2 SPECIAL SUPPLEMENTS

GEORGIA
LOGISTICS SWEET SPOT

E-COMMERCE
DC SITE SELECTION

inbound logistics

www.inboundlogistics.com

THE MAGAZINE FOR DEMAND-DRIVEN LOGISTICS • MARCH 2014

ORCHESTRATING GLOBAL SUPPLY CHAINS

ALSO IN THIS ISSUE

GLOBAL TRADE TECHNOLOGY

ANNUAL GLOBAL LOGISTICS GUIDE

STEERING CLEAR OF PORT DISRUPTIONS

March 2014 • Vol. 34 • No. 3

INSIGHT

INPRACTICE

INDEPTH

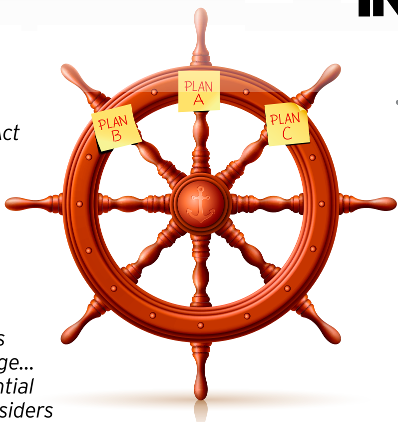
2014 GLOBAL LOGISTICS GUIDE
page 37

inbound logistics

THE MAGAZINE FOR DEMAND-DRIVEN LOGISTICS

March 2014 • Vol. 34 • No. 3

INFOCUS



INDEPTH

INFO

CHECKINGIN

Keith Biondo

by Keith Biondo | **Publisher**

A New Spin on Global Trade

Some important trends shaping global logistics and supply chain activity may not get the wide coverage they deserve. Sure, plenty of analysis and commentary point to the usual–changing economies and currency values impacting supply lines, nearshoring and reshoring, burgeoning consumer markets affording growth opportunities to those with agile enterprises and flexible supply chains, and lane-altering transport infrastructure–such as the envisioned impact of the Panama Canal expansion–coming online. *Inbound Logistics* and other content sources continue to cover all these issues.

But what about trend-worthy, frontline information coming straight from our readers? For example, many readers who do business with some monster brands report that sales and growth are more frequently happening outside the United States. That's the case for direct sales leader Amway, as we reported in The Direct Sales Supply Chain: Where There's a Will, There's Amway *(January 2014)*. Although the company name is short for American Way, the majority of its business activity is outside the United States. That trade shift will continue to grow.

But that shift is not limited to just the monsters. *IL* frequently hears from small companies interested in leveraging global opportunities. Over the past few months, we've received requests for advice from a mid-sized British company needing several U.S. DCs; a Canadian food producer seeking a logistics partner to manage product originating in China destined for EU consumption; a start-up U.S. concern with global vision seeking logistics partners in Europe, Australia, and Korea; and a Tier 3 automotive manufacturer needing a 3PL to penetrate Latin America. The increase in these types of reader requests indicates this is only the tip of the global trend line.

While global trade used to be the province of large companies, that is no longer the case. Today, small companies are able to tap into world-class technology to help them go global. Global Trade in the Key of GTM *(page 46)* reveals how global trade technology offers low barriers to entry, reduces costs, and provides a high level of forward and backward visibility and control.

For any sized company, doing business globally means stepping back and taking a mile-high view of each country's global logistics quotient. Our original research in the Global Logistics Guide *(page 37)* sheds light on the characteristics of international trading partners, and helps put some micro trends in perspective.

These global logistics trends offer you opportunities. But they also drive the need for better global supply chain control on your part. That means more investment, stepped-up training, better technology, more capable transport and logistics partners, and, most importantly, a change in enterprise philosophy. It does not matter where on the globe you trade. If you match demand signals closely to supply, and align your enterprise to support that business strategy...well, you know the rest. ■

inbound logistics

Vol. 34, No. 3 **March 2014**

THE MAGAZINE FOR DEMAND-DRIVEN LOGISTICS

www.inboundlogistics.com

Inbound Logistics welcomes comments and submissions. Contact us at 5 Penn Plaza, NY, NY 10001, (212) 629-1560, Fax (212) 629-1565, e-mail: editorial@inboundlogistics.com. For advertising, reprint, or subscription information, call (212) 629-1560, or e-mail publisher@inboundlogistics.com. Inbound Logistics is distributed without cost to those qualified in North America. Interested readers must complete and return the qualification card published in this issue, or may subscribe online at www.inboundlogistics.com/free. Subscription price to others: in North America: $95 per year. Foreign subscriptions: $229. Single copy price: No. Amer. $10, foreign $19, back issues $15. Periodicals postage paid at New York, NY, and additional mailing offices.

twitter facebook LinkedIn

Moving you forward

Saia is always evolving; looking for better ways to move you forward. Introducing Saia LTL Freight, Saia TL Plus and Saia Logistics Services. Three service groups with the spirit, dedication and accountability that have been Saia's trademark since 1924.

SAIA TL Plus

Non-asset truckload and expedited solutions provider

SAIA LTL Freight

Regional and inter-regional LTL service with the industry's most impressive guaranteed product

SAIA Logistics Services

Logistics resources and experience to reduce costs and increase supply chain efficiency

www.saiacorp.com

Follow us:

facebook.com/InboundLogistics
twitter.com/ILMagazine
linkedin.com/company/inbound-logistics

DIALOG

THE ONGOING CONVERSATION

Drop us a line:

editor@inboundlogistics.com
or send snail mail to
Dialog, c/o Inbound Logistics
5 Penn Plaza, NY, NY 10001

"Logistics is *hot* at the moment. More young people are realizing it, and making career changes in that direction. I'm a senior guy, and having more fun than I should have." –Patrick McKeen, Sales Coordinator, MSC Chicago

I read your online article *Southeast Asia: Region on the Rise:* bit.ly/1fDOksO. It incorrectly states that ASEAN has 11 members. It has only 10, excluding East Timor.

– via e-mail

Inbound Logistics
3 MARCH 2014
Rail Trends Recap: Shared Strategies, Mixed Signals. bit.ly/1iB3Oj4

Dean Askin
Thanks for sharing. A great article, especially for those of us interested in trains and railroading issues. I read it from start to finish.

Railex @railexusa
6 MARCH 2014
Do you tailor to your customers' needs?

According to @ILMagazine, tailored customer experiences are among the 2014 #logistics trends.

Blinco Systems Inc. @BlincoSystems
6 MARCH 2014
With security a critical factor in global trade, understanding your partner is a necessity, not an option. @ILMagazine bit.ly/1esB9cS

Zipments Canada @zipmentsCA
7 MARCH 2014
We are in The Amazing Race, and so far, we are winning RT @ILMagazine: #SameDayDelivery: The Amazing Race–bit.ly/1fOxDOa

Red Arrow Logistics @RedArrow3PL
7 MARCH 2014
@ILMagazine compiled actionable tips to help revitalize your #warehousing, #3PL, #trucking and #globallogistics– bit.ly/1eNAHom

@ILMagazine
Lucky for us someone took this picture because I don't believe these trucks are ever, ever, ever getting back together.

C.J. Schexnayder @thirdlane
7 MARCH 2014
Panama Canal expansion could encourage shippers to consider alternate sourcing and routing options– bit.ly/1frQgFc via @ILMagazine

Inbound Logistics @ILMagazine
11 MARCH 2014
Brokers are Commoditizing #LTL Carriers...And That's a Good Thing– bit.ly/1eV4sls – via @ILMagazine

Tony Barnett @awbarnett
@ILMagazine Service or commodity trucking? Will it matter in 2014?

HOT TOPICS | *IL* articles getting the most impressions on LinkedIn: Building a Core Carrier Program: bit.ly/1dzSsf4 • 5 Tips for Mapping Your Supply Chain: bit.ly/1gftaQz • Setting the E-Commerce Gold Standard: bit.ly/1hdk4KJ • 5 Ways to Drive Efficiency in International Logistics: bit.ly/1fZCOb8 • 163 Ways to Supercharge Your Supply Chain: bit.ly/1fhxtdM

10TIPS

STEP-BY-STEP SOLUTIONS

by Deborah Catalano Ruriani

Selecting a Bar-code Scanning System

Bar-code tools can rapidly streamline inventory processing, but choosing the proper system requires examining the current technology, understanding the types of providers, and reviewing internal processes to match needs with a solution. Brian Sutter, director of marketing at Wasp Barcode Technologies, offers these tips for navigating the process.

1 **Take a test drive.** Training staff to use new technology can be expensive and time-consuming. Many vendors offer live demonstrations or trials, so you can test-drive the equipment before you buy. This is a great way to evaluate how difficult it will be for your staff to learn a product.

2 **Keep it simple.** It's easy to get caught up in bells and whistles that aren't mission critical. Unfortunately, these features can add to a product's complexity and cost. List the bar-code scanning features you can't live without, such as the ability to scan from 50 feet away, 2D and 3D scanning capability, or durability.

3 **Align and integrate with existing technology.** Review the hardware and software requirements for the bar-code scanning system you are considering to ensure your existing computer and operating system can support the solution.

4 **Submit a comprehensive request for quote (RFQ).** Trying to determine what a bar-code solution actually costs can be difficult. Per-seat software licenses, hardware add-ons such as mobile computers and printers, technical support contracts, training, and implementation can raise costs. Your RFQ should include all add-ons and possibilities to avoid surprises when you get the bill.

5 **Understand your database and its connectibility.** Do you want the scanner to connect to a database wirelessly so information can be updated in real time as workers move throughout the warehouse cord-free? Or do you prefer a scanner that plugs into a computer via USB port as workers scan inventory? Evaluate what is more efficient for the operation based on daily tasks.

6 **Consider wireless capability.** Wireless bar-code scanners offer the freedom to roam while staying connected. This type of equipment allows workers to move the scanner to the bar code, instead of moving bar codes to the scanner.

7 **Determine the durability you require.** If workers will use the scanner in a warehouse or out on job sites, you may want a device that can withstand a few drops. If they will use the scanner in an office, a less durable one may better suit the application.

8 **Evaluate how your scanner will be used.** Some scanners allow workers to track inventory and manage business assets from a distance—sometimes up to 160 feet. Other devices feature internal memory storage, allowing users to scan more bar codes at once, increasing productivity.

9 **Let the kind of data scanned dictate the speed required.** Scanning speeds are important for high-volume scanning—for example, in manufacturing operations where every piece of inventory is scanned. On the other hand, speed will not be as important in a retail operation.

10 **Select an appropriately sized scanner.** Bar-code scanners come in a range of sizes, from pocket-sized to full-fledged desktop scanners. Determine if your operation would benefit from a smaller scanner, which is more convenient if workers drive to job sites. Scanners that connect to a database wirelessly provide freedom and flexibility, while ensuring less equipment to lug around. ■

READER

PROFILE

as told to Merrill Douglas

Ax Torres is outbound shipping supervisor at AGCO Corporation, one of the world's largest manufacturers of agricultural machinery. Based at the AGCO Parts Division in Batavia, Ill., he has worked in this position since 2013.

RESPONSIBILITIES

Supervise outbound processing and shipping of parts; monitor warehouse functions and supervise materials handling operators; work with carrier procurement and customer service teams to expedite urgent parts requests.

EXPERIENCE

Air transportation journeyman, U.S. Air Force; ocean import agent, Yusen Logistics Americas Inc.; field service supervisor, DHL.

EDUCATION

B.A. in transportation and logistics management, American Military University, 2013; M.A. in transportation and logistics management, American Military University, expected 2014.

Ax Torres: Plowing Ahead

I STARTED WORKING IN LOGISTICS IN THE AIR FORCE. I decided to learn as much as I could about it, to ensure I did a good job. When it was time to transition to the private sector, it made sense to stay in the field and start working toward a logistics degree.

I work at the AGCO service parts hub for North America, from which we ship parts to AGCO's independent dealers, smaller parts distribution centers, and our manufacturing facilities. My job is to make sure we meet our commitments to customers every day. I supervise a team of 10 people, including forklift operators, and workers who pick, pack, and load parts.

Sometimes we receive requests for expedited shipments. If a machine breaks down in the field, or if a manufacturing line runs low on certain parts, we need to deliver those orders as quickly as possible. To meet our customers' needs, I work closely with the customer service group, and prioritize the work before assigning it to our warehouse associates.

Some of our associates have limited English skills. After I give work directions in English, I sometimes have to repeat them in Spanish—and fortunately, I'm fluent. Not only does that ensure good communication, but it helps me develop a rapport with the Spanish-speaking associates, and makes them feel welcome in the workplace.

One challenge we face is the impact of weather on the supply chain. When a storm closes roads, it may keep carriers from picking up freight. If the weather

The Big Questions

What's a career achievement you're proud of?

I was the top graduate of the Air Force's logistics training school. Often, when the airmen were allowed to spend the night on the town in San Antonio, I stayed in my dorm room to study. I felt a little nerdy and foolish at the time, but staying focused paid off in the long run.

Is there a place in the world you haven't visited but hope to see someday?

Europe in general, and France in particular.

If you could go to school to study something purely for fun, what would it be?

Astrophysics. I'm deeply interested in the stars.

If you had an extra hour of free time each day, how would you use it?

I'd spend more quality time with my daughter. In addition to working, I've been in school almost nonstop since she was born, and that has required some sacrifices.

forces a delay, the customer service team notifies our customers. Then we determine whether to reroute the shipment to make the delivery on time, or wait until the following day.

I recently started cross-training my associates, allowing them to step out of their comfort zones and learn new skills. This will make me less reliant on single employees for certain jobs, and reduce the impact when an employee can't come to work.

The training also breathes new life into the associates. Some of them have been doing the same job for five, 10, or even 15 years. Learning new tasks and skills makes them excited to come to work every day.

In addition to applying my logistics skills on the job, I've had the chance to lend my knowledge to several disaster relief efforts. I was working at DHL during the Chicago floods and Superstorm Sandy in 2012. DHL offered transportation for any donations we could collect.

My experience taught me you have to identify what items people need, then work backward. Once we discovered what people were hurting for, we would find a distributor and a way to ship the items to that organization. Then we'd set up a collection point and start asking for donations.

So many people are willing to give. But if you don't have your supply chain in place, soon you'll be overwhelmed with donations, and have no way to get them where they are needed. ■


expect more.
GEODIS
wilson
a division of the Geodis Group
SEA FREIGHT - AIR FREIGHT - CROSS DOCKING - WAREHOUSING - CUSTOMS BROKERAGE
Global Logistics Solutions Made for You
Your reputation and success depend on whether you receive or deliver your products on time and at a reasonable price from anywhere in the world. You need a reliable and dedicated partner managing the delivery of your cargo via sea, air, or ground. You also need a partner with end-to-end logistics solutions able to turn your supply chain into a competitive advantage.
Geodis Wilson can serve you with integrated supply chain solutions that combine the global reach and the personal touch you want from a logistics partner. We also ensure our solution is tailor-made to your requirements. You can expect more because we expect more from ourselves.
expect more. Geodis Wilson
Visit us online: www.geodiswilson.us Contact us: info@hq.geodiswilson.com

NOTED

THE SUPPLY CHAIN IN BRIEF

SEALED DEALS

LG Electronics contracted **Hi Logistics Europe UK** and **Yusen Logistics** to manage distribution of its consumer electronics products in the United Kingdom. Hi Logistics now handles all LG UK warehouse operations in one facility, while Yusen transports products to retailer and wholesaler distribution centers.

France Boissons, a beverage distributor and Heineken subsidiary, deployed **Manhattan Associates'** warehouse management system and supply chain intelligence solutions at six distribution centers in France. The distributor's goal is to improve fulfillment operations efficiency.

Centrx, the independent consulting unit of BDP International, selected global trade management software provider **Netwin Solutions'** *GTKonnect* system to help clients in the oil and gas, healthcare, and chemical industries improve their global supply chains and trade compliance practices.

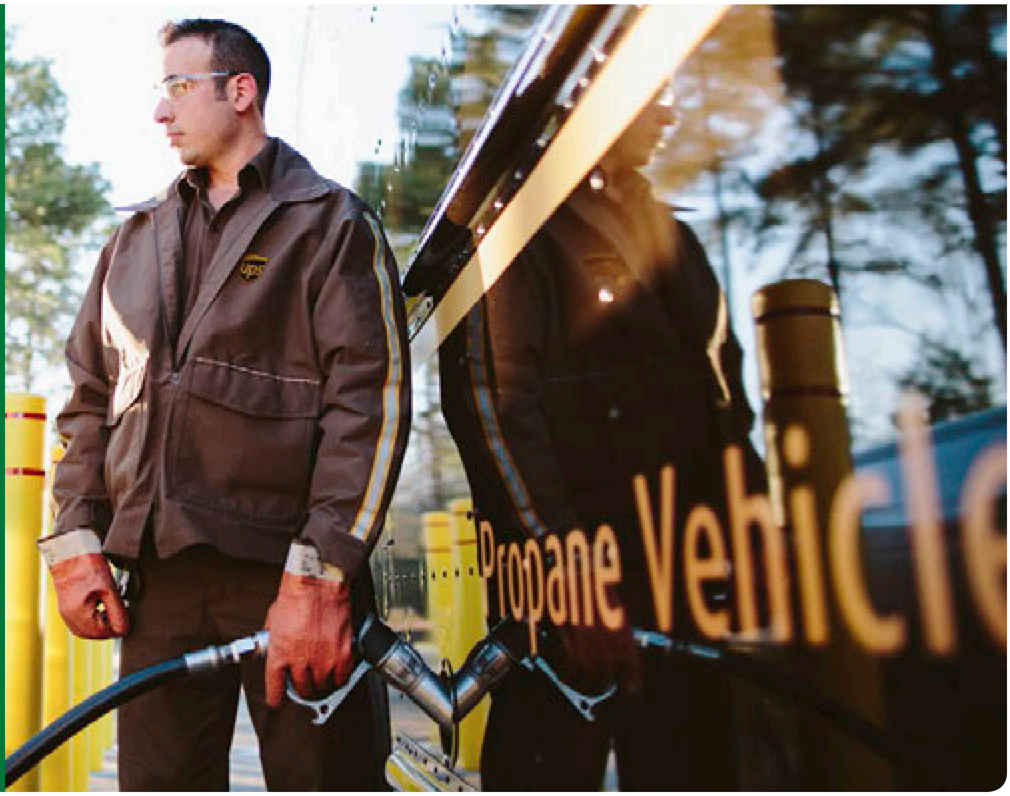
UP THE CHAIN

Mike Parra was promoted from senior vice president of network operations for DHL Express Americas to CEO of **DHL Express U.S.** In his new position, Parra is responsible for all DHL operations in the United States. He also assumes a role as a member of the DHL U.S. Management Board, and retains his previous position on the DHL Americas Management Board.

GREEN SEEDS

▶ **UPS** will replace 1,000 gasoline- and diesel-fueled trucks with propane-powered trucks between mid-2014 and early 2015. UPS will use the propane trucks, which can travel as far as 200 miles per tank, in its rural package delivery operations serving Oklahoma and Louisiana.

Saddle Creek Logistics took a compressed natural gas (CNG) truck on a cross-country trip to showcase the fuel's ability to reduce a company's carbon footprint. During the 5,800-mile trip, the truck reduced carbon emissions by 7,656 pounds, compared to a similar diesel vehicle.

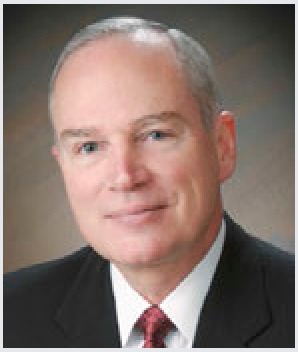


GOOD WORKS

▶ **BlueGrace Logistics** employees held their annual Cats vs. Dogs pet food drive, netting 44,000 pounds of pet food for the **Humane Society of Tampa Bay**. The donated food helps feed animals in the shelter, as well as animals fed through financial hardship assistance programs.

Supply chain solutions provider **NFI** stored and transported food, beverages, and supplies in support of the **Bike MS: City to Shore** fundraiser. The annual two-day bicycling event spans 150 miles, and raises money to support the MS Society, a private charity dedicated to preventing, treating, alleviating, and curing multiple sclerosis.

IN MEMORIAM



Jim Young

Union Pacific's former president, CEO, and non-executive chairman, Jim Young, died in February 2014 at age 61. He made significant contributions to the transportation industry during his career through his positions at Union Pacific, as the chairman of the Association of American Railroads, director of Mexico's FXE Railroad, and chairman of the Coalition for Clean Coal Electricity.

recognition

Bell Carter Foods honored third-party logistics firm **Star Distribution Systems** with its **Service Provider of the Year** award for the fifth consecutive year. The olive producer and distributor praised Star Distribution for its business model tailored to mid-sized shippers, and for its ability to handle any transportation challenge.

AT&T honored third-party logistics company **GENCO** with the **2013 Supplier Sustainability Award**. GENCO received the award for providing technologies and expertise in support of AT&T's sustainability programs.

▼ **Des Moines Truck Brokers (DMTB)** received the **Broker of the Year** award from the National Association of Small Trucking Companies (NASTC). This is the second time DMTB received the award.

***(l. to r.)* Jimmy DeMatteis of DMTB accepts the Broker of the Year award from radio host Dave Nemo and NASTC President David Owen.**

m&a

Roadrunner Transportation acquired truckload and expedited services carrier **Rich Logistics**. The purchase enhances Roadrunner's services in and out of Mexico, and expands its truckload offering.

Third-party logistics provider **Echo Global Logistics** acquired **Comcar Logistics**, a truckload brokerage that primarily serves the Southeast and Rocky Mountains. As a result of the deal, Comcar offers enhanced transportation solutions, while Echo gains Comcar's carrier network.

Northstar Services, a trucking and drayage provider, merged with freight broker and warehouse provider **J&E Transportation Services**. The combined companies offer truckload, van, flatbed, refrigerated, and intermodal services, as well as rail service, and domestic warehousing and distribution.

Venture capitalist firm **Endeavour Capital and Management** acquired third-party logistics company **Port Logistics Group.** The acquisition allows Port Logistics to expand into new areas, and enhance service offerings for U.S. importers.

INSTAPAK® FOAM

- Expands on site by 200 times original volume, reducing freight energy.
- Custom-engineered, reduced package size and weight reduces shipping resources.
- Instapak® RC45 foam contains 25% renewable content.

www.instapakcomplete.com

FILL-AIR® INFLATABLE VOID FILL

- Expands on site, reducing freight energy.
- Loses 99.3% of its volume when deflated after use.
- Easy to recycle. Visit *how2recycle.info*.

www.fillaircyclone.com

Sealed Air
Product Care

Packaging Should Protect More Than Products

At Sealed Air, when it comes to our products and the environment, we look at the entire lifecycle of our products—because it's the right thing to do.

Our SmartLife™ initiative is designed to educate and demonstrate how packaging can enhance sustainability through technology, innovation and design. This approach helps our customers make smarter decisions about the entire lifecycle of their packaging materials.

We all share the responsibility of making informed choices about the products and materials we generate, with the ultimate goal being a better way for life.

Let us be your partner in packaging.

www.sealedairprotects.com

For More Info

Corporate Office: Sealed Air Corporation, 200 Riverfront Boulevard, Elmwood Park, NJ 07407

BUBBLE WRAP® BRAND CUSHIONING

- Available in Recycled Grade, with 50% pre-consumer recycled content.
- Patented Barrier Bubble® layer retains air longer.
- Maintained performance promotes reusability.

www.bubblewrap.com

PAPER PACKAGING

- Can be recycled in mixed paper streams.
- 100% recycled fibers (85% post industrial, 15% post consumer).
- All production scrap is reclaimed.

www.fasfilsystem.com

ETHAFOAM® POLYETHYLENE FOAM

- Our Closed-Loop Recycling system reclaims nearly all fabrication scrap.
- Recycled Content foams contain 65%-100% pre-consumer recycled content.
- Can be recycled in LDPE recycling systems.

www.ethafoam.com

TRENDS

SHAPING THE FUTURE OF LOGISTICS

Is the Jones Act Worth its Salt?

by Joseph O'Reilly

A briny tale about a man named Jones, complete with international intrigue, American protectionism, twisted truths, and misplaced blame unfolded recently when a 40,000-ton shipment of road salt bound for New Jersey got waylaid in Searsport, Maine.

The man in question is Wesley Jones, the U.S. senator from Washington who introduced the Merchant Marine Act in 1920—colloquially called the Jones Act.

After heavy snowfall during winter 2014 caused the New Jersey Department of Transportation to run out of salt, state officials found a solution sitting at a dock in Maine.

But without an emergency waiver, U.S. law prevented the recently arrived *Anastasia S.*, a bulk freighter sailing under the Marshall Islands flag, to call on another U.S. port. The 1920 Jones Act was drafted to ensure only U.S.-flagged vessels could ferry product between domestic ports.

The salt shipment in Maine eventually was loaded onto barge for transshipment—which was further delayed by bad weather. In the end, a Chilean ship arrived to save the day with necessary resupply.

But the story invariably turned to the Jones Act. Over the past decade, transportation experts have speculated whether a legislative vehicle crafted during the Gilded Age could use a fresh set of sails. As over-the-road capacity issues grow increasingly dire, ample opportunity exists to tap short-sea shipping, and even capitalize on inland distribution through the Great Lakes and Gulf Coast.

The Jones Act doesn't necessarily preclude short-sea shipping, but it complicates matters. By law, all goods carried via water between U.S. ports must move on U.S.-flag ships constructed in the United States, owned by U.S. citizens, and crewed by U.S. citizens or permanent residents.

In 1955, 1,072 vessels sailed internationally under the U.S. flag. Today, that number hovers around 100, and represents two percent of global tonnage, according to the U.S. Maritime Administration.

"Some parties discuss changing the Jones Act, while others question why we need to keep it at all," says Donald Maier, associate dean and professor at the Loeb-Sullivan School of International Business & Logistics, Maine Maritime Academy.

One obvious concern is national security. But the greater issue is labor. Many in the U.S. maritime trade believe the Jones Act protects their livelihood. "Our merchant marine is in dire straits, and would implode if we dropped the Jones Act," declares one Merchant Marine Academy captain. "The government has overlooked addressing our port needs for commerce, and no solution is in sight.

"The recent issue around Searsport was overblown," the captain adds. "We had adequate bottoms to get the salt to New Jersey, but the owners were looking for a shortcut solution from a ship that happened to be in the port. If they had started right away to arrange U.S. barging, this would not have been a story.

"The United States needs to push for transportation infrastructure upgrades so we do not need to rely on foreign bottoms to move our essential cargo," he adds.

The fundamental provisions of the Jones Act go back to the beginning of the United States—in effect, protecting domestic U.S. commerce from outsiders. Then and now, it's a matter of self-preservation.

And it's not just maritime trade. Cabotage rules—which govern transporting goods or passengers between two points in the same country by a vessel or craft registered in another country—also apply to air, road, and rail. Foreign-owned airplanes can't deliver passengers between U.S. cities, for example.

The gist of the Jones Act and other cabotage laws is to protect U.S. jobs. But that becomes problematic if they result in higher costs and entitlements that restrict U.S. business. That's why some are pushing for an amendment to the existing rules.

Looming capacity and driver constraints may force the question. Maier says

Mapping the Auto Supply Chain

In a landmark moment for the U.S. automotive industry, Automotive Industry Action Group (AIAG) is creating the first online industry database for identifying the physical movement of finished goods, parts, and materials through the global supply chain. The database–with participation from General Motors, Chrysler Group, and Toyota–will initially map supplier shipments into the United States.

"The first casualty of globalization has been transparency," says J. Scot Sharland, executive director of AIAG. "For the first time in the auto industry's history, key automakers are collaborating toward creating a centralized supplier data platform for greater visibility into the global supply chain.

"Led by these three early adopters, we're launching a system that puts command and control of the data into the suppliers' hands, and is driven by a federal border security initiative," he adds.

The first generation of the AIAG platform–named Supply Safe-Supplier Security Assessment–will map shipments via the U.S. Customs and Border Protection's Customs-Trade Partnership Against Terrorism (C-TPAT) certification program.

The frequency of truck and shipping container inspections decreases by a factor of five for C-TPAT-certified companies, and the expedited processing helps the auto industry improve the speed with which parts and materials arrive at destination.

To better identify suppliers that have C-TPAT credentials, each participating OEM will ask Tier-1 suppliers to create a profile in Supply Safe indicating their C-TPAT certification status. As part of its profile, each supplier will enter relevant C-TPAT data, including geolocation of international sites that produce automotive parts and materials, entry points of shipments into the United States, and final destinations of those shipments.

Tier-1 suppliers will be asked to solicit data from their suppliers, and cascade the data input request down through the supply chain. Each supplier will maintain security of its data profile, controlling which companies have the ability to view it.

Currently, nearly 1,000 automotive supplier sites are C-TPAT certified, and OEMs prefer to use certified suppliers to lower their risk of production stoppages caused by delivery performance shortfalls, especially with imported products. AIAG expects additional OEMs and suppliers to participate in the Supply Safe platform as the initiative matures.

© General Motors

General Motors—along with Chrysler Group and Toyota—is rolling out a database that offers visibility to auto part and product shipments.

a business case can be made for pushing more product on U.S. coastal and inland waters, but that will take time. Shippers will have to change their mindsets.

"Shipping by water takes longer, but if the shipper will save on transport costs, it becomes a better deal," Maier says. "It comes down to whether shippers can manage inventory levels well enough to compensate for additional time."

Some commodity shippers—notably in agriculture—are well-practiced in using inland waterways to export products. But what if there were more capacity and greater competition—especially with rail—to deliver between U.S. ports? Or if shippers could find an intermodal alternative to the rail-road norm?

The greater question is whether poor New Jersey planning and a convenient legislative scapegoat will move minds, then moorings. ■

UPS Unpacks New Hazmat Shipping Guidelines

UPS will transmit hazardous material information by phone, fax, and electronically beginning June 1, 2014. The new method of communicating "shipping paper" information affects UPS small package tractor-trailer operations, the movement of small package shipments between UPS facilities, and tractor-trailer deliveries. All UPS operations will continue to carry hard-copy shipping papers for hazardous materials.

Under the new protocol, authorized by the U.S. Department of Transportation's Pipeline and Hazardous Material Safety Administration, when an inspector or emergency responder requires hazardous material shipping papers, drivers will provide a toll-free number to call for access to documents containing a manifest of any hazardous materials contained in the shipment.

This new process is expected to streamline the sharing of information with inspectors and first responders.

GLOBAL

THE WORLD AT A GLANCE

by Joseph O'Reilly

Starting in 2015, ships and companies will have to use only one port information system to report arrivals and departures at the Port of Ghent *(pictured)* and Zeeland Seaports.

Dutch, Belgian Ports Launch Single Information System

Dutch and Belgian port authorities implemented a single cross-border port information system for vessels entering the Zeeland Seaports in Vlissingen and Terneuzen (Netherlands)—which are situated where the Ghent-Terneuzen Canal meets the North Sea—and the Port of Ghent (Belgium), located 36 miles farther inland.

Ships that sail into or depart from the Port of Ghent, or the ports in Vlissingen and Terneuzen, must report arrival and departure information electronically, which, in turn, guarantees the smooth management of ships through the canal. Both Ghent and Zeeland port authorities currently use their own systems, requiring ships arriving in both ports to submit all their data twice.

Beginning in 2015, ships will have to use only one port information system to moor and unmoor at all three ports, benefiting not only waterborne traffic, but also all the companies operating in the cross-border canal area.

Ghent's existing port information system, ENIGMA (Electronic Network for Information in the Ghent Maritime Area), will be expanded to meet the needs of the Zeeland Seaports. The technology is used for data submission, as well as communication among various port users—for example, requisitioning warehouse services, boatmen/mooring operators, and tugboats, among other supply chain parties.

Africa's Potential Benefits SMEs

Africa's rising star in the global economy is having a positive impact on domestic small and medium-sized enterprises (SMEs), and this will help drive sustainable economic growth, according to Charles Brewer, managing director, Sub-Saharan Africa, DHL Express.

The International Monetary Fund predicts economic growth on the continent will tip six percent in 2014, up slightly over last year's numbers.

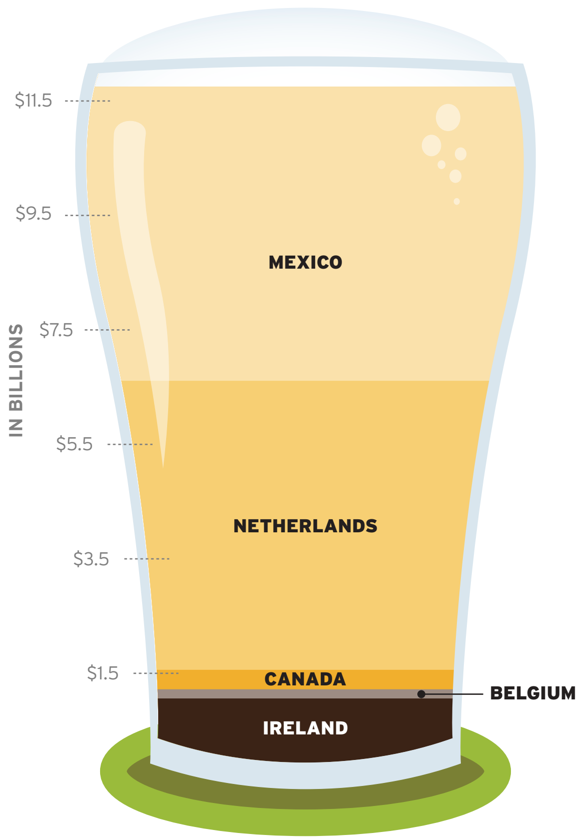
"This growth, coupled with the more than one billion consumers on the continent who spend $600 billion annually, provides African SMEs with boundless opportunities in 2014," says Brewer.

"Africa's middle class has tripled over the past 30 years, and the current trajectory suggests it will grow to 1.1 billion in 2060," he adds. "As African economies are some of the fastest-growing in the world, the outlook for the continent is very positive going forward."

While manufacturing on a large scale is still maturing, Brewer sees opportunities for entrepreneurial SMEs to step up and help fill this void—in turn, creating new jobs, and spurring further infrastructure development.

U.S. Beer Imports by Total Value (2007-2013)

Mexico seems an unlikely candidate for the top supplier for imported brews, but the country actually provides almost half of U.S. beer imports. And here's a St. Patrick's Day surprise: Ireland accounts for only five percent of imported malt beer.



Source: Zepol Corporation, www.zepol.com

EU Ups Ante in Proposed US FTA

The European Union will consider lifting existing tariffs on 96 percent of imported goods from the United States—retaining protection for a few sensitive products such as beef, poultry, and pork—to nudge along what would be the world's largest proposed free trade agreement. The latest concession comes as EU trade officials and their U.S. counterparts prepare for more deliberate discussions, according to a Reuters report.

Tariffs between the United States and the 28 member countries under the EU umbrella are low to begin with. But both sides see shared opportunities by eliminating what trade barriers do exist. A trade deal would encompass half the world's economic output, and feature economic gains of about $100 billion annually for both sides.

The EU's proposal is split into four categories. First, it would offer to drop 96 percent of tariffs on the understanding that Washington would reciprocate. Two transition categories would be proposed for a further three percent of goods, with periods of three and seven years to allow EU industry to adapt until tariffs are dropped. These categories might include commercial vehicles and some agricultural products.

