



# SIJ Group connects major logistics divisions to achieve efficiency-boosting synergy

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## ABOUT SIJ GROUP

SIJ Group specialises in producing and shipping stainless steel quarto plates, alloyed tool steels (rolled and forged products), high-strength and wear-resistant steels, and non-oriented electrical plates and coils – from the mills, to local and international markets, by all means of transport.

SIJ Group is the largest Slovenian steel group, with a deep commitment to global and European climate goals and operates in line with circular economy principles. With its steel and steel products made of recycled steel, it is the right partner for facilitating the green transition in Europe.

SIJ Group consists of 33 companies globally - the majority of them in Slovenia and also in Italy, Germany, the US and the Middle East. SIJ Group reports annual revenues of over 1 billion euros, with an annual transport spend of circa 24 million euros.

## SERVING THE GLOBAL STEEL INDUSTRY ONE SHIPMENT AT A TIME

You'll find the Logistics Department within SIJ Group's headquarters in Slovenia, where they're busy serving four major Steel and Manufacturing Division sites locally. These production sites represent the main profit drivers for the whole group, and the Logistics Department is responsible for handling 70% of annual shipments (340,000 tons shipped per year in total).

Handling special transport issues, including just-in-time deliveries, seasonality, volume, fluctuations, heavy transports, and hazardous goods, is the norm for SIJ Group, as a key player in serving automotive, aerospace, machine building, and oil and gas industries.

No stranger to operating globally, SIJ Group regularly ships to almost all EU countries, the US, Canada, Latin America, the Middle East, India and the Far East.

## FACTS AND FIGURES



### Headquartered in Slovenia,

where four major production sites drive the majority profits for the SIJ Group



Comprises **33** companies globally

**340 000** tons shipped per year



- **70%** of which Logistics Department has responsibility for (according to Incoterms, based on sales contracts)
- **30%** is handled by external partners

Over **1 billion** euros reported annual revenue



Annual transport spend approx. **24 million** euros



## THE CHALLENGE

Prior to adopting Transporeon, SIJ Group faced certain challenges that impacted its standing as a preferred shipper for many Logistics Service Providers (LSPs). The existing system involved each company managing outbound transportation independently, relying on distinct groups of LSPs and manual processes. This approach, while common at the time, brought about a set of challenges, including:

- **Challenges in maintaining transparency** due to the decentralised nature of operations.
- **Variation of operating principles, approaches, and processes** across different companies.
- **Inefficiencies due to manual processes** reliant on the human factor.
- **Instances of misinterpretation and misuse of information** arising from the decentralised approach.
- **Unhealthy competition among LSPs** due to isolated pools and lack of collaboration.
- **Elevated stress levels** for all parties involved in the logistics processes.
- **SIJ, as the Logistics Service Consumer** was perceived as less attractive due to these existing challenges.

These factors collectively led to capacity constraints and posed various operational challenges for SIJ Group. The decision to implement Transporeon was aimed at addressing these issues and fostering a more collaborative and efficient logistics environment.

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## THE SOLUTION

It was spring 2016 when SIJ Group was first introduced to Transporeon. It emerged during a sales conversation that SIJ Acroni, the largest SIJ Group production company, had financed a significant part of an implementation project back in 2011, but never completed it. So SIJ Group decided to avoid the painful process of comparing the market, and take a chance on completing what had already been started.

The project was revived and adapted, first for one mill in Slovenia, SIJ Metal Ravne, because of its smaller scale and greater flexibility with change management. In October 2016, the first Scheduling Unit was deployed and went live. Since then, Transporeon has been deployed within each Steel and Manufacturing Division company, and the scope for integration was completed in February 2018.

From the start, Transport Assignment and Attachment Service were chosen for implementation, and later on Time Slot Management was introduced for its complementary features.



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## TESTIMONIAL

*The solutions implemented have allowed us to force immediate positive changes in the core processes of our sector, through standardisation, simplification and increased transparency, leading to the successful completion of the centralisation of the logistics function mandated by top management.*

**Dmitry Novitskiy**  
Director of Logistics  
SIJ d.d.



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## THE RESULTS

Already well-established since completing the integration at the start of 2018, logistics processes at SIJ Group remain vastly improved. Director of Logistics, Dmitry Novitskiy, describes Transporeon as their operating system for logistics. SIJ Group's five main factories operated independently, with limited collaboration and synergy among them. Now, all five are connected, and benefit from one single logistics strategy.

