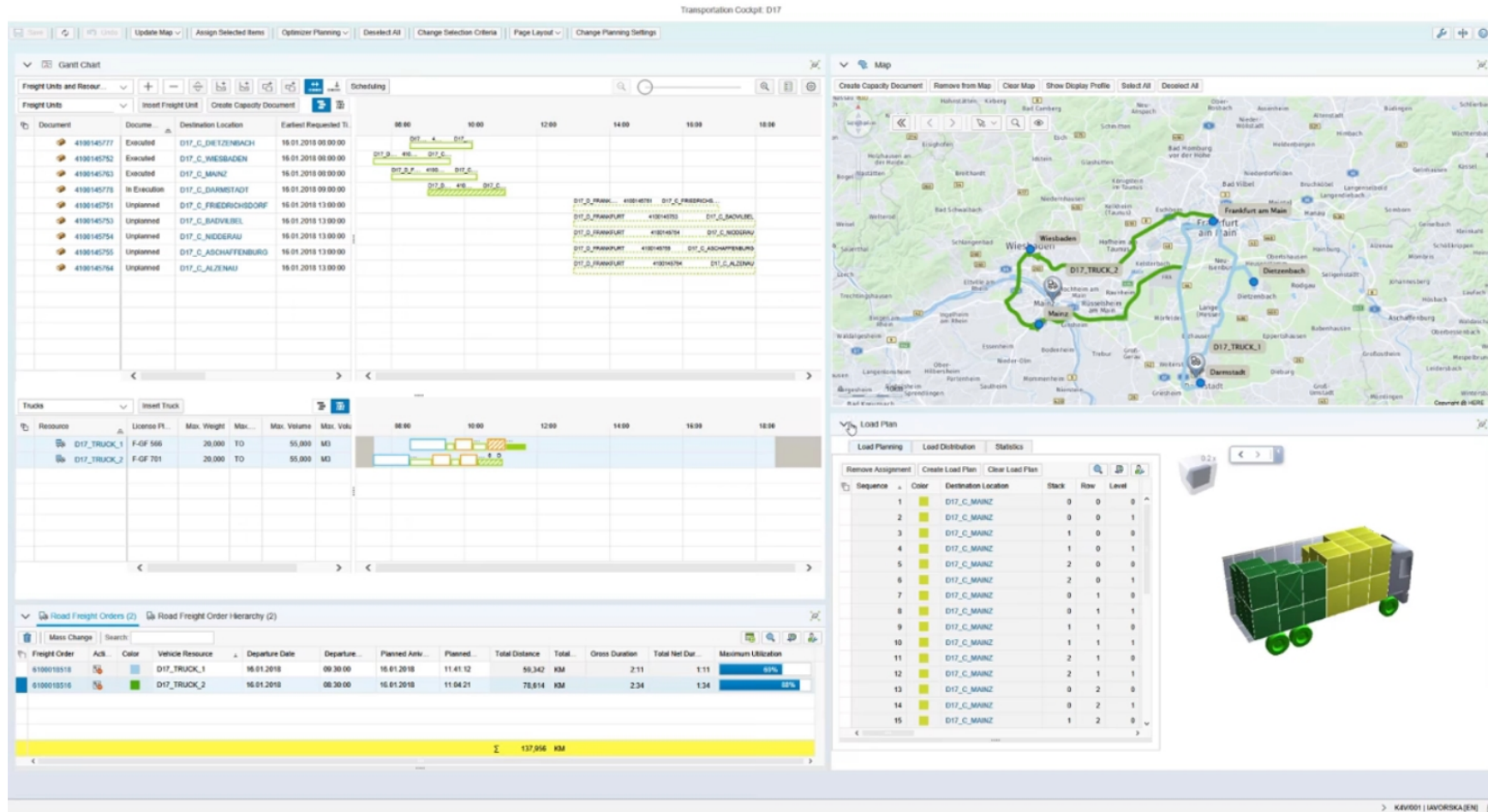
SIBUR, ONE OF THE LARGEST EXPORTERS IN THE RUSSIAN CONTAINER SHIPPING MARKET, HAS BECOME A PIONEER AMONG INDUSTRIAL COMPANIES FOR THE AUTOMATION OF THE ENTIRE END-TO-END LOGISTICS CHAIN BEYOND SEPARATE PROCESSES

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SIBUR's TMS (Transportation Management System) project will implement a multimodal container logistics management system that unlocks a range of opportunities: plan equipment needs (flatcars, marine containers), prepare requests to freight transportation companies for domestic and international container shipments, track the arrival of rolling stock to SIBUR's terminals on time, manage loading and shipment operations and communicate with shipping lines when planning seaborne shipments and preparing bills of lading.

SIBUR, one of the largest exporters in the Russian container shipping market, has become a pioneer among industrial companies for the automation of the entire end-to-end logistics chain beyond separate processes.

"Today, a lot of majors manage logistics via traditional communication tools – letters, phone calls or instant messages. Automation is often applied either to a single link (for example, rail or truck transportation) or a section in the logistics chain (a portal to place transportation orders). But we went further," said Oksana Dushkina, the project manager. "We used the TMS for end-to-end automation and digitisation of multimodal container shipping management, from preparing sales plans to delivering our products to end consumers. The TMS is a "control tower" platform for all transportation planning, shipment tracking and preparing shipping documents, with a significant part of shipments sent by sea to non-FSU markets."



“OUR FURTHER PLANS INCLUDE TRANSACTION AUTOMATION, LAST-MILE DELIVERY TRACKING, AUTOMATED CHECKING OF BILLS OF LADING, AND OTHER ASPECTS BEYOND THE PROJECT’S FIRST STAGE,” SAID IVAN KAPTSOV, HEAD OF LOGISTICS DIGITISATION AT SIBUR

The multimodal container shipping system is based on the SAP TM solution tailored for SIBUR’s architecture and tasks to maximise ZapSibNeftekhim’s logistics performance. To make the solution more user-friendly and intuitive, an interactive mock-up was first created and tested by real users – logistics specialists, dispatchers, sales managers and payments centre specialists. The TMS was integrated with other corporate systems – ERP, warehouse management, container yards, automated rail operation management, tariff management, production and sales planning. Measures were also taken to directly integrate the system with partnering freight transportation companies: communication channels were set up to review transportation requests, track empty and loaded containers, monitor equipment, book shipments and prepare bills of lading. As an alternative, employees of freight transportation companies can perform all necessary operations directly from their personal SIBUR partner web account, with changes reflected in real time in the TMS.

“We continue to develop the system. Our further plans include transaction automation, last-mile delivery tracking, automated checking of bills of lading, and other aspects beyond the project’s first stage,” said Ivan Kaptsov, Head of Logistics Digitisation at SIBUR.

“The multimodal container shipping management system will first and foremost drive down the labour intensity of the logistics function, which is especially important in light of launching our largest plant, ZapSibNeftekhim, and entering new markets. In addition, it will reduce the idle time of transport, optimise internal logistics, boost the logistics capacity of the Tobolsk plant and, most importantly, always deliver to customers on time, thus maintaining the high quality of our logistics services,” said Irina Agarkova, Head of Logistics at SIBUR.

## Background:

Multimodal logistics management is an end-to-end process covering procurement, optimal use of transport, provision of equipment, scheduling of loading and shipments of products from plants, further tracking to the port, booking shipments with shipping lines, preparing bills of lading and, finally, delivery and acceptance.