In the final category, sensitive products would remain protected, but the United States would be granted larger quotas. [ ]

Greek Revival Eyes Port Development

The Greek government is counting on transportation infrastructure development to help reverse its economic fortunes. In the middle of a six-year recession, and with unemployment topping 28 percent, the country's top port in Piraeus could be a valuable asset moving forward, according to Development Minister Kostis Hatzidakis.

Currently the 11th-largest container-shipping port in the European Union, Piraeus is expanding as China-based Cosco Pacific operates one of two piers and is building a third.

"Piraeus could very soon become the fourth- or fifth-biggest port in Europe," says Hatzidakis.

Greece's location at the crossroads of three continents is favorable. It's the first major European container port for ships entering the Mediterranean Sea through the Suez Canal.

To help stimulate demand for sea and rail transport near the port, Greek Prime Minister Antonis Samaras's government is preparing to sell a 67-percent stake in Piraeus Port Authority, and a 100-percent stake in rail operator TrainOSE. Privatizing state-held assets is a critical part of Greece's international bailout agreement, under which the country received billions of dollars in rescue loans from other European Union countries and the International Monetary Fund.

Greece is banking on the Port of Piraeus, the main gateway for Greek imports/exports, to help revive economic growth.

LOGISTICS knowledgebase

Ty Bordner, Vice President, Solutions Consulting, Amber Road
201-935-8588 • Solutions@AmberRoad.com

The Benefits of Using a Foreign Trade Zone

From large manufacturers to individuals, any size importer or exporter can take advantage of a foreign-trade zone (FTZ). However, many companies are unaware of the sizeable cost savings and other benefits they can achieve by taking advantage of an FTZ program. Utilizing an FTZ can significantly reduce costs from customs duties, taxes and tariffs; improve global market competitiveness; and minimize bureaucratic regulations. Outside the United States, there are many other names for FTZs, including free, foreign, or export processing zones. Below are some benefits of using an FTZ.

1. Deferral, reduction, or elimination of certain duties. FTZs allow the most duty deferral of any kind of Customs program. Companies can bring goods into the FTZ without duties or most fees, including exemption from inventory tax.

2. Relief from inverted tariffs. In some cases, tariffs on U.S. component items or raw materials have a higher duty rate than the finished product, putting a U.S. manufacturer at a cost disadvantage to an importer. However, by participating in an FTZ, the U.S. manufacturer pays whichever duty is lower. In many cases the tariff of the manufactured good is zero, eliminating any costs associated with importing raw materials and goods. There is no way to take advantage of inverted tariffs without operating in an FTZ.

3. Duty exemption on re-exports. Since an FTZ is considered outside the commerce of the United States and U.S. Customs, a company importing components or raw material into the FTZ doesn't pay Customs duty until it enters U.S. commerce. If the good is exported from the FTZ, no Customs duty is due.

4. Duty elimination on waste, scrap, and yield loss. Since a manufacturer operating in an FTZ doesn't pay duties on imports until its goods leave the FTZ and enter the United States, it essentially is paying for the duties on the raw materials after they have been processed. Thus, duties owed do not include manufacturing by products, such as waste, reducing the amount of goods taxed.

5. Weekly entry savings. Instead of filing an entry every time a shipment enters the country, an importer operating in an FTZ only needs to file one Customs entry a week, reducing bureaucratic headaches and costs associated with entry filings. There is a 0.21-percent merchandise processing fee for every entry, with a minimum of $25 and a maximum of $485 per entry, which is for goods with a value of over $230,952. A company with 10 shipments a week, each of which are over $230,952, would save $226,980 annually with weekly entries. Weekly entries also save on customs brokerage fees.

6. Improved compliance, inventory tracking, and quality control. FTZs allow companies to more closely track their inventory. By bringing goods into an FTZ warehouse that you control, you can identify and classify goods at the warehouse instead of at the port at a Customs control location.

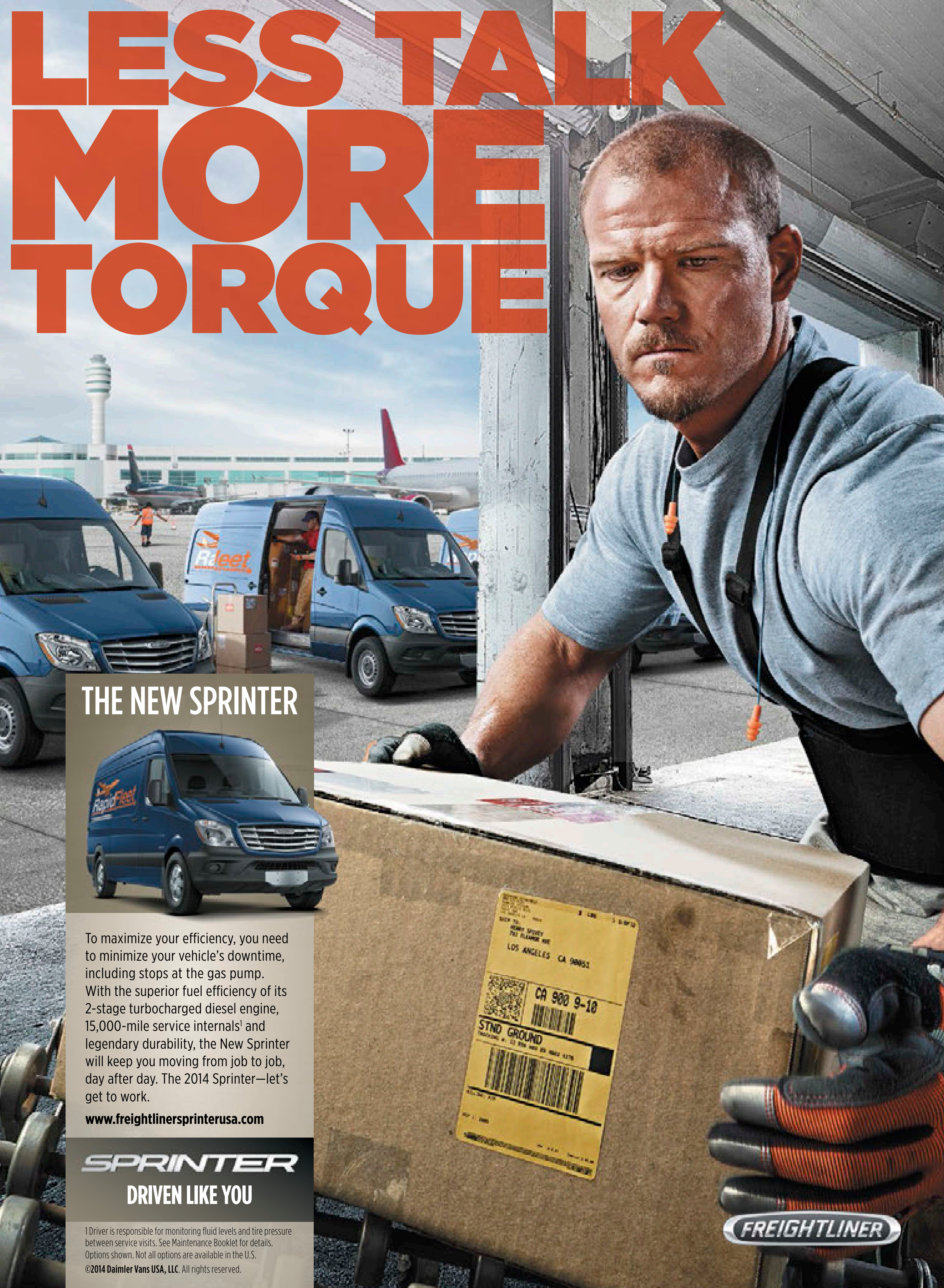
7. Indefinite storage. A company can hold its goods indefinitely in an FTZ until a port opens up, or if there are quotas on a good, until they can be entered into U.S. Commerce without falling under quota restrictions.

8. Waived customs duties on zone-to-zone transfers. FTZs can be used to manage transshipping operations, saving money on manufacturing processing fees. While most companies are focused on using FTZs for exports, FTZs can also be used to take advantage of crossdocking and transferring goods from one FTZ to another without paying Customs duties. Many mid-level companies, in particular, are using this capability to transfer goods to FTZs both within and outside the United States.

Taking Advantage of an FTZ Program

To take advantage of an FTZ, companies need to be able to track their inventory; trace manufacturing and production orders; determine whether material came from domestic or international sources; and classify goods for duty deferrals and reductions. How much a company saves by using an FTZ depends on the size of the company and its business model. Reducing merchandise processing fees alone can save a company a substantial amount of money.

Larger companies may want to consider using automation to help alleviate the burden of managing the FTZ process, particularly since with high-volume operations it can be extremely difficult, if not impossible, to manage manually. The data needed for classifying goods, for example, is voluminous and frequently changes and must be pulled from country-specific lists. Software that has this information in a central repository with automatic updates can pull information from different systems, such as import/export and warehouse management systems, and use that data for Customs filing and inventory management.


LESS TALK
MORE
TORQUE
THE NEW SPRINTER
RapidFleet
To maximize your efficiency, you need to minimize your vehicle's downtime, including stops at the gas pump. With the superior fuel efficiency of its 2-stage turbocharged diesel engine, 15,000-mile service internals[1] and legendary durability, the New Sprinter will keep you moving from job to job, day after day. The 2014 Sprinter—let's get to work.
www.freightlinersprinterusa.com
SPRINTER
DRIVEN LIKE YOU
1 Driver is responsible for monitoring fluid levels and tire pressure between service visits. See Maintenance Booklet for details. Options shown. Not all options are available in the U.S.
©2014 Daimler Vans USA, LLC. All rights reserved.
FREIGHTLINER

VIEWPOINT

BY CHERYL BIKOWSKI
Marketing Communications Supervisor, Gamber-Johnson
855-308-1363

5 Lift Truck Innovations That Will Change Your Warehouse

New developments affect the lift truck market every day, and it's only a matter of time before you'll see these features and tools in your own warehouse. Here are five lift truck innovations worth knowing about.

1. Device mounts. When warehouse managers first tried using tablet computers and other inventory devices on lift trucks, it didn't take long to discover the shortcomings of using lighter devices for heavy tasks. Smaller and less robust devices are susceptible to internal deterioration due to forklift vibration, and tend to fail in less-than-optimal environmental conditions, including extreme heat and cold.

New mounts are ruggedized and designed to absorb shock and vibration, protecting devices and the critical information they carry. Most lift truck mounts include a holder designed for a specific device, an adaptor and arm to allow angle shift and movement, and the base attached to the cage.

These specialized mounts allow you to safely attach commercial or industrial grade tablets, two-way radios, and other inventory-enabled devices to your forklift cage. That's good news for warehouse managers who use tablet devices for pick and ship, use bar-code scanning, or employ voice and RFID technology.

2. Rugged tablet computers. Moving to full-time use of tablet devices in place of bulkier PCs helps speed data collection. Now that rugged tablets suitable for forklift applications are available, you can confidently purchase armored tablets to place on forklifts or other workhorse vehicles where impact, sun, vibration, dirt, and moisture might otherwise spell doom for devices.

3. Hydrogen fuel cell solutions. In 2007, the University of Chicago's Argonne Laboratory studied fuel cell-powered forklifts to compare their performance against gas-powered models. The study addressed key issues: fuel efficiency, greenhouse gas emissions, and fossil fuel use.

Smaller forklifts performed fairly well with hydrogen fuel cells, but larger forklifts had enclosure and waterproofing issues that presented significant obstacles to adopting the technology, the study found.

Since that study, the economies of fuel cell solutions for materials handling have become better documented. Hydrogen-powered fuel cell forklift fleets continue to expand in warehouses, distribution centers, and manufacturing facilities as large companies such as BMW, Coca-Cola, and Walmart adopt the technology.

4. Digital controls. Many lift trucks now feature digital operations panels, which eliminate complicated, cumbersome levers and pulleys. Compared to traditional lift truck control panels, digital controls are easier to read and calibrate, and are contained in a single interface. They also offer better operator control and more efficient battery usage.

Safety is another benefit of digital innovation. Managing driver speed—and indicating breaches of acceptable speeds—helps prevent equipment and product damage, and protect drivers and floor workers at risk from accidents.

5. AGVs reduce product and equipment damage. Automatic guided vehicles (AGVs) use one or more controlled wheel-based load carriers to work on defined paths performing specific operations. The vehicles navigate by following buried wires or lines of surface tape such as magnetic or optical strips.

Replacing traditional lift trucks in many applications, AGVs hold potential to reduce labor costs while improving safety. ■

SMART MOVES

BY ANNE YARMARK
Senior Vice President, Human Resources (*pictured*), and Kate Kearney,
Director, Organizational Development & Training, Choice Logistics
ayarmark@choicelogistics.com | 917-344-4009; kkearney@choicelogistics.com | 917-344-4008

5 Steps for Improving Your Logistics Training

Training is often viewed as an employee benefit, rather than an investment in the business. That's why in difficult economic times, training and employee development are among the first budget items to go. To avoid these cuts, you must align educational programs with your company's business objectives, and position them to drive results.

Here are five steps for building effective logistics training programs:

1. Understand the business. The most meaningful training programs address one basic question: What does the company need to do to improve the customer experience?

No matter what business you are in—but particularly in logistics—you are nowhere without the customer. Understand the challenges your company faces, then build a training program that addresses them. It will be easier to gain buy-in for training investments if management sees it as a vehicle to strengthen the business.

2. Conduct a needs assessment. Logistics training programs need to be relevant, constructive, and engaging. Talk to key stakeholders in your company to determine what they are trying to accomplish on a departmental and employee level. Create a meaningful program around those business needs.

Take into consideration not only the enterprise's needs, but also employee needs. Everyone does not respond to the same learning techniques, so mix it up. Using a blended-learning approach gets everyone involved. Include visuals, and make the program interactive so everyone has an opportunity to participate.

3. Gain buy-in. The beauty of conducting a proper needs assessment and soliciting input from key stakeholders is it raises awareness of your goals. If management believes your training programs will strengthen the supply chain and position the company for success, they will be more likely to support those initiatives.

But don't stop there. Ask for management's feedback as you develop and implement your training program. Assess whether your program is achieving what you set out to accomplish, and try to use as many metrics as possible. Embrace feedback from management and employees alike.

4. Keep your focus. Don't try to tackle too many new initiatives simultaneously. Stay focused so you can gain some quick wins and momentum, then build from there.

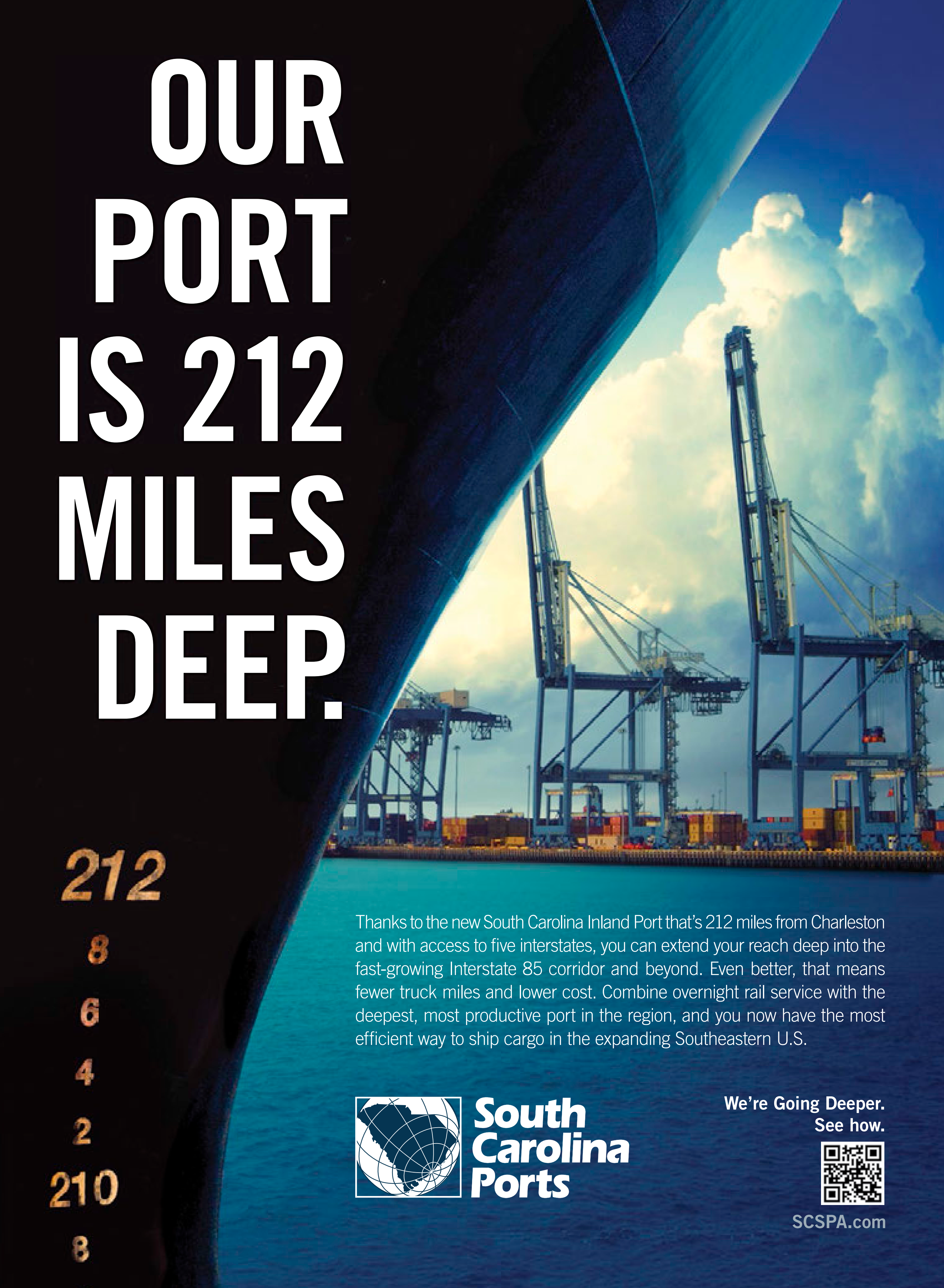
Providing employees with the necessary skills, tools, and resources will not only enhance the customer experience, it will also boost logistics and operational efficiencies, allow you to build credibility with employees, and help improve retention and morale.

Don't be afraid to adjust your training plan. Remember, the goal is for employees to embrace the training, and for management to support it.

5. Stay connected. Follow up with employees at three-, six-, and 12-month intervals post-training to ensure they are incorporating what they learned into their daily routines.

During these one-on-one meetings, ask employees to describe what they learned, and to provide specific examples of how they have incorporated this knowledge into their daily routine. By using these sessions as coaching opportunities, you will be able to help employees understand the value in applying what they learned.

Following these five steps will enable you to develop a learning culture that includes meaningful and relevant training programs. It will also align your logistics training initiatives with your company's business objectives, which will position your employees and your company for continued success. ■


OUR PORT IS 212 MILES DEEP.
212
8
6
4
2
210
8
Thanks to the new South Carolina Inland Port that's 212 miles from Charleston and with access to five interstates, you can extend your reach deep into the fast-growing Interstate 85 corridor and beyond. Even better, that means fewer truck miles and lower cost. Combine overnight rail service with the deepest, most productive port in the region, and you now have the most efficient way to ship cargo in the expanding Southeastern U.S.
South Carolina Ports
We're Going Deeper. See how.
SCSPA.com

REVERSE LOGISTICS

BY CURTIS GREVE
Managing Director, Reverse Logistics and Sustainability Council
curtis@reverselogistics.com | 412-759-4356

How to Profit from Outsourcing

More companies outsource the reverse logistics function than any other part of the supply chain. In fact, most Fortune 1000 retailers and consumer goods manufacturers outsource part or all of their reverse logistics processes, and experts expect this trend to continue growing globally over the next 20 years.

Why do companies such as Walmart, Dell, Target, HP, Unilever, Pfizer, The Home Depot, and Dollar General outsource reverse logistics when they have well-developed forward supply chain capabilities? Why would some of the sharpest supply chain minds in the world decide to outsource reverse logistics?

The answer is: profits.

The average customer return rate for North American retailers is 8.1 percent of sales, according to the National Retail Federation. Add mandatory product recalls, removal of overstock and seasonal goods, fixtures, obsolete equipment, and recycling, and you get a sense of reverse logistics' true impact.

Many executives, however, never evaluate the effect of returns on their company until something goes wrong, and they take a major financial hit. For many, it takes one of these events to get their attention and force them to look at the true cost of returns.

Processing returns is not like running a distribution center. There are no purchase orders to tell you what you will be receiving. There is no standard packaging for the goods customers return. You cannot simply use your warehouse management system in reverse.

In fact, the only thing reverse logistics and distribution processes have in common is the type of building used for storage and processing.

Worth the Effort

The potential bottom-line impact of process improvements can be much greater for reverse logistics than distribution. While distribution enhancements can reduce payroll and transportation costs, improving reverse logistics can significantly increase the recovery rate on the value of the inventory processed. This can have a much more significant impact on an organization than simply boosting productivity.

Consider this: If a retailer had 1,000 stores that averaged an 8.1-percent return on sales, and it could increase the recovery rate on customer returns by 10 percent, the impact on the bottom line would be the same as opening eight new stores.

Manufacturers have a similar opportunity. The average manufacturer spends between nine percent and 14 percent of total sales on returns, according to an Aberdeen Group study. Many manufacturers are driven by strong financial incentives to develop a quality reverse logistics process that could increase the bottom line by one or two percent of total sales.

Three Good Reasons

But why outsource reverse logistics? Three good reasons: focus, flexibility, and financial benefits.

1. Focus. Companies outsource reverse logistics to qualified third-party logistics (3PL) providers because 3PLs offer the focus and core competencies required to operate a state-of-the-art reverse logistics program. Companies that hire 3PLs gain the software, leadership, and experience required to start and maintain a reverse logistics process that delivers bottom-line results.

For most North American retailers and manufacturers, the "build or buy"

(continued on page 32)

(continued from page 30)

analysis is an easy one. Outsourcing reverse logistics to an experienced 3PL can enable them to have an efficient process up and running in months, as opposed to the years it might take to develop similar capabilities in-house.

2. Flexibility. 3PLs offer retailers and manufacturers the flexibility needed to quickly implement an efficient returns process without impacting capital budgets. Most 3PLs either have existing facilities that can be leveraged, or will open facilities in the best locations to minimize transportation costs. These 3PLs provide all the infrastructure required, and build all facility, software, and equipment costs into their price.

3. Financial. 3PLs provide liability protection—for example, capping worker compensation at a standard monthly cost, regardless of the accident rate in the facility. They also build into their contracts a shrinkage allowance over the inventory they process. Most 3PL reverse logistics contracts include some form of price-per-piece cap. All these factors make budgeting and planning easy for those who outsource.

Outsourcing reverse logistics enables companies to focus on doing what they do best: produce and sell goods. Meanwhile, their 3PL focuses on processing returns, and provides all the reporting and recommendations needed for an integrated, effective reverse logistics solution.

Reverse logistics is often treated like the unwanted stepchild of the supply chain family. Yet the financial impact of focusing resources on reverse logistics can significantly affect a company's profits and share price.

Do you know how much your reverse logistics process is costing you? Now is the time to find out—and enlist help. ■

Outsourcing reverse logistics enables companies to focus on doing what they do best: produce and sell goods.


Any Freight Invoice, From Any Provider,
Anywhere in the World.
nVision
Global

A Strategic Approach to Strengthening Supply Chains

Q: What is a leveraged platform?

A: A leveraged platform means a logistics service provider employs the same best practices to manage its own supply chain needs as it does for its client base. Benefits to shippers include mode optimization and greater usage of co-load products, as well as intermodal conversion from truckload (TL), or creating TL partials from large less-than-truckload (LTL) shipments.

Combining the scale of a large organization with a locally based station network allows logistics service providers to offer shippers partnerships based on delivering value through a network of shippers and freight patterns.

Q: What innovative sustainability initiatives also increase efficiency?

A: One initiative that transportation and logistics providers can take part in is the Environmental Protection Agency's (EPA) SmartWay program. SmartWay partners have saved 120.7 million barrels of oil, according to the EPA.

Shippers can also consolidate freight to reduce the number of trucks on the road. LTL carriers collect freight from a group of shippers, then consolidate that freight for delivery to a single point. Functioning like a carpool for freight, LTL results in significant fuel and cost savings.

When shippers partner with a core carrier group of LTL and TL providers, they maintain regular schedules that benefit carriers with constant volumes. In return, shippers receive improved service and price options.

Q: How can today's manufacturers deal with increasing regulations, demand volatility, and shifting global markets?

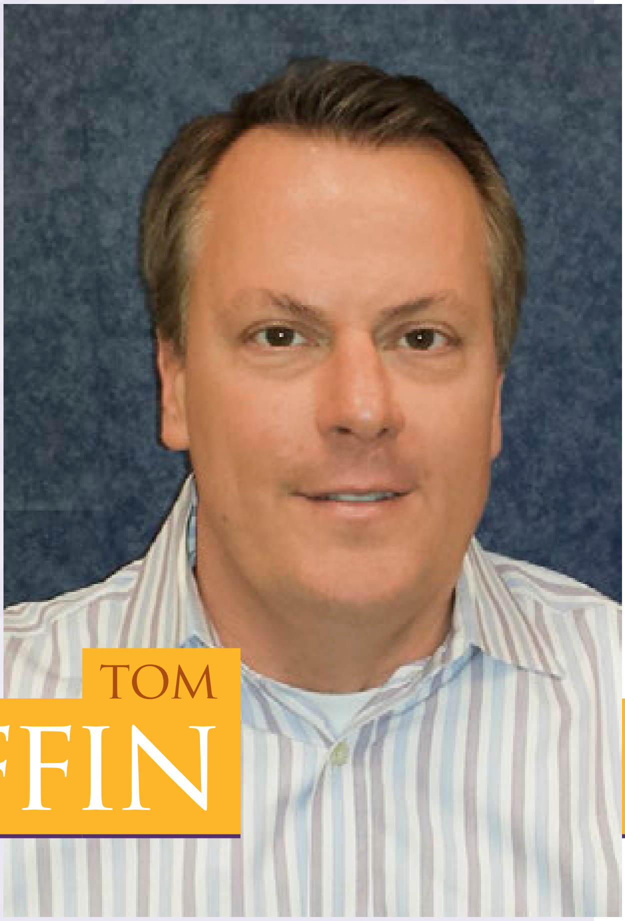
A: For many manufacturers, partnering with a trusted logistics provider represents a vital component of dealing with these challenges. Many shippers have benefited from working with local station agents who are familiar with their business and requirements.

Experienced logistics providers offer constant direction and review for freight options and regulations, especially for station agents entering new markets that could require expedited or international movements.

Q: How can value chain partners cooperate to create and share efficiencies?

A: Trust and transparency are key attributes for achieving true collaboration between shippers and logistics providers. Success comes through providers delivering value and understanding shipper needs. Keeping up with the changing wish lists of the many stakeholders that impact the growing number of intertwined supply chains is also critical to success.

DLS Worldwide | 877-744-3818
joinDLSW@dls-ww.com | www.dls-ww.com



TOM GRIFFIN
President
DLS Worldwide

WHAT WE DO HELPS YOU DO WHAT YOU DO BETTER!

With the threat of millions of dollars in lost revenue looming, a Landstar customer needed to transport two massive industrial turbines nearly 2,000 miles from a repair shop in New York back to their facilities in Canada ASAP. "The lead time for a move like this is normally a couple of weeks, but we managed the entire process from start to finish in 24 hours," said Landstar Agent Todd Celotto. "That's what we do at Landstar."

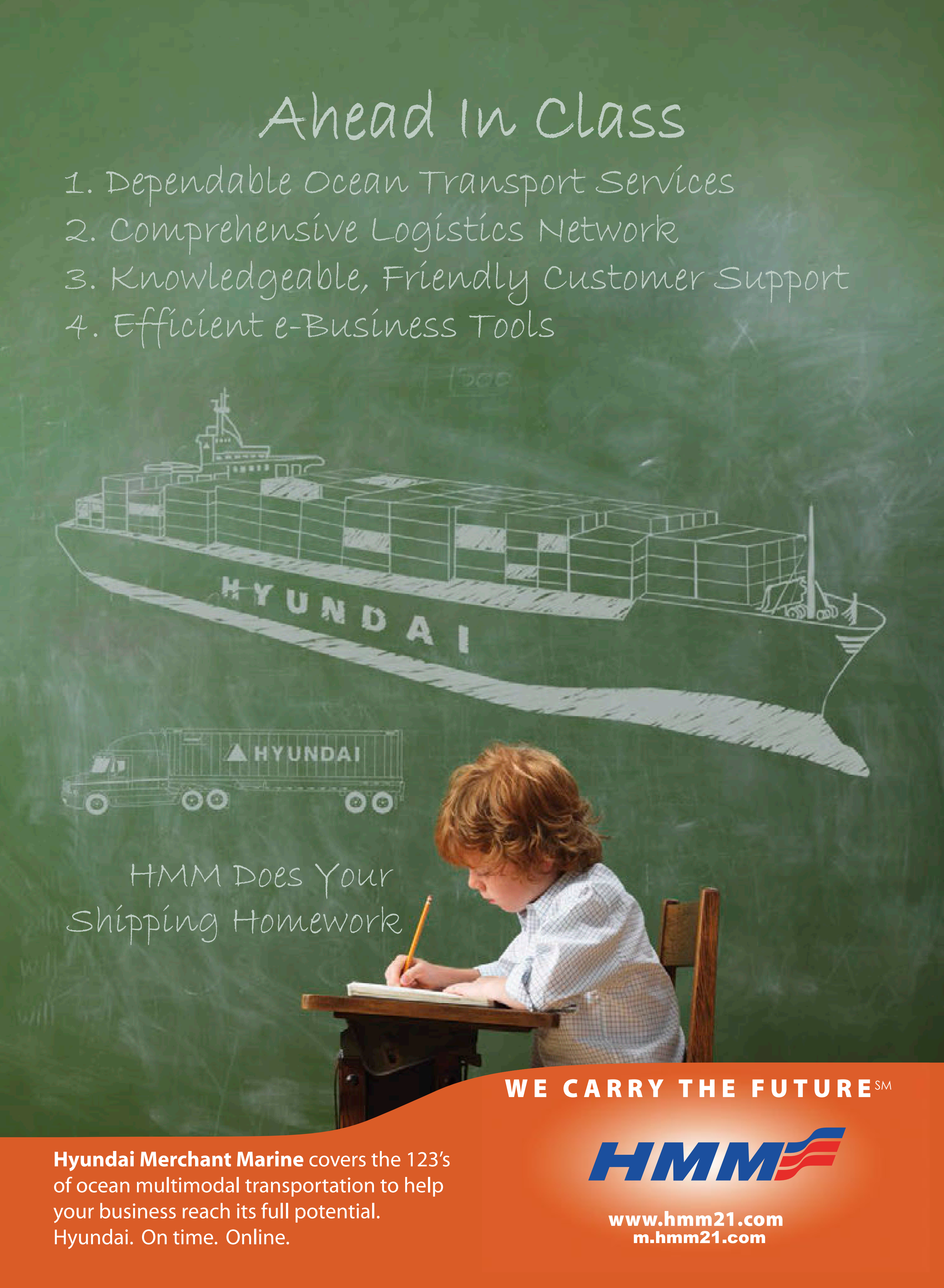
THAT'S WHAT WE DO!

This Landstar agent's story is just one of thousands at Landstar. Contact us today to find out how we can help you too.

Truckload - LTL - Heavy Haul/Specialized - Expedited - Air - Ocean
Rail Intermodal - Transportation Management Solutions

LANDSTAR®

Solutions@landstar.com www.landstar.com 877-696-4507


Ahead In Class
1. Dependable Ocean Transport Services
2. Comprehensive Logistics Network
3. Knowledgeable, Friendly Customer Support
4. Efficient e-Business Tools
HYUNDAI
HYUNDAI
HMM Does Your
Shipping Homework
WE CARRY THE FUTURE SM
Hyundai Merchant Marine covers the 123's
of ocean multimodal transportation to help
your business reach its full potential.
Hyundai. On time. Online.
HMM
www.hmm21.com
m.hmm21.com

2014 Global Logistics Guide

When the Internet exploded on the scene in the late 1990s it forever altered global trade. The world as we knew it suddenly grew smaller as communication and commerce started to happen in near real time. As new markets opened up technologically, politically, and socially, supply chains followed.

As revolutionary as the World Wide Web was, it's still transformative. As one example, the emergence of e-commerce created a virtual storefront that empowers companies to sell into new markets around the globe with little capital investment. The sourcing to selling paradigm shift is emblematic of how global commerce continues to adapt and evolve.

Now more than ever, governments recognize the importance of investing in infrastructure and tailoring policies to compete for business.

While e-commerce is the leading edge, countries invariably are at different stages of economic progression and transition. Some that have established strong manufacturing pedigrees are looking to stimulate domestic industrial growth and consumption to offset dependence on export trade. Other resource-rich nations that have long relied on foreign direct investment and incursion to fast track infrastructure development are now looking to turn the table and exploit these opportunities themselves. For all, transportation and logistics excellence is the gateway to sustained economic growth.

To help you make sense of these changing global dynamics, and map out locations for further exploration, *Inbound Logistics'* 10th annual Global Logistics Guide presents an updated transportation and logistics world atlas chock-full of need-to-know information.

IL identifies global hotspots as excelling in three key critical areas:

1. Transportation Infrastructure—The density and breadth of airport, seaport, and road infrastructure.

2. IT Competency—The progressiveness of information and communication technology investment and development as measured by The World Economic Forum's Networked Readiness Index.

3. Business Culture—The strength and expertise of homegrown logistics talent, cultural and language similarities, government leadership, historical U.S. foreign direct investment outflows, and economic freedom. This index takes into account variables that might appeal to U.S. businesses, as well as pro-business sensibilities ranging from investment trends to future economic potential.

There are intangibles at play as well. Our X-Factor provision considers other factors such as political stability, labor availability, and foreign investment policy that may give businesses greater pause, or purpose, as they evaluate a country's logistics capabilities.

Our Global Logistics Guide offers a macro perspective of global regions to help you quantify and qualify expansion opportunities. We then break each area down with country-specific snapshots that identify strengths and weaknesses to help you align logistics and supply chain needs.

If you have questions or comments about our methodology and selections, please email: editor@inboundlogistics.com

METHODOLOGY:

Countries are ranked on three criteria: Transportation Infrastructure (1 to 4 points), IT Competency (1 to 3 points), and Business Culture (1 to 3 points). Points are totaled for all categories—taking into consideration X-Factor +/- points—to determine final ranking: 10 is highest, 3 is lowest.

Sources: Sources: U.S. Department of State; World Port Rankings, American Association of Port Authorities; Airports Council International; World Economic Forum's Growth Competitiveness Index; World Economic Forum's Global Information Technology Report; Central Intelligence Agency's World Fact Book; Bureau of Economic Analysis, U.S. Direct Investment Abroad; 2014 Index of Economic Freedom, The Heritage Foundation.

