

# BOTTLENECK CATEGORY

## ROAD TRANSPORTATION OF SULPHUR

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# AGENDA

## ▶ FEW WORDS ABOUT THE CATEGORY

- ▶ Product to be transported – sulphur
- ▶ Service which is the subject of purchase – road transportation
- ▶ Market

## ▶ WHAT IS THE PROBLEM? HOW TO SOLVE IT?

## ▶ FEW SOLUTIONS AND ITS VALIDATION

- ▶ Find new suppliers on the market
- ▶ Creation of own fleet
- ▶ Other alternative solution



# FEW WORDS ABOUT THE CATEGORY

## SULPHUR

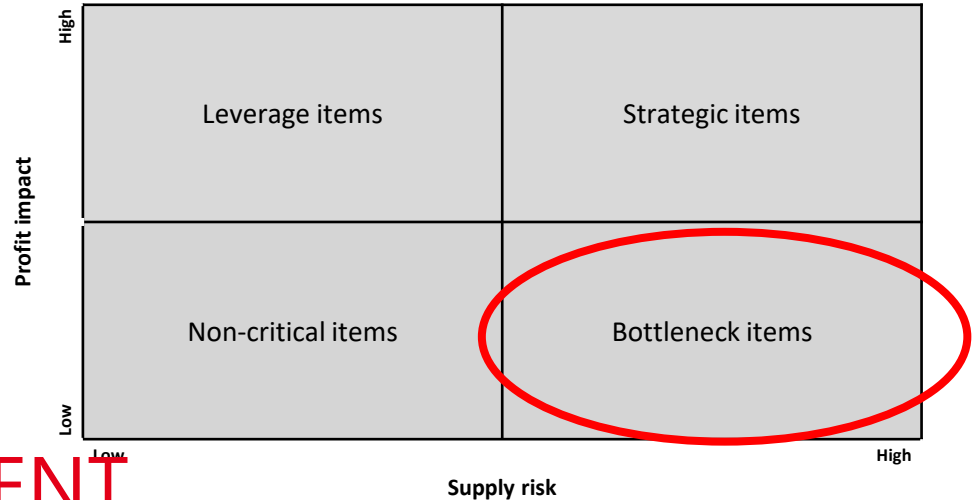
- ▶ SIDE PRODUCT - LOW MARGIN
- ▶ UNPREDICTABLE PRODUCTION
- ▶ LIMITED STORAGE CAPACITY
- ▶ RISK OF THE SHUTDOWN

## TRANSPORTATION OF SULPHUR

- ▶ SPECIFIC VEHICLES
- ▶ OUR COMPETITIVE ADVANTAGE

## MARKET

- ▶ ONLY FEW SUPPLIERS ON THE MARKET



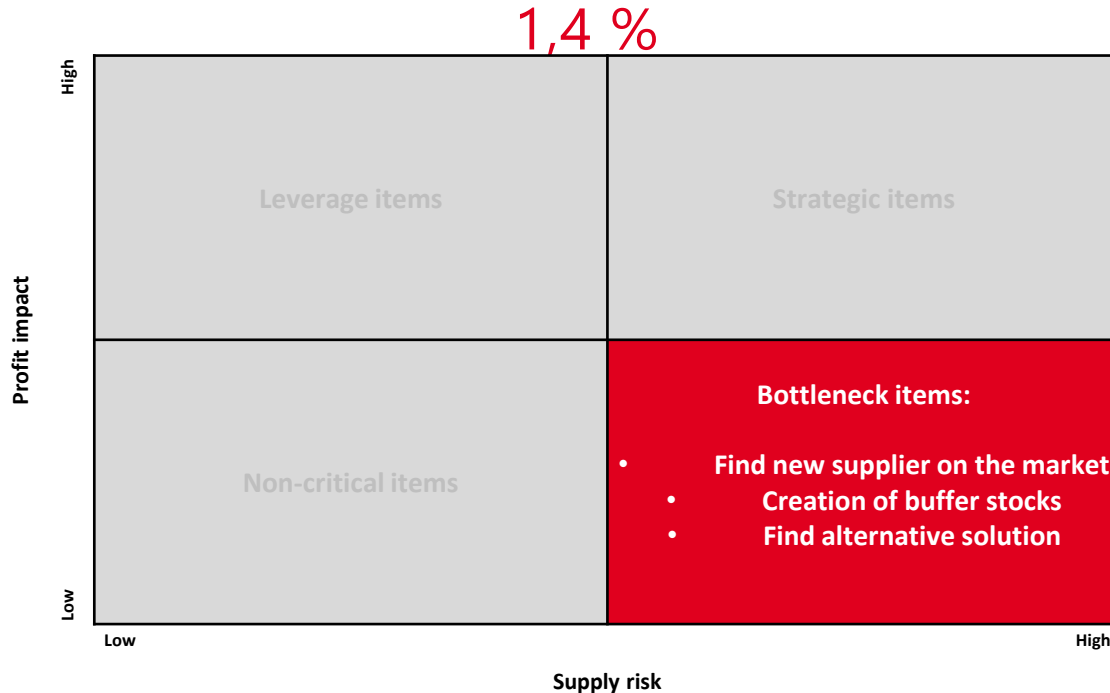
## CURRENT SOLUTION ▶ AVAILABILITY FEE

- ▶ Monthly fee paid for specific number of trucks doesn't matter if we are using them or not

# WHAT IS THE PROBLEM?

## HOW TO SOLVE IT?

- AVAILABILITY FEE IS PAID EVERY MONTH, BUT UTILIZATION OF THE TRUCK IS LOWER THAN



# OUR POSSIBLE SOLUTION

## 1. TO FIND NEW SUPPLIERS ON THE MARKET

New suppliers could cover unpredictable production = peaks.

Condition to minimize the risk:

- **testing period** based on which the availability fee will be eliminated is needed.

## 2. TO CREATE OWN FLEET

New truck could be used only for the period of increased production

Conditions to minimize the cost:

- Very detailed calculation of the cost of creation of own fleet
- Consider the risk of drivers shortage



## 3. ALTERNATIVE SOLUTIONS

- Transform the responsibility for transportation to our customers = loose of competitive advantage
- New way of transport – switch the capacities to rail
- New stock alternative – rental of RTCs
- Inhouse consumption of sulphur for another production

THANK YOU FOR  
YOUR ATTENTION

