



Stora Enso's Quest for Cost Savings and Global Travel Service

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- Lennart Björling
Group Travel Manager,
Stora Enso

Save a million Euro. This is the objective behind Stora Enso's new global agreement with American Express Business Travel.

Stora Enso is a market leader in the world of newsprint, fine paper, packaging and processed forest products. The company comprises 46,000 employees in over 40 countries and five continents. Its long history stretches back to the Middle Ages, when Stora Kopparberg built the world's first limited company.

Stora Enso today has two head offices – in Helsinki and in Stockholm – and an international office in London. The office in Falun, the Dalarna region of Sweden, holds a special significance as it marks the location where Stora Kopparberg originally established the business.

This geographical spread translates to considerable amounts of travel for Stora Enso employees. Tens of thousands of flights, train trips, rental cars and hotel nights are purchased at a cost of half a billion SEK annually for the corporation. The person responsible for company travel is industry travel veteran and Group Travel Manager, Lennart Björling.

American Express has served as Stora Enso's global travel agency since January 1, 2006. According to Lennart Björling, the principal goal for collaboration with American Express is to minimise the cost of travel. "American Express is helping us assume better control over our global travel which means that we can cut our costs substantially. It gives us a significant edge in negotiations with our air, hotel and other travel service providers. I estimate that we will save at least one million Euro this way."



Beyond cost savings, Stora Enso aims to bring good order to travel. American Express is helping the company ensure that travel policy and protocols are followed, and that exceptions are reported. An important reason for increased management control is safety. In a world shaken by natural disasters and terrorism, it is important to quickly identify the locations of each Stora Enso employee.

Stora Enso and American Express strive to consolidate the travel agency service to one office, per country. In Sweden this occurs in Falun, where six American Express travel consultants work full time with Stora Enso. "This means that the travel agency must possess a strong knowledge of travellers and their destinations. It is a tremendous asset that contributes to lower costs," Lennart Björling confirms.

In the work to reduce travel costs, outsourcing has become an important piece of the puzzle. The decision to leverage American Express's expertise to procure hotel rooms was important. Lennart Björling describes it this way:

"We wanted to concentrate on fewer hotels in our global hotel programme in order to lower our costs. Since I recognise how many contacts it takes to purchase hotel rooms, not to mention how time-consuming it is, we have decided to outsource this activity to American Express."

"It's a question of aggregating demands and inquiries, evaluating answers, negotiating with partner-hotels, securing agreements and downloading the agreements in both travel agency and hotel systems. Finally, the agreement must be communicated internally in our organisation. We focus on this exercise for two months, and then repeat the procedure each year."



"Seeking this kind of expertise from the outside is invaluable. If we, together with American Express, can lower the price of a hotel night by 10 SEK then that translates into considerable savings when multiplied by 60,000 hotel nights per year. Also, negotiating the annual price increase down from three to one percent would enable us to realise additional key savings."

A final challenge that Lennart Björling is tackling with the help of American Express involves encouraging employees to book their own travel, and in a controlled manner. An American Express expert is helping Björling train local online experts and employees who wish to book tickets themselves. "The online trainer is doing a solid job," says Lennart Björling. "This is an instrumental step in spreading knowledge about booking online."