The Americas

Much of the buzz around the NAFTA region revolves around the promise of natural gas and industrial reshoring. Mexico's economic reforms took hold, and provide further incentive for U.S. and foreign-owned companies to locate manufacturing across the border. As middle-class consumption continues to grow, more product is coming in to feed demand, balancing trade. Further afield, the Panama Canal expansion is empowering countries such as Panama and Jamaica to look at how they can reinvent themselves as regional distribution hubs.

South America's fortunes are following a similar curve. While Brazil remains the continent's economic power, Chile, Peru, and Colombia are burning brighter stars. Colombia reinvented itself after once being the center of attention for all the wrong reasons. Today, it is the model for how an unstable and violent socio-political climate can transform into a foreign investment magnet.

South America benefited from foreign investment and interest in its natural resources. China, among others, is a notable suitor. Infrastructure development progressed, albeit slowly. Transportation connectivity within the continent remains nebulous. Countries are currently looking inward at how they can drive domestic growth and consumption to help balance strong commodity trades.

Canada

GDP:	$1,825
EXPORTS:	$459
IMPORTS:	$471
FDI 2012:	$352

SCORE 8

T	I	B	X
2	3	3	0

Its economy continues to chug along at a slower pace than the United States, as business growth lags. Prime Minister Stephen Harper wants to grow trade ties with NAFTA partner Mexico, and especially play in its emerging energy market.

Mexico

GDP:	$1,327
EXPORTS:	$371
IMPORTS:	$371
FDI 2012:	$101

SCORE 7

T	I	B	X
2	1	3	1

X-FACTOR President Enrique Peña Nieto's economic reforms are taking hold, and the country has rebounded positively from the global recession. Development of the country's energy sector will drive even more nearshoring activity.

Panama

GDP:	$41
EXPORTS:	$19
IMPORTS:	$27
FDI 2012:	$5

SCORE 6

T	I	B	X
3	1	2	0

Construction delays notwithstanding, the Canal expansion tips the country as a new distribution hub for the Americas region.

Colombia

GDP:	$369
EXPORTS:	$59
IMPORTS:	$54
FDI 2012:	$8

SCORE 6

T	I	B	X
2	1	2	1

X-FACTOR Its transformation remains one of South America's bright stories. With strong mining industries, the country has benefited from Chinese FDI to help spur infrastructure development.

Chile

GDP:	$282
EXPORTS:	$78
IMPORTS:	$76
FDI 2012:	$40

SCORE 4

T	I	B	X
1	2	2	-1

X-FACTOR While the country ranks high in IT readiness, recurring labor strife at its ports is having a marked impact on domestic industries such as copper mining.

Brazil

GDP:	$2,190
EXPORTS:	$245
IMPORTS:	$241
FDI 2012:	$79

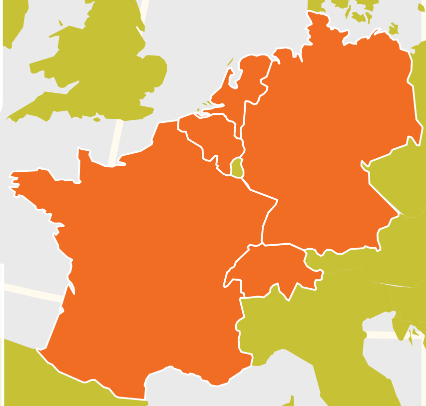
SCORE 5

T	I	B	X
2	1	2	0

Transportation infrastructure remains the country's greatest bugaboo, increasing total logistics costs for companies trying to move product in, out, and through the country.

FDI:	U.S. Foreign Direct Investment
T:	Transportation Infrastructure
I:	IT Competency
B:	Business Culture
X:	X-Factor

All amounts in $US billions.



Belgium

SCORE **8**

T	I	B	X
4	2	2	0

GDP:	$507
EXPORTS:	$295
IMPORTS:	$310
FDI 2012:	$54

As a regional and global distribution hub, Belgium's transportation infrastructure is among Europe's best. Port of Antwerp is the continent's foremost petrochemical cluster and Zeebrugge is a favored RoRo, container, and value-added logistics port

Netherlands

SCORE **9**

T	I	B	X
4	3	2	0

GDP:	$801
EXPORTS:	$551
IMPORTS:	$478
FDI 2012:	$645

Favorable corporate tax rates, solid transportation capabilities, and political stability make the country the hands-down leader in U.S. FDI.

Germany

SCORE **9**

T	I	B	X
4	3	2	0

GDP:	$3,593
EXPORTS:	$1,493
IMPORTS:	$1,233
FDI 2012:	$121

Contrary to France, labor reform policies helped Germany dodge the worst of the Eurozone crisis. Export dependency still makes it vulnerable to global shifts in demand.

France

SCORE **6**

T	I	B	X
3	2	1	0

GDP:	$2,739
EXPORTS:	$570
IMPORTS:	$640
FDI 2012:	$83

The country's problems continue to center around a ballooning public sector, lack of labor control, and high taxes—everything anathema to foreign investment.

Switzerland

SCORE **8**

T	I	B	X
2	3	3	0

GDP:	$646
EXPORTS:	$312
IMPORTS:	$276
FDI 2012:	$130

By nature of its central location, political autonomy, and progressive socio-economic policies, the country is very much an island in the EU. High Swiss franc valuation presents problems for exporters trying to compete.

FDI:	U.S. Foreign Direct Investment
T:	Transportation Infrastructure
I:	IT Competency
B:	Business Culture
X:	X-Factor

All amounts in $US billions.

Europe

The continent is slowly emerging from a debt crisis that has separated the "haves" from the "have nots." Social democracies and their welfare nets are being challenged. EU unemployment currently hovers at 12 percent and is expected to remain high. On the continent's periphery—Greece, Italy, and Spain—aggressive austerity measures are stoking even more backlash among the workforce. Restrictive labor laws and high costs remain outstanding concerns.

There are bright spots: The Netherlands, Belgium, Germany, and Switzerland. All have strengths in transportation and logistics and are crossroads for trade. Russia's growing middle class and consumption market is likely to drive more development eastward.

Increasingly, Europe is looking to the North American re-shoring model as one way to bring back domestic production. And the EU has even gone so far as to check some of its clean energy mandates to open up the potential for natural gas production and cheaper energy.

These challenges aside, Europe also faces stiff competition from Turkey and Arabian Peninsula countries where investment is rampant and market constraints are fewer. As one example, night flight restrictions in European cities such as Brussels and Frankfurt have paved the way for Middle East countries to become bigger players in the airfreight sector.

Russia

GDP:	$2,113
EXPORTS:	$515
IMPORTS:	$341
FDI 2012:	$14

SCORE 5

T	I	B	X
2	1	1	1

X-FACTOR Geopolitical tensions aside, the country's prospects are bullish. Its middle class–55 percent of total population–is higher than any of its BRIC peers. This will continue to drive consumer growth.

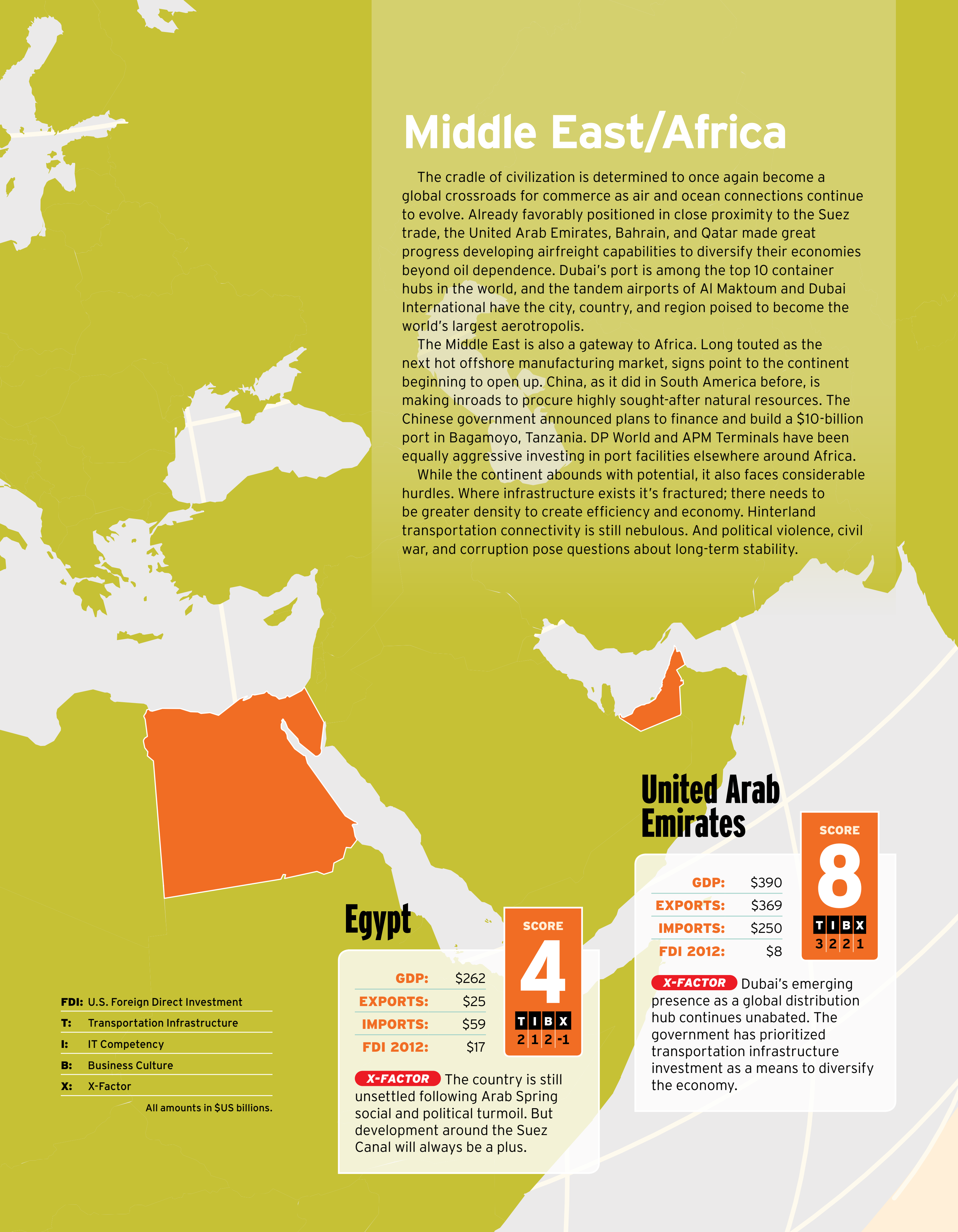
Turkey

GDP:	$822
EXPORTS:	$168
IMPORTS:	$243
FDI 2012:	$6

SCORE 5

T	I	B	X
2	1	1	1

X-FACTOR At the crossroads between Europe, Asia, and the Middle East, it's primed to become a major hub for multinationals, and a distribution pivot for the energy sector.



Middle East/Africa

The cradle of civilization is determined to once again become a global crossroads for commerce as air and ocean connections continue to evolve. Already favorably positioned in close proximity to the Suez trade, the United Arab Emirates, Bahrain, and Qatar made great progress developing airfreight capabilities to diversify their economies beyond oil dependence. Dubai's port is among the top 10 container hubs in the world, and the tandem airports of Al Maktoum and Dubai International have the city, country, and region poised to become the world's largest aerotropolis.

The Middle East is also a gateway to Africa. Long touted as the next hot offshore manufacturing market, signs point to the continent beginning to open up. China, as it did in South America before, is making inroads to procure highly sought-after natural resources. The Chinese government announced plans to finance and build a $10-billion port in Bagamoyo, Tanzania. DP World and APM Terminals have been equally aggressive investing in port facilities elsewhere around Africa.

While the continent abounds with potential, it also faces considerable hurdles. Where infrastructure exists it's fractured; there needs to be greater density to create efficiency and economy. Hinterland transportation connectivity is still nebulous. And political violence, civil war, and corruption pose questions about long-term stability.

United Arab Emirates

GDP:	$390
EXPORTS:	$369
IMPORTS:	$250
FDI 2012:	$8

SCORE **8**

T	I	B	X
3	2	2	1

X-FACTOR Dubai's emerging presence as a global distribution hub continues unabated. The government has prioritized transportation infrastructure investment as a means to diversify the economy.

Egypt

GDP:	$262
EXPORTS:	$25
IMPORTS:	$59
FDI 2012:	$17

SCORE **4**

T	I	B	X
2	1	2	-1

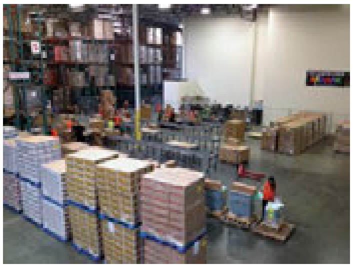
X-FACTOR The country is still unsettled following Arab Spring social and political turmoil. But development around the Suez Canal will always be a plus.

FDI: U.S. Foreign Direct Investment
T: Transportation Infrastructure
I: IT Competency
B: Business Culture
X: X-Factor

All amounts in $US billions.

Few Things in Life Withstand the Test of Time, But Great Customer Service Never Gets Old.

Over its 87-year history, PCW has become one of the finest 3rd party logistics (3PL) organizations in the Western United States by operating as an extension of its customers and dedicating itself to accommodating their every need. Our longevity in the market speaks for itself.



DISTRIBUTION

- Public Warehousing
- Inventory Management
- Food Grade DC's
- Alcohol Permitted (ABC)
- FDA & ASI regulated
- Separate Hazardous Material and Chemicals DC (NACD Members)
- Extensive Retail/Import, Apparel & Electronics experience

TRANSPORTATION

- In-house Drayage
- Freight Consolidation
- Direct Store Delivery (DSD)

ON-SITE FULFILLMENT

- Co-pack & Packaging
- UCC Labeling
- Custom wrapping
- Carton Packaging
- Floor displays

TECHNOLOGY BENEFITS

- Client Specific Solutions
- EDI Services
- RF Inventory Systems
- Web Based Reporting
- E-Commerce
- WMS

TAILORED SERVICES
DEDICATED CUSTOMER SERVICE
FORTUNE 500 MANAGEMENT

PCWC **Pacific Coast Warehouse Company**
Moving Product to Market Better Since 1927

Southeast Asia & India

As Chinese labor costs continue to rise, manufacturing is migrating to countries such as Vietnam, Thailand, and Indonesia. Intra-Asian trade continues to grow. At the same time, Southeast Asian countries dependent on China and Japan also run the risk of being exposed when demand falls off. Outside of well-developed air and ocean transport hubs such as Bangkok, Port Kelang, Kuala Lumpur, and Manila, road infrastructure is still developing and logistics costs tend to run high. Political upheaval in Thailand and elsewhere is also cause for concern.

India's economy has yet to reach the potential that many had predicted one decade ago. Protectionist trade and investment policies have curbed development. Only recently has the government started easing restrictions to help pump more foreign capital and expertise into domestic industries. Job growth has been tepid at best, which is sobering news for the country's young workforce—half of the country's 1.2 billion population is younger than 25.

Even Singapore—which has long been the focus of regional trade with a port and airport among the tops in the world in terms of freight tonnage and container volume—is facing questions about the sustainability of its real estate- and credit-driven economy. Some speculate that the country is at risk of a bubble burst the likes of Finland in 2008.

India

GDP:	$1,758
EXPORTS:	$318
IMPORTS:	$515
FDI 2012:	$28

SCORE 5

T	I	B	X
2	1	2	0

Transportation infrastructure, social inequality, and market reform plague the country's growth. Efforts to relax foreign investment restrictions have helped pave the way for more development.

Singapore

GDP:	$287
EXPORTS:	$443
IMPORTS:	$380
FDI 2012:	$139

SCORE 9

T	I	B	X
4	3	3	-1

X-FACTOR The city-state remains one of Asia's foremost distribution hubs. Its port is second only to Shanghai in terms of container volume, and Changi Airport is among the world's top 10 in cargo volume. There are concerns that the country's finance- and real estate-driven economy could be prone to a bubble burst.

Thailand

GDP:	$401
EXPORTS:	$229
IMPORTS:	$223
FDI 2012:	$17

SCORE 3

T	I	B	X
2	1	1	-1

X-FACTOR Anti-government protests and political instability are compromising middle-class growth and domestic consumption.

FDI: U.S. Foreign Direct Investment
T: Transportation Infrastructure
I: IT Competency
B: Business Culture
X: X-Factor

All amounts in $US billions.

Asia

As China follows its own self-imposed economic reforms, Asia continues to mature and develop. Years of focusing on export and credit growth forced the government to direct more investment inward and drive domestic consumption. Rising incomes and a growing middle class created a real estate boom, which runs the risk of a sharp drop-off. At the same time, foreign businesses are reshoring some of the production that historically went to China. With greater prosperity, the country is looking to develop higher-end manufacturing capabilities with a focus on quality and innovation.

China's roadmap invariably shapes much of what is going on in Asia. Taiwan's success falls in line with its cross-straits partner. Japan's account deficit continues to widen, which is cause for concern. Exports are still sluggish, and anticipation of an uptick in consumer spending before a new sales tax enters into force later in 2014 never materialized.

Korea's fortunes appear more positive. President Park Geun Hye plans to reduce taxes in various industries, and stimulate innovation and small business growth. The goal is to drive more domestic activity, and insulate the country from relying too much on exports—a concern that is rampant throughout the region.

Japan

GDP:	$5,007
EXPORTS:	$697
IMPORTS:	$767
FDI 2012:	$134

SCORE 7

T	I	B	X
4	2	2	-1

X-FACTOR The country's economy grew less than expected in 2013 as its current account deficit continues to balloon. A looming sales tax increase is expected to further curb consumer spending.

South Korea

GDP:	$1,198
EXPORTS:	$557
IMPORTS:	$517
FDI 2012:	$35

SCORE 7

T	I	B	X
2	3	2	0

Strong domestic demand is helping the country's economy recover from the global downturn. Government has pledged to roll back regulations in certain sectors to help stimulate competition, boost the services sector, and offset export dependency.

China

GDP:	$8,939
EXPORTS:	$2,210
IMPORTS:	$1,772
FDI 2012:	$99

SCORE 6

T	I	B	X
3	1	2	0

Economic reforms are shaping a new future driven by domestic growth. But exports have taken a huge dive over the past year, and continuing devaluation of the Yuan limits Chinese purchasing power.

Taiwan

GDP:	$485
EXPORTS:	$306
IMPORTS:	$269
FDI 2012:	$17

SCORE 7

T	I	B	X
3	3	1	0

As China's fortunes change, so does Taiwan. Cross-strait politics and economics remain firmly entwined. The country's high-tech industries, however, are gradually looking beyond China to cheaper offshore manufacturing options.

Malaysia

GDP:	$312
EXPORTS:	$231
IMPORTS:	$193
FDI 2012:	$15

SCORE 6

T	I	B	X
3	2	1	0

Inflation continues to rise and the government is being forced to curb public spending.

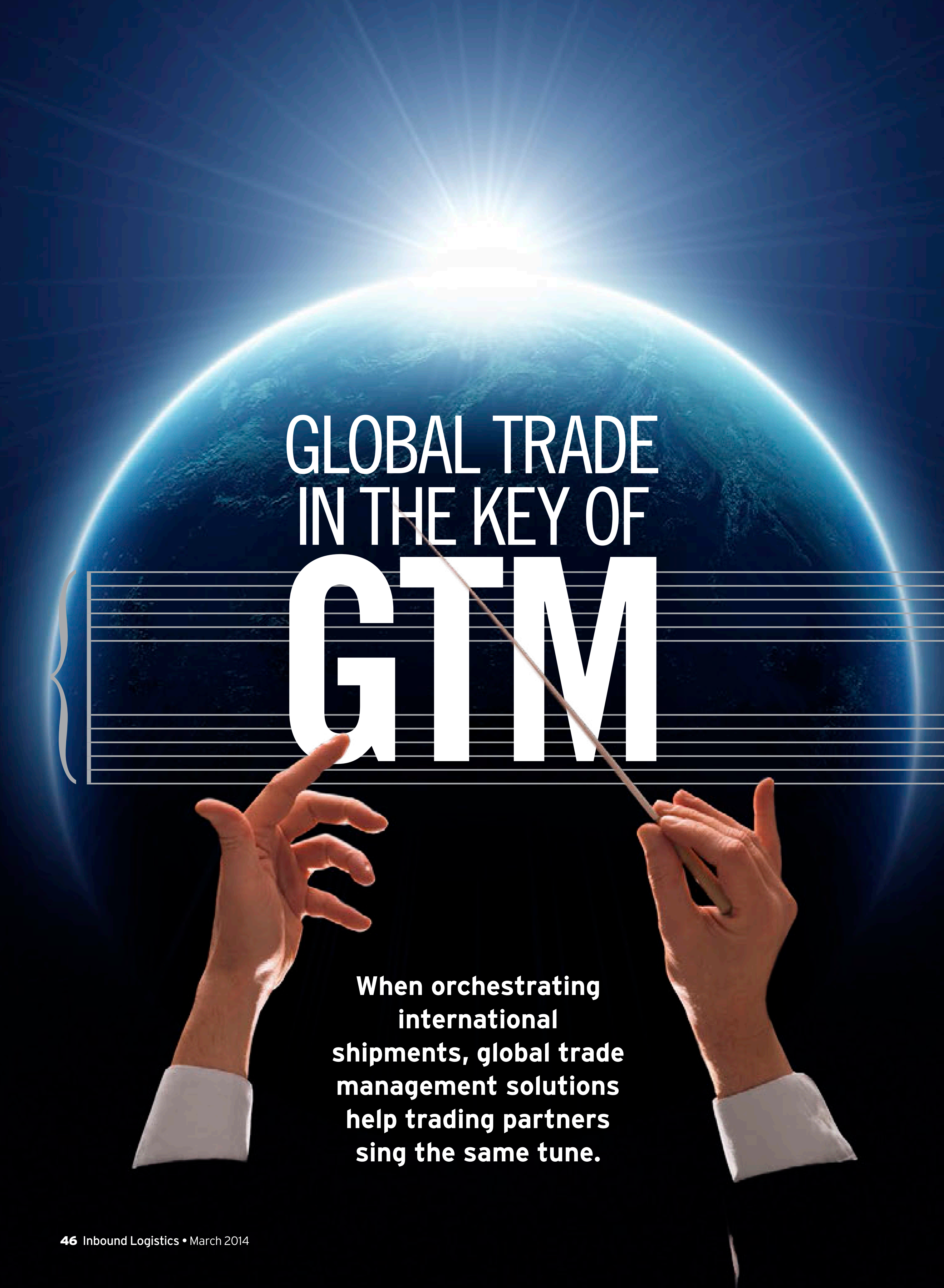
Indonesia

GDP:	$868
EXPORTS:	$179
IMPORTS:	$179
FDI 2012:	$14

SCORE 5

T	I	B	X
2	1	1	1

X-FACTOR The government is using the struggles of its neighbors as incentive to attract more business. An abundant workforce, cheap labor, and strong domestic consumption are all positives.



GLOBAL TRADE IN THE KEY OF GTM

When orchestrating international shipments, global trade management solutions help trading partners sing the same tune.

by Merrill Douglas

In the quest to maintain a profitable global supply chain, technology is just as important as human know-how. At least, that's what supply chain consulting firm Tompkins International found in 2013, when it surveyed 80 companies for its *Global Trade Management Report*. Asked what they were doing to improve global shipping performance and reduce costs, 74 percent of respondents told Tompkins they were implementing technology solutions. That's the same percentage who said they were making sure their staffs were well-trained.

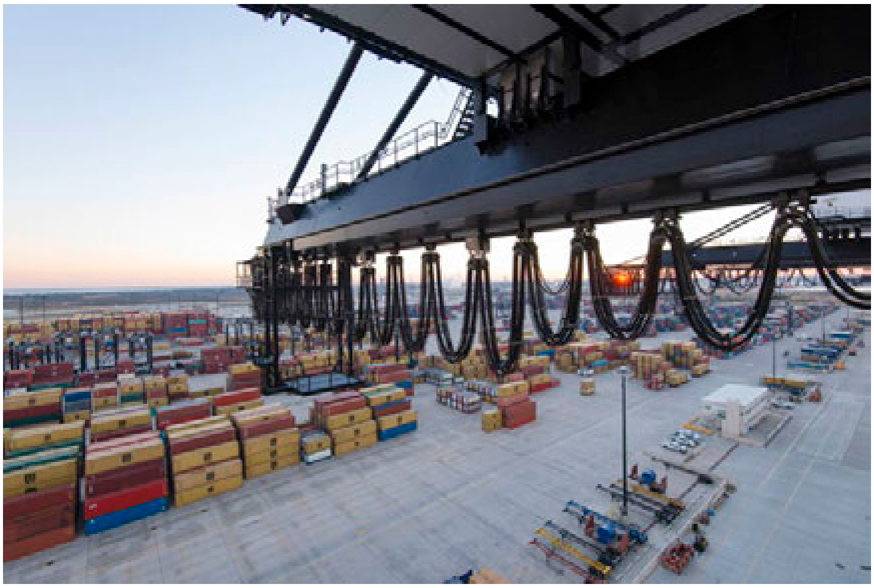
If your business stretches across borders, an abundance of global trade management (GTM) technology is available to help improve every aspect of your supply chain. But you need to choose the right solution to meet your needs. And once that solution is up and running, you have to make sure your investment provides full value.

Here's some expert advice on how to achieve those goals.

What is GTM Technology?

In some ways, GTM solutions are simply supply chain management tools with a worldwide reach. Like systems that focus on domestic commerce, GTM solutions help shippers optimize, automate, and monitor transactions with trading partners and service providers. Data from information systems used by a company, its vendors, logistics partners, and other providers flows through a central GTM platform. That data triggers transactions, and the system ensures each party receives the information it requires.

Depending on the features included in your suite, you might use GTM technology to transmit purchase orders, share information with vendors, book transportation, track shipments, and perform a host of other functions involved in procuring and moving goods.



Managing shipment data with a global trade management solution gives all supply chain partners visibility, and helps eliminate customs compliance issues that could cause import and export cargo to be held at port.

"GTM solutions manage, measure, optimize, and automate the information that supports and surrounds cross-border moves," explains Ty Bordner, vice president, product management and solutions consulting at GTM technology vendor Amber Road, Rutherford, N.J.

Customs Coordination

Because global trade involves international borders, GTM solutions also address a whole other dimension: trade compliance. When you ship goods into or out of a country, GTM software helps meet your obligations toward the relevant government agencies. It can, for example, conduct denied party screenings, assign product classification codes, determine duty and tariff obligations, file customs documents, and transmit data required by agencies such as the U.S. Food and Drug Administration.

GTM systems also help companies profit from programs such as foreign trade agreements and foreign trade zones, and participate in security programs such as the Customs-Trade Partnership Against Terrorism.

Some solutions vendors specialize in specific aspects of global trade. For instance, Integration Point, based in Charlotte, N.C., focuses mainly on trade compliance. But as a byproduct of compliance, it helps users track order and shipment progress, and that visibility helps with more general logistics processes.

"It's important to monitor advance ship notices so you know when freight gets close to the border, understand the invoice process, and have the details about purchasing the goods," says Melissa Irmen, Integration Point's senior vice president of products and strategy. "GTM solutions facilitate those insights."

Some GTM solutions also help companies manage commercial invoices and other financial transactions that are common in international trade.

Like most supply chain management technology, GTM solutions save time, labor, and money by replacing manual functions with digital ones, and putting in place integrated processes for functions that used to occur in software silos.

"Taking out the human element is huge," notes Tim Thoma, international logistics and compliance manager at Northern Tool and Equipment in Burnsville, Minn. "You're not relying on workers to re-key information—it's just a straight feed from one system to another."

A retailer with more than 80 stores, plus catalog and e-commerce channels, Northern Tool uses GTM technology from Navegate, based in Eagan, Minn. Navegate's sister company, North Star World Trade Services, is Northern Tool's customs broker.

Money-Saving Motivation

Automating foreign trade compliance can create tremendous savings, says Wayne Slossberg, senior vice president at QuestaWeb, a vendor of GTM technology based in Clark, N.J. For example, many companies use Microsoft Access or Excel to manage the Harmonized Tariff Schedule codes for their products. Each time the U.S. government changes that schedule, someone has to update the records.

The more compliance data a company manages, the more people it must hire to maintain that data. "The import and export departments can start to grow exponentially," Slossberg says.

GTM solutions monitor tariff schedules and other government requirements. When a change occurs, those systems update automatically, reducing the need for human labor.

GTM solutions may also spare companies large penalties by ensuring full compliance with government mandates. "But you don't want to implement a system just out of fear of being fined," Slossberg adds. The more significant savings arise from better communication, and the ability to take advantage of trade programs.

One benefit GTM solutions offer is consistency—they force all trading and service partners to use the same term to refer to the same product. "You need a single point of truth about each commodity," Irmen says.

If the company that exports a product gives it a different identification code than the carrier that transports the product, that could cause problems when the shipper files trade documents.

"One product might require an import license, while the other one doesn't, for example," says Ken Peters, director of global solutions at Integration Point. "Both partners need to work off the same sheet of music, so they don't run into discrepancies." GTM solutions ensure that everyone sings in tune.

In addition to helping companies execute day-to-day transactions, GTM solutions can reveal opportunities that strategists might otherwise miss. Those benefits arise thanks to the mass of data the system manages, including data from shippers and their partners, as well as information on trade regulations and agreements.

"GTM solutions provide a data repository and an analytics tool, which allows users to identify cost-savings opportunities they might otherwise miss," says Bordner.

For example, GTM solutions might help users weigh the pros and cons of procuring goods from different sources, based on transportation costs, applicable tariffs and duties, and available trade agreements.

"Dynamic analysis of true total landed costs can be difficult to do without GTM-type capabilities," says Don Anderson, vice president of transportation services at Tompkins.

Demonstrated Value

That ability to run what-if scenarios might help gain buy-in from top management when a supply chain team wants to implement a GTM solution. That was the case for a QuestaWeb customer when its team demonstrated how to analyze the cost of sourcing seasonal products from different parts of the world.

"The C-level saw the benefits of having one system to manage all the supply chain data," Slossberg says.

At Northern Tool, the GTM system also provides a better way to analyze vendor performance. "It helps us identify vendors who are more cognizant of our delivery dates," Thoma says.

That knowledge is useful when the company decides to undertake a major merchandising overhaul.

Who Benefits Most?

Although many kinds of companies might benefit from GTM solutions, the case is more compelling for large firms with complex international operations.

"Companies moving 100 shipments annually might not save too much by using a GTM solution," says Bordner. "But if they move 10,000 or 50,000 shipments annually, the software has a bigger payback potential." The value increases when more countries are involved in the supply chain, he adds.

Smaller companies can get by without GTM software — possibly by using tracking software provided by freight forwarders. But larger companies, or companies with multiple factories, need the visibility an integrated solution provides. "Annual revenue of $50 million to $100 million is the threshold where a GTM solution becomes more important," says Joe Pelletier, president of Navegate.

Smaller companies might not need a full GTM suite. But certain modules—such as tariff classification—can be worthwhile for shippers with simple global operations. "Even small companies want to ensure the data they're using internally is what brokers are using for their filings," Irmen says. "They want visibility into their ultimate entries, and the ability to assess compliance."

Before your company starts shopping for

You May Already Be in Tune

The best way to automate global trade management (GTM) is with a dedicated, integrated solution, according to some technology vendors.

"The system falls apart if the data is not automatically fed from the carriers, truckers, agents—every party involved in the supply chain," says Joe Pelletier, president of Navegate, a GTM technology vendor based in Eagan, Minn.

"The key factor is managing from a common reference point," agrees Wayne Slossberg, senior vice president at GTM vendor QuestaWeb in Clark, N.J. A company that uses different software to manage various aspects of its global supply chain ends up with data stored in separate information silos. Then the only way to gain a full picture of its operation is to move that data into spreadsheets and manipulate it manually.

"The more silos you have, the more chance for error," Slossberg notes.

But not everyone agrees that you need one system to handle every aspect of international trade. Don Anderson, vice president of transportation services at supply chain consulting firm Tompkins International, points out a company that hasn't implemented a GTM system may still have access to many GTM capabilities.

"Most companies already have a lot of GTM functionality within their enterprise resource planning (ERP) systems, or available from their supply chain service partners—carriers, forwarders, and brokers," Anderson says. "For many companies, those resources are sufficient."

An ERP system probably can't execute every transaction related to trade compliance. For complex companies with many products and global partners, a dedicated GTM solution might be the best way to go. But for smaller firms, that's not necessarily the case.

"Companies dealing with a small number of suppliers, or single-source suppliers; goods that are not highly dutiable; or limited free trade agreement opportunities will derive less value from a GTM," Anderson says.

GTM Implementation: Note for Note

Some factors a company might consider when choosing a global trade management (GTM) solution include:

- **Where should the system reside?** Many vendors offer their GTM solutions in the cloud; others let you host the system inside your own firewall. Focus on vendors that can deliver the system the way you want it. Some companies want to gain experience while operating in the cloud, then bring the system in-house later.
- **Do you want to centralize?** Large companies often want to move the GTM activity for all their operations into one central office, or several regional centers. In that case, a company would buy one instance of the GTM software. If a company wants each business unit to continue managing its own global trade, that would prompt a different buying decision. "Each division might have its own instance of the software, or install one instance and still have different virtual implementations," says Ty Bordner, vice president, product management and solutions consulting at GTM technology vendor Amber Road.
- **Who has the data?** A robust, current repository of data on worldwide trade regulations is the heart and soul of a GTM solution. You need to know who's providing that data. "Does your vendor also maintain the regulatory content and integrate it into the software, or do you have to buy software, find a content provider, and integrate the data into the software yourself?" asks Bordner.

a GTM solution, establish a few basic facts. First, define your business and technology strategy. "Decide, strategically, what you want to do in-house, from the process and flow-of-goods perspective, and from an IT perspective," says Anderson.

Another essential preliminary step is to calculate what it currently costs to *not* have a GTM solution. "That relates to the return on investment, to your budget, and to understanding your needs," Slossberg says.

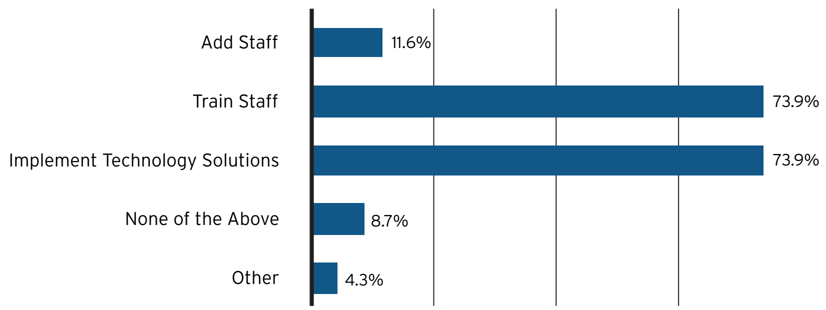
For Bordner, the key question is the same as for any large piece of enterprise software. "It's all about requirements, and what you want to accomplish," he says.

functions is to define how you're currently controlling your trade data. List all the foreign trade agreements, duty deferral programs, and other programs you participate in now, and those you hope to use in the future. Also, identify the products and volume you export and import, and the origin and destination countries.

