

Linked by responsibility

NACD's flagship program is bringing benefits to parties up and down the supply chain, ensuring safe practices and reliable delivery to customers

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Whatever your position in the chemical supply chain – whether a manufacturer, distributor or a third-party logistics provider – the benefits of Responsible Distribution are unquestionable.

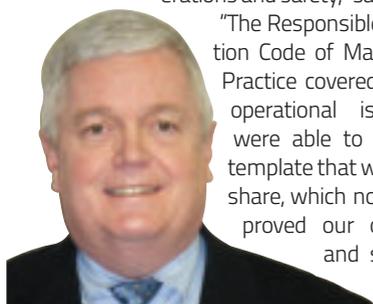
The program has brought numerous and significant improvements to its members as they strive to operate on a daily basis in the safest, most secure and environmentally responsible way possible.

David Garner, senior vice president of operations at Brenntag North America, believes Responsible Distribution brings multiple benefits to supply chain organizations. The sharing of best practices through workshops, webinars, and even by the verifiers themselves, produces many improvements in safety and security and, in lots of cases, productivity as well. He says the rigor of the protocol helps companies develop strong management systems ensuring relevant procedures and associated training is in place and kept up to date.

One of the biggest improvements that Brenntag has seen through the implementation of Responsible Distribution is in the development of standard procedures for its operations.

"Brenntag grew through acquisition of chemical distributors which had various approaches to operations and safety," says Garner.

"The Responsible Distribution Code of Management Practice covered so many operational issues we were able to develop a template that was easy to share, which not only improved our operations and safety but



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NACD's program helps distributors remain a vital link in the supply chain

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made it easy to implement and eliminate duplicity."

For major specialty chemicals distributor Azelis Americas, the biggest benefit has been the identification of safety concerns. Andy Lovenduski, distribution manager of Ribelin sales, a division of Azelis Americas, says it is approaching 10 years of no lost days through injury, which amounts to more than 3,500 days.

"We can see that the Responsible Distribution process has moved us to put safety first. Nothing is worth doing if it means risking safety or injury," he comments.

He says the most recent NACD annual study on occupational injury rates shows that members have less than half of the rates suffered in other manufacturing industries.

In relation to product stewardship, the program ensures that companies receive the right product and they are also operating in an ethical and environmentally conscious manner. It makes certain that distributors train their customers properly

with regard to product handling.

Lovenduski says, "It forces us to look up and down the supply chain, take a cradle-to-grave approach, and understand what our responsibilities are. We have to know where our materials are from, who is carrying our product from A to B and what our customers are doing with that product."

NACD verification has also gained new business for Azelis Americas as suppliers prefer using a distributor that practices Responsible Distribution, notes Lovenduski.

UNDER THE SPOTLIGHT

As well as distributors, third-party companies – such as warehousing and transportation providers – are also scrutinized and regularly audited if they do not participate in Responsible Distribution. Garner says Brenntag handles them just like one of its own warehouses and carries out annual internal audits in line with Responsible Distribution guidelines.

Garner says NACD must continue to promote Responsible Distribution among the public warehouses, chemical handlers and logistics providers so that they understand the benefits to their companies.

"Many supply chain partners see Responsible Distribution as a lot of work, which it is, but once they complete the work they are able to understand the benefits throughout their organization," he says.

Azelis Americas demands that any third-party provider, whether warehousing or transportation, meets NACD's Responsible Distribution practices, and is vetted accordingly. Lovenduski performs an audit of its logistics providers, providing certification and training services. He also attends their fire safety drills. "I help them to be accountable as they represent Azelis Americas and are handling our customers' products," he says.

Palmer Logistics is an affiliate member of NACD, and has been verified since 2012. The family-owned company operates throughout Dallas and Houston in Texas, offering warehousing and other specialized logistics services. It has also been ISO 9001 certified since 1994.

Its president Brett Mears says one of the most important benefits that Responsible Distribution has provided is reliability. "Better supply chains can deliver consistently. Responsible Distribution brings this reliability to the supply chain because it enables us to define a best-in-class process and execute it consistently," he says.

Increasingly in the supply chain, customers are focused on continuity and contingency planning, for example in case of environmental disasters, such as a hurricane. "Continuity of supply is very important for these companies," says Mears. "Responsible Distribution is a sweet spot, ensuring you do things in the right way in a defined process. By complying with the critical competencies of Responsible Distribution, you will be able to provide a sustained and successful supply chain."

BUSINESS BENEFITS

Mears says Palmer Logistics has definitely gained business through being verified under Responsible Distribution, and the company's safety program and related



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training have improved significantly. He believes the external verification procedure reinforces the company's commitment to continuous improvement because there is an external pair of eyes evaluating its operation, helping to enhance performance.

He is very enthusiastic about the launch of training tool NACD U, commenting that, as a third-party warehouse, the company needs training aids for its employees and the more it can show them, the better.



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President, Palmer Logistics

Mears says the Near Miss Reporting tool is also invaluable in demonstrating to employees the potential for what can go wrong. He also values the information exchange and participation by other companies in NACD's training programs.

For the future, he would be keen for NACD to offer more training on different classes of hazardous chemicals and the international fire code. He says hazardous chemicals and interpretation of the international fire code is subject to local jurisdictions and can sometimes be a quagmire to negotiate.

The American Chemistry Council (ACC) also extends its Responsible Care program throughout the chemical supply chain. More than 100 companies that have direct or substantial business in distributing, transporting, storing, treating, disposing, or selling/marketing chemicals are part of the ACC's Responsible Care Partnership Program.

ACC and NACD are planning a workshop in October this year, aimed at reaching out to smaller and mid-sized companies within the chemical or related industries. The event will help educate them on the importance of process safety and provide resources on practices of excellence for working with local emergency planning committees and emergency responders.

A similar workshop was held in West Virginia in late 2014 when NACD and ACC explored efforts to enhance chemical safety and security. The participants discussed recent incidences in the state, the latest of which was the spill of crude 4-methylcyclohexanemethanol (MCHM) into the Elk River from a Freedom Industries facility in Charleston, which is not a member of either association. ■

IN PURSUIT OF EXCELLENCE

The Responsible Distribution Excellence Award is presented to a carefully-selected recipient each year at the ChemEdge event. The winning NACD member or affiliate company is judged to most embody the ideals of the program. Here are the previous award winners:

- Americhem Sales Corporation (2006)
- Pride Solvents & Chemical Co., of NJ, Inc. (2007)
- Pochteca Materias Primas S.A. de C.V. (2008)
- Wilson Industrial Sales Co. Inc. (2009)
- Brenntag North America, Inc. (2010)
- G.S. Robins & Company (2011)
- Tarr, LLC (2012)
- Linden Bulk Transportation (2013)
- Webb Chemical Service Corporation (2014)
- KIC Chemicals, Inc. (2015)
- Andes Chemical Corporation (2016)

WHAT IS RESPONSIBLE DISTRIBUTION?



Responsible Distribution is NACD's mandatory management system with third-party verification to ensure the highest standards of environmental, health, safety and security (EHS&S) practices. Each member or affiliate company must have an active program designed to continuously improve safety and reduce incidents.

It is now 25 years since its launch in 1991, and is set to start its 6th three-year cycle in January 2017. Since its launch, more than 3,400 have attended the Responsible Distribution workshops, and there have been over a thousand on-site verifications.