



# Toyota Logistics Services

Toyota Logistics Services (TLS), a North American Division of Toyota Motors, is headquartered in Torrance, California, and has six Vehicle Delivery Centers in the United States. Its Vehicle Delivery Center in Fremont employs 200 people who customize and upgrade Toyota cars and trucks straight from the factory floor. They process 400,000 vehicles a year.

## Facts-at-a-Glance

### Challenges

- Commitment to *Kaizen*, continuous improvement
- TLS Fremont target of zero waste by 2006
- Desire to boost productivity & cut costs

### Solutions

- Supply chain management analysis
- Waste prevention recommendations
- Assistance to improve recycling
- \$5,000 mini-grant

### Benefits

- Combined annual savings of \$3.5 million for all six TLS facilities
- 75% reduction of waste
- Over 120 tons of resources diverted from the landfill each year

## The Story

TLS Fremont first came into contact with StopWaste Partnership at a “webinar” featuring three of StopWaste’s most successful clients. They participated in the webinar to see if StopWaste Partnership services could help the company achieve its goal of producing zero waste by 2006. By employing the Japanese management concept of *Kaizen*, the Fremont facility has continuously improved its environmental performance and has become an excellent partner.

## Challenges

TLS Fremont knows that cutting waste increases efficiency and profits, so it sets demanding environmental performance standards. These standards are taken seriously and the company is striving to reach zero waste as soon as possible. To do this, it has to increase recycling, use reusable shipping containers, and eliminate waste through careful supply chain management.

*“Bring a group of employees together to come up with the ideas of what to put in place and where, and work on the plan together. Then follow the ‘PDCA’ model: Plan the project, do it, check to see if it’s working, and act to correct it if not.”*

KAREN MOORE  
Environmental and Safety Engineer,  
TLS Fremont



TLS Fremont recycles a wide variety of materials. Here Nick Wimberly, PPO Team Leader, unloads used car parts for recycling.



# Solutions

Reduce waste and cut costs by switching to reusable shipping containers, through supply chain management, and by expanding recycling.



## Reusable Shipping Containers

Carpet used to be shipped in one-time-use cardboard boxes on pallets. Now, at all six Toyota Logistics Services (TLS) vehicle delivery facilities, carpet is shipped in large reusable plastic containers that collapse, stack, and don't require a pallet. This switch prevents 3,000 tons of combined wood and cardboard waste and saves \$3.5 million for all six facilities every year.

but also means the packaging used to ship liners is no longer needed. These modifications have cut pallet use in half.



## Supply Chain Management

TLS Fremont has arranged to have multiple truck running boards shipped together in the same container. Previously, running boards were packaged individually in Styrofoam and cardboard boxes. Now compostable cornstarch-based foam is used, and the running boards are packed 14 to a box. The cornstarch packaging and cardboard are recycled after use. This project has cut packaging costs by \$15,000 a year.

In 2005 the truck bed of the Tacoma was changed—from metal with a liner to a composite bed. The new composite bed not only eliminates the need for a liner,

## Expanded Recycling

TLS Fremont expanded recycling collection by placing additional bins throughout its office and on the factory floor, and by increasing the types of materials collected. StopWaste Partnership provided funding for the new bins plus signage, including bilingual posters; made presentations to staff; and helped with bin placement. They recycle cardboard, mixed paper, beverage containers, plastic film, car parts, food waste, and cornstarch packaging. The company has reduced its garbage bill by \$12,000 a year and is actually earning revenue by selling some materials to recycling vendors.

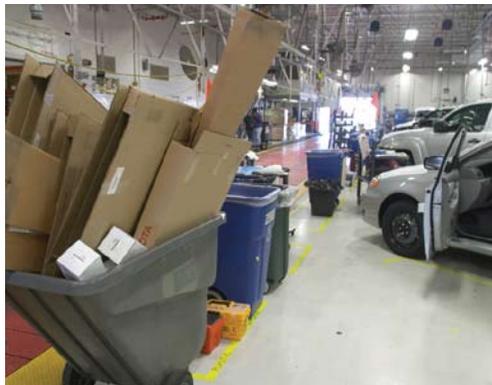
*“The key to our success was making sure all of the associates were aware of the recycling program, then giving regular updates to keep them engaged in the process. Having the right supplies in the correct areas is also important, which means that regular observations as to what is being placed where are essential.”*

KAREN MOORE  
Environmental and Safety Engineer, TLS Fremont



## The StopWaste Partnership

The StopWaste Partnership is a free technical assistance service dedicated to improving the environmental performance and reducing costs of Alameda County businesses and public agencies. The program provides expert support and funding to prevent waste, conserve water and energy, and use all resources more efficiently.



## The bottom line:

For TLS Fremont facility:

- \$12,000 savings in disposal costs
- \$15,000 savings by eliminating running board packaging
- \$5,000 mini-grant for recycling bin purchase

Visit [www.stopwaste.org/partnership](http://www.stopwaste.org/partnership) or call 1-877-STOPWASTE.