When it is time to evaluate specific vendors and products, analysts at firms such as Gartner can help. "Many consulting organizations operate global trade management practices and understand how to build an evaluation based on your requirements," Bordner notes.

GTM Keeps Time with Complexity

Seventy-four percent of global shippers responding to a recent survey say they are implementing technology solutions such as GTM, and increasing staff training, to reduce supply chain costs and improve shipping performance.



Source: Tompkins Supply Chain Consortium.

For example, if you want to enter new markets, you might concentrate heavily on export capabilities. "But if your requirement is to focus on the bottom line, you would concentrate on imports—trade agreements, duty management, and duty deferral and recovery," explains Bordner.

Defining Requirements

Once you determine how you will use GTM technology to support company strategies, define all the functions you require in a system. "This step involves working with your sales, marketing, procurement and supply management staff to develop those requirements," says Anderson. "Then assign priorities; separate the must-haves from the nice-to-haves."

One way to create a list of necessary

Slossberg recommends drawing up and sending a list of your top 10 criteria to potential vendors. Invite the most promising companies to walk you through their software.

Next, issue a request for proposals, evaluate the submissions, and bring in the top two candidates to go through their systems with business users and your technology team. "At that point, it boils down to who you're most comfortable with," he says.

One important feature to look for in a GTM solution is flexibility. The technology needs to be able to adapt to the individual user's supply chain.

"Many companies will provide this type of service, but it's rigid," Thoma says. "If you want anything different, they might nickel and dime you."

Navegate has created reports for Northern Tool based on the information the company needs to extract from its trade data. The system also lets users export data to a spreadsheet and manipulate it as needed.

Another question to explore is whether your trading partners are already established on a GTM provider's platform. "Try to find the system that many of your partners are already familiar with and using, or could easily interface with and use," says Anderson.

Include brokers, forwarders, and carriers in this assessment. "Look at the company's service partner pool, then determine how many of those are already within the solution provider's existing network," Anderson says.

In addition, keep your future needs in mind when choosing a GTM solution. "You may start small, and pick some low-hanging fruit, such as denied party screening or a classification model," says Peters. But later, you might also need help with export management, free trade agreements, or other functions.

"Find a provider that will be able to grow with you, and that already has that type of footprint," he adds.

Making the Most of the Tools

Once you've chosen and implemented a GTM solution, you still need to ensure the new system provides as many benefits as possible. Training is crucial, and that means more than a basic tutorial on system functions in the beginning. After three to six months, have the vendor return to observe how employees are using the system, then offer advanced training.

Not only should companies teach primary users how to make the most of the system, but they should conduct a broader educational campaign. There are bound to be other employees who could put the system to good use if they understood its power.

For example, companies with GTM solutions often overlook their ability to perform strategic analysis. "If you use these tools to thoroughly investigate the flow of goods, costs, and cycle times, and do a better job of analytics, the system will be much more valuable than if you're just cranking out transactions and moving goods," says Anderson.

To gain full value from a GTM solution, periodically re-evaluate how you're using the technology. For example, you might start sourcing materials from a new country without letting the people in charge of government compliance know about the change. "Automated tools catch those scenarios, ensure the compliance team is kept in the loop, and make sure you're taking advantage of all the opportunities," says Irmen.

Companies that choose GTM solutions with care are likely to gain new benefits, and discover new opportunities. And that's music to their ears. ■


91 Years of Global Strength
Confidence, Trust, Leadership,
Traditions since 1923
Loyalty, sincerity and consistency have been driving our business for over ten decades. Our clients save money through CT's planning, tracking, auditing, accounting and customized B.I. reporting of freight transactions worth billions annually.
Call 216-267-2000, x2190 today and discover the bottom-line benefits of a genuine commitment to total client satisfaction.
1923 - 91 years - 2014
ctlogistics.com
www.facebook.com/CTLogistics
CT Logistics

STEERING CLEAR OF SUPPLY CHAIN DISRUPTIONS

No one knows whether the 2014 U.S. West Coast port labor negotiations will go smoothly or result in import and export traffic disruptions. Evaluate your supply chain now and implement contingency plans to avoid trouble later.

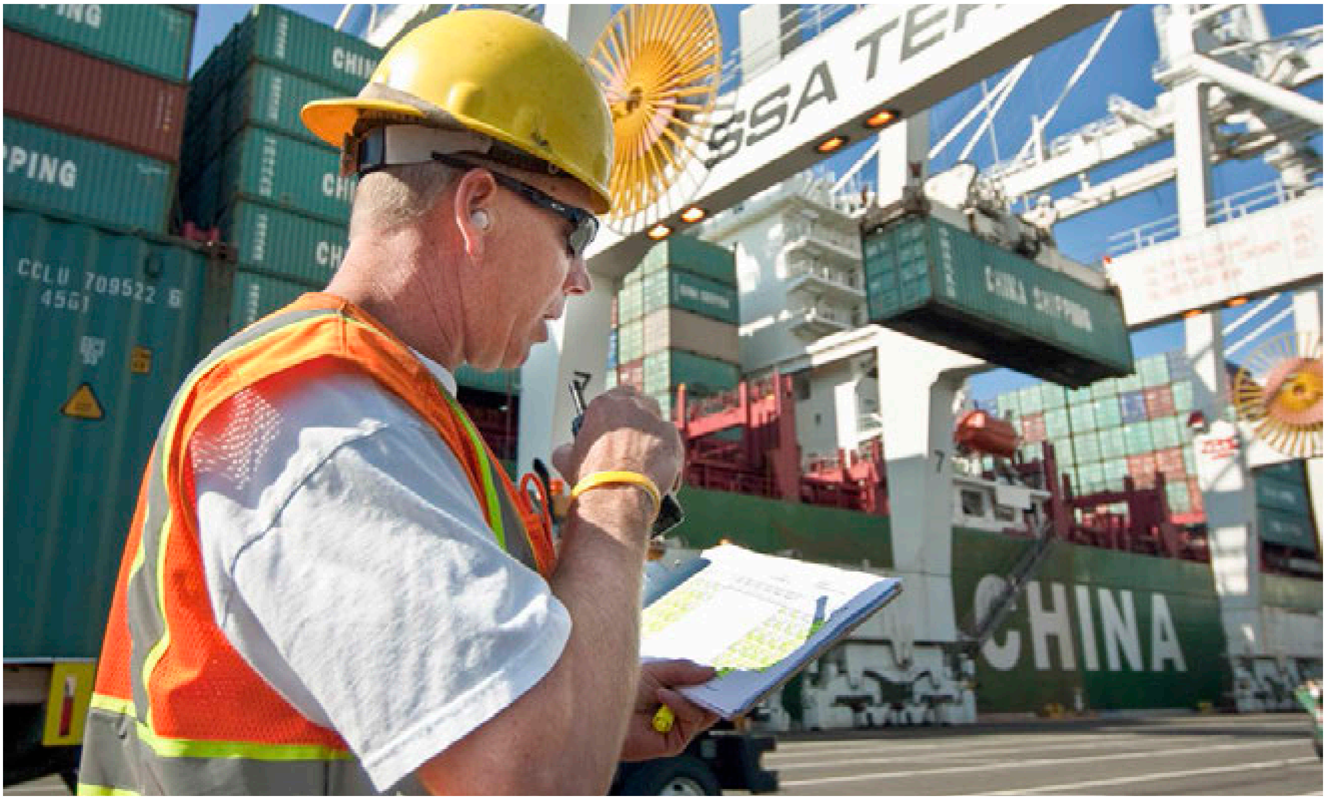
As the dock employers' Pacific Maritime Association (PMA) and the International Longshoremen and Warehouse Union (ILWU) prepare for a complex contract negotiation in spring 2014, many companies are concerned about a potential supply chain disruption and its effect on the overall U.S. economy.

Their concern is well-founded, as past negotiations have been difficult. During the 2002 contract negotiations, the PMA introduced technology to the ports in the form of scanners, sensors, and bar-code tools to make cargo tracking and flow more efficient. These technology upgrades resulted in the elimination of 10 percent of longshore jobs. Intense talks resulted in a 10-day lockout, with normal port operations resuming only after an intervention by President George Bush.

During the 2008 negotiations, the PMA charged that the ILWU engaged in a day of disruptive activities on May 1, aimed at creating leverage at all West Coast ports. The ILWU claimed individual members used the day to protest U.S. military involvement overseas. Eventually, both sides compromised, agreeing to increase wage rates and automate cargo-handling systems to speed the flow of goods and enhance security.

In the potentially complex 2014 negotiations, ILWU and PMA primary issues include healthcare costs, pensions, and jurisdiction of related jobs some parties consider outside the current contract. These discussions may be time-consuming compared to past negotiations, when most effort focused on automation and wages.

The ILWU recognizes that productivity improvements and subsequent headcount reductions are inevitable. "We know that automation is coming," says ILWU



Preparing a contingency plan can help shippers keep imports and exports moving during port disruptions.

President Robert McEllrath. "In fact, we have a long history of accepting automation, provided that all associated work is assigned to the ILWU."

The relatively recent Panama Canal Pilot Unions (PCPU) affiliation with the ILWU may provide a new dynamic to the talks, which affect U.S. West Coast and Panama Canal ports. Negotiations between the PMA and ILWU might result in unpredictable disruptions, which could increase costs, and lead to capacity challenges, transit time delays, and a lack of supply chain reliability.

Uncertainty Puts You at Risk

Contract negotiations in prior years entered the 11th hour with inconsistent results. In 2002, the stalled negotiations cost the U.S. economy an estimated $1 billion per day. Not only did the ports require six months to recover, but the disruption also profoundly affected retailers, importers, manufacturers, agricultural exporters, and other affiliated industries. In contrast, in 2012, Port of Portland union members secured a last-minute agreement ensuring that their jobs would not be privatized, thus preventing a disruption.

Although companies can track the evolution of negotiations over time by following the news, they can't gain certainty about the process or results until contracts are signed.

To protect your business, assess the impact of potential disruptions on the current state of your supply chain, then create response plans that minimize its effect on landed costs and/or delivery times. Evaluating potential outcomes well before they actually occur is critical, and can make or break a response plan.

This response plan will need to evolve over time to reflect the progress of negotiations and the types of mitigation actions available at any time. Here are the steps to follow:

PHASE 1: Assess the impact of disruption. Port disruptions may cause companies to deviate from their existing supply chain strategies, and optimize cost versus service within the constrained environment. For example, cost-driven companies may have to move products via alternate ocean routes with longer transit times, leading to poor product availability and lost sales.

Companies focused on responsiveness may currently be moving product via air freight, but could face sharp capacity constraints as a ripple effect if West Coast ports are affected. Thus, companies may need to work with their logistics service providers to book space in advance, secure alternate routings, or pay rapidly increasing spot prices to keep freight moving.

Knowing the financial impact of disruption enables companies to develop a pre-disruption plan that balances investment in developing and implementing a contingency plan against the cost of responding without planning.

PHASE 2: Explore options. Align your planned response to your supply chain strategy. Contingency response options for affected product flows resulting from a port disruption include:

- **Develop alternate sources of supply.** Suppliers closer to demand points will avoid material movement via transportation points or ports deemed to have higher risk of disruption.
- **Build onshore inventory.** Increase safety stocks of materials that are typically routed via ports with high potential for disruption.
- **Plan for alternate routes.** Map out and assess alternate, contingency routings to move products.
- **Evaluate airfreight strategy.** Examine the impact of a mode shift from ocean to air by comparing the trade-offs of cost, transit time, and service.

Consider the constraints and benefits of each option in the context of your supply chain strategy to ensure the responses align with your supply chain goals and objectives (*see sidebar right*).

PHASE 3: Prioritize the response options. Some response strategies, such as building onshore inventory and developing alternate sources of supply, require long-term planning and implementation horizons. Thus, the earlier you start planning for the potential disruption, the more response options you have, and the better prepared you will be to minimize any impact.

Weigh Your Options

Identifying the benefits and constraints of possible contingency responses to supply chain disruptions can help ensure your plan aligns with your objectives.

Develop alternate sources of supply

BENEFITS
- Meet service level requirements by avoiding material flow via affected ports.
- Increase sources of supply.

CONSTRAINTS
- Commit well in advance to qualify new suppliers.
- Manage additional suppliers.

Build onshore inventory

BENEFITS
- Provide in-stock products to meet customer service level requirements.

CONSTRAINTS
- Ties up capital in inventory.
- Lack of production capacity and storage space for additional stock.

Plan for alternate routes

BENEFITS
- Meet service level requirements by avoiding material flow via affected ports.

CONSTRAINTS
- Increased transit time.
- Must commit to space early.

Evaluate airfreight strategy

BENEFITS
- Meet service level requirements by avoiding material flow via affected ports.

CONSTRAINTS
- Must commit to space early.
- Delay due to congestion.
- Increased costs.

Use a Risk Priority Number (RPN) to quantify the risk of disruption. RPN is a combination of three factors: severity, occurrence, and detection.

1. Severity of impact (S): For example, the result of a contract negotiation between the PMA and ILWU could vary between no impact, a slowdown due to reduced hours, or a complete shutdown of certain ports. The severity would also depend on the disruption's duration. Rate the impact's severity on a scale of one to 10, with 10 being the most severe.

2. Occurrence (O): Rate the estimated probability of occurrence of impact on a scale of one to 10, with 10 representing a high probability. For instance, if an agreement seems likely, then the probability of port disruption is correspondingly low. Occurrences of a slowing process could suggest a higher rating.

3. Detection (D): Rate the probability of knowing definitively the severity and occurrence at any given time on a scale of one to 10, with 10 representing the lowest probability of detection. Leverage relationships with neutral logistics service providers, and refer to industry journals and news outlets to enhance visibility to negotiation developments to improve detection.

After you assign each response's severity, occurrence, and detection rating, calculate its RPN by multiplying the three ratings using the formula $RPN = (S)(O)(D)$.

Next, prioritize the responses by RPN versus the time to a fixed point – for example, contract expiration. Refer to the sample matrix *(below)* to identify the appropriate response by looking at RPN and the time to contract expiration when you start drafting your contingency plan.

In the example, to minimize the impact of port disruptions companies should:

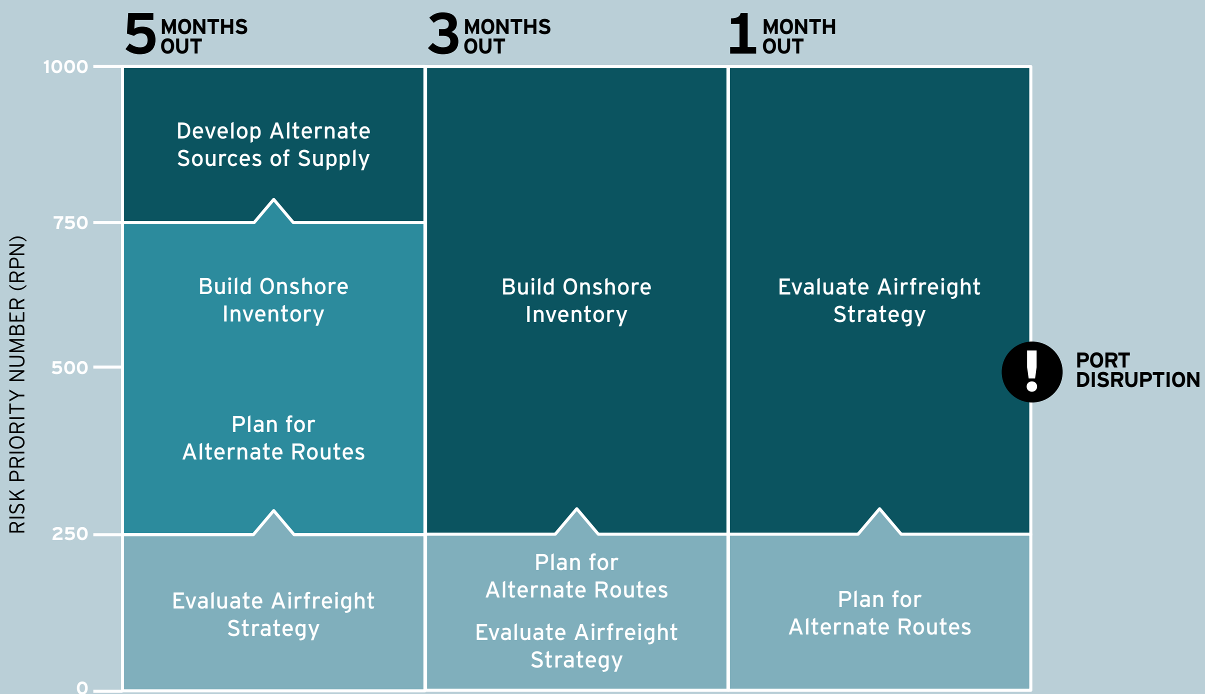
- Monitor developments throughout the negotiations and select the response that balances Risk Priority Number and time to a key event occurrence.
- Incorporate response planning into the sales and operations planning process to communicate and align changes throughout the extended supply chain.
- Engage with your logistics service providers to plan for transportation capacity, alternate routes, expedited modes, and warehouse space for additional inventory build.

The sooner you initiate planning for potential scenarios, the better prepared you will be to make informed decisions. ■

Adapted from *Strategic Planning for Potential Supply Chain Disruptions*, by Richard Delseni, Director, Supply Chain Design & Innovation, and Ankur Sood, Senior Consultant, Supply Chain Design & Innovation, UTi.

Prioritizing Risk Response

Evaluating specific aspects of each possible risk response allows you to assign each response a Risk Priority Number (RPN), then determine the appropriate action depending on the time remaining before contract expiration.



SPECIAL
ADVERTISING
SUPPLEMENT

Logistics Sweet Spot

Georgia

Many elements make The Peach State appealing to site selection teams. But the seeds of its success are firmly planted in its logistics assets.

Ray Charles may have put Georgia on everyone's mind, but when it comes to manufacturing and distribution site selection, it is the state's ships, planes, trains, and trucks that keep Georgia top of mind.

"Georgia is so fortunate to have tremendous logistical advantages – combined with a central geographic location, highly skilled workforce, and business-friendly environment," said Chris Carr when he was named commissioner of Georgia's Department of Economic Development in 2013. "In the three years since Governor Nathan Deal took office, Georgia successfully attracted more than 75,000 new jobs and $14 billion in investment to the state. As the old saying goes: 'If it ain't broke, don't fix it.'"

While there may be nothing to fix, somehow the state still finds new ways to solidify and improve its position of logistics leadership.

Third-party logistics (3PL) providers and transportation companies in Georgia gain competitive efficiencies and strategic business advantages by operating in the transportation "super hub" of the Southeast. Locating operations at the crossroads of north-south and east-west travel in North America enables them to move products quickly and easily via air, road, rail, and sea to global markets in the Americas, Europe, and Asia.

Four of the top 10 warehouse providers in North America are headquartered in Georgia, and 90 percent of the top 25 global 3PLs maintain operations in the state. Tier 1 companies leverage Georgia's 4,700 miles of railway, 118,777 miles of top-ranked public highways, the world's busiest and most efficient airport, and two deepwater seaports to connect with customers.

This built-in logistics ecosystem fuels competitiveness throughout the state, and provides a solid foundation for sustainable growth. Businesses save time and money by seamlessly connecting airports and seaports with rail and roads, enabling companies to compress shipping and delivery cycles.

Progress at the Ports

Central to Georgia's role as a logistics leader are the activities of the Georgia Ports Authority (GPA). The organization is committed to maintaining the state's competitive edge by developing leading-edge technology, marketing, and operations to move cargo faster. In addition, the GPA works to identify what must be done today to sustain growth, performance, and security tomorrow.

"Since 1945, Georgia's ports have served as magnets for international trade and investment, enriching the state's economy," says GPA Executive Director Curtis Foltz. "The Georgia Ports Authority is

The Georgia Ports Authority's newest and largest ship-to-shore cranes work the Maersk *Nedlloyd Hudson* at the Port of Savannah. With the commissioning of four new cranes in October 2013, the GPA's fleet now includes 27 ship-to-shore cranes.


SAIA

dedicated to providing customers with the most efficient, productive port facilities in the nation, and to creating jobs and business opportunities to benefit more than 9.1 million Georgians."

Gateways to the World

Georgia's deepwater ports in Savannah and Brunswick – together with inland barge operations in Bainbridge and Columbus – are the state's gateways to the world. "Ports are the critical conduits through which raw materials and finished products flow to and from destinations around the globe," Foltz says.

As a quasi-state agency, GPA activities are governed by a 13-member board of directors appointed by the governor to serve staggered four-year terms. As chief executive, Foltz implements policy directives, administrative duties, and managerial controls.

One of the state's largest public employers, the GPA directly employs nearly 1,000 trained logistics professionals. GPA operations – together with private sector, port-related operations – account for some 352,000 jobs statewide, $66.9 billion in sales, and income exceeding $18.5 billion annually.

Georgia's port operations include:

■ **The Port of Savannah.** Two modern, deepwater terminals – Garden City Terminal and Ocean Terminal – comprise the Port of Savannah. Together, these facilities exemplify the GPA's exacting efficiency and productivity standards.

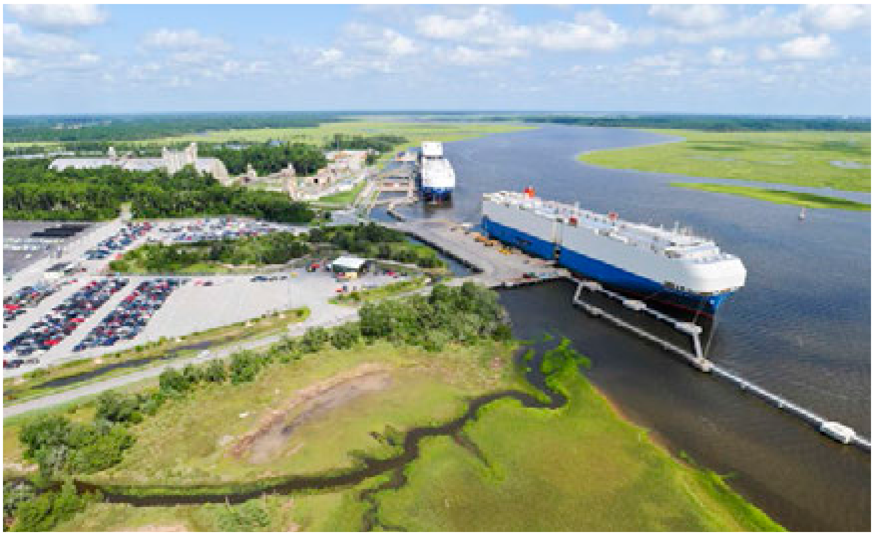
At 1,200 acres, the Garden City Terminal is the nation's largest container facility. Because the entire terminal is owner-operated, the port's operations are streamlined to serve shippers and carriers.

At some other ports, for example, truckers must check in to one shipping line's leased terminal to drop off an export box, then repeat that check-in process at another line's terminal to pick up an import box. At Garden City Terminal, however, truckers check in once, navigate to drop-off and pick-up points, and enjoy much quicker turn times.

By the same token, Garden City features nearly 10,000 feet of berth space that is offered on a first-come, first-served basis. Ships don't have to wait on a limited number of berths leased to a specific company. As a result, both maritime and landside port users can get cargo moving more quickly and efficiently.

Savannah's dedicated breakbulk and roll-on/roll-off facility, Ocean Terminal, covers 208 acres and provides customers with more than 1.3 million square feet of covered, versatile storage.

■ **The Port of Brunswick.** Composed of three GPA-owned deepwater terminals, the Port of Brunswick is one of the fastest-growing auto and heavy machinery ports in North America. More than 20 major auto manufacturers, supported by five auto processors, use the Colonel's Island Terminal, which is also home to the Southeast's fastest-growing bulk export/import operation. Agri-products from Georgia and the U.S. grain belt, as well as import products, flow smoothly across the Colonel's Island docks.



More than 20 major auto manufacturers ship via roll-on/roll-off vessels at the Port of Brunswick, making it one of the fastest-growing auto and heavy machinery ports in North America.

The Port of Brunswick's Mayor's Point Terminal facilitates exporting Georgia's valuable forest products, while Marine Port Terminal specializes in handling breakbulk and bulk commodities.

■ **Port Bainbridge and Port Columbus.** Georgia's inland terminal operations provide a strategic advantage for bulk commodities moving to and from the southeastern United States.

An important facet of the GPA's success is Georgia's geographical advantage. "The Port of Savannah's location makes it a hub for the export of American-made products from cities such as Atlanta, Birmingham, Memphis, Louisville, and Charlotte," explains Foltz.

Another location-related advantage: room to grow. "While Georgia's ports currently handle about three million 20-foot equivalent container units (TEUs) annually, the GPA's strategic plans will allow us to handle 6.5 million TEUs without increasing our physical footprint on terminal," Foltz says. "Off terminal, a wealth of industrial real estate near the port and major interstates is available for development."

Further competitive assets include interstate access, two Class I rail lines, and the largest portfolio of containership services in the U.S. Southeast. Immediate access from the Port of Savannah to I-16 heading east-west, and I-95 stretching north-south, means motor carriers can reach key cities and manufacturing points throughout the U.S. Southeast and Midwest within a one- to two-day drive.

Thanks to on-terminal rail yards, cargo shipped by rail is not limited by highway weight restrictions. Service from both Norfolk Southern and CSX Transportation delivers more choices for reaching the hinterlands.

With 5.4 million people in the Metro Atlanta area, and a state population of

Your customers can count on us.

When it comes to your business, you can count on Americold. We're the global leader in temperature-controlled warehousing and logistics - with over 180 warehouses around the world. Whether you're a multi-national or a mom-and-pop, we can bring your product to any market through world-class associates, the industry's only national LTL network, and the leading web-based inventory management system. So when you need a partner, get the peace of mind that comes with choosing Americold.

americold™
CUSTOMER FIRST

For more information, visit americold.com/Inboundlogistics

9.9 million, Georgia is more than a formidable singular market. Its transportation infrastructure makes it a springboard to reach the entire U.S. Southeast.

Ship to Rail

Rail connectivity from the Port of Savannah means cargo owners enjoy daily service to every major destination east of the Mississippi. GPA's Network Georgia provides the fastest rail connections of any East Coast port to Alabama, Tennessee, Louisiana, and Texas, as well as overnight service to Atlanta, Charlotte, Jacksonville, and Charleston.

"The Port of Savannah is 100 miles closer to Atlanta than any other port," Foltz notes. "This is significant because Atlanta serves as a major hub for rail and truck traffic."

As the only East Coast port featuring two Class I rail providers on a single terminal, Savannah offers two-day service to Birmingham and Huntsville, Ala.; Miami, Orlando, and Tampa, Fla.; and Memphis and Nashville, Tenn. Norfolk Southern and CSX service at the Port of Savannah's Garden City Terminal averages 18 inbound and 18 outbound trains weekly, delivering more choices to reach inland markets.

"Our two on-terminal intermodal facilities also mean shippers don't have to haul their goods to remote rail yards, and can get cargo to DCs or other destinations more quickly," Foltz says. "What's more, fewer truck miles mean shorter transit times, resulting in improved speed to market and lower storage costs."

Superior infrastructure at the GPA is matched by more flexible service. "In the past, many shippers equated intermodal directly to rail. But today, the GPA focuses on how intermodal moves fit into the port's overall efficiency," says Griff Lynch, the GPA's chief operating officer. "The current view encompasses the whole process from ship to destination, and beyond. It includes establishing routes before a container is even shipped."

The 30 employees who coordinate the movement of cargo to and from GPA rail yards are now also part of a larger and more flexible group that includes all of

Prime Logistics Location

Taking full advantage of its geographic location at the crossroads of north-south and east-west travel in North America, Georgia provides shippers easy access to a wealth of major interstates, rail networks, airports, and sea ports. Abundant warehousing space rounds out the offerings, which add up to a convenient and efficient logistics sector.

INTERSTATES. Georgia's 118,777 miles of highway lead more than one million trucks across the state each week.

AIR TRANSIT. Air freight can reach 80 percent of the U.S. market within two hours of leaving Atlanta.

TRUCK TRANSIT. Within two days, cargo leaving Georgia by truck can reach up to 80 percent of the U.S. market.

operations. Developed over the past few years, this operations strategy allows the GPA to absorb increased volume in different sections of the terminal, with the flexibility to move skilled workers to where they are most required at the time.

"Savannah serves as the Southeast's hub for intermodal moves," says John Trent, the GPA's senior director of strategic operations and safety. "The port is working with its two Class I railroads to strengthen its position, and make Georgia the dominant hub for East Coast rail traffic."

An inland port agreement signed by the governor, the GPA, and rail access provider Cordele Intermodal Services extends the international reach of businesses in Southeast Georgia and adjacent regions of Florida and Alabama by ensuring a direct 200-mile rail route to and from GPA's Garden City Terminal in Savannah.

The Port of Savannah forms a distribution center hub, with more than four million square feet of warehouse space available. "Attracting DCs to the port will generate vessel calls to serve those facilities," says Foltz. "In turn, those calls guarantee more empty container deliveries to support the region's export market."

The Port of Savannah has garnered keen interest among many national 3PLs, prompting them to establish facilities to help serve shippers more efficiently.

"Adding to that momentum was a change in the business model of large retailers," says Stacy Watson, the GPA's general manager of economic and industrial development. "To concentrate on their core business, many big-box retailers outsourced logistics operations."

As big-box retailers locate distribution centers in Georgia, they bring their 3PLs with them. This development created a boom in Savannah's 3PL market, and gave the GPA access to shippers served by 3PLs in other cities.

A key factor in 3PLs selecting the Port of Savannah is the volume of ocean shipping services – which gives shippers more solutions to meet their logistics needs.

"Savannah has more weekly container services than any other port on the East Coast except for New York," says Chris Logan, the GPA's senior director for trade development. "The number of ocean services offers 3PL customers more choices for reaching world markets."

The Georgia Ports Authority is also making significant investments in terminal improvements to increase capacity and boost efficiency – further establishing Georgia as the gateway for trade to the southeast United States. Among the GPA's growth initiatives:

> "Georgia's growth and prosperity are inextricably linked to the success of its ports, and to the state's ability to complement them with the best surface logistics network in the nation."
>
> – Jay Shaw, Chairman, State Transportation Board

■ **New cranes.** Four new ship-to-shore cranes at the Port of Savannah's Garden City Terminal bring the number of electric-powered container cranes to 27 – the most at any single terminal in the United States. "These new super post-Panamax cranes further enhance the terminal's cargo handling efficiency," says Foltz.

The new cranes help prepare Savannah to better accommodate larger container vessels, expected to increase in number after the expanded Panama Canal opens in 2015.

■ **New roads.** Also aiding faster cargo movement is the Jimmy Deloach Parkway extension, which will provide a direct link between Interstate 95 and the Port of Savannah. The Georgia Department of Transportation has broken ground on the project, and expects to complete the 3.1-mile, $72.8-million connector in May 2016. The project will cut 11 minutes from the drive time for vehicles traveling State Road 21 and the Jimmy Deloach Connector.

"The Deloach Connector illustrates the unprecedented level of cooperation and collaboration between Governor Deal, the Transportation and Ports Authority boards, and the Georgia Department of Transportation," says State Transportation Board Chairman Jay Shaw. "Georgia's growth and prosperity are inextricably linked to the success of its ports, and to the state's ability to complement them with the best surface logistics network in the nation."

A recently completed overpass on Georgia Highway 307 – the main truck route into Garden City Terminal – will also provide better connections for surface transport. The overpass is one of the final steps in a cargo beltway linking the Port of Savannah to the Southeast by way of interstates I-16 and I-95.

The overpass will expedite traffic into the GPA's Garden City Terminal, which handles nearly 8,000 truck moves a day. Through its road and rail connections, the Port of Savannah serves 18 major retail distribution centers, encompassing more than 15 million square feet of space.

"This $22.5-million investment shows the state's commitment to improved cargo movement beyond the terminal gates," Foltz says.

■ **Rail improvements.** The Highway 307 overpass complements a $6.5-million six-track rail yard expansion. Norfolk Southern, the Georgia Department of Transportation, and the GPA worked in tandem on the overpass and rail expansion projects to boost efficiency for both truck and rail transport. The overpass routes trucks above the one previous rail line and the six expanded tracks at the Port of Savannah's Mason Intermodal Container Transfer Facility.

CSX Transportation has also made significant investments to improve efficiency at Garden City Terminal, including a $5-million track upgrade, which expedites container movement in and out of the facility.

"Combined with other recent improvements, this expansion will reduce Savannah-Atlanta round-trip rail transit by six hours," says Lynch. "The efficiency gains for each container will save money for port customers."

Deeper water. The infrastructure upgrade with the greatest impact, however, is the Savannah Harbor Expansion Project, which recently garnered full federal approval. The project will increase harbor depth from 42 feet to 47 feet.

Post-Panamax vessels more efficiently served by a deeper harbor in Savannah will lower shipping costs for containerized trade by $213 million per year over the next 50 years, for a total economic benefit of $10.7 billion during that span, according to U.S. Army Corps of Engineers studies. Reduced costs per container will lower the bottom line for the more than 21,000 U.S. businesses, and thousands of international organizations, shipping via the Port of Savannah.

The Port of Savannah has already positioned itself as the busiest gateway for commerce to the Southeast, notes GPA Board Chairman Robert Jepson.

"Georgia's ports have become leaders because their superb landside infrastructure, geographic proximity to high demographic density, and overall service efficiency enables cargo to move to inland destinations more quickly and cost effectively than other ports through our direct road and rail connections," Jepson says. "The last remaining piece of the logistical puzzle that must be improved is deeper water. With a deeper harbor, the Port of Savannah will improve its service times for the larger and more heavily laden vessels that are the future of global trade."

Infrastructure Rules

Every year, it seems, Georgia takes another giant leap in its quest for logistics leadership. But the starting blocks remain its infrastructure and location.

"Georgia has been rated the best state for doing business, and a lot of that has to do with its supply chain and logistics infrastructure," says Page Siplon, executive director of the Georgia Center of Innovation for Logistics, the state's leading resource for fueling logistics sector growth and global competitiveness.

Siplon and his team are charged with helping Georgia maintain and enhance its dominance in the logistics marketplace. The Georgia Department of Economic Development operates six Centers of Innovation focused on strategic industries: aerospace, agribusiness, energy, life sciences and IT, logistics, and manufacturing. In addition to running the logistics center, Siplon also serves as program director for the entire team.

Under Siplon's leadership, the Center of Innovation for Logistics created and now hosts the annual Georgia Logistics Summit, the only industry-driven, state-led event of its kind and size in the nation. The Center also produces multiple publications, including a detailed industry report and a monthly *Logistics Market*

Snapshot that serves as a valuable resource for professionals around the world.

The Center directly helps companies overcome challenges and capitalize on opportunities related to freight movement. "We provide focused technical expertise, industry-specific data, connections to state resources, and an extensive cross-sector industry network," Siplon explains.

Siplon and his team are mindful that Georgia's inherent location and infrastructure advantages are not enough to ensure the state remains the leader of the pack in the digital age.

"Many markets are changing, and the Centers of Innovation help companies find ways to adapt so they can connect, compete, and grow."

Partners in Progress

Driving Georgia's progress in the logistics sector are companies that are themselves leaders in the field. Many of these businesses were present at the 2014 Georgia Foreign Trade Conference to ensure they did not miss a single milestone in Georgia's race to the top.

