CPBIS Research Highlights

Marc Goetschalckx, Associate Professor in Georgia Tech’s School of Industrial and Systems Engineering, and Usha Nair-Reichert, Associate Professor in the School of Economics, contributed the following article. It describes their CPBIS project entitled “Configuration and Management of Globally Efficient Supply Chains.” This is the seventh and last in our first series of articles focusing on active CPBIS research projects.

Many companies in the pulp and paper industry operate globally integrated supply chains that trace materials from the raw and recycled material sources to the ultimate consumer through various facilities and transportation channels in different countries. To remain competitive in today's dynamic global economy, corporations must constantly adjust their global logistics strategy and their supply chain configuration and update their tactical production and distribution planning. The corporations must make these adjustments within the framework of the global trade environment, where there exists a multiplicity of country-specific taxation, tariffs, environmental regulations, and exchange rate risks.

This research project investigates the current state of global supply chain configuration and management in the pulp and paper industry and identifies structures and factors inhibiting and enabling global trade in this industry. The research identifies (a) drivers and objectives for globalization and the critical areas where value is added to the products in the global supply chain, (b) factors such as tariffs and other trade barriers, government policies towards foreign investments, etc., that impact the location, efficiency and flexibility of the supply chain, and (c) opportunities for improving the efficiency, flexibility, and effectiveness of the global supply chain. The proposed research will focus first on identifying the relevant factors, objectives, and drivers of globalization and global supply chains and second on the development of a semantic model of the global supply chain for companies in the pulp and paper industry.

Future research will focus on the development of a decision support tool for the configuration of efficient and robust global supply chains. This tool will be based on an integrated and comprehensive model and solution algorithms that make the best tradeoff between supply chain robustness and efficiency. This research will enhance the capability of corporations in the pulp and paper industry to understand, manage, and configure their entire global supply chain, which ultimately will make these corporations more competitive and valuable.

See and Hear Our Webcast!

March 6 was a groundbreaking day for CPBIS as we broadcasted Beyond Today’s Paper Machine live on the Internet from the Georgia World Congress Center (GWCC) during Paper Summit 2002. Eleven highly regarded and knowledgeable speakers engaged a large audience in discussions of key economic and business issues confronting the industry. These ranged from prescriptions for value creation to identifying needs for creative and innovative ways of employing capital and technology. (See the February issue of this newsletter for description and participants.) As those who were in attendance at the GWCC will attest, the session was highly successful and well...
attended. The Webcast was equally successful, attracting participation from thirty-six other locations around the world and eliciting real-time questions for the panelists from Finland, Brazil, England, Spain, Mexico, and the U.S. It was enabled by technology provided by U4all.com, a subsidiary of Interwise. The entire broadcast was recorded, both audio and slides. It is available for free downloading at: http://www.u4all.com/c/catalog/0,1245,4167_0-10875063,00.html (You will need to register and download the software first.) Thanks to IPST’s IT and Knowledge Initiative Departments as well as the other sponsors of the Webcast: Buckman Labs, AstenJohnson, UPM-Kymmene, Halliburton KBR, Jacobs Engineering, Stora Enso, Deutsche Bank, North Carolina State University, Tradition Financial Services, Forestweb, and Paperloop.

A New Look for the Web Site

Emily Porter, IPST’s Web designer, has just completed a redesign of the CPBIS Web site at: http://paperstudies.org/ The new site has improved ease of navigation and a nicer look. The reconstruction is largely complete, and the few pages that are still under construction will be available soon. Take a look. In particular, for a quick overview of CPBIS operations, see: http://paperstudies.org/about/020228_CPBIS_Overview.ppt This Powerpoint presentation includes background information on the Sloan Foundation, Sloan Industry Centers and the academic units at the core of CPBIS and introduces our people and programs.

Welcome, New Sponsors

The Alfred P. Sloan Foundation provides major financial support to CPBIS. Nevertheless, our effectiveness depends on leveraging of this base support by the industry through financial and in-kind contributions (as well as active participation) by many of its companies, associations, and institutions. Recently, there have been several additions to the ranks of these supporters. We extend a hearty welcome to Ecole Polytechnique, Learning Framework, AstenJohnson, PAPRICAN, and Oregon State University’s College of Forestry. For a full list of our supporting organizations, see: http://paperstudies.org/sponsorship/sponsor_list.html

First CPBIS Visiting Professor

Professor Dorothy Paun spent two days with us last week. Dorothy is Associate Professor of Forest Products Marketing in University of Washington’s College of Forest Resources and Associate Director of the Retail Management Program in the School of Business. While at CPBIS, she interacted with students enrolled in the CPBIS-sponsored Georgia Tech Course, Studies in American Manufacturing: The Paper Industry. She also consulted with CPBIS staff and presented a seminar related to her ongoing series of Tappi Journal articles on the industry’s financial performance. The seminar was entitled “How to Conduct a Performance Review of the Pulp, Paper, and Packaging Industry.” To view her presentation go to: http://www.paperstudies.org/news_events/events/seminars/presentations/20020312_Paun_Financial_Seminar.ppt

Decisions

Another recent visitor to CPBIS was Dr. Robert Wasson of Strategic Decisions Group. He presented a seminar entitled “Achieving Strategic R&D Decision Quality” on February 22. To learn the difference between a “White Elephant” and a “Pearl,” view his presentation file at : http://www.paperstudies.org/news_events/events/seminars/presentations/20020222_R_D_Mgt.ppt

Upcoming CPBIS Events

Thursday, April 18 Glenn Kelly, recently retired Head of Corporate Development for R.R. Donnelley & Sons Company, will present a talk on the potential impact of e-books on the paper and publishing industries. The seminar will be in IPST’s Kress Auditorium at 11:00 a.m.

Friday, April 26 Dr. Frank Giarratani, Co-Director of the Sloan Steel Industry Center at the University of Pittsburgh, will present an overview of restructuring in the American steel industry. This seminar will afford an opportunity for the audience to look for similarities and differences between the steel and paper industries.