Evolution and Use of Central Dispatch in Australia

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Location

HVP Districts
Estate area 245,000 ha
Plantation area 105,000 ha
Predominant species Pinus Radiata
Date Sep 05

[Map showing the location of HVP Districts in Australia]
Background

- Pre-2007 harvest and haul contracts were linked
- Significant shift of harvest profile into Strzelecki Ranges
  - Greater flexibility required in truck allocation, particularly B-doubles
- Margin squeeze
- Issues in customer orders unfulfilled
  - Exposure to liquidated damages claim

Solution - Asset model
Objectives

The business case was built on increasing:

- Truck utilisation
- Percentage Loaded Kilometres (PLK)
- B-Double utilisation
- Sales to Australian Paper and minor customers
Timelines

Central Despatch Timeline

- Trials/data collection commenced July 2007
- Commence live central despatch Jan 2008
- Full central despatch July 2008
- B-double active in Bills Oct 2009
- First voiceless PDTs installed Oct 2009
- 80% of fleet with voiceless units August 2010
- 50% of fleet with voiceless units Dec 2009
- PDT training GPS client installed March 2010

Real-time information
Web-based application

Temperature check

- Comprehensive independent review in late 2010
- Interview with stakeholders
- Analysis of data
  - Truck productivity increased
  - Fleet size reduced
  - Significant increase in B-Double utilisation and loaded km % increased
- Explored possible variants of model
Truck utilisation

![Average Daily Haulage per Truck - 3 month avg. calc. hrs](Image)

Issues and challenges

- Lack of reasonable baseline data for comparative purposes
- Location of coupes and customers limit PLK upside
- Key customer receiving deliveries from outside parties
- Contractual ability to capture gains in PLK and truck utilisation
- Managing driver behaviour
  - Understanding why trucks drop out of the system
- Communication black spots in the hills
### Outcomes/enhancements of review

- Implement on-line blog to monitor issues real-time
  - Visibility to all
- Enhanced reporting capability
- Contractors sitting with Asset to observe task
- Identified significant number of closed loops
  - Trial of alternative model

### Allocation model trial

1. 4 week trial allocating trucks to crews
2. Model works but challenged by external disruptions
3. Would require additional staffing to manage truck coordination
4. Key finding; truck utilisation fell 6%
5. Prompted Asset to reflect on developing tool to enable loader controlled despatch from the field
Reflections on the journey so far

- Staff develop dependency on information
  - How do you quantify the value?
- HVP delegated role of communicating decisions to Asset
  - Don’t shoot the messenger
- Clear benefits in managing interface with public
  - School bus routes, curfews
- It’s not all about the metrics......
Did we fully consider the human element?

Do we have the model right?

Is there a middle ground?

Linked harvest and haul

Full central despatch
Conclusions

Evolution will continue

- Signed new long-term agreement with Asset
  - Electronic docketing added to scope to enable near real-time log accounting
  - On-line ordering and stock updates
    - Potential expansion into other HVP region
  - New loader-dispatch option to be introduced