



MIKE LEDYARD

Director of Supply Chain, Consumer Packaging
International Paper

Reinventing a Paper World

Supply chain leaders implement ideas that improve service while cutting costs.

Mike Ledyard wrote the book on measurement. Before joining **International Paper** a year ago, he spent three years as a consultant with **CSC**, which included co-authoring a book with CSC and the **University of Tennessee** for the **Council of Logistics Management**. The book targeted measuring the business effect of logistics in the supply chain, and Ledyard claims the project gave him an incredible amount of experience in a concentrated way.

That learning experience was valuable as Ledyard switched careers and industries—from new product development, manufacturing, and offshore sourcing in the toy business to logistics in consumer packaging. The CSC years in between added logistics experience to the heap of practical knowledge he had accumulated. After a six-month consulting role with International Paper, the company brought him on board as director of supply chain for its Consumer Packaging Group, one of four major business sectors within International Paper.

When Ledyard began the consulting project, the business unit

needed to improve the timeliness of its process for moving its high-quality bleached board to internal and external customers. “We had visibility and customer service issues that were essentially planning problems,” he explains. The first major thrust was to improve sales and operations planning in the Bleached Board Business (BBB). At the same time, the team knew it could improve service while reducing on-hand inventory at the company’s three converting business units.

Ledyard’s team implemented a sales and operations process incorporating demand planning and forecasting software. At the same time, they were tackling SKU rationalization. Each change in core size, width, and density of paper rolls is a new SKU. The logistics team’s target is to reduce the current 500 SKUs to fewer than 40. Since cost gains tend to be on one side while trim losses are on another, Ledyard is facilitating close cooperation and possibly gain sharing between the business units, made somewhat easier, perhaps, with everyone working toward the same bottom-line improvement.

With external customers, Ledyard’s team strives toward increased visibility into demand which could translate into cost re-

ductions in the overall supply chain. “Improvements to demand forecasting would allow us to fill orders more completely and faster—bringing mutual gains,” Ledyard adds. After just a year at International Paper, Ledyard is quick to say, “We’re not there yet.” While total time from design to full implementation is probably two years, and the payback period for these and other projects is just over three years, his team is already seeing benefits.

Ledyard’s supply chain group operates as an internal consulting firm. “They perform staff functions across the entire sector, helping business units identify opportunities and execute. Part of my job is selling services—just as a consultant does. After we sell, we have to execute,” he adds.

Ledyard sees himself as the band-leader. “My major role is overall team leader/project manager. I also help educate heads of business units on current trends and opportunities in the area of supply chain. We have a great group of people with a broad range of skills who play well in the sandbox together,” he adds.

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