"Great things are going on in Georgia," says Bill Stankiewicz, senior vice president of HWC Logistics. "The state continues to be a catalyst for our company's growth."

Located seven miles from the Port of Savannah, HWC Logistics' 227,500-square-foot warehouse provides distribution, transload, crossdock, and import/export services.

"Consumers are changing the way they buy products, and the timeline in which they demand delivery," Siplon says. "The Centers of Innovation focus on how industries are evolving, and how businesses must adapt.

"E-commerce is flourishing in Georgia," he adds, citing a Home Depot fulfillment center in the Atlanta suburb of Locust Grove, and an Academy Sports + Outdoors fulfillment center in Macon. "We're having exciting discussions about leveraging Georgia as an e-commerce fulfillment springboard."

That phenomenon requires companies to constantly question their strategies. "Businesses analyze how they can keep up with shifting paradigms," Siplon says.

Founded by CEO Mike Owens as a courier company operating one vehicle in 1981, Forest Park, Ga.-based HWC is now a single-source provider of distribution, warehousing, transportation, and import and export services.

"HWC helps shippers eliminate confusion, because our services are tied together," Stankiewicz says. "Shippers get the experience and dedication of a single team with an integrated service platform that is committed to helping them grow their business."

Georgia's logistics advantages support that mission, says Stankiewicz, citing the state's expanding air cargo business, outstanding highway system, deepwater developments, intermodal shipments, and rail superiority.

"All those elements add up to an excellent location," he says. "The infrastructure exists for real growth."

The companies that will share in that prosperity are those willing to invest in order to take full advantage of it, Stankiewicz says – and HWC is doing just that. "We have invested more than $2 million in assets and equipment to prepare for expansion," he notes.

HWC's leaders are excited about the prospects of capitalizing on an improving economy, coupled with the strategic position of the company's warehouse facilities in Atlanta, Savannah, and Charlotte.

HWC's transportation division – which provides full truckload, regional, local cartage, container drayage, and expedited services – recently acquired 20 new Freightliner and Mack sleepers and day cabs.

The company also upgraded its technology platforms with the addition of a new transportation management system that enables mobile data connections with drivers, allowing HWC to provide shippers with supply chain visibility.

HWC's Warehouse Footprint

In total, HWC Logistics maintains a 900,000-square-foot footprint driven by an integrated warehouse management system. The company's Savannah facility – which sits seven miles from the port, and offers 227,500 square feet of space – continues to benefit from the port's dynamic growth. HWC Savannah provides distribution, transload, crossdock, and import /export services, as well as heavy lift, oversize, and out-of-gauge cargo capabilities.

HWC also invests in its workforce to ensure superior service. "Training never stops at HWC," says Stankiewicz. "People are our greatest assets, and we support worker education."

The company's core values support its dedication to not only keep pace with Georgia's leadership role in logistics, but also help set that pace. The values focus on facilitating problem-solving, being easy to

do business with, striving for excellence, and retaining customers by fulfilling all their supply chain needs.

Paying it Forward

Partners in progress can be found all along the supply chain. Another Georgia innovator is freight process outsourcing specialist DDC FPO.

Freight process outsourcing, or FPO, refers to digitizing, capturing, and processing bills of lading, invoices, and other documents critical to motor carriers. With a hybrid model of onshore project management and offshore production, DDC FPO chose Atlanta as home for its U.S. headquarters and project management team. The company currently processes 20 percent of all less-than-truckload (LTL) bills in America.

DDC FPO is a division of The DDC Group, which has been designing and implementing business process outsourcing solutions since 1989. With operations across North America, Europe, and Asia-Pacific, DDC's 3,500-person staff delivers services in more than 20 languages.

In February 2014, the American Trucking Associations (ATA) named DDC FPO to its list of Featured Business Solutions for a second consecutive year. In 2013, ATA recognized DDC's remote freight bill entry; most recently, the spotlight is on its intelligent data capture technology, iCapture.

DDC FPO lists Georgia's central location in the Southeast, the proximity it offers to its clients, and Atlanta's role as a hub for many of today's Fortune 500 companies as primary reasons that logistics plays a critical role in the region.

"A diverse and strong allied community supports the trucking industry," says ATA President and CEO Bill Graves. "Companies such as DDC FPO help ATA's carrier members move America's freight more efficiently and safely than ever before."

Georgia's booming business environment provides DDC FPO with a wealth of potential clients. "The state's extensive logistics infrastructure attracts major freight players to establish significant operations in the state," says Chad Crotty, DDC FPO's vice president of sales.

The company's Georgia location also helps it stay connected to customers. "We leverage the proximity of our project management center to the Atlanta airport to offer nearshore, face-to-face support for all our clients," Crotty says. "Even those who aren't headquartered in Georgia have major hubs here, and are able to reach us easily when they want to see their dedicated project managers."

Crotty cites the Georgia Center of Innovation for Logistics as a key industry resource. "We lean on the Center for up-to-date research on the freight industry so we can anticipate the challenges our customers may face, and serve them better in the future," he says.

The company also finds Georgia's talent pool an important asset. "The DDC project management team requires a

WE SPEAK LOGISTICS

The Georgia Center of Innovation for Logistics connects Georgia's 1,000,000 logistics professionals to each other and the world through access to top ranked technology companies, the nation's fastest-growing port, the world's busiest airport and the largest logistics industry event, the Georgia Logistics Summit.

Let's talk about how we can help your company connect, compete and grow.

Learn More At GeorgiaLogistics.com.

Georgia® INNOVATION | LOGISTICS

a division of the Georgia Department of Economic Development

MARK YOUR CALENDARS

GEORGIA LOGISTICS SUMMIT

MARCH 31 - APRIL 1, 2015

GEORGIA WORLD CONGRESS CENTER | ATLANTA

LEARN MORE AT GEORGIALOGISTICS.COM

specific, high-level skill set," says Tammie Schell, DDC's director of U.S. operations. "In addition to a background in supply chain, logistics, or freight business processes – which many Georgia universities are now offering degrees in – we also need team members who will offer our clients organizational structure, clear and consistent communication, and time management. Our project managers are the links between several parties, including the client, IT staff, offshore production, and executive teams.

"Our project management team also must have quick and effective problem-solving skills," Schell adds. "Unexpected challenges arise on every project, and can be detrimental if not mitigated correctly. Georgia's talent pool has what we, and our clients, are looking for in a strategic, strong, and intelligent nearshore support system."

Just the Facts

For Duane Newman, director of operational excellence at Augusta-based 3PL RBW Logistics, business success in Georgia is a simple matter of fact.

"You cannot deny the statistics," he says. "There is no question our advantages directly relate to our location and infrastructure. Georgia has thousands of miles of federal and state highways, thousands of miles of railroad track, six world-class intermodal facilities, and the largest intermodal facility on the East Coast.

"The Garden City Terminal in Savannah is the fourth-largest and fastest-growing container port in the nation, and the Port of Brunswick is the third-busiest port for auto imports," Newman adds. "Additionally, Georgia ranks fifth in the nation for logistics and supply chain employment."

The stats add up to the perfect environment for logistics innovation. RBW Logistics, a fourth-generation, family-owned business, is celebrating its 60th anniversary in 2014. The company provides supply chain solutions including warehousing and distribution, transportation, brokerage, packaging, sub-assembly manufacturing, and contract labor management.

"We support our customers in developing a smarter supply chain," Newman says. "Helping them effectively manage their cash flow while increasing speed to market is key. We use our assets to continuously improve product flows and increase responsiveness to customer demand. The game is constantly changing, so we have to be flexible and adapt quickly by effectively balancing component sourcing, packaging, production, transportation, and inventory.

"We are not just a warehouse, trucking company, or transloader," he adds. "Those definitions come with too many limitations, and lack the creativity required to effectively manage today's supply chain.

"What we do is something more. We are problem-solvers – forward thinkers with leading logistics strategies designed to increase flexibility, lower costs, and improve customer satisfaction," Newman says. "Whether our clients are looking for basic logistics functions, vendor managed inventory strategies, or integrated just-in-time materials delivery to the manufacturing line, we find creative solutions to improve the way they do business."

RBW works closely with state government agencies to enhance Georgia's logistics advantages. "We are honored and privileged to have strong support from our state government agencies, including the Center of Innovation for Logistics, the Georgia Ports Authority, the Georgia Chamber, and the economic development and transportation departments," Newman says.

Based in the Atlanta suburb of Johns Creek, Saia Inc. is another transportation and logistics provider taking advantage of Georgia's assets. The company's network of 147 terminals covers 34 states.

Through its network of partners, Saia serves the balance of the United States, including Alaska and Hawaii, plus Canada, Puerto Rico, and Mexico. With revenues of $1.1 billion, Saia employs 8,400 people nationwide through three operating service groups – Saia LTL Freight, Saia Truckload Plus, and Saia Logistics Services.

Freight process outsourcing specialist DDC FPO draws from Georgia's skilled talent pool to staff its project management team, based in Atlanta.

Sally Buchholz, the company's vice president of marketing and customer service, cites a plentiful, professional workforce; typically fair weather; and easy access points to highways as Georgia's greatest advantages. Additionally, Atlanta's world-class airport offers direct service to all major metro areas, making travel easy.

"Our workforce consists of hard-working, highly qualified employees," Buchholz says, adding that the state's quality of life and relatively low cost of living make it easy to attract out-of-state candidates.

"It benefits us to be able to hire from a pool of talented candidates living and

working in the area, as well as attract folks who are willing to relocate here," she says.

In addition to its headquarters in Johns Creek, one of Saia's largest facilities is located in Ellenwood, Ga., 20 minutes from Atlanta. The company also operates four other terminals in the state. "Because of Georgia's highway system, we are able to efficiently move freight into and out of the state," Buchholz notes.

"Saia is proud to call Georgia home," she adds. "And we employ 1,000 workers around the state, which provides Georgia a tremendous economic boost."

Here to There

Logistics operations are all about getting products from Point A to Point B, according to logistics provider a2b Fulfillment, based in Greensboro, Ga., located on Interstate 20, about 80 miles east of Atlanta.

"Our location means we have access to the metro area's infrastructure, but our costs are lower because we're in a small town," says Ayal Latz, a2b's president and founder.

In the true Georgia spirit of solving problems rather than complaining about them, Latz created a2b to fill a need.

"My small, family-owned toy company needed quality, affordable fulfillment services," he explains. "After several unsatisfactory attempts at outsourcing, I decided that we – as well as other companies out there – deserved better, and set out to create a cost-effective, service-oriented third-party logistics solution that would help small and medium-sized businesses compete and succeed."

Established in 2001, a2b began by serving just a few toy manufacturers from a 2,000-square-foot room. "Today we serve more than 100 companies of all sizes, across many industries and product categories," Latz says. "Our 450,000 square feet of space is outfitted with the latest distribution technology and handling equipment, and our people are the best and most talented logistics professionals."

One of a2b Fulfillment's best decisions was locating the company's headquarters in Georgia, Latz says.

"Georgia enjoys a logistical advantage because of its mature infrastructure, including road, air, sea, and rail; business-friendly tax climate with initiatives such as free trade zones; and geographical proximity to the majority of the United States," he says. "We chose Georgia as headquarters for all those reasons. Leveraging these benefits allows our clients to provide their customers with a great experience by delivering orders quickly, while simultaneously improving bottom lines by sourcing the least-expensive shipping method."

The company offers numerous back-end support solutions, as well as value-added services such as kitting and assembly, returns management, and product refurbishment.

Although it is a small town with 3,000 residents, Greensboro is close to some of the biggest logistics assets anywhere in

Track more than where it is.
Track **how** it is.

TRACK
Expandable, flexible GPS telematics platform means one device for the entire fleet.

MANAGE
Easily manage your fleet by exceptions and powerful custom reports.

OPTIMIZE
Our integration experts will show you how to optimize your operations.

Fleet optimization isn't just about cutting costs and using the right equipment. It also involves mitigating risk, increasing compliance, and boosting asset and driver productivity.
Let Global Resource Group's experienced consultants analyze your fleet operations, and offer the solutions you need to improve fleet management.
By properly managing your fleet, you'll drive down expenses through risk and safety improvements, while also increasing efficiency, accountability, productivity, customer service, and dispatching.

Contact Global Resource Group today and bring intelligence to your fleet operations.

Global Resource Group
877-GRG-2500
www.grggps.com/testdrive

GRG
GLOBAL RESOURCE GROUP

the world, which works in a2b's favor.

"In addition to our proximity to Atlanta, we're also located just three hours from the Port of Savannah," Latz notes. "We receive containers quickly at a reasonable dray cost, then the goods are positioned closer to the next leg in the supply chain, whether that's for local or national delivery.

"Because our costs are low, we can offer storage, handling, and value-added services at lower rates than our competitors in Atlanta and even Savannah," he adds.

As a third-party fulfillment services provider, a2b handles large volumes of parcel and LTL shipments. "Most of our clients use a2b as their sole fulfillment facility because it eliminates the complexity of staging inventory in multiple locations," Latz says. "It is often not worth the headache for them when we can reach the majority of the population quickly and cost-effectively.

"Additionally, our proximity to the world's busiest airport allows us to support clients with expedited import/export needs," he adds.

a2b works closely with the Department of Economic Development, the Greensboro Chamber of Commerce, and the Center of Innovation for Logistics to help promote Georgia and offer support to companies considering moving there. "All these agencies are forward thinking and solicit our feedback," Latz says.

Ayal Latz, president and founder of a2b Fulfillment, started the business to provide the logistics services his small, family-owned toy company needed. It now serves more than 100 companies.

Where the Heart Is

Bruce Heuer, CEO and president of forklift fleet management company CJK Services Inc., has called several places home during his years in the forklift business. Today, he is happy that CJK's home is the Peach State.

"Georgia is a favorable place to build a business," the New Jersey native says, citing the state's favorable taxes, low cost of living, and mild climate. "Our business model is not dependent on geographical location, but it would take a bazooka to get us out of here."

Started in 1992, CJK Services is located in the Metro Atlanta city of Lawrenceville. The unique business Heuer launched from his Georgia basement became fully incorporated in 1999, and now functions as a "cradle-to-grave" forklift fleet management company offering forklift repair analysis, forklift information management, and customized reporting services.

"We are a client advocate," Heuer explains. "Companies are in the forklift business by default, not by design. We provide the expertise to measure their forklift fleet's effectiveness and efficiency. And because we are an advocate, we are supplier- and manufacturer-agnostic. We provide the information the client requires to maximize that asset at the lowest possible cost."

CJK's team evaluates repair bills, monitors equipment performance, and suggests ways to improve the fleet. "Our team has decades of experience in generating maximum uptime and financial efficiency from forklifts in every type of industry," Heuer says.

"We employ an effective combination of experienced analysts, professional and dedicated client team specialists, and a state-of-the-art database that generates winning results for our clients," he adds. "By scrutinizing repairs and component failure rates, the CJK Services team ensures our clients receive the best value for each maintenance dollar they spend."

CJK specialists convert raw data into usable information clients need to maximize their forklift fleets at the lowest possible cost. And that is a good deal anywhere on the map.

Hitting the Spot

Having the right spot helps, however. "Logistics is about location, location, location," says Ben Goldberg, president of JIT Warehousing & Logistics. "Savannah is the Southeast hub of the population explosion."

JIT Warehousing & Logistics operates throughout the United States, handling numerous commodities, steel products, and palletized cargo. Located about one half-mile from the Port of Savannah's Ocean Terminal, JIT offers crane service and direct discharge from the port. With more than two decades of experience in the import/export industry, JIT provides warehousing, trucking, shipside delivery,

port pickup, container draying, stripping, stuffing, and crossdocking.

In 2013, JIT opened a facility on the CSX rail line. The new facility joins the company's 75,000-square-foot warehouse, opened in September 2010 on the Norfolk Southern line. JIT also operates three previously established locations in Savannah.

While Goldberg joins in the excitement of post-Panamax vessels making their way to the Port of Savannah, he believes Georgia's record of attracting new businesses and residents is just as important.

"Big ships coming in is not the only new development on the horizon," he says. "The area's population growth is also significant."

So is the increase in cargo coming in – and, for that matter, going out. The Port of Savannah's logistics advantages work for both imports and exports.

It's All About Teamwork

Goldberg credits much of Georgia's logistics growth – and his business' success – to the agency governing the ports. "The Georgia Ports Authority is in touch with us daily about potential business," he says. "We work as a team. If it weren't for the GPA's support, we wouldn't be here."

Goldberg's daughter, Evelyn Goldberg-Davis, serves as JIT's vice president, and tracks the company's recent success. "JIT has grown 10 to 20 percent over the past three years, with 30-percent growth in 2013," she notes.

Proximity to the Port of Savannah also represents a major advantage for Atlanta-based Nordic Logistics and Warehousing, the second-largest cold storage operator in the Southeast, and the eighth-largest in North America. Nordic specializes in providing cold storage and distribution services to major food producers, distributors, retailers, and other blue-chip customers. The company operates 13 facilities in Georgia, Alabama, Mississippi, and North Carolina, which together comprise more than 80 million cubic feet of temperature-controlled storage.

Nordic's Savannah facility opened in April 2013 in response to customer demand for lower logistics costs for Africa, Asia, the Middle East, and Russia exports. With more than 10 million cubic feet of convertible temperature-controlled storage space, the facility is located just six miles from the Savannah port, and provides shippers convenient access to the port, dual rail/intermodal services, and major interstate highways.

In late 2013, Nordic received approval to ship to Russia and the European Union from the company's new Savannah facility. "Now our customers have the option to ship heavyweight containers to Russian and EU markets," says Bill Crotty, senior vice president, sales and logistics.

"Nordic can load maximum product weight in containers for export, and receive maximum weights on imports," says Don Schoenl, president and CEO of Nordic. "Our associates, transportation services, and technology offer shippers the most expeditious means of getting products to consumers."

The Savannah facility offers blast freezing for all protein commodities, refrigerated product storage, drayage in and out of port, and product identification and recall services.

Nordic works closely with several Georgia government agencies – particularly the Georgia Ports Authority, Department of Economic Development, Georgia Centers for Innovation, and the Savannah Economic Development Authority – to enhance the state's logistics advantages, says Ross Maple, director of business strategy at Nordic.

In the Atlanta market, the company operates three multi-customer distribution centers: one near Hartsfield-Jackson International Airport, one in northeastern Atlanta, and one northwest of the city. Together, these facilities have provided flexible solutions for shippers by offering warehouse and transportation services for retail, foodservice, and export businesses for more than 70 years.

JIT Warehousing & Logistics operates five facilities near Savannah, handling numerous commodities, steel products, and palletized cargo.

Another company finding Georgia an ideal home for growth is Outsource Logistics. Founded in 2000 in a small warehouse with one delivery van, Outsource Logistics has become a leader in total supply chain solutions in the Southeast, with growing national influence.

Located in Valdosta, Ga. – halfway between Atlanta and Orlando – Outsource Logistics operates three distinct divisions and maintains more than 750,000 square feet of third-party and dedicated warehouse space, along with turnkey logistics solutions.

Outsource Logistics provides a full range of warehousing services, a trucking fleet, and total LTL and FTL brokerage solutions for a seamless distribution package for dry freight, hazardous materials, and food-grade items.

We’re the Retail Consolidation specialists.

Think about it: consumer products wind up in the same shopping cart, whether it’s at a grocery store or mass retailer. So why can’t they be stored and shipped together?

KANE’s Retail Consolidation Program brings together middle-market manufacturers to share warehouse space and consolidate shipments moving to the same customers. Consolidated shipments mean fewer trucks on the road and reduced carbon emissions. Best of all, it means we can cut your logistics costs by up to 35%! So if you want a better way to get your goods from factory floor to store shelf, remember: Kane Is Able.

kane is able

Dependable People. Exceptional Logistics.

888-356-KANE (5263) • info@kaneisable.com • www.kaneisable.com

Offering an Internet-based LTL transportation management system – along with van, flatbed, refrigerated, intermodal, and freight pooling services in one seamless system – makes Outsource Logistics a "total" distribution package.

Its location in South Georgia on Interstate 75 allows Outsource Logistics to provide next-day service to Florida, Georgia, Alabama, Mississippi, Tennessee, South Carolina, and North Carolina. The company's ability to put freight in customers' hands in 24 hours makes this a prime distribution location.

The bustling Atlanta metropolitan area is an attractive place to locate a business – especially one providing top-tier logistics services.

"Georgia is the center of our Southeastern network," says Jeff Rudy, president of supply chain for Unisource Worldwide, based just outside Atlanta in Norcross, Ga. "The quality of life in the area is also beneficial when we are trying to recruit and attract top-notch talent to our organization."

Unisource helps enterprise-level companies improve bottom-line performance by providing sustainable and efficient solutions across the lifecycle of core business operations, including product packaging and fulfillment, paper and print management, general supply chain and logistics, and facility solutions.

With offices and operations in key locations around the world, Unisource is currently ranked as one of the largest privately held companies in the United States. Maintaining a global workforce of more than 4,300, and millions of square feet of supply chain capacity in 90 warehouses across North America, Unisource is a partner to many of today's leading global organizations.

"Our two offices in Norcross serve as the center of the supply chain function for the entire organization," Rudy says. "In addition, one of Unisource's largest warehouses in the country is located here."

Nordic Logistics and Warehousing opened its 10-million-cubic-foot temperature-controlled storage space in Savannah in response to shipper demand for convenient access to the port and intermodal transport.

Unisource was founded in 1968 when industrial products manufacturer Alco Standard Corporation formed a distribution company that became known as Unisource Worldwide Inc. By 1986, the company was the country's leading distributor of paper and office products.

Unisource eventually split from Alco. It then experienced rapid growth, fueled by the acquisition of several top-rated local and regional distribution companies in North America. Georgia-Pacific Corporation, now owned by Koch Industries, later acquired Unisource. Bain Capital then gained a 60-percent ownership in Unisource, and Georgia-Pacific retained 40-percent ownership.

Today, Unisource offers a comprehensive suite of customer solutions. Capabilities include engineered packaging design, e-business technologies, logistical expertise, paper procurement services, and optimized facilities management.

"We are one of North America's largest independent distributors and marketers of more than 150,000 national and private-label products – including commercial printing and business imaging papers, facility solutions and equipment, and packaging materials and equipment," Rudy says.

The key to Unisource's continued growth lies in expanding its offerings. "We consistently challenge ourselves to move up the value chain by adding more services," Rudy explains. "Today, logistics involves a lot more than simply moving pallets of product to customers. We partner with shippers to provide solutions that help them run more efficiently. And we work with them to apply our logistics expertise to formulate a world-class plan – then take ownership of the end-to-end execution."

Rudy echoes his colleagues' enthusiasm for the quality of Georgia's workforce. "The primary advantage Georgia offers is the large number of well-qualified supply chain professionals who are attracted to the Atlanta area," he says. "The region's universities have excellent supply chain programs. We routinely hire graduates from the University of Tennessee, Georgia Southern, Auburn, and Georgia Tech, and we are always impressed with the work skills these young people bring to the company. They have a sense of enthusiasm that enhances the organization's energy, making this a great place to work."

Where to Warehouse

Companies seeking warehouse space in Georgia have no shortage of options. Take Atlanta Bonded Warehouse (ABW), for example.

"We serve businesses that need regional warehousing, as well as transportation and co-packaging/repackaging services," says Hal Justice, vice president of sales and operations for ABW. "We're able to provide those services because of the distinct advantages that Georgia offers."

ABW's perspective on Georgia reflects its long and storied history in the state.

The company was organized in 1948 by a Peter Paul candy broker seeking to provide protective warehousing to the confectionery industry. The company operated under the name Acme Bonded Warehouse until 1981, when it adopted its current name.

Today, ABW offers more than two million square feet of modern, secure, high-cube storage capacity. Its main metro Atlanta campus is in Kennesaw, convenient to major interstate highways and served by CSX rail service.

"Georgia has several distinct logistical advantages," says Joe Keith, ABW president. "It is home to the United States' easternmost major port on the Atlantic, an extensive interstate highway system, a well-developed intermodal network, and the growing airfreight hub at Hartsfield-Jackson International Airport.

"These four attributes – plus access to other Mid-Atlantic and Gulf ports – make north Georgia a unique crossroads to serve the Southeast and beyond," he continues. "It also is an advantage to have a pool of skilled labor to staff our growing needs."

Atlanta Bonded Warehouse strives to make the most of each of these assets. "What distinguishes ABW is the longevity and experience of our management and workforce, the relationships we have built with customers, and our performance," says Fred Keith, the company's CEO. "We also work with state and county agencies to promote and deliver Georgia's logistical advantages to new and existing customers."

Another Atlanta warehousing option is Americold, which owns and operates 177 temperature-controlled warehouses in the United States, Australia, New Zealand, China, Argentina, and Canada.

Atlanta Bonded Warehouse's main metro Atlanta campus is in Kennesaw, convenient to major interstate highways and served by CSX rail service.

Established in 1931, the company also offers transportation and logistics, and focuses on serving the food industry.

Americold's cold storage network offers a total capacity of more than 1.1 billion cubic feet of storage. The company's warehouses play an integral part in Georgia's supply chain, connecting food producers, processors, distributors, and retailers to end consumers.

Georgia's vast reach in the logistics universe extends even beyond air, land, and sea. Atlanta-based Supply Chain Logistics Software Innovators (SCLSI) is bringing a new dimension to the logistics marketplace through cloud-based technology.

> "The primary advantage Georgia offers is the large number of well-qualified supply chain professionals who are attracted to the Atlanta area."
>
> – Jeff Rudy, Unisource Worldwide

The company, launched in late 2013, is built on the shared vision of co-founders Daniel Grabowski and Witold Chamielec to deliver cloud-based software solutions for the supply chain sector both domestically and internationally.

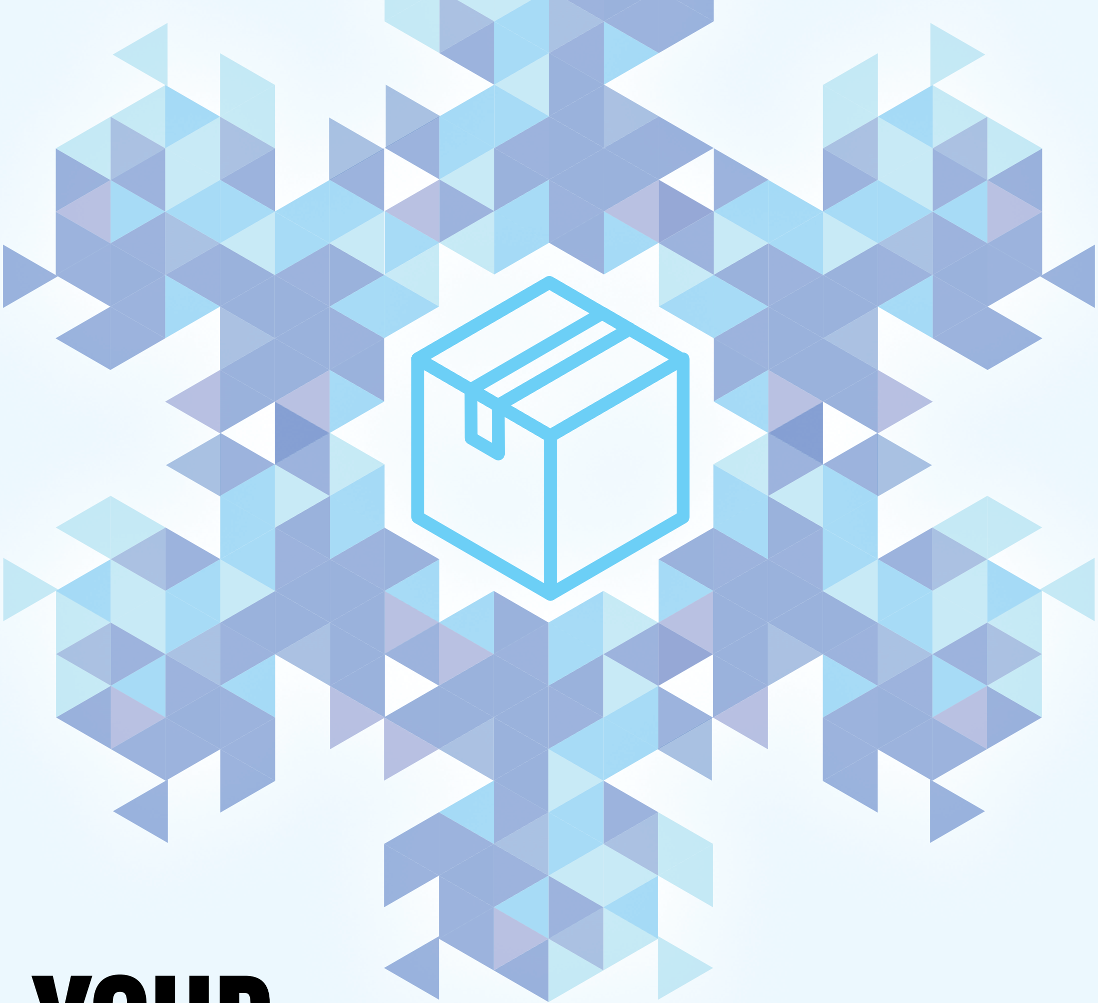
"We offer a single cloud-based logistics and communication solution that efficiently and effectively provides the tools needed for a successful supply chain," says Grabowski, the company's CEO. "SCLSI delivers affordable supply chain software solutions that complement freight forwarder, supplier, and customer systems."

Innovative Insight

With a combined 44 years of experience in logistics and software development, Grabowski and Chamielec bring innovative insights into the logistics sphere. "We created a platform with high-transparent visibility for all vendors in the supply chain," Grabowski says. "We do not believe this has been previously refined and made efficient in the marketplace."

The company strives to drive down transaction costs by eliminating the manual tasks pervasive throughout the supply chain. Bridging the transportation process with customer ERP solutions provides a collaboration portal where suppliers, forwarders, and shippers work together in a transparent business process, reducing costs by automating manual and disjointed efforts, and enhancing total visibility and reporting throughout the supply chain.

Through SCLSI's software, everyone from suppliers through end customers can remain in constant contact as products flow from point to point. "We are a true cloud-based solutions company,"



Transportation and logistics provider Brown Integrated Logistics maintains headquarters 20 miles east of Atlanta. The company has invested in technology tools to provide shippers comprehensive supply chain visibility.

Grabowski says.

Grabowski's partnership with Chamielec, who is based in Charlotte, N.C., gives the firm a Southern flavor, but its market stretches around the world. The company is currently developing clients everywhere from New York and Chicago to Asia.

"Our solution flows seamlessly from sales order to buyer planning, supplier quotation, order generating, supplier booking, and the forwarder generating a shipment plan for the customer to review, improve, and approve," Grabowski says.

"Once approved, the system tracks the entire shipment transportation process all the way through to delivery," he continues. "Our business process management product steers the expectations of the entire process, yielding true performance monitoring of all trading partners in the supply chain."

While the wonders of cyberspace put the company anywhere at any time, Grabowski is pleased to be planted in Georgia, where the New York native has lived since 1999. He cites the compelling advantages of doing business in Georgia, including property rental costs, taxes, and the quality of employees.

"Quite a few large forwarders operate here," he says. "And Atlanta is home to many technology companies. So finding people who are suited and qualified to work in our field is not an issue."

Moreover, Grabowski says, the city is, in many ways, the hub of the universe. "Atlanta is reaching out to all parts of the world from Hartsfield-Jackson International Airport," he notes.

The Technology Edge

Georgia's place as a leader in the information technology field gives logistics providers in the state a special edge.

"I don't have any trouble attracting technology professionals to my IT department," says Brian Kinsey, president and CEO of Brown Integrated Logistics, a dedicated transportation and logistics services provider based in Lithonia, Ga., less than 20 miles east of Atlanta on I-20.

"There's a wealth of IT talent in this area. My staff is essentially Georgia-educated," Kinsey says. "We do a lot of our own network and systems development, and our infrastructure never goes down."

The IT advantage is especially important as the field of logistics changes. "We have evolved into an information services company with 1,000 trucks," Kinsey says. "Our clients want to know where their products are at all times, and they want an invoice that ties into their general ledger. We give them all that and more. We offer real-time visibility to their products."

Brown focuses its services on the middle of the supply chain. "It has become standard practice to do an outstanding job of picking up and delivering product," Kinsey says. "But what happens in between – and delivering accurate information about it – is equally important."

Kinsey speaks of Georgia with the fondness of a traveler who has finally found his home. "I have lived in 11 other places," he says, "and I never want to leave here."

The Maryland native earned his bachelor's degree at Georgia Tech before heading to Harvard Business School for his MBA. Kinsey's professional travels brought him back to Georgia in 2000.

"Georgia is in the middle of it all," he says. "It is a hub. It is one of the few states home to a highly evolved interstate transportation system, railroads, ports, and airport. And it is centrally located, so you can get to any state in the South within six hours."

Kinsey feels an affinity with the company's founder, who chose Georgia to grow his business. "Brown Integrated Logistics was established in Georgia," Kinsey says, "and we see no reason to leave. We have an outstanding workforce and well-respected universities."

The company's story is one of growth. James W. Brown started out in the trucking business in West Virginia in the mid-1960s with one dump truck, then moved to the Atlanta area in the early 1970s. He started James Brown Trucking Co. with four trucks, and incorporated James Brown Contracting Inc. in 1976.


EXPANDING
BROWN
INTEGRATED LOGISTICS
Contract Logistics
Transportation Management
Warehousing
Dedicated Truckload
Customer Satisfaction
BROWN
BROWN
BROWN
BROWN
With our constantly expanding team of professionals, Brown Integrated Logistics can help you keep your company growing with a custom supply chain solution. We believe in forging long-term customer relationships offering seamless integration of warehousing, transportation management, dedicated truckload, and maintenance.
sales@brownintegratedlogistics.com | www.brownintegratedlogistics.com

In 2008, after 40 years of building and running his trucking business, Brown retired. He sold the business in May 2008 to Navigation Capital Partners, an Atlanta-based private equity firm. Both the new owners and the management team are committed to carrying on Brown's legacy of dedicated on-time service, and to growing and expanding Brown Trucking while retaining the company's family atmosphere.

In 2010, James Brown Contracting completed two transactions that resulted in the acquisition of five companies, including warehousing, brokerage, full-service leasing and maintenance, and dedicated and regional truckload services. With these acquisitions, Brown significantly expanded its customer and commodity base, and added a number of logistics services that created greater value for customers.

In 2012, Brown Integrated Logistics was formed, with its subsidiaries Brown Logistics Services, West Logistics, Brown Fleet Services, and Brown Trucking. Together, these companies provide a suite of world-class logistics services.

Georgia provides the perfect environment for growth, says Kinsey. "It is an advantage to be located where manufacturing is growing," he explains. "Auto assembly plants and factories are still being built in the Southeast."

And that, he says, circles back to the company's roots. "Growth in the South brought James Brown to Atlanta all those years ago," he notes. "And the growth hasn't stopped."

A Best-Kept Secret

For Peter Thomas, general manager of GE Transportation's Optimization Solutions, the advantages of having his home base in Georgia are both personal and professional.

"Georgia is a best-kept secret," Thomas says. "It has everything from big cities to the mountains to the coast. And the Atlanta airport gives us access to the world."

