

# One Talk

Cement supply, manufacture and sustainability ACTION



One Talk Edition  
July 2022

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## Hello again from your bulk cement team.

Following the launch of our regular newsletter updates, here is edition 2 and the latest news from cement. Our last edition focussed on sustainability, our investments in new technologies and the introduction of new products to reduce our carbon footprint.

Today we look at the global environment where supply chains have been stretched to the limit. We will concentrate on organisational changes to the Cement business and the efforts being made to ensure product availability.

## The Bulk cement team.

## Organisational Changes.

In 2021 a new Cement Cluster was created bringing together our UK and Irish businesses together.

In Spring this year, Jack Dalton, previously Managing Director, Irish Cement, was appointed to the position of Commercial and Logistics Director, Cement UK and Ireland. Jack reports into Seamus Lynch, Managing Director, Cement, Lime and Packed, UK and Ireland. This new role will allow improved co-ordination of manufacturing capacity through our five cement plants, supplemented by our import facilities, and market demand across the two markets. It also sees the integration of CRH's Premier and Southern Cement business into the commercial function.

Jack Dalton comments: "Resilience in our cement operations and across our network is key to our ability to service our customers in these challenging times. The team has refocused in a number of key areas to enhance our cement supply capability and resilience to ensure we make year on year improvements. These initiatives include increasing our underlying cement supply capacity along with targeted improvements in our transport arrangements.

# Cement Network Charges

Given the level of demand last year it was clear that there was a need to increase cement availability within our network. To this end, and despite a widespread shortage of product across the whole of Europe, the business secured a contract to import Alhandra Portland Cement from Cimpor, Portugal into our Northfleet facility.

Alhandra PC is a CEM I 52,5R classified cement, which makes it suitable for all applications, with its enhanced strength growth making it particularly good for use in precast concrete. As a result, this released Limerick PC previously planned for Northfleet to be circulated into the wider businesses of Premier and Southern Cement to better balance supply.

## Network Optimisation

**Tarmac Cement regularly review and optimise their supply network on a national level. The inclusion of Premier and Southern Cement sites within the remit of the business has now allowed us to 'Unleash the Power One CRH' and expand this initiative.**

Where it makes sense to do so, Tarmac vehicles will now be

able to collect from Premier/Southern sites that are closer to the customer's site and conversely, Premier/Southern vehicles will be able to collect product from the Tarmac network.

This will allow us to improve to increase fleet utilisation and greatly reduce the risk of the haulage difficulties experienced

in the latter part of 2021.

Inevitably this will mean some changes to the source of cement you will receive. Rest assured your local Area Sales Manager, and our technical team will be on hand to liaise closely with Tarmac Materials to minimise any disruption to you or your customers.

## Haulage Capacity Improvements

**As previously mentioned, haulage challenges within the UK market have been widely publicised, linked to both the impact of Brexit and Covid. Driver shortages affected our ability to retain existing drivers and recruit additional resource. Vehicle components were in short supply and securing maintenance provisions proved difficult.**

To answer these challenges the Logistics Team has used the long-term relationships with regional hauliers to collaboratively negotiate agreements to support

driver salary, maintenance, and parts uplifts. In addition to this, an increase in utilisation of the vehicles has been achieved by spreading deliveries across the whole day, resulting in increased capacity using the same vehicles and drivers.

Our forecasting process has also been over-hauled to better match product availability, sales demand and haulage requirements. This allows the Regional Logistics Teams to review intended volumes and capacities from both the Tarmac own fleet and

our haulage partners. Vehicles and drivers can be moved across regions to support where peaks are anticipated, and additional resource is required. Daily meetings are in place with the haulage partners to allow an immediate response to any concerns for the day and the next day.

**Transparency, regular communication, and long-standing relationships are key to providing service excellence.**

## ACTion cement...

As you can see, we are well positioned to react to market demands. Optimise programmes are delivering positive progress and work continues to ensure quality, supply assurance and progression in the Net Zero challenges faced in cement manufacture.

We hope you have found this update useful. Please feel free to contact the team if you need any support.

**Your cement team.**