The Group's Logistics Director highlights the following notable improvements since the Transporeon platform was implemented:

- **Enhanced visibility and transparency** during the transport assignment process and the booking for dock scheduling.
- **Standardisation and efficiency:** Transporeon enables the standardisation of processes and workflows. By enforcing consistent principles and approaches, the platform minimises errors and streamlines operations. This consistency leads to increased efficiency and a more synchronised supply chain.
- **Automation and error reduction:** Automation features reduce the reliance on manual intervention, minimising the impact of human errors. This has led to increased accuracy, reliability, and a reduction in operational costs. Human effort is now directed towards strategic and value-added tasks.
- **Data integrity and security:** The platform ensures that information is not only accurate but also mitigates the risk of misinterpretation and misuse of critical logistics data.
- **Collaborative ecosystem:** Implementing a digital logistics platform enabled a more collaborative ecosystem. This continues to foster healthy competition by promoting fair and transparent practices. The platform also facilitates partnerships, promoting a more integrated and efficient logistics network.
- **Proactive issue resolution and resource optimization:** Transporeon allows for proactive issue identification and resolution. By providing insights into potential bottlenecks or disruptions, stress levels are reduced, preventing unnecessary strain on the logistics network.
- **Enhanced customer experience:** Logistics Service Consumers benefit from accurate and standardised transport orders, timely pickups without waiting times, and proactive communication, leading to an improved perception of SIJ Group as a shipper.



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## A REPUTATIONAL BOOST

LSPs now benefit from accurate and standardised transport orders, timely pickups with reduced waiting times, and proactive communication. All these factors make it much smoother and more profitable to work with SIJ Group, and add up to an enhanced overall experience for LSPs. Collectively, a remarkable difference has been made to the Group's reputation as a shipper, and its image as an LSC.

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## THE FUTURE

Plans to implement additional Transporeon solutions are already underway, with the go live for Ocean Visibility and Autonomous Procurement anticipated for the start of 2024.

SIJ Group is also ready to scale up its current implementation, and is working closely with Transporeon to integrate the platform with the company ERP (Oracle).



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## TESTIMONIAL

*The Transporeon platform has become the only system that orchestrates and harmonises all of our logistics operations, a kind of ERP for logistics.*

**Dmitry Novitskiy**  
Director of Logistics  
SIJ d.d.



Explore the Transporeon **Transport Execution Hub** to discover how to move more freight without the stress

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## SIJ GROUP SEES DEEP WITH OCEAN VISIBILITY

Transporeon Ocean Visibility went live for SIJ Group early in December 2023, with anticipation that the first transactions would be incoming at the start of 2024. SIJ Group uses ocean transport to send products from Europe to their North American mill depot warehouses in New Jersey, and directly to customers.

The implementation of Transporeon Ocean Visibility was seen as a proactive step to mitigate these challenges and enhance operational efficiency.

- The US team faced uncertainty regarding the arrival time of deep-sea vessel shipments.
- Limited ability to prepare documents in advance, such as customs paperwork.
- Challenges in coordinating the pickup by truck at the arrival port, specifically Newark.
- Difficulty in providing customers with accurate information about product availability.
- Lack of real-time information about shipments and estimated time of arrival once the vessel was on the deep sea.

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## THE SOLUTION

### Four steps to implementation

To kick off implementation, SIJ Group worked closely with the team at Transporeon to define the requirements. The next stage involved setting up and deployment of test systems. Training was provided for key users, meanwhile validation of the test systems was underway. Within a few short weeks, live deployment was completed successfully.

### Ocean Visibility in action

SIJ Group is now tracking the first leg from their mills in Slovenia to Koper – the port of departure – after which point the ocean transport is tracked all the way to the port of arrival in North America (currently Newark, and soon to include other North American and Canadian ports).



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## THE RESULTS

SIJ Americas now have visibility of the position of the expected vessel, and receive updated information about the shipment ETAs (Estimated Time of Arrival). New capabilities to plan ahead, prepare necessary customs documentation, and organise for the container to be collected by truck at the arrival port represent a novel source of empowerment for their logistics operations and business as a whole.

Other major benefits include:

**Time saved and risks lowered:** As soon as a load is posted on the platform, the forwarding agent can access and complete all required information, e.g. name of shipping line, container number. The likelihood of errors is far less, and helps make the whole process more efficient.

**Streamlined communication:** The North American Business unit no longer needs to direct so many check calls and enquiries to the team in Europe, which means less disruption and more time to focus on value-boosting tasks.

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## ON THE HORIZON

Once the ramp-up phase is complete, SIJ Group expects to process 1680 transactions per year using the platform – that's 140 transports per month. Based on the first month alone since implementation in which 24 transports have been successfully tracked, a quick ramp-up is expected.

Find out how you too can rapidly expand  
visibility into your ocean flows with  
[Transporeon Ocean Visibility](#)