From its headquarters in Atlanta, GE Transportation's Optimization Solutions provides software and solutions to the railroad industry and industrial shippers. "We solve tough rail transportation challenges by leveraging in-depth knowledge of rail operations, intermodal terminal operating systems, and multi-modal transportation management," Thomas explains.

The company's software manages rail and intermodal operations, signal and communication assets, railcar repair billing and maintenance, and multi-modal visibility, planning, and execution.

Thomas became general manager of Optimization Solutions in 2012 when GE Transportation, maker of rail and transportation-related products, acquired Railcar Management (RMI), a company founded in 1979 to serve the rail industry's need for accounting and railcar management. In addition to Atlanta, the $5.5-billion company operates sites in Melbourne and Jacksonville, Fla.

Optimization Solutions is developing an "Industrial Internet" for railroads and rail shippers that helps machines communicate with information networks and people to improve asset, operations, and network performance. These technologies will enable the company's railroad and rail shipper customers to minimize

Rail shippers and Class I and shortline railroads throughout Georgia use GE Transportation's software and solutions to drive automation, reduce operating costs, and optimize networks and operations.

complexity and eliminate waste.

"Shippers in North America spent more than $40 billion in 2012 on overhead, administration, and warehousing," Thomas says. "Improving efficiency by just one percent results in $400 million in annual savings. Automating and connecting the shipper to the rail network further automates the railroad, creating a 'network effect' of additional productivity."

The blend of Georgia's transportation heritage and GE's focus on cutting-edge technology gives the company the best of both worlds. "Our Georgia location is a huge advantage for our customers and for us," he says. "We are a technology company, but in Atlanta our optimization solutions business is primarily a software company. We use software technology to help customers connect, and integrate the rail transportation landscape."

Keeping Track

Yet another logistics sector innovator that calls Georgia home is Global Resource Group (GRG) GPS Fleet Solutions. The company – founded in 2001 and headquartered in the historic town of Stockbridge in the Atlanta metropolitan region – specializes in GPS asset tracking, risk management, driver safety, and compliance.

"GRG has worked with thousands of companies across the United States and Canada to help them control fleet expenses and DOT compliance, and improve profitability through productivity and risk mitigation," says Greg Nacke, the company's director of business development.

"We have experience with fleets ranging from a single vehicle to more than 9,000 vehicles," he adds. "We work with municipalities, service and delivery fleets, and many others. GRG Fleet Solutions' extensive experience allows us to consult with prospective customers to match the right system to their requirements – and sometimes discover a few needs they were not aware existed."

GRG seeks to identify enterprise customers' needs through an extensive and defined discovery process that looks at all aspects of a business – from fleet operations to risk management, dispatching, and administration.

GRG's solutions include various telematic products that help customers understand the risk their fleets represent, and possible actions to mitigate that risk. The process uses engine diagnostics in real time to provide detailed information on speed, miles driven, harsh braking, jackrabbit starts, and vehicle systems performance. The information these systems create can be integrated directly into all business applications through an automatic real-time or batch process, maximizing the ROI of telematics data.

"With proper data management, fleet operators can cut expenses through risk and safety improvements never before possible, and gain the routine benefits of improved efficiency, accountability, productivity, customer service, and dispatching," Nacke says.

GRG Fleet Solutions contributes to Georgia's leadership in logistics innovation with a full-time business analyst who helps clients evaluate technology and quantify value based on their operational environment. "We use that data to recommend fleet operations improvements," Nacke says.

"The two biggest sources of expense – drivers and fleets – are unsupervised 95 percent of the day," he explains. "Our business analyst helps companies understand the true cost of fleet operations, and cut associated expenses while improving revenue."

GRG helps companies determine what type of solution they need. "Knowing where to invest your money is important," Nacke says. "Often companies speak to numerous GPS vendors, combine all the features and functions into a massive document, then spend years searching for one system that does it all. During the years spent looking for a system that does not exist, they miss their ROI 10 times over. Our process is founded on a proven approach to discovering customer needs."

GRG Fleet Solutions offers a variety of training opportunities ranging from online videos to custom one-on-one training programs at the customer's location. Online training includes screen casts, tech tips, manuals, diagrams, podcasts, and full-length videos on subjects such as installation. "Our training program is a living, growing part of our service, and we are very proud of it," Nacke says.

Changing Times

As the leader of a company that now involves three generations of his family, Jim Syfan, CEO of 3PL Syfan Logistics, has seen – and led – change in the logistics sector in Georgia for nearly five decades.

"In the beginning, we managed

Syfan Logistics, headquartered 55 miles north of Atlanta in Gainesville, Ga., installed GPS devices in its trucks to deliver location tracking and mobile asset management capabilities.





operations using a notepad and a rotary phone," he recalls. "The first computer I used was an IBM that was bigger than a refrigerator. It could subtract, but it did not divide. Those were commercial transportation's infancy days."

While Syfan Logistics was not established until 2011, its birth can be traced to 1984, when Jim Syfan founded Turbo Logistics. Now he and his two sons, Greg and Steve, run the company from its Gainesville, Ga., headquarters, 55 miles north of Atlanta on I-85.

"Our customers and carriers did not have computers when we started," says Greg Syfan. "Now we have technology on all our trucks, with GPS devices downloading right into our system."

The company uses a system from technology provider MacroPoint to deliver location tracking and mobile-asset management capabilities.

"On the horizon is determining how social media can impact connections," Jim Syfan says. As drivers wait for products to be loaded, they communicate on social media sites such as LinkedIn. "Connecting with business contacts online helps us better serve them," he says.

If the senior Syfan seems as enthusiastic about changes and growth in the logistics sector as he did when he started the company, it is because he remains at the forefront of that evolution. Recently, the governor's office invited him to participate in a project at the Georgia Center of Innovation for Logistics to develop software that facilitates connections between logistics companies and manufacturers.

Syfan cites the cooperation and leadership of other industry groups as reasons Georgia finds new ways to stay a logistics leader. "Our local Chambers of Commerce are active in inviting manufacturers and distributors to the state," he says.

Adding a new 426,000-square-foot distribution center in Atlanta to its logistics network allows 3PL Kane Is Able to better serve consumer products companies.

The Syfans feel a personal responsibility to their company's customers – a bond represented by the business sharing the family name.

"Customers will never call Syfan at 2 a.m. – whether on Thursday or Sunday – and get an answering machine," Greg Syfan says. "Anybody can be available during normal hours. We are accessible at all times, and we always tell the truth."

Rooted in Georgia

It's an attitude rooted in the Georgia ideals that Jim Syfan grew up with.

"One of Dad's philosophies that he instilled in us is, 'Don't ever tell a customer no,'" Steve Syfan says. "That doesn't mean we will lie; it means we will offer options to help."

Jim Syfan considers the company's service approach an age-old principle that will never change. "Treat people like you want to be treated," he says.

On the Grow

For all the logistics advantages Georgia offers today, industry insiders say opportunities are only going to expand.

"We are looking forward to growing our footprint in Georgia," says Alex Stark, director of marketing for third-party logistics provider Kane Is Able (KANE). "We're excited about expanding our logistics capabilities in Georgia. It's the right place for us to be."

The 3PL helps consumer goods companies effectively and efficiently distribute products throughout the country. Its value-added logistics services for this sector include integrated distribution, packaging, and transportation solutions specially designed to meet the needs of manufacturers and their retail partners. The company's customer list includes some of the world's most respected consumer product companies and retailers.

In September 2013, the Scranton, Pa.-based firm expanded its distribution and transportation operations in the southeastern United States with a new Georgia distribution center. KANE relocated from its former location in Lithia Springs, Ga., to a new 426,000-square-foot DC eight miles away in Atlanta.

The family-owned company's Atlanta facility is an integral part of KANE's extensive logistics network, and the newest tangible symbol of the company's growth. In 1930, Edward Kane traded his car for a used truck to provide local hauling to valley regions of Northeast Pennsylvania. Today, KANE manages a truckload fleet of 140 power units and 800 trailers, and operates more than seven million square feet of 3PL warehousing space across 21 U.S. distribution center locations.

The new building in Atlanta allows KANE to enhance services to its current client base, and to offer warehousing, distribution, transportation, deconsolidation, consolidation, and packaging services to other companies that need an economical distribution solution for the Southeast

region.

The food-grade facility offers convenient access to Interstates I-20, I-285, I-85, and I-75. "It also puts us right on the CSX rail line," Stark says. The building includes a professional office suite that now serves as KANE's regional office for the Southeast.

"KANE offers a variable-cost distribution solution with our premium, multi-client distribution center in Atlanta," explains Stark. "As throughput changes during the year, companies pay only for the warehouse space and labor they need. The result is a powerful, adaptive distribution capability with no capital investment."

Georgia's strong employee base makes it an ideal location for KANE. "You've got to go where the talent pool is," Stark says.

Staying Ahead

"If I were looking at it just as a strategic analyst, I like Georgia's prospects," says T. Michael Riggs, chairman and majority owner of Jack Cooper Transport, a finished vehicle logistics and auto-hauling trucking company headquartered in Atlanta.

"Georgia is a mecca for talent, partnerships, and players," he adds. "It's the right time, place, and attitude for growth, and Georgia has a cost-effective, easy-to-navigate infrastructure."

Jack Cooper's logistics division provides both land and sea vehicle transportation. The company handles cars, trucks, and equipment on wheels across the entire continental United States, and exports on a regular basis to Africa, the Middle East, the Caribbean, South America, Europe, and Asia.

The international reach from Atlanta far exceeds other regions' access, says Riggs. "For example, we have conducted business meetings with the ambassador to Nigeria in downtown Atlanta," he notes.

The Short-Sea Trend

That global access is particularly helpful as the world shrinks. "There's a new movement I call short-sea shipments," Riggs says. "Products are shipped by water as an alternative to rail and trucks. I think the short-sea trend has about the same growth rate as intermodal."

Which is not to say that road and rail transportation are diminishing – far from it. "We maintain a very healthy trucking carrier base in Georgia," says Riggs. "Trucking carriers are actively supporting our ports."

Riggs attributes Georgia's logistics prominence to its tradition of supporting business. "It's much easier to work in areas where the state appreciates job growth and the business community," he notes.

Atlanta-based Jack Cooper Transport specializes in finished vehicle logistics and auto hauling, managing both domestic transportation and exports worldwide.

Jack Cooper has contributed to that community over the years. "We will reach $1 billion in revenue this year with 5,000 employees," Riggs notes. "I bought the business in 2008, when it was a $30-million company with 125 employees.

"We now transport light vehicles in both the United States and Canada for most major domestic and foreign automotive manufacturers, with 59 terminals, located primarily in the midwestern and eastern regions of the United States and Canada," he adds. "We are one of the largest inspectors and shippers of pre-owned vehicles, with 20 inspection sites across the United States.

"We also have a decade-long track record of operating in Mexico, managing plants, yards, and rail operations," Riggs continues.

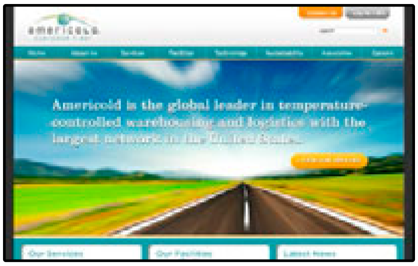
The company also provides automotive transportation and logistics services to original equipment manufacturers, remarketers, fleets, auctions, and dealers.

"We deliver a full spectrum of services within the finished vehicle and remarketed vehicle markets," Riggs says. "Unlike most industry providers, Jack Cooper Logistics offers a broad continuum of services – land and ocean transportation, rail and yard management, vehicle inspections, claims management, and title services."

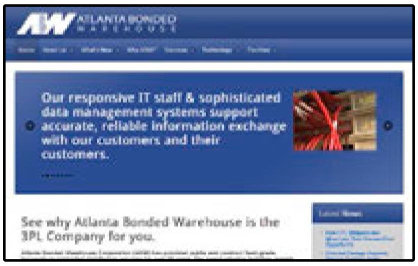
The company has made many of the right moves under Riggs' leadership, but the Missouri native says the best move he ever made was to Georgia. "If I had to do it all over again," he says, "I would do it in Georgia."

It is a sentiment shared by many logistics companies, transportation providers, manufacturers, and distributors who continue to have Georgia on their minds. ■

a2b Fulfillment, Inc. • www.a2bf.com
Free storage and a same-day shipping guarantee have made a2b Fulfillment famous. a2b is an innovative and progressive 3PL provider of distribution support services to both retail and consumer direct. Services include warehousing, order fulfillment, order and continuity management, discounted shipping, logistics, contact center, and value-add services, as well as our innovative Returns to Profit program. We leverage low-cost structure, state-of-the-art distribution systems, modern and expansive warehouse facilities, carrier relationships, and overall logistics expertise to deliver best-of-breed service to customers.



Americold • www.americold.com
Americold is the global leader in temperature-controlled warehousing and transportation for the food industry. With 182 sites in six countries, Americold provides the most comprehensive temperature-controlled warehousing, transportation, and logistics solutions in the world. Americold is committed to achieving the highest levels of quality, innovation, and customer service in the industry.



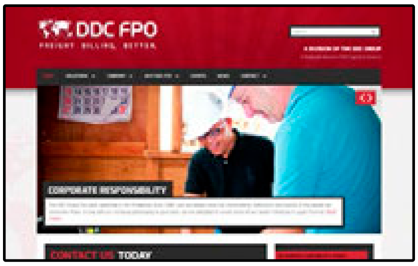
Atlanta Bonded Warehouse Corporation • www.atlantabonded.com
Atlanta Bonded Warehouse (ABW) Corporation has provided public and contract food-grade, temperature-controlled distribution services for more than 60 years. Its award-winning facilities, superb metro Atlanta location, exceptional service, and excellent safety record combine to satisfy customers' most stringent risk management and customer service requirements. With its in-house carrier service, and extensive network of interline partners, ABW is the only provider you need for your asset-based logistics needs in the Southeast.

Brown Integrated Logistics • www.brownintegratedlogistics.com
Brown Integrated Logistics, through its subsidiaries Brown Logistics Services, West Logistics, Brown Fleet Services, and Brown Trucking, provides a suite of world-class services including third-party logistics, brokerage, warehousing, fleet maintenance, and dedicated trucking. Accountability is built into every aspect of its business: from on-demand driver communication, to satellite and RFID tracking, to 99-percent-plus on-time delivery.

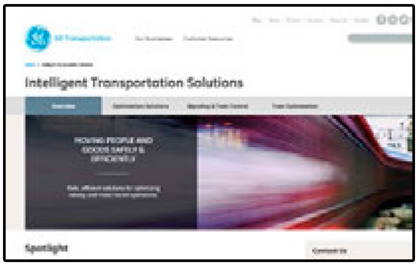
C.L. Services, Inc. • www.clservicesinc.com
Dependability, accuracy, knowledgeable staff, and raving customer service are the hallmarks of C.L. Services, Inc. C.L. Services moves shipments both nationally and internationally, and specializes in providing dry and temperature-controlled truckload service throughout the United States and Canada. With year-round rate contracts, and flexible spot-pricing, C.L. Services knows how to get the job done.

CJK Services • www.cjkservices.com
CJK Services is your source for forklift fleet management information. Our team has decades of experience in generating maximum uptime and financial efficiency from forklifts in every type of industry. Whether you are investigating forklift fleet management for the first time, or looking to enhance your current approach, partnering with CJK Services will allow your company to focus on its core competencies.

The Best of Georgia on the Web

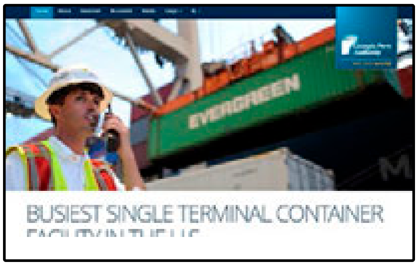


DDC FPO • www.ddcfpo.com
DDC FPO is a leading specialist in Freight Process Outsourcing (FPO): digitization and processing of freight-related documents. The company's team of experts designs and implements solutions specifically created for companies in the global freight industries. By combining onshore project management and scanning with offshore data processing capabilities, DDC FPO is able to supply fast, accurate, and economical data processing services to businesses around the world.

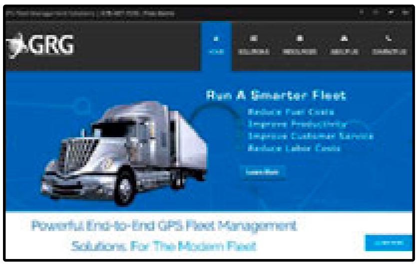


GE Transportation Optimization Solutions • www.getransportation.com/its
GE Transportation Optimization Solutions offers integrated rail transportation solutions for enterprise-wide data integration and sharing. Optimization Solutions leverages in-depth knowledge of rail operations, intermodal terminal operating systems, and multi-modal transportation management to provide software-as-a-service and licensed solutions to railroads and industrial shippers. Optimization Solutions software is used to manage rail and intermodal operations, and multi-modal visibility, planning, and execution.

Georgia Center of Innovation for Logistics • logistics.georgiainnovation.org
The Georgia Center of Innovation for Logistics is the leading statewide resource for fueling logistics industry growth and global competitiveness. The Center works to address the needs and opportunities of companies of any size involved in logistics and freight transport – both providers and heavy consumers of logistics services. The Center provides industry knowledge and technical expertise, and connections to research and innovation resources.



Georgia Ports Authority • www.gaports.com
The Georgia Ports Authority (GPA) includes the Port of Savannah, the Port of Brunswick, the Bainbridge Inland Barge Terminal, and the Columbus Inland Barge Terminal. Its home page offers history and background about the Ports Authority, a port directory, shipping directory, GPA statistics, maps, photos, and more.

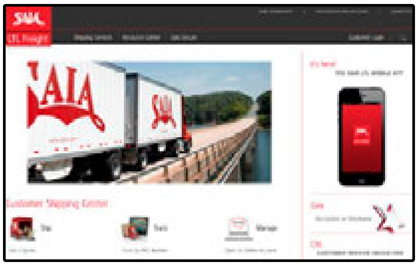


Global Resource Group • www.grggps.com
Finding GPS fleet management solutions that meet the challenges of your fleet is tough. You must define your goals, and learn as much as you can about potential solutions. Talk to providers, and test solutions before you buy. Global Resource Group has served its customers with the most advanced GPS fleet management solution for more than one decade. Visit the website to download a free guide to help you select the right telematics solution.

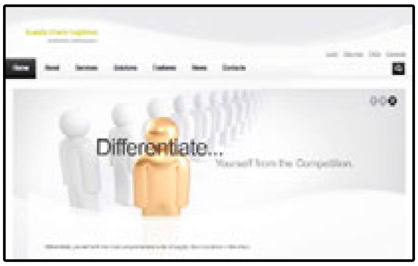
RBW Logistics • rbwlogistics.com
Not every company has the knowledge or infrastructure required to address its logistics needs efficiently. Their focus, and rightfully so, is on the products and/or services they provide. That's where RBW, a leader in the 3PL industry, comes in. By taking on warehousing, distribution, and supply chain management issues, we allow our partners the freedom to stop sweating the small – or significant – stuff, and focus on the business at hand. Let RBW take a look at your operation, and help develop and execute a 3PL plan that will work for you.

Georgia WEB_CITE CITY

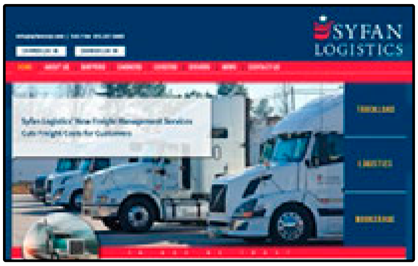
www.inboundlogistics.com/web_cite



Saia LTL Freight • www.saia.com
For nearly 90 years, Saia LTL Freight has been providing customers with fast, reliable regional and interregional shipping. With 147 terminals located in 34 states, Saia LTL Freight offers a range of products and services that are backed up by a guarantee like no other in the industry. Our Customer Service Indicators, or CSIs, allow us to measure our performance each month against a set of six indices that our shippers said are the most important to them.



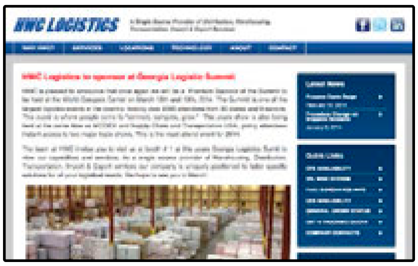
Supply Chain Logistics Software Innovators • www.my-supplychain.com
Supply Chain Logistics Software Innovators (SCLSI) delivers cloud-based software solutions that efficiently and effectively provide the tools needed for a successful supply chain. We provide software solutions for logistics service providers, exporters, importers, buyers, suppliers, and final consignees. SCLSI has created solutions that can run as standalone individual products, fully integrated with the SCLSI suite of applications, or a blended integration with your existing systems.



Syfan Logistics • www.syfanlogistics.com
Since 1984, Syfan has provided customers with a competitive advantage through superior transportation and logistics services. Syfan consistently strives to meet and exceed customer expectations of service through timely communication and quality information. Leveraging its rich experience and dedicated team, Syfan's commitment is to provide you with on-time pickup and delivery – every time.

Unisource Logistics Solutions • www.unisourceworldwide.com
Partner with Unisource Logistics Solutions (ULS) to optimize your supply chain, increase service levels to your customers by reducing time in transit, and break into new markets without capital investment or long-term commitments. As a division of Unisource Worldwide, ULS offers variable access to more than 16 million square feet of warehouse space spread between 89 Unisource owned and operated North American distribution centers. We also offer transportation on our private fleet of Big Red Trucks, supplemented by our relationships with the nation's top carriers.

West Logistics Group, Inc. • www.westlgi.com
The West Logistics Group is an asset-based, Southeast-focused third-party logistics company specializing in grocery, consumer packaged goods, and industrial products. With nearly one million square feet of distribution space, our customer-focused, single-point-of-contact team lives and breathes customer service, supported by a commitment to technology and assets including radio frequency-operated warehouses, temperature-controlled space, rail-served facilities, and flexible data communication options. If you need warehousing, transportation, distribution, freight management, consolidation, or overall supply chain knowledge, let the West Logistics Group service your world. Get started by visiting www.westlgi.com.



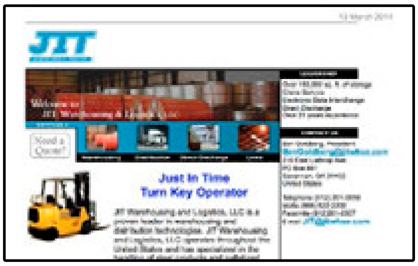
HWC Logistics • www.hwclogistics.com
Eliminate the confusion of using multiple suppliers by choosing HWC Logistics, a completely integrated provider of distribution, warehousing, import, export, and trucking services. With HWC Logistics, you eliminate the hassle of communicating your needs to several providers over several platforms. You get the experience and dedication of a single team that is committed to helping your company grow its business.

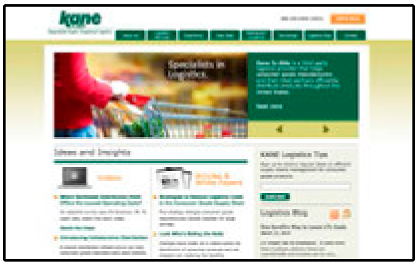
Jack Cooper Transport • www.jackcooper.com

Jack Cooper Transport provides a full range of automotive transportation and logistics services to OEMs, automotive auction companies, and logistics brokers of cars and light trucks in the United States and Canada. We deliver a full spectrum of services within the finished vehicle and remarketed vehicle markets. Unlike most industry providers, Jack Cooper offers a broad continuum of services, including land and ocean transport, rail and yard management, vehicle inspections, claims management, and title services. Our 59-plus terminals throughout the United States and Canada are strategically located near manufacturing assembly plants, vehicle distribution centers, railheads, and ports.

JIT Warehousing & Logistics • www.jitwhse.com

JIT Warehousing and Logistics specializes in the handling of steel products and palletized cargo. Our Savannah, Ga., warehouse facilities consist of more than 100,000 square feet of covered storage, and an additional five acres of outside storage. We are located only a half-mile from the GPA Ocean Terminal, and offer crane service and direct discharge from the Port of Savannah. With more than 21 years of import/export experience, we offer warehousing, trucking, shipside delivery, port pickup, container draying, stripping, stuffing, crossdock, and a double drop trailer for your over-dimensional freight.



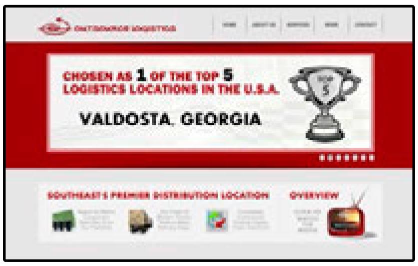


Kane Is Able, Inc. • www.kaneisable.com

Kane Is Able is a third-party logistics provider that helps consumer packaged goods (CPG) companies warehouse and distribute goods throughout the United States. Our CPG logistics solution includes integrated warehousing, packaging, and transportation services specially designed to meet the needs of CPG manufacturers. Kane's complete platform of logistics solutions makes us the right choice for your supply chain. At Kane, we are able. We are the CPG logistics specialists.

Nordic Corporation • www.nordiccold.com

Nordic Cold Storage is one of the nation's largest cold storage warehouse companies, and a leader in DC technology solutions. With a multi-region network of flexible operations, Nordic delivers flexible and effective solutions for our customers' evolving needs. We're big enough to matter, small enough to care, with a range of solutions tailored to your business needs. Find out what many of America's finest companies already know: Nordic is The Cold Chain Specialist. For more details, visit the website.



Outsource Logistics, LLC • www.outsourcelogistics.com

From its humble beginnings in a small warehouse with one delivery van, Outsource Logistics has grown to be a leader in supply chain solutions in the Southeast. We operate three separate divisions with assets including a tractor trailer fleet and delivery van fleet, a 150,000-square-foot multi-client commercial warehouse and order fulfillment center, a 400,000-square-foot dedicated warehousing center, as well as an additional 500,000 square feet of leased warehouse space. Whether you need room for a few truckloads, or a dedicated warehousing operation, we can accommodate you. Contact us today for more information.

FINDING COST SAVINGS:

IT'S THE WH

OLE PACKAGE

Looking at packaging and freight costs together boxes up logistics and transportation efficiencies.

By Suzanne Heyn

Some packaging solutions that prevent product damage while cutting costs and boosting efficiencies can be counter-intuitive.

Take the electronics manufacturing company that approached John Clarke, technical director for The Nelson Company, a Baltimore, Md.-based pallet provider, to fine-tune its shipping process.

"The company was experiencing product damage, but also wanted to minimize costs," Clarke says. The manufacturer already had a relatively low two-percent damage rate, but its products' high value spurred the search for a reduction.

Clarke worked with the manufacturer to reduce the size of, and add strength to, its pallets and boxes. Although the new packaging cost more to produce, the smaller footprint reduced less-than-truckload shipping costs—the company's most frequently used mode—by about five times. And damage rates dropped to around 0.1 percent.

"Looking at freight and packaging costs together provides an excellent opportunity for overall savings," Clarke says.

When selecting packaging for products in transit, cost savings represent just one of many factors manufacturers must consider. Over the past few years, companies have expanded their views on purchasing packaging materials. More manufacturers are considering the entire span of the supply chain—from increasingly automated manufacturing floors to return logistics.

Meanwhile, heightened consumer sensitivity about sustainability, and the growth of online retailing, has required manufacturers to present a more polished appearance. Throughout the process, technology and new opportunities to strengthen a company's brand through packaging are also influencing decisions.

Combined, these changes have led more companies to consider cost-per-use rather than cost of acquisition when purchasing packaging.

Although a lower cost-per-use often translates into higher upfront costs, companies are increasingly willing to make that larger initial investment. The emergence of returnable packaging and closed supply

chains, for example, allows companies to spread acquisition costs over multiple uses.

"The supply chain doesn't always consist of moving goods from a distribution center to a store, or from one customer to the next—it goes in both directions," notes Dan Lafond, supply chain solutions sales manager for Los Angeles-based packaging manufacturer Rehrig.

With goods moving more quickly and more often, "any wasted money is wasted over and over again," Lafond says. "But many companies are evolving toward making sufficient long-term decisions earlier in the process. That often involves deciding to pay the upfront startup cost, knowing it will pay dividends on the back end."

Reusable packaging opens the door to opportunities beyond reduced costs—such as improved product safety and branding—that aren't available with one-way packaging. These more expensive reusable materials, however, make it critical to track the packaging and avoid losing the asset.

Reusable packaging allows food manufacturers, for example, to install technology that promotes safety and cuts product loss. Consider temperature-tracking technology embedded in plastic trays carrying egg cartons.

"That information can be relayed to whoever is responsible for shipping the saleable product," Lafond says. If the data showed the eggs were exposed to unsafe temperatures at some point during shipping, the grocer or retailer could take action to reduce losses.

Returnable packaging also offers branding opportunities. Plastic crates can be manufactured in a company's colors, and incorporate its logo. In-store, branded crates may help a company stand out from competitors. Consumers spend 46 percent more time looking at branded, reusable crates than non-branded merchandise, which can influence purchasing decisions, according to a study conducted by Rehrig and Clemson University.

Promotional displays comprised of secondary packaging also give manufacturers a way to covertly track their investment. Consider a plastic tray holding beverages.

"That tray can be used to interact with customers," says Lafond. "They can access product information by tapping on this secondary tray with their smartphone, just like they would a sign in a store.

"We're also working on technology that would pinpoint the location of that asset," he adds.

As reusable packaging materials become increasingly common, so, too, have plastic trays and pallets. Although plastic pallets tend to cost more initially, they last longer and offer hygienic benefits to industries such as food. Plastic pallets also tend to work better with forklifts and other equipment, which reduces the risk of damage, and supports the lower cost-per-use by extending the pallets' lifespan.

Some companies have even inserted glass fiber into plastic to increase the pallet's strength without adding weight, says Laszlo Horvath, director of Virginia Tech's Center for Packaging and Unit Load Design.

Continued advances in returnable packaging have increased opportunities for companies to customize it, helping to maximize cube. "Companies might be adverse to spending $1 million on something, not realizing they're spending $2 million by doing nothing," Lafond says.

Packaging's Impact

From an environmental perspective, returnable packaging promotes sustainability by reducing the amount of product dumped in landfills, while also decreasing the amount of raw materials needed to create the packaging. Companies considering incorporating other sustainable packaging solutions into their lineups, however, should think ahead about the impacts of those decisions.

Stern Pinball packages its products by using small cushions on all corners of the machine, which offers the most protection with the least amount of material.

For example, the fibers of recycled materials are shorter, which can reduce box strength, and even affect how well packing tape works. One option for circumventing the issue is using tape specifically designed for recycled content.

Many new sustainable solutions are also hitting the market. Products such as a mushroom-based foam may cost more, but could parlay into a marketing opportunity for companies whose ethos includes environmentalism, Horvath says.

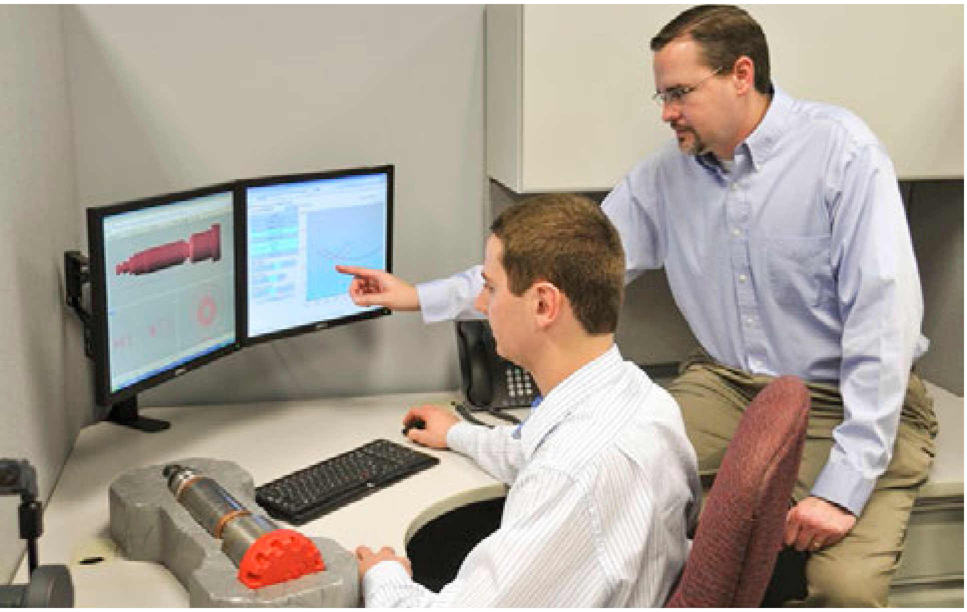
For example, for its heavier products, computer manufacturer Dell uses mushroom-based packaging, which looks and functions like Styrofoam. In 2009, the company started using bamboo to package lighter products, such as laptops and smartphones; however, the bamboo didn't work for heavier products, such as servers.

Companies also need to consider the costs associated with shipping the packaging materials themselves. For example, shipping rolls of film that will be inflated on-site takes up less space than shipping ready-to-use packaging materials.

"These considerations cover more than just material sustainability; they affect the entire supply chain," says Dach Davidson, director of marketing for Pregis, a Deerfield, Ill.-based packaging manufacturer.

Conversely, using sustainable materials sometimes increases shipping costs, says Matt Thompson, packaging and technical services director for Sealed Air, an Elmwood Park, N.J.-based packaging supplier. Sustainable materials can weigh more, leading to higher freight costs. Or a company may have to use more packaging to achieve the same protection that a non-sustainable product provides, potentially increasing costs and offsetting any sustainability benefits.

"Reduce, reuse, recycle. That mantra has been around for years, but it's still important," Thompson says. Using fewer packaging materials ranks high among the crucial steps companies can take to reduce their carbon footprint. But



Some companies need customized packaging solutions. Vendors such as Sealed Air employ teams of design experts who can build virtual models of packaging materials to meet user specifications.

using a thoroughly tested product is key when reducing the amount of packaging. Knowing a material's limitations is important for preventing product damage.

"We know how to design a package for best protection," Thompson says. "We also know how far we can reduce the amount of packaging without sacrificing product protection."

Identifying a target damage rate is important for companies creating or re-tooling their protective packaging strategy. Some expensive goods, such as electronics, demand a very low damage rate, but manufacturers in other industries find it makes more business sense to lose product than to invest in enhanced protection.

"Manufacturers don't often admit that," Thompson says. "But sometimes handling or storage requirements are so extreme that it's not worth the cost and effort to invest in packaging to eliminate every possible damage situation."

Packaging design must include forecasts of how a customer will open a box, particularly in e-commerce. "A lot of damage can occur when a user unpacks the product," Thompson says. Where in the supply chain the damage is happening impacts the packaging changes a company can make to protect the product.

How end users perceive consumer-based companies has also gained importance as manufacturers seek to build brand awareness and loyalty. In the past, a retailer might have shipped from multiple distribution centers, with even identical items arriving in different packaging.

"Packaging might all look different, without the pristine brand image that the company wants to display," Davidson says.

To enhance their image, and ensure a consistent customer experience, retailers selling online are increasingly looking to packaging to make a positive first impression and keep customers coming back.

Despite increased awareness of aesthetics and sustainability, most companies continue to prioritize shipping products at the lowest possible cost. "Economy still rules the day," Thompson says. Companies must strike that careful balance between affordability and product protection.

Hitting the Bottle

One industry that often experiences product damage is bottle manufacturing. For one bottling manufacturer, Horvath's team at Virginia Tech analyzed the interaction between corrugated boxes and pallets, which significantly influences product protection. The research revealed how dramatically weight distribution can vary for bottles on a pallet, depending on their placement. Bottles sitting on top of the

Dell has been a pioneer in using natural materials—such as bamboo, mushroom cushions, and wheat straw—to package its computer products.

stringer experienced 10 to 30 times more compression stress than those in the middle of the pallet, where bottles weighed down the deckboard, making it bend.

The issue can cause leaking bottles and lost revenue. One solution is to involve corrugated designers to complete testing and confirm the boxes work with the pallets to ensure even weight distribution. Investing in stronger, correctly sized pallets also contributes to reducing overall packaging costs.

"Many companies ignore pallets when they design secondary packaging," Horvath notes.

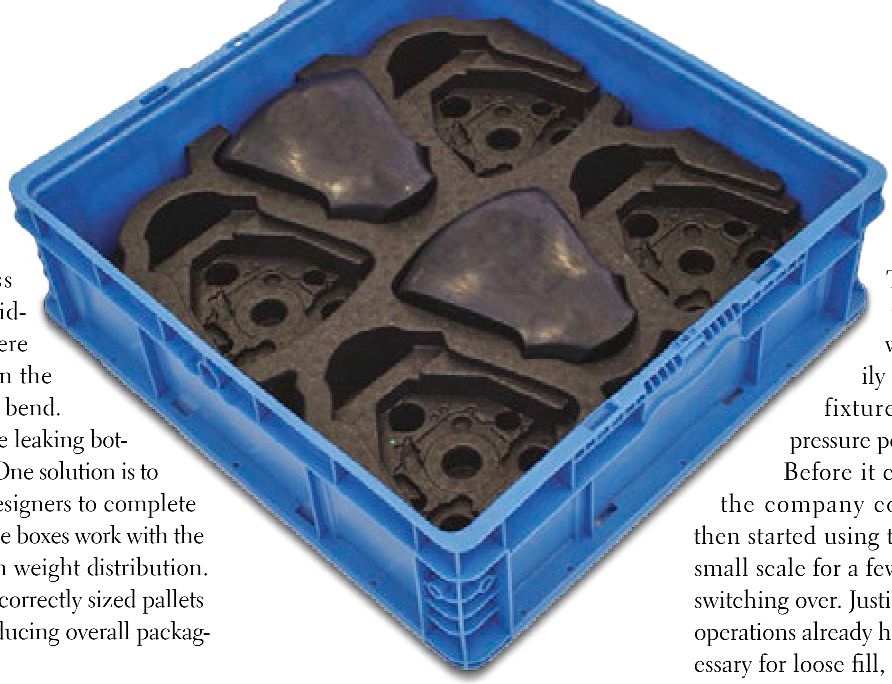
The types of materials used to protect goods can also make a big difference. Several years ago, Melrose Park, Ill.-based pinball machine manufacturer Stern Pinball was experiencing issues with corrugated boxes scuffing the pinball machines because of vibrations during transit. The company needed to retain the same box size, which limited potential solutions.

Ultimately, Stern switched to a foam product from Sealed Air that protected only the corners of the box, which saved space and mitigated expense. To try out the new method, two pinball machines—one with the old package design and one with the new—underwent a vibration test. Stern also test-shipped several machines with the new foam protection before fully implementing the new packaging.

"It was important for Stern to keep costs down, so using small cushions on all corners of the machine was the best option," says Kevin Dabrowski, design manager, Sealed Air. "It offered the most protection using the least amount of material."

Companies can partner with universities to test solutions before implementing them, Horvath suggests. "It's a good alternative for companies that don't have enough capital to start an extensive packaging investigation," he says. "We teach companies how to reevaluate current processes, and find less-expensive solutions."

When making changes to packaging, one mistake manufacturers sometimes make is buying a specific item without understanding its impact on adjacent parts. "Some examples include buying a pallet without understanding how it supports the packaged product; specing a larger pallet without understanding the impact on freight; or installing a warehouse rack system without involving the packaging and pallet team," Clarke says.



Many new sustainable packaging solutions are hitting the market. ORBIS' EPP foam, for example, is less rigid, but doesn't sacrifice durability when protecting goods in transit.

Companies often neglect to consider other important ramifications, such as the capabilities of their workers, or equipment footprint on the manufacturing floor.

For example, switching to a product that comes in heavy rolls or bulky bundles could have unanticipated effects on the workforce. "Companies have to consider labor, the health and safety of employees, and how they handle the product," Davidson says.

Los Angeles-based lighting manufacturer Justice Design Group changed its packaging to reduce product damage, but in the process, found a solution easier for employees to handle. "Our products are highly customizable, which means we can't replace them if they break in transit; we have to manufacture them again," says Brandon Levin, president of Justice Design Group.

The company switched from an interlocking corrugate solution to a biodegradable loose fill. The interlocking solution had sharp edges that required employees handling it to wear gloves. The fill didn't have those edges. It also weighed less, and easily supported the lighting fixtures' many curves and pressure points.

Before it changed the solution, the company conducted drop tests, then started using the new product on a small scale for a few months before fully switching over. Justice Design's packaging operations already had the equipment necessary for loose fill, making the transition an easy one.

Equipment needs should also factor into a company's decisions about packaging. Products such as foam packing require a machine, and thinking about its placement, and how it fits into a manufacturing floor's existing footprint, is crucial for making a wise investment.

"Evaluate the application and equipment needs, and labor and productivity requirements," suggests Davidson. "Only then can you make the best final decision."

Overall, the array of options and potential ramifications has dramatically impacted the process manufacturers undergo when selecting packaging strategies, says Bob Petersen, industrial marketing manager for Orbis, an Oconomowoc, Wis.-based reusable packaging supplier.

The number of choices has also made that process more complex, heightening the need to consider the entire supply chain when making packaging decisions. Companies must evaluate all the environments a product will pass through, the elements it will be exposed to, and the length of time it will sit in storage. All those factors influence which packaging materials will work best.

Petersen has worked with several companies that traded down to less expensive, less durable packaging supplies to save money, but ultimately reversed their decisions. As the economy improves, he expects more companies to invest in sturdier materials to save money in the long term.

"Companies need to constantly push the envelope when it comes to packaging strategies," Petersen says. ■

E-COMMERCE DC SITE SELECTION

CONNECTING THE DOTS

Online and omni-channel retailers set their sites on distribution network optimization, picking fulfillment locations that suit shifting consumer demand.

E-commerce retailers are grappling with a massive paradigm shift driven by the demands of consumers empowered by robust new digital tools. As technology fundamentally changes how people shop, e-tailers must transform once-separate sales channels into a unified whole. At the same time, the “Amazon effect” has consumers expecting to receive almost any order within two days of purchase—particularly from pure-play e-tailers.

Property investors, state governments, and business development groups are noticing these changes and are ready to react. They are eager to better understand the need for e-commerce distribution, and to court retailers preparing for growth.

For example, Oak Brook, Ill.-based CenterPoint Properties, an industrial property and transportation infrastructure developer and manager, seeks to offer e-commerce companies the same logistics-oriented approach it uses to support retail store fulfillment DC tenants. "Some of our properties can take advantage of existing supply chain fundamentals, and leverage them for e-commerce retailers," says Brian McKiernan, senior vice president, development, for CenterPoint.

For both pure-play e-tailers and those operating across retail channels, deciding how and where to position inventory to support e-commerce growth is complex. Before they can even think about site selection, they face critical decisions about what defines their brand in this new customer-centric world, and how their operations and supply chains can best support e-commerce initiatives.

It's not about keeping up with a trend or following a formula—every retailer's solution will be unique. The goal is to leverage existing assets and savvy site selection to deliver the brand experience as efficiently as possible.

STEPS TO SITE SELECTION

Site selection for e-commerce fulfillment locations begins with defining the brand value proposition and determining how it translates into shipping times. Retailers must consider their customer base, competitors, and the nature of their goods. The same shopper may expect office supplies tomorrow, but be perfectly content to wait five days for throw pillows.

"Retailers have to consider the fulfillment promise they are making," says Steve Schellenberg, vice president, business development at IMS Worldwide, a Webster, Texas-based supply chain consultancy. "If they keep their promise, they lower the order abandonment ratio and return rate."

To support their fulfillment promise, companies must have the technology and infrastructure in place to ensure sufficient response time between when the customer places an order and when the fulfillment center dispatches it.

Defining the brand experience can be complicated. Miami-based apparel company Perry Ellis International sells about 30 different clothing brands, with varied go-to-market strategies and value propositions. The company distributes apparel through department, chain, and specialty stores; mass merchants; and company-owned retail stores and websites. Perry Ellis also performs e-commerce fulfillment for some retail customers.

"Our sales organization wants us to ship fast to customers, so ideally we would locate a DC in the middle of the country," says Joseph Roisman, executive vice president at Perry Ellis. "But that is farther from the origin point. We wage a constant battle to fulfill and ship orders faster. But our higher priority is to receive product faster, so we can distribute it through our various channels."

Perry Ellis currently maintains each brand's omni-channel distribution operations in dedicated facilities. That could change if e-commerce volumes increase, says Roisman. The company is currently setting up a centralized returns facility in Miami.

For some brands, Perry Ellis relies on Port Logistics Group, a Houston-based third-party logistics (3PL) provider specializing in gateway logistics services near major North American ports. Unlike pure-play e-tailers, many omni-channel companies such as Perry Ellis find it most cost-effective to minimize transit time and cost by storing and distributing from the point of entry to multiple channels.

Fast-Moving Fashion

Gwynnie Bee serves as its customers' personal closets. Its monthly subscription service offers ready-to-wear, high-fashion apparel in women's sizes 10 to 32. Members select items online, keep them as long as they want, then send them back to be inspected, cleaned, and sent to the next subscriber.

The model works so well that the company is rapidly outgrowing its distribution center in upstate New York. Robert Escobar, vice president of operations, led the search for a new fulfillment center.

Escobar started with a network optimization analysis. "We looked at our shipping and receiving processes, all shipping points and zones, and average costs," he says. The team also considered the subscriber base.

Escobar expected indicators to point to three areas: Ohio, northern Kentucky, or Indiana. The company engaged a site selection firm to tout its anticipated volume, workforce needs, and capital investment to those states so they could formulate bids.

At the same time, Escobar and his team nailed down building criteria: size, number of doors, height, proximity to main highways, and build-out capabilities, including potential office space and vertical mezzanines. One important difference from most e-commerce DCs is that Gwynnie Bee's inbound parcel volume would be just as heavy as its outbound. The team identified two buildings in each selected area.

It soon eliminated Kentucky, and engaged an accounting firm to assess tax risk, incentives, and liabilities for the two remaining areas. Meanwhile, the team took a closer look at labor. "Amazon has a huge presence in Kentucky and Indiana," says Escobar. "It tends to absorb much of the area's labor pool.

"After a management tour, we concluded that Columbus, Ohio, was the best bet," he says. "Our business relies on our ability to deliver and process back in record time. Gwynnie Bee currently receives items, processes them within 48 hours, and ships them out with an average one- to three-day delivery time.

"By siting a new fulfillment center in Columbus, we'll be able to cut delivery time," Escobar says. "In this competitive marketplace, we have to deliver faster."

"At the gateway, retailers have the flexibility to ship anywhere products are selling, while minimizing redundant inventory," says Jeff Wolpov, chief commercial officer for Port Logistics.

MAKING THE NETWORK WORK

A clearly defined value proposition kickstarts the next step in site selection: network optimization. This process includes mapping from the current distribution network to one that will support growth. Key considerations include the points of origin and entry, customer segmentation, current and future customer locations, margins, and asset availability.

The solutions vary as e-commerce and omni-channel retailing continue to evolve. Omni-channel retailers can tap store fulfillment DCs—and stores themselves—as options for e-commerce fulfillment, while for pure-play e-tailers, it's all about strategic distribution site selection. Options also include managing all e-commerce fulfillment in-house, asking vendors to drop ship, outsourcing all or part of fulfillment to a 3PL, and partnering with a distribution provider such as Amazon or Google.

"If retailers operating both brick-and-mortar stores and e-commerce websites don't evaluate their full supply chain to determine how to use every part of it as a fulfillment point, they could end up building a new distribution center every 18 months to two years," warns Piyush Sampat, principal and retail supply chain practice lead for management consulting firm Deloitte Consulting.

In 2015, Seattle-based fashion retailer Nordstrom will open its third facility devoted exclusively to its e-commerce, mobile app, and catalog operations. The DC's Elizabethtown, Pa., location offers close proximity to a Nordstrom store fulfillment facility, easing inbound costs, and allowing the retailer to fulfill e-commerce orders from stores.

"Customers expect more from traditional e-commerce retailers than brick-and-mortar stores with an online presence," says Sampat. "Pure-play e-commerce retailers are pressured in terms of points of demand, urban hubs, and proximity to parcel carriers."

PARTNER PLAYS

Analytics can help drive network optimization decisions. After rapid growth began to overwhelm in-house analytics capabilities, Atlanta-based energy drink maker Kill Cliff began outsourcing analytics to Impulse Global Services, a software and technology services company based in India. Tapping order data, as well as raw data from its parcel carrier, helps Kill Cliff determine where to locate 3PL fulfillment facilities, and how to balance inventory. The company's operations manager, James Shirah, keeps daily tabs on order patterns to keep the fast-growing business on track.

Transportation costs are a key variable in any network decision. "Site selection isn't just about shipping to customers," notes Tom

E-commerce distribution centers often require different automation and more shelving than store fulfillment operations.

Nightingale, president, transportation logistics, for GENCO, a Pittsburgh-based 3PL. "It's also about managing inbound goods and transfers among distribution sites."

Many e-commerce retailers rely on 3PLs to support fulfillment operations, manage entire distribution location networks, or facilitate steps in the process. For one retailer customer, Port Logistics breaks down pre-packs of goods into ship-ready eaches, then sends the repackaged merchandise to the retailer's e-commerce DC for fulfillment.

3PLs are also a way for startups to ramp up quickly. For these companies, site location becomes about selecting a 3PL partner with the right locations and capabilities. For example, Kill Cliff's small staff quickly realized it could not internally support the company's 300-percent annual growth. Kill Cliff outsources its e-commerce business to Las Vegas-based fulfillment services firm Webgistix, and is looking to expand its footrprint into the Dallas area.

"The quicker we get product to customers, the quicker they consume and reorder it," says Shirah. "Fast shipping also reduces customer service issues. If we deliver in two to three days, customers don't call wondering where their order is."

Webgistix uses technologies such as heat mapping and a proprietary optimization software to help customers determine the ideal network, and make decisions such as routing orders to the correct location based on buyer proximity.

"We show retailers the inventory carrying costs for five locations versus two, and the tradeoffs in carrying costs versus delivery times," says Webgistix CEO Joe DiSorbo.

CENTRAL VS. CLOSE TO CUSTOMERS

Because their strategies differ, some e-commerce sellers centralize fulfillment operations to one or a handful of distribution centers, while others, such as Amazon, seek to locate multiple facilities close to population centers. New York City-based flash sales e-tailer Gilt Groupe takes a mostly centralized stance, locating its main distribution center just outside Louisville, Ky., with smaller operations in Brooklyn, N.Y., and Las Vegas. Although Gilt emphasizes flash sales, its logistics value proposition is based more on shipping a perfect order than on lightning-fast delivery.

"We do direct ship from Louisville to Los Angeles and New York," says Chris Halkyard, chief supply chain officer and general manager, distribution services for Gilt. "We can zone skip and feed directly into the main areas where our customers are located, leveraging our volume and, ultimately, improving customer deliveries."

The challenge of operating multiple DCs is the added cost and complexity. For apparel e-tailer Gwynnie Bee, a much larger, centrally located new DC in Columbus, Ohio, will help maintain high service levels (*see sidebar, page 108*). But the company will retain a smaller facility in upstate New York.

"The trick is balancing inventory," says Robert Escobar, Gwynnie Bee's vice president of operations. "Transfering a lot of inventory between facilities becomes costly."

SITES THAT STAND OUT

Once strategic decisions are settled, site selection can begin. Proximity to interstate highways and parcel shipment hubs is a necessity for any e-commerce site. The later the parcel carrier cut-off time, the more hours the company has to sell and ship out on the same day.

Another priority is a plentiful, qualified, year-round and seasonal workforce. "Labor is a huge component of e-commerce fulfillment, and each retailer has its own ratio," says CenterPoint Properties' McKiernan. "Some companies want 10, 20, or 30 applicants for every job."

When Nordstrom chose a building site in Elizabethtown, Pa., the company prioritized workforce availability, flexible space, proximity to shipping hubs, and a similar facility for store fulfillment.

Gilt's steady growth means it needs locations that can support constant hiring. "Some areas are becoming saturated with distribution operations," says Halkyard. "And they're all looking for the same employees." For that reason, Gilt focuses on making its DCs great places to work.

Workforce quality extends to management talent. "I try to balance the time spent finding a general manager with the time spent finding a building," says Escobar. "The GM will drive the facility, culture, costs, and performance expectations."

To attract e-commerce DC operations, Joplin, Mo., touts ACT's National Career Readiness Certificate earned by many of the area's 175,000 workers. Current distributors give the workforce high marks.

E-commerce fulfillment operations in and near Joplin can draw from a large area because the region has low traffic congestion, says Rob O'Brian, president of the Joplin Chamber of Commerce. Joplin offers a centralized location, proximity to parcel carrier networks, and the Crossroads business park adjacent to Interstates 49 and 45, which will have an interchange into the park in 2015.

"Joplin is an ideal location for inbound and outbound shipments," says O'Brian. "The overall cost of land is reasonable, taxation is not particularly high, and utility rates are modest."

States are also courting e-commerce distribution through incentives such as Missouri Works, a Missouri Department of Education initiative. "The program withholds state payroll taxes, and, depending on the number of jobs and capital investment, offers additional tax credits," says O'Brian. "And in Missouri, unused tax credits are refundable at the end of each year."

The state also offers locally designated enterprise zones, and the capability for foreign trade zone designation.

Although e-commerce distribution centers may not look dramatically different than store fulfillment DCs, they do sometimes require different physical elements and equipment, such as dock configurations or higher ceilings to accommodate mezzanines and automation. For example, 60 percent of Gilt's main DC houses a goods-to-person mobile robotic picking solution.

"Traditional DCs have 32- to 36-foot ceilings, but many e-commerce companies want 36 to 40 feet," says McKiernan. "They may also require more loading docks to accommodate high-velocity turns." Additional car and trailer parking can also be important for surge periods.

ADAPT TO SUIT

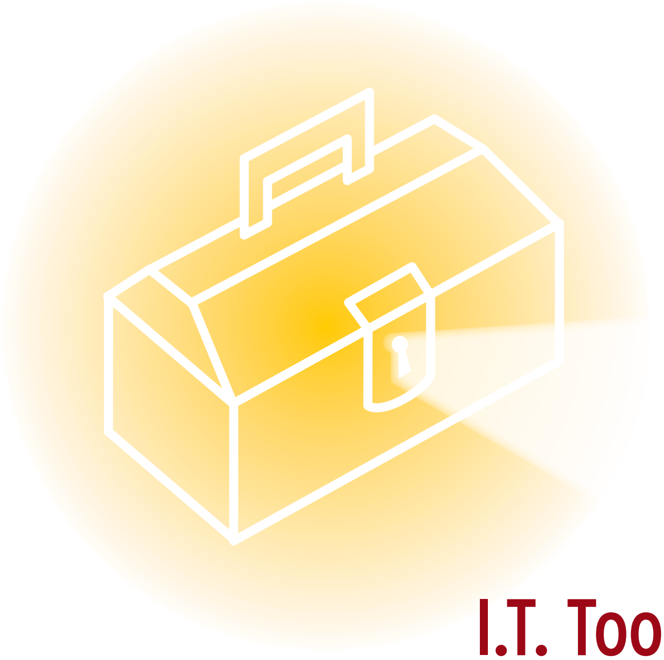
Port Logistics Group has reconfigured existing facilities to meet e-commerce demands by using flow racks and takeaway sorters, and by turning pallet racking into shelving.

"E-commerce companies must manage many different stock-keeping units (SKUs) and products with an unlimited shelf life," says Port Logistics Group's Wolpov. "We need to minimize touches and shorten pick paths to deliver those products within tight time windows."

Lower volume operations, and those with a wide variety of SKU shapes and sizes, find a more manual approach works best, and rely heavily on labor, says DiSorbo.

With retail operations evolving so rapidly, the only certain best practice in designing e-commerce fulfillment networks is to build flexibility into current choices. ■


SHIPPERS
15+ Hours of Networking
CARRIERS
CONNECTIONS 2014
How will you connect this year?
Collaborative Supply Chain Intelligence | June 22 – 25 | Naples, FL
TECHNOLOGY PROVIDERS
30+ World Class Presenters
LOGISTICS PROVIDERS
20+ Hours of Targeted Sessions & Breakouts
GET ALL THE DETAILS
smc3connections.com
AN SMC3 EVENT



I.T. Toolkit | by Suzanne Heyn

Cloud-based System Furnishes Supply Chain Visibility

Faced with long lead times and potential production delays, Badcock Home Furniture & More sets the table for supply chain efficiency with a cloud-based global logistics solution.

Badcock Home Furniture & More traces its long history of selling home furnishings back to its founding in 1904. As the company grew over the years, it kept pace with technology by implementing software systems to track supplier orders and other merchandise in transit. Yet despite this technology, Badcock lacked end-to-end shipment visibility.

The retailer used multiple logistics systems, including enterprise resource planning and in-house databases, but these solutions were not integrated. The resulting fragmented information left staff scrambling to piece together estimated shipment arrival times.

To resolve this issue, Badcock installed a cloud-based international inbound and domestic outbound logistics solution that allows staff, vendors, and suppliers worldwide to log into a single system that tracks order status and merchandise location.

Badcock employs 1,200 workers, and operates 300 stores in eight Southeastern states selling furniture, appliances, electronics, bedding, and household accessories. Because many of the company's products are made to order, Badcock must take into account long lead times—anywhere from seven days for bedding to 120 days for furniture made overseas—and potential production delays when planning inventory.

The long lead times, coupled with incomplete order information, forced staff to spend hours each day contacting any of 100-plus suppliers to locate merchandise and update estimated arrival times.

"We were notified of delays via phone calls and emails, and often had to wait for replenishment buyers to talk to suppliers, then tell us where the problem was so we could correct it," says Greg Brinkman, Badcock's senior vice president of supply chain.

"Compounding those difficulties, our staff often had trouble locating the correct supplier contact for accurate updates, because they dealt with sales representatives, who then had to check with other supplier staff to get answers," Brinkman recalls.

Despite all that legwork, the information Badcock's staff obtained wasn't always accurate.

Operating 300 home furnishings stores requires Badcock Home Furniture & More to maintain a complex supply chain that includes hundreds of domestic and international vendors. To gain visibility over inbound and outbound shipments, Greg Brinkman *(left)*, the retailer's senior vice president of supply chain, led his team in implementing a cloud-based logistics collaboration solution.

Badcock's replenishment, distribution, and transportation teams have always worked together, but they didn't see the same data. In cases of an upcoming sale or diminishing inventory, it was difficult to make supply decisions early enough to head off problems.

Taking Control

"Chasing down merchandise was a hassle for our replenishment staff," Brinkman says. "If they didn't have to do it, they didn't do it." If a product was running late, but the store wasn't missing any sales, the replenishment team would let the issues sort themselves out.

These difficulties drove Badcock to consider implementing a more comprehensive electronic tracking system. So the company was receptive when, in 2013, West Palm Beach, Fla.-based technology provider Cloud Logistics contacted the retailer to assess its interest in installing a cloud-based logistics collaboration system. Cloud Logistics had used the solution extensively with international manufacturers, but wanted to expand it to retailers, of which Badcock would be the first.

Cloud-based collaboration systems allow corporate staff, authorized vendors, shippers, and carriers to access or input merchandise-related information into an Internet-based portal. Because it's a Web-based system, it can be accessed from computers, smartphones, and other mobile devices. If an overseas manufacturer changed an estimated arrival date in the system, or input a delay in sourcing raw materials, that information would be immediately visible to Badcock corporate staff.

The system uses electronic data interchange (EDI), which allows supply chain partners to exchange information such as purchase orders, shipment notices, and invoices without human interaction.

Badcock and Cloud Logistics began working together in May 2013. Through multiple site visits, Badcock helped Cloud Logistics understand its processes, how staff needed to access information, and how products flowed.

During the 90-day lead time before the system went live, Cloud Logistics visited Badcock's headquarters several times, but most of the communication between the two companies occurred via email and phone.

"We held conference calls two or three times daily to discuss and map out process flow," says Badcock Logistics Analyst Jaimie Waite. The retailer also brought in a transportation provider to offer input to ensure the new system worked for all players.

"Most retail operations include several hundred domestic and international vendors of all sizes and technological capabilities," says Mark Nix, chief executive officer of Cloud Logistics. Creating a system that worked for the full range of supply chain partners was vital to the project's success. The configurable system authorizes specific inputs from each user, so parties have access only to the information they need.

"All users can update manufacturing status and order lead times within the vendor portal," Nix says.

Once a vendor is ready to ship, it switches the status in the system, and the Badcock electronic inbound routing guide alerts a carrier or Badcock driver that the item is ready for pickup. Carriers can provide real-time shipment visibility status updates to the Badcock system through the EDI portal, carrier portal, or smartphone driver application.

Badcock maintains sophisticated cross-docking operations, so Cloud Logistics needed to configure the platform to work with the retailer's processes, as well as give buyers visibility into crossdocked deliveries. The platform also allows staff to see when vendors accept orders, make unanticipated adjustments, or are ready to ship orders. It also flags any delays that happen along the way.

The Trial Run

During the implementation period, Badcock and Cloud Logistics ran various scenarios in a staging environment, operating the system manually before it went live to see how information would interact between carriers, vendors, and Badcock staff. These staging scenarios prepared the company for go-live.

"On implementation day, at 8 a.m., we activated the system, and all the supply chain partners were connected," Waite says.

Vendors received links to a special website where they could add information about incoming loads. Nearly all suppliers have now signed up to use the system.

Many suppliers logged on and added their information without training, but Brinkman recalls one supplier who pushed back. The supplier was located a short drive away, so the Badcock crew visited the office to determine the reason for the hesitation.

"The supplier's current process involved workers making phone calls to confirm shipment status," Brinkman says. "Those workers were on the phone in the warehouse, and didn't have a computer there."

The supplier soon realized that placing a computer by the phone would cut scheduling time. "It took just a bit of salesmanship on our part to relieve some fear on their part," Brinkman says.

Using the new system, Badcock first creates a purchase order. The supplier schedules the order; then, once it is completed, updates the system that the load is ready.

The Badcock logistics team identifies a carrier, who then confirms or passes on the load. Once the carrier confirms, the supplier receives a message notifying it the product will be picked up. Vendors can create routing requests, generate advance shipment notices, and send alerts when orders don't ship on time.

The increased communication is markedly different from before Badcock installed the system. "Our replenishment, transportation, and distribution teams are all looking at the same data now, and seeing where product is in the delivery cycle," Brinkman says. "They are able to identify problems sooner and adjust."

The new system also helps during upcoming sales or diminishing inventory levels. "It quickly warns us of problems we might not have had visibility to in the past," Brinkman says. "Information accuracy improved dramatically, because our staff and trading partners no longer have to guess about inventory levels or shipment status."

The solution also helps Badcock manage its transportation dollars monthly, before receiving invoices. Having a high-level view of the merchandise en route improves transportation planning. Waite can bring in new carriers if needed, and ensure an overall smoother process.

"The system helps us view capacity issues and concerns," she says. "Before, we extrapolated visibility based on information from suppliers. Now we actually get visibility. We can see problems sooner—in real time, rather than one week too late."

The system also simplifies the company's process of signing off on invoices because Badcock can better track the POs assigned to orders. "When we relied on carrier bills, we often struggled to match them to POs," Brinkman says. "We now connect the dots. When an invoice does arrive, we have a better, more accurate sign-off."

Milestones Ahead

Looking ahead, Badcock hopes to tap some of the system's additional capabilities. Production delays can easily derail on-time shipping, so Badcock will eventually start using milestones to track progress and learn about delays earlier in the cycle. Milestones may include acquiring raw materials, for example.

"When a production milestone falls behind, it can raise a red flag," Brinkman says. "That could alert us 45 days before a potential delay on the purchase order, which would allow us to take action."

The system enables Badcock to create reports addressing average freight cost and total freight spend. And its ability to calculate fuel surcharges has shaved off eight hours each week in administration time.

Previously, the transportation team manually reviewed processes and invoices. The new solution reduced the time it takes to process freight transportation by 70 percent.

Access to accurate delivery times allows Badcock to better run promotions and optimize warehouse labor. "Our buyers can reduce safety stock with confidence," Brinkman says.

Ultimately, Brinkman hopes the system will help reduce shipping costs and lower average inventory levels. The company's automated inventory forecast system accounts for the average number of days late and lead time.

"The biggest determinant in safety stock is demand variability during lead time," Brinkman says. "If this system can help reduce average lead times by minimizing late shipments, then it will provide a direct payback to inventory, and reduce our inventory levels." ■


They answered the call and are waiting for yours.
Hire leadership.
Hire a Vet.
Hire a Veteran.
Sponsored by *Inbound Logistics*

3PLs

C.H. Robinson Worldwide, Inc. • www.chrobinson.com

Founded in 1905, C.H. Robinson Worldwide, Inc. is one of the largest third-party logistics companies in the world, providing multimodal transportation, fresh produce sourcing, and information services to more than 32,000 customers globally, ranging from Fortune 500 companies to small businesses in a variety of industries. For more information about our company, visit our Web site at www.chrobinson.com.

CaseStack • www.casestack.com

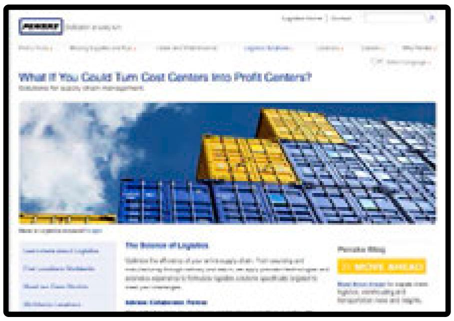
Founded in 1999, CaseStack is the industry's leading outsourced logistics provider, offering complete supply chain solutions to companies selling products to retailers, distributors, and other manufacturers. Thousands of suppliers turn to CaseStack for innovative consolidation programs, efficient warehousing systems, and streamlined transportation management, all of which are centered on proprietary real-time inventory and order technology. Our customers reap the cost savings and achieve the performance levels of their larger competitors without the investment costs.

Pacific Coast Warehouse Company • www.pcwc.com

Pacific Coast Warehouse Company (PCWC) is a third-party logistics provider based in California, with more than 70,000 food grade rack and bulk pallet storage positions in the southern and northern California markets. PCWC offers a complete line of warehousing and value-added services, as well as all levels of transportation service, including drayage, intermodal, full truckload, flatbed, and LTL. For more information about Pacific Coast Warehouse Co., visit www.pcwc.com.

Penske Logistics • www.penskelogistics.com

Penske Logistics is an award-winning logistics services provider with operations in North America, South America, Europe, and Asia. Our products and services range from dedicated contract carriage and distribution center management to transportation management and fully customized solutions. No matter what your needs or industry, Penske Logistics engineers supply chain solutions that deliver business results like boosting productivity, improving service, and shrinking carbon footprints. Call us today at 1-800-529-6531 to learn more.



IN THIS SECTION:

3PLs – Global Logistics

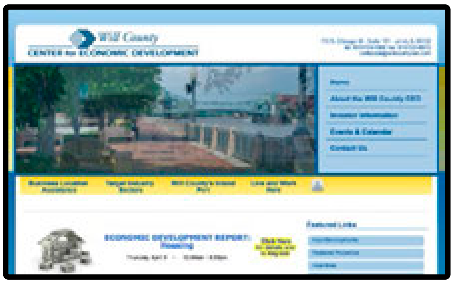
West Logistics Group • www.westlgi.com

The West Logistics Group is an asset-based, Southeast-focused third-party logistics company specializing in grocery, consumer packaged goods, and industrial products. With nearly one million square feet of distribution space, our customer-focused, single-point-of-contact team lives and breathes customer service. We support customer service with a commitment to technology, and assets including radio frequency-operated warehouses, temperature-controlled space, rail-served facilities, and flexible data communication options. The company's relationship-based philosophy is supported on a deep commitment to any size customer – large or small. If you need warehousing, transportation, distribution, freight management, consolidation, or overall supply chain knowledge, let the West Logistics Group service your world. Get started by visiting www.westlgi.com.

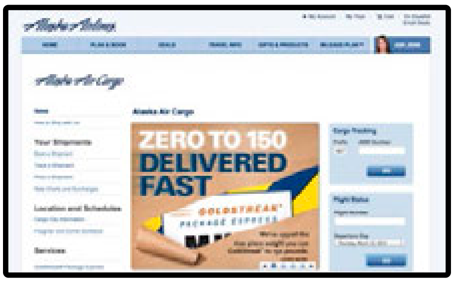
ECONOMIC DEVELOPMENT

Will County Center for Economic Development • www.willcountyced.com

Will County Center for Economic Development is host to the nation's largest inland port. Will County has become the United States' largest inland port for a reason. With a combination of road, river, and rail found in few places, we offer the perfect location for new or expanding companies. And we have room to grow. Five major interstates, five Class I railroads, and a major shipping channel connecting the Great Lakes to the Gulf of Mexico are all within a stone's throw of each other.



EXPEDITED AIR



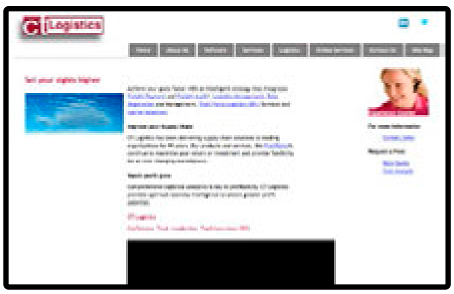
Alaska Air Cargo • www.alaskacargo.com

Alaska Air Cargo provides reliable air cargo services to meet your shipping needs. Whether it be small packages, full ULD shipments, or chartered freighter service, Alaska Air Cargo offers a variety of options, including GoldStreak® Package Express, a next-available-flight service for items up to 100 pounds; Priority Air Freight for time-sensitive shipments that are larger than GoldStreak and need to be at a destination by a specific time; and Animal Express, a priority express service that ensures animals a safe and comfortable journey.

GLOBAL LOGISTICS

CT Logistics • www.ctlogistics.com

CT Logistics can help you save money, no matter your company's size. For small and medium-sized shippers, CT Logistics offers its TranSaver shipper cooperative buying program. Larger shippers can simplify their freight spending with CT Logistics' exclusive FreitRater freight bill rating and processing system. And businesses of all sizes can benefit from AuditPay freight payment services. Add to these offerings a wealth of online collaboration and reporting tools, and it's easy to see why shippers have trusted CT Logistics with their freight payment needs for more than 86 years.

