

PULLING TOGETHER

For Interroll, sustainability means pursuing and achieving economic, social and ecological goals simultaneously. The supply chain plays a central role in this endeavor. An interview with Georg Moor, Vice President Global Purchasing at Interroll.



Georg Moor, Vice President Global Purchasing

The supply chain in the material-handling industry today is very long and globally branched. What is the situation like at Interroll?

Georg Moor: We currently work with around 3,000 supplier companies from more than 40 countries. Our purchasing team is present at all 16 production and assembly sites worldwide. The procurement process follows uniform standards everywhere and the same strategy that we have defined throughout the Group.

How would you describe the strategy?

It essentially consists of three elements, which incidentally have also helped us limit the impact of the Corona pandemic. First of all, we try to procure from at least two different sources for each supply item. Second, we give preference to local and regional suppliers. As part of our current regional procurement strategy, we strive to have 80 percent of all deliveries made within the same region, but our medium-term target is 95 percent, as we move to reduce gas emissions. And third, our aim is to establish two completely independent supply chains, each focusing on one region of the world. All these measures strengthen the robustness of the supply of materials and services that we need to do business.

And how does sustainability fit into this concept?

Our sustainability strategy is an integral part of our procurement activities, with the supply chain offering huge potential for achieving our environment, social and governance, or ESG, goals. For example, local deliveries help us not only meet our own supply needs, but also offer sustainability benefits through shorter

transport routes. Our quality strategy, which relies on durable products instead of disposable solutions, clearly contributes to the sustainability of our business and that of our customers. This also applies to our customer service, which supports customers and users with repairs and general overhauls of drum motors.

Apart from the structural advantages and the business model, what measures are you taking to further improve the sustainability of Interroll's supply chain?

The starting point for our measures is the realization that our actions have a positive influence on suppliers. We can make a huge difference in our supply chain. We commit, for instance, our business partners to a code of conduct, and all suppliers must contractually agree to comply with it. At the core of these requirements are environmental protection, respect for human rights, occupational health and safety and anti-corruption. At the same time, we ensure a systematic and up-to-date assessment and evaluation of our suppliers with regard to their sustainability performance.

How do you go about this?

First of all, it is important to know all the players in the supply chain well and to evaluate them thoroughly so that, if necessary, we can make targeted improvements. For this we use, among other things, the validations of a leading international service provider. At the same time, we communicate our requirements transparently to our partners and support them in complying wherever we see potential for improvement. This policy creates a clear incentive to adhere to our specifications and demonstrate compliance. And in this way, we make sustainability a decisive business factor.

From your perspective as a purchaser, can economic and ecological goals be reconciled?

Absolutely. We prove this daily by pulling together with colleagues from other areas. In discussions with them, for example, we have been able to come up with special packaging ideas that pay off. We have also recommended the use of recycled materials that have no negative impact on quality but are much more cost-effective.

“We prove this daily by pulling together with colleagues from other areas.”