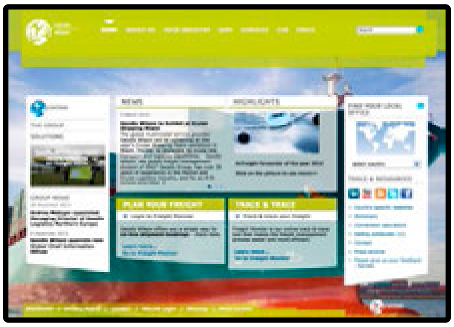


WEB_CITE CITY

www.inboundlogistics.com/web_cite

IN THIS SECTION:

Global Logistics

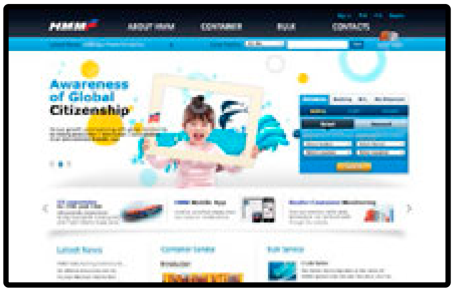


Geodis Wilson • www.geodiswilson.com

With 5,500 people and a global network, Geodis Wilson is one of the world's largest freight management companies, serving customers with integrated supply chain solutions that deliver cargo by sea and air. The company's expertise, value-added services, and e-services enable you to streamline the flow of goods. We also make your supply chain more transparent and easier to manage. A self-reliant network of offices, and air and ocean hubs in more than 50 countries, ensures that your cargo flows efficiently and consistently across the world.

Hyundai Merchant Marine (America), Inc. • www.hmm21.com

Hyundai Merchant Marine (HMM) is committed to its customers, and you'll find evidence of that on its Web site, where you can book cargo, and access sailing schedules, bill of lading information, and arrival notices. HMM differentiates itself from other carriers by offering an array of flexible and accommodating services with many different types of vessels. The carrier plans to increase its fleet, and focus on service diversification to establish a global network. Toward that goal, HMM emphasizes the carriage of special cargo, such as petroleum products, and continues to invest in new container terminals and inland logistics facilities.

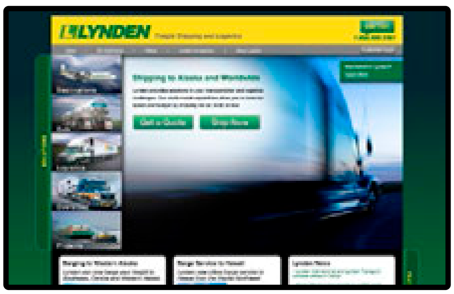


LEGACY Supply Chain Services • www.LEGACYscs.com

LEGACY Supply Chain Services is a 3PL with more than 38 years of supply chain experience. LEGACY's expanded North American distribution footprint includes more than 6 million square feet of dedicated and multi-client space in 50 locations, across 19 states and three Canadian provinces. Full-service solutions include warehousing and distribution, international and domestic transportation, customs and compliance, and installation services. LEGACY excels at providing high-touch service to clients across industries including consumer goods, technology, industrial manufacturing, retail, food and beverage, aftermarket automotive, life sciences, and government.

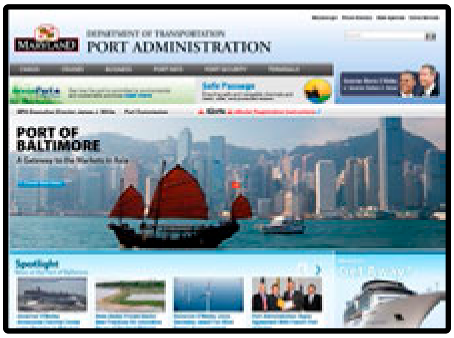
Lynden • www.lynden.com

Over land, on the water, in the air – or in any combination – Lynden has been helping customers solve transportation problems for almost a century. Operating in such challenging areas as Alaska, Western Canada and Russia, as well as other areas around the globe, Lynden has built a reputation of superior service to diverse industries.



IN THIS SECTION:

Global Logistics

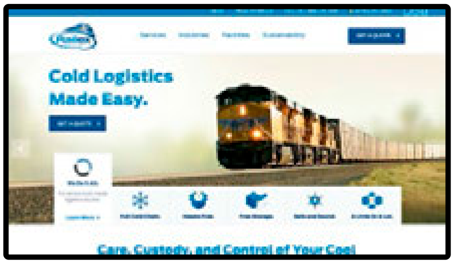


Maryland Port Administration • www.marylandports.com

Located in the nation's third-largest consumer group, the Port of Baltimore has an impressive array of distribution locations, with more on the way. As an import destination from China, the most cost-effective and quickest way to tap this affluent market is by bringing your cargo direct to Baltimore, where you will be greeted with world-class efficiency and customer service. Find out more at www.marylandports.com.

Railex • www.railex.com

Since 2006, Railex has specialized in temperature-controlled, national shipping services and full-service 3PL solutions for perishable, frozen, fragile, and high-value goods. Their industry expertise includes alcoholic and non-alcoholic beverages, fresh foods, frozen goods, and pharmaceuticals. Railex assures absolute cold chain integrity from origin to final destination. Railex's private, refrigerated unit train cars are sealed, and feature fresh air exchange, GPS tracking, and temperature control. They run nonstop coast to coast in five days on regularly scheduled weekly departures.

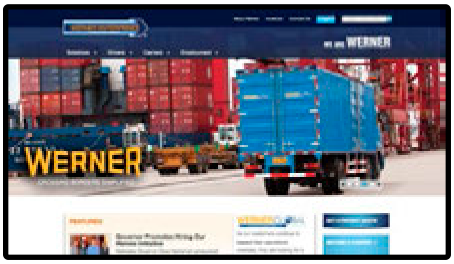


Ryder • www.ryder.com

Ryder Supply Chain Solutions is an end-to-end supply chain partner with nearly 80 years of experience helping customers in North America, the UK, and Asia transform their supply chains by delivering the best in operational execution. Ryder provides a full range of services, from optimizing day-to-day logistics operations to synchronizing the supply of parts and finished goods with customer demand. At Ryder, we understand that when it comes to logistics, Execution is Everything.

Suntek Systems • www.ilogisys.com

Suntek provides its logistics management software, *iLogisys*, for freight forwarders, NVOCCs, 3PLs, and customs brokers. As the company's flagship solution, *iLogisys* offers simple and efficient methods of logistics operation, collaboration tools between related parties, extensive supply chain visibility, B2B EDI connectivity, and more control over business management. The cost-effective and feature-rich *iLogisys* products boost your customer satisfaction, and increase sales opportunities for business growth.



Werner Enterprises Inc. • www.werner.com

Werner Enterprises Inc. is a premier transportation and logistics company, with coverage throughout the United States, Canada, Mexico, and China. Werner maintains its global headquarters in Omaha, Neb., offering 24/7 service 365 days a year. Werner is among the five largest truckload carriers in the United States, with a portfolio of services that includes long-haul, regional and local van capacity, temperature-controlled, flatbed, dedicated, and expedited. Werner's value-added services portfolio includes import and export freight management, PO and vendor management, truck brokerage, intermodal, load/mode and network optimization, and global visibility. Internationally, Werner provides freight forwarding and customs brokerage services, and is a licensed NVOCC.

GLOBAL TRADE

Suntek Systems • www.ilogisys.com

Suntek provides its logistics management software, *iLogisys*, for freight forwarders, NVOCCs, 3PLs, and customs brokers. As the company's flagship solution, *iLogisys* offers simple and efficient methods of logistics operation, collaboration tools between related parties, extensive supply chain visibility, B2B EDI connectivity, and more control over business management. The cost-effective and feature-rich *iLogisys* products boost your customer satisfaction, and increase sales opportunities for business growth.

LOGISTICS IT

Magaya Logistics Software Solutions • www.magaya.com

Magaya logistics software is designed specifically for freight forwarders, NVOCCs, logistics providers, warehousing and distribution centers, importers, exporters, and others in the logistics industry. Our software is a complete package that integrates logistics, communication, and accounting features built on the award-winning Magaya Network. Companies can exchange shipping documents, and more, with their customers and agents worldwide via the Network and give them real-time tracking.

MATERIALS HANDLING

ClearSpan Fabric Structures • www.ClearSpan.com/ADIL

ClearSpan Fabric Structures, with corporate offices in South Windsor, Conn., provides design-build solutions for material and bulk storage needs. ClearSpan buildings feature abundant natural light and spacious interiors without internal support posts. With minimal foundation requirements, the structures can be permanent or temporary, and they are easy to relocate. Made in the USA, they can be built to any length and up to 300 feet wide. For more information, please call 1.866.643.1010 or visit www.ClearSpan.com/ADIL.

Materials Handling – Trucking

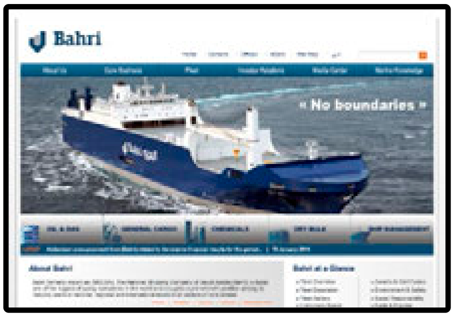
Sealed Air • www.sealedairprotects.com

Sealed Air is a leading global provider and manufacturer of a wide range of packaging and performance-based materials and equipment systems that serve food, medical, and an array of industrial and consumer applications. For more than half a century, Sealed Air employees around the globe have applied deep understanding of customers' businesses to deliver innovative packaging solutions. Operating in 51 countries, Sealed Air's widely recognized and respected brands include Bubble Wrap® cushioning, Fill-Air® Inflatable Packaging, Jiffy® protective mailers, and Instapak® foam-in-place systems.

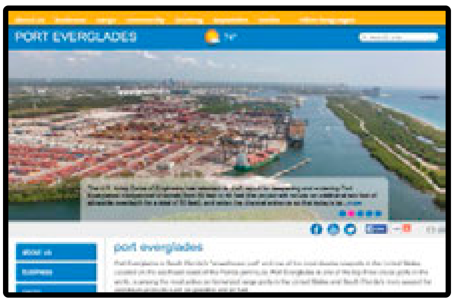
OCEAN

Bahri • www.bahri.sa

The National Shipping Company of Saudi Arabia is now Bahri, with new ships and a new look. That means even better breakbulk, RO/RO, and container service between the North American East and Gulf coasts and the Middle East, Mediterranean, and Indian Subcontinent. Bahri continues to offer personalized customer service, regular sailings, competitive rates, and effective intermodal resources. Bahri is reaching toward tomorrow's horizon by connecting economies, sharing prosperity, and driving excellence in global logistics services.



PORTS



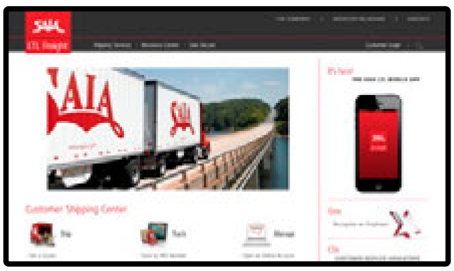
Port Everglades • www.porteverglades.net

Nobody moves cargo in and out faster than Port Everglades. The port is part of a thriving global transportation network that counts among its attributes a favorable location less than one mile from the Atlantic Shipping Lane, direct access to multi-modal inland links through Florida's interstate and highway systems, an FEC rail hub within two miles, and across the street, Fort Lauderdale Airport, one of the fastest-growing airports in the nation. Visit the Web site for more details.

TRUCKING

Saia LTL Freight • www.saia.com

For nearly 90 years, Saia LTL Freight has been providing customers with fast, reliable regional and interregional shipping. With 147 terminals located in 34 states, Saia LTL Freight offers a range of products and services that are backed up by a guarantee like no other in the industry. Our Customer Service Indicators, or CSIs, allow us to measure our performance each month against a set of six indices that our shippers said are the most important to them.



White Paper Digest

Industry experts amass supply chain management best practices and skill sets, and invest in new research and evaluation tools. Now you can benefit. *Inbound Logistics* has selected this collection of whitepapers that will give you a jump on important supply chain issues. For more information on any of these whitepapers, visit the Web sites listed below.

Saddle Creek Logistics Services

TITLE: ***Optimizing Distribution Networks for a Competitive Advantage***

DOWNLOAD: *bit.ly/SC-DC-Net*

SUMMARY: Today, more and more companies are finding value in optimizing their distribution network. By taking a strategic approach to network configuration, they are improving service levels, better managing inventory, and reducing transportation costs. Less demanding in terms of infrastructure, systems, cost, and time than full-scale supply chain optimization, this targeted approach delivers remarkable results. Download this new report for a closer look at how distribution network configuration can impact supply chain effectiveness.

Advanced Distribution Solutions Inc.

TITLE: ***Seven Practical Tips to Eliminate Hidden Shipping Costs***

DOWNLOAD: *bit.ly/1gP1SCj*

SUMMARY: Many companies have significantly reduced their shipping costs by implementing a multi-carrier shipping solution that allows them to compare carrier rates and automate document production. However, you can realize even greater savings by ensuring that your shipping system is configured to pre-empt many common issues that result in hidden freight costs. Download this whitepaper to find a number of practical improvements to generate a rapid return on investment.

enVista

TITLE: ***Freight Term Optimization: Reduce Costs and Increase Margins By Managing the Right Freight***

DOWNLOAD: *bit.ly/1hGOFjp*

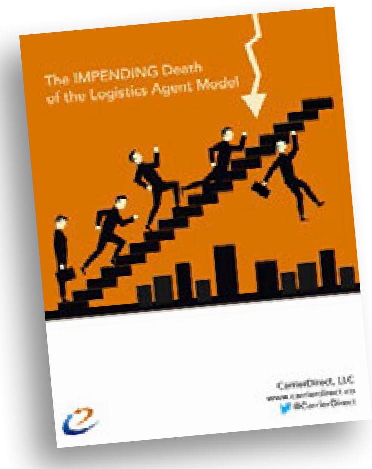
SUMMARY: We all know that moving freight the right way reduces transportation cost, but often overlooked is the value of moving the right freight – freight term optimization. In this whitepaper from enVista, you'll discover the financial benefits of freight term optimization, get tips for negotiating with your customers and suppliers, and learn how to capture the savings of your optimized freight.

Retail Systems Research

TITLE: ***Mobile in Retail: Reality Sets In***
DOWNLOAD: *bit.ly/1n7xLtK*
SUMMARY: Retail Systems Research's new study shows that even though retailers' primary motivation for a mobile strategy is to get in front of consumers on the devices they already use so frequently, what the ability to "be there" means is being re-evaluated – as are the technologies to help get them there. Despite the harsh reality of the new retail landscape, now is the time for action. To that end, this whitepaper, sponsored by SAP, offers several pragmatic suggestions for how retailers should proceed when developing a mobile strategy.

Tompkins International

TITLE: ***The Evolution of Goods-to-Person Order Fulfillment: How to Meet Distribution Challenges in the Age of E-commerce***
DOWNLOAD: *bit.ly/1iah8Pz*
SUMMARY: The recent progression of goods-to-person order fulfillment technology can offer your operation a competitive advantage. Today's systems provide compact design, fast operation, and a high level of flexibility. Download this whitepaper to investigate the eight major advantages of today's systems, as well as design considerations to help you achieve the highest payback possible.



CarrierDirect

TITLE: ***The Impending Death of the Logistics Agent Model***
DOWNLOAD: *bit.ly/1hJkExO*
SUMMARY: Becoming a franchisee in logistics requires an investor's mindset, but can be an extraordinary and life-changing path – if you don't get stuck in an agent-trap along the way. This whitepaper provides an overview of how many logistics agent programs operate, and the various scenarios that can leave some chasing a dream without the ability to build a business that creates long-term wealth opportunities.

TriFactor Distribution Solutions

TITLE: ***Maximizing Cubic Space in the Warehouse***
DOWNLOAD: *bit.ly/Ns1265*
SUMMARY: There isn't one size to fit all distributors. Nor is there an all-encompassing software program that can return the optimal warehouse design. That's why the solution to maximizing cubic space with materials handling systems to reduce labor costs, expand distribution capacity, and improve quality typically requires a lot of data, some institutional knowledge, and, most importantly, a defined process. Find out more by downloading this free whitepaper.

Share your whitepaper with *IL* readers!

WhitePaper Digest **is designed to bring readers up-to-date information on all aspects of supply chain management. We're building a database of SCM whitepapers, and you can help. E-mail us with whitepaper recommendations: editorial@inboundlogistics.com**

The Nautiz X4 lightweight rugged handheld computer from **The Handheld Group** weighs 11.6 ounces, and comes with a 1D laser scanner or 2D imager for scanning and bar-code tasks. Impervious to dust, and highly resistant to water, vibration, drops, and extreme temperatures, the Nautiz X4 can be used in warehousing, logistics, and transport operations located in extreme environments.

//Products//

Railserve released Railserve Emergency Action Technology (REAct), a new device that lets rail workers stop locomotives. Pushing a button affixed to a safety vest applies an emergency brake when radio contact is lost, close clearance situations arise, or in other instances where there isn't time to communicate with a locomotive's driver. The emergency stop can be accomplished within approximately 26 feet.

Semi-trailer rental and leasing company **XTRA Lease** added 5,000 new trailers to its fleet, most of which are constructed with corrosion-fighting galvanized steel components. The new trailers include a mix of dry vans, lift-gated vans, and reefers.

Toyota Materials Handling USA released a new line of rugged hand pallet trucks for use in harsh environments. The line is designed for general warehousing and retail applications, and includes 10 specialty models ranging from ultra-low profile to heavy-duty load capacity.

//Technology//

Oracle augmented its *Global Trade Management 6.3.3* system by adding the *Global Trade Intelligence* analytics module. This new module helps shippers better manage global customs and compliance operations by leveraging global trade data to measure, predict, and optimize supply chain performance.

WiseTech Global, formerly **CargoWise**, launched *CargoWiseOne,* a new logistics management software. The new solution contains more than 200 functional improvements over its predecessor, *ediEnterprise*, and is designed to boost productivity, automation, supply chain compliance, and global reach.

Chassisfinder.com rolled out *ChassisDashboard*, a new tool designed to help fleet managers and trucking companies manage their chassis transparently. Users can track chassis in real time to see if they are in use, where they were picked up, and what they cost.

Supply chain execution software developer **Accellos** released version 6.5 of its *AccellosOne* cloud-based warehouse management system (WMS). Features of the update include multi-carrier rate comparisons, improved delivery and load building, enhanced container management, and a new scheduled task management system. An advanced workflow engine allows users to tailor the WMS to their needs without customized code.

The LogiTalk XS-pro and LogiTalk XSN-pro headsets from Imtradex operate in temperatures as low as -22 degrees Fahrenheit, allowing for efficient voice-picking operations in temperature-controlled warehousing operations. Ear pads help protect the user from the cold, and the unit fits comfortably under helmets and cloth caps.

// Services //

Yusen Logistics opened a new 322,000-square-foot warehouse in Laem Chabang, Thailand. The facility specializes in storing chemicals, food, and pharmaceuticals; is located near the port of Laem Chabang; and connects to a major road into the Port of Bangkok.

The American Society of Transportation and Logistics moved its headquarters into the APICS corporate offices in Chicago to strengthen its relationship with APICS. Members and customers of the association continue to receive the same benefits, products, and services from the new location.

Cagney Global Logistics, a logistics and transportation provider, relocated its corporate headquarters within Irving, Texas. The new 101,000-square-foot building includes a larger distribution warehouse and additional office space.

Dachser USA opened a warehouse in Chicago. The new facility serves as a Midwest hub, and provides crossdocking, warehousing, distribution, and container build-up and breakdown services.

Transportation and logistics provider **Walker SCM** opened a new operations office and warehouse in Miami, Fla. The facility is located near the Miami airport and seaports, and offers traditional, hazardous material, and project cargo services.

UTi Worldwide, a global supply chain services company, replaced two existing structures in Romulus, Mich., with a combined 228,000-square-foot warehousing and freight forwarding facility. Combining the facilities allows the company to operate more efficiently by sharing equipment and utilities.

Ryder's Canadian arm began offering a new on-demand maintenance solution for private fleet owners and for-hire carriers. Clients operate on a pay-as-you-go scale, and gain access to Ryder's national network of service centers and technicians. The plan also offers roadside assistance and replacement vehicles when necessary.

Crane Worldwide Logistics (CWW) earned Authorized Economic Operator status in the Netherlands. This certification entitles CWW to simplified customs procedures, allowing for more expedient freight movement for its shipper customers.

The drayage subsidiary of Hub Group, **Comtrak**, rebranded as **Hub Group Trucking**. The company continues to offer intermodal drayage and regional trucking services in the lower 48 states.

Third-party chemical logistics services provider **Rinchem Company's** new 40,000-square-foot warehouse in Neot Havav, Israel, includes storage areas for regulated and non-regulated chemicals and gases. The location offers primarily temperature-controlled storage and handling of high-purity chemicals and gases for the area's semiconductor industry.

//Transportation//

Global third-party logistics company **CEVA Logistics** opened a new 47,000-square-foot warehouse five minutes away from Panama Tocumen International Airport. The new multi-client facility supports CEVA's air and ocean transportation services, as well as its domestic trucking and crossdocking operations.

Ocean freight consolidator **CaroTrans** began a weekly, direct, less-than-containerload service from the

PeopleNet, a fleet mobility technology provider, launched a new mapping and navigation solution for its Energy Services suite. The software provides operators in the oilfield segment with in-cab turn-by-turn navigation solutions based on detailed maps of private and leased oilfield roads. Fleet managers can use the solution to coordinate disparate workforces, monitor equipment locations, and ensure compliance with landowner and road-usage agreements.

U.S. West Coast to Central America. Destination countries include Belize, Costa Rica, Guatemala, Honduras, Nicaragua, El Salvador, and Panama.

Kalitta Air began a round-trip heavy and over-sized air cargo route between New York and Amsterdam. The flights depart John F. Kennedy Airport on Thursday and Sunday, and leave Amsterdam for the return leg on Friday and Sunday.

Lufthansa Cargo added Milan as a new destination. MD-11 freighters and Boeing 777Fs fly into Milan Malpensea Airport twice weekly, giving northern Italian shippers better access to the airline's global network.

Cathay Pacific Cargo added Ohio's Rickenbacker International Airport to its list of North American destinations. Twice-weekly services operate Wednesday and Friday between Hong Kong, Anchorage, Columbus, New York, and Vancouver.

CALENDAR | YOUR LOGISTICS DATEBOOK

APRIL 13

National Shippers Strategic Transportation Council

NASSTRAC Annual Shippers Conference & Transportation Expo

www.nasstrac.org | Orlando, Fla. | APR 13-16

AUDIENCE: Transportation and supply chain executives, logistics providers, manufacturers, retailers, distributors
FOCUS: Capacity challenges; cost management; issues facing carriers including CSA, Hours-of-Service rules, fuel surcharges

CONFERENCES

APR 26–30, 2014 San Diego, Calif.
Global Cold Chain Alliance

123rd IARW-WFLO Convention & Expo

www.gcca.org

AUDIENCE: Supply chain professionals in the cold chain
FOCUS: Domestic and international market development, warehouse law, risk management and liability, best practices in talent and operations management, cold chain exhibition

APR 28–30, 2014 Greenville, S.C.
International Quality & Productivity Center

Nuclear Supply Chain: Procurement & Vendor Management Summit

www.nuclearsupplychainevent.com

AUDIENCE: Procurement, supply chain, and logistics professionals in the nuclear power industry
FOCUS: Regulatory compliance, advancements in nuclear technology, procurement strategies, quality assurance, supplier relationship management

APR 28–30, 2014 San Diego, Calif.
Worldwide Business Research

LogiMed USA

logimedusa.wbresearch.com

AUDIENCE: Medical device industry supply chain executives
FOCUS: Optimizing global distribution networks, developing better strategies for inventory management and visibility, and preparing for the changing regulatory environment

MAY 5–8, 2014 Las Vegas, Nev.
American Wind Energy Association

WINDPOWER 2014

www.windpowerexpo.org

AUDIENCE: Wind energy industry supply chain stakeholders and manufacturers
FOCUS: Wind energy market forecast, how OEMs and supply chains are leaning manufacturing, offshoring and cost reduction, lowering the cost of production

MAY 13–15, 2014 Detroit, Mich.
Global SCM Leaders on Demand

2014 Automotive Supply Chain Conference

www.scmautoleaders.com

AUDIENCE: Automotive supply chain stakeholders
FOCUS: New forms of collaboration, re-engineered supply chains, new channels of customer interaction

MAY 13–15, 2014 Boston, Mass.
Front End of Innovation

FEI Supply Chain Innovation

www.iirusa.com/feisupplychain

AUDIENCE: Procurement, supply chain, and logistics professionals
FOCUS: Developing a smart supply chain in a lean new world, leading expansion through supply chain innovation and employee empowerment, strengthening the healthcare supply chain, big data in manufacturing and operations

MAY 19–23, 2014 Hannover, Germany
Deutsche Messe AG

CeMat 2014

www.cemat.de

AUDIENCE: Manufacturing, retail, supply chain, materials handling, warehousing, and distribution professionals
FOCUS: Hazardous material transport, green logistics for the global economy, career fair, materials handling exposition

SEPT 29–OCT 1, 2014 Dallas, Texas
The Customized Logistics and Delivery Association

PARCEL Forum '14

www.parcelforum.com

AUDIENCE: Stakeholders in the parcel industry
FOCUS: Parcel industry case studies and educational tracks, regional carrier exhibition, warehousing/materials handling exhibition

SEMINARS & WORKSHOPS

MAY 2, 2014 Los Angeles, Calif.
Los Angeles Chamber of Commerce

88th Annual World Trade Week Kickoff Breakfast

www.worldtradeweek.com

AUDIENCE: International supply chain, logistics, and trade professionals
FOCUS: The importance and benefits of global trade for the U.S. economy

MAY 4–9, 2014 Lansing, Mich.
MSU Broad College of Business and Council of Supply Chain Management Professionals

Supply Chain Logistics Management Executive Seminar

execed.broad.msu.edu

AUDIENCE: Logistics and supply chain professionals
FOCUS: Supply chain integration, performance measurement, applying technology tools, organizational dynamics, lessons from global logistics organizations

RESOURCE CENTER

03.14

INBOUND LOGISTICS WORKS FOR YOU!

For a specific response, contact these advertisers directly. Please tell them you saw their ad in *Inbound Logistics.*

For faster service, go online: inboundlogistics.com/rfp

Use our Resource Center and let the information you need find you.

Events

CeMAT pg. 105
www.cemat.com 773-796-4250

FEI: Supply Chain Innovation pg. 32
www.iirusa.com/feisupplychain 888-670-8200

National Shippers Strategic Transportation Council pg. 57
www.nasstrac.org 202-367-1174

World Trade Week pg. 116
www.worldtradeweek.com 213-580-7500

Forklift Fleet Management

CJK Services pg. 89
www.cjkservices.com 877-614-8414

Freight Payment Services

CT Logistics pg. 52
ctlogistics.com 216-267-2000

DDC FPO pg. 69
www.ddcfpo.com 303-674-0681

nVision Global pg. 33
www.nvisionglobal.com 770-474-4122

Intermodal

Alliance Shippers, Inc. pg. 19
www.alliance.com 800-222-0451

Inventory Liquidation

Silver Creek Trading pg. 127
www.silvercreektrading.com 360-778-4162

Logistics IT

Amber Road pg. 24
www.amberroad.com 800-852-6562

GE Transportation pg. 65
getransportation.com/rail/software 404-355-7936

Global Resource Group pg. 77
www.grggps.com/testdrive 877-GRG-2500

iLogisys/Suntek Systems pg. 3
www.ilogisys.com 949-789-0070

Intellect Technologies pg. 115
www.intellecttech.com 609-454-3170

Magaya Logistics Software Solutions Cover 4
www.magaya.com 786-845-9150

Supply Chain Logistics Software Innovators pg. 68
www.my-supplychain.com 404-662-2434

Ocean

Bahri General Cargo pg. 51
www.bahri.sa 800-732-0204

Hyundai Merchant Marine pg. 36
www.hmm21.com 877-7-HYUNDAI

Packaging

Sealed Air pg. 16
www.sealedairprotects.com 800-648-9093

Ports

Georgia Ports Authority pg. 75
www.gaports.com/target 800-342-8012

Maryland Port Administration pg. 39
www.marylandports.com 800-638-7519

Port Everglades pg. 31
www.porteverglades.net 800-421-0188

For a specific response, contact these advertisers directly. Please tell them you saw their ad in *Inbound Logistics.*

For faster service, go online: inboundlogistics.com/rfp

RESOURCE CENTER 03.14

INBOUND LOGISTICS WORKS FOR YOU!

For a specific response, contact these advertisers directly. Please tell them you saw their ad in *Inbound Logistics.*

For faster service, go online: inboundlogistics.com/rfp

South Carolina Ports pg. 29
www.scspa.com 843-723-8651

Rail

Railex pg. 7
www.railex.com 888-4-Railex

Real Estate Logistics/ Site Selection

CenterPoint Properties pg. 111
www.centerpoint.com 630-586-8000

Joplin Regional Partnership pg. 109
joplinregionalpartnership.com 417-624-4150

Trucking

Saia pgs. 5, 61
www.saiacorp.com 800-765-7242

Trucks

Freightliner pg. 25
www.freightlinersprinterusa.com 877-762-8267

INDEX

Inbound Logistics (ISSN 0888-8493, USPS 703990) is mailed on the 15th of the month for approximately 60,000 business professionals who buy, specify, or recommend logistics technology, transportation, and related services, by Thomas Publishing Company LLC, 5 Penn Plaza, NY, NY 10001. José E. Andrade, chairman; Carl T. Holst-Knudsen, president. Periodicals postage paid at New York, NY, and additional mailing offices.

POSTMASTER SEND ADDRESS CHANGES TO: Inbound Logistics, 5 Penn Plaza, New York, NY 10001

MARCH 2014 | THIS CARD VALID FOR ONE YEAR

inbound logistics
THE MAGAZINE FOR DEMAND-DRIVEN LOGISTICS

START OR UPDATE YOUR FREE SUBSCRIPTION

Please answer *ALL* questions and sign below below to validate your subscription.*

1 ☐ YES! I want to start/update a subscription to INBOUND LOGISTICS.

☐ No, thanks.

2 Services or products you evaluate, specify, approve, budget, recommend, buy or manage. (CHECK ALL THAT APPLY)

- A ◯ Air Freight Services
- B ◯ Motor Freight Services (TL/LTL)
- C ◯ Ocean, Ocean Intermodal
- D ◯ Rail, Rail Intermodal
- E ◯ Small Package Delivery, Expedited Freight, Express Services
- F ◯ Third Party Services (3PL), Contract Logistics
- G ◯ Supply Chain Technology, Software/Systems
- H ◯ Transportation Equipment
- J ◯ Warehousing & DC Services
- K ◯ Materials Handling Systems, Equipment, Forklifts
- L ◯ Packaging/Labeling Systems
- N ◯ Intl. Shipping Services, Freight Forwarding
- P ◯ Fleet Operations, Dedicated Contract Carriers
- R ◯ Site, Port, or Facility Selection
- X ◯ Other: ______________________
- Z ◯ None of the above

3 Number of people at your location. (YOURSELF PLUS OTHERS)

M ◯ 1000+ E ◯ 1-99 J ◯ 100-249
K ◯ 250-499 L ◯ 500-999

4 Business category. (CHECK THE BEST ONE)

- 1 ◯ Manufacturer/Producer (any product)
- 2 ◯ Retailer, Wholesaler, Distributor
- 6 ◯ Services: (Medical/Health, Financial, Insurance, Legal, Gov't., Consulting, etc.)
- 3 ◯ Agriculture, Construction, Engineering, Mining
- 4 ◯ Utilities (Water, Power, Electric, Gas), Telecommunications
- 5 ◯ Transportation, Logistics & Supply Chain Services (Carrier, Broker, Freight Forwarder, Transportation Intermediary, 3PL, Warehouse/DC)
- 9 ◯ Other: ______________________

5 Your job classification. (CHECK THE BEST ONE)

- N ◯ Corporate Management
- Q ◯ Logistics, Transportation, Traffic Mgmt.
- P ◯ Supply Chain Management, Purchasing, Procurement
- R ◯ Warehousing, Distribution, Inventory, Materials Management
- S ◯ Operations, Production, Quality Mgmt.
- T ◯ Customer Service, Marketing, Sales Mgmt.
- Z ◯ Other: ______________________

***INBOUND LOGISTICS* IS FREE TO QUALIFIED PROFESSIONALS WORLDWIDE.** Print, Web, digital, and tablet. Subscribe Now! Already a subscriber? Spread the good news and pass this form along to a colleague!

FOR DIGITAL ISSUES AND IL'S NEWSLETTER PLEASE INCLUDE EMAIL BELOW.

▲ NAME ▲ TITLE

▲ COMPANY

▲ ADDRESS

▲ CITY ▲ STATE ▲ ZIP

▲ PHONE ▲ FAX

▲ E-MAIL

SIGNATURE (required) **DATE**

*NOT VALID IF INCOMPLETE.

MAIL TODAY OR FAX TO 212-629-1565

Inbound Logistics • 5 Penn Plaza • New York, NY 10001

FOR FASTER SERVICE, START OR UPDATE ONLINE.

START SUBSCRIPTION: http://bit.ly/Get_IL • UPDATE SUBSCRIPTION: http://bit.ly/IL_Renew

Retailers and the Red Carpet

After every major awards show, retailers try to figure out which red carpet fashion trends will be the next hot sellers in their stores so they can plan inventory accordingly. Social sentiment analytics based on data gathered from social media platforms such as Facebook and Twitter can now help retailers determine the styles, colors, and accessories most likely to drive sales. Armed with real-time customer preference data, retailers can make better inventory decisions to avoid stocking fashions that flop. Here are a few insights from the March 2013 Oscars ceremony.

While critics' top choice was the powder blue Prada gown Lupita Nyong'o wore, social media users raved about Jennifer Lawrence's strapless red Christian Dior Couture dress. This contrast illustrates how retailers must listen to both sides of the conversation to fully understand consumer preferences.

Anne Hathaway's bejeweled Gucci black halter dress only received one percent net sentiment, indicating consumers weren't thrilled with her dress choice. In contrast, Kate Hudson's slinky off-white Atelier Versace received many more positive reactions, with net sentiment of 87 percent. These responses suggest consumers may be looking for subdued glamour rather than serious sparkles.

Source: SAP


PENSKE WAS HERE
TONIGHT'S DESSERT DIDN'T START 45 MINUTES AGO. IT STARTED 15 YEARS AGO. Since 1998, Whirlpool Corporation has teamed with Penske Logistics to get their appliances to you. Our network of 11 distribution centers has reduced costs by 14% and now moves over 18 million units annually. Working together, our two proud companies have created one of the world's most efficient supply chains. Whirlpool makes the appliances. We set the table.
PENSKE
penskelogistics.com


Magaya
Warehouse Management System
HWC Cargo Company - Magaya Explorer
File Edit Sales Operations Maintenance Shipment
Back Forward Air Ocean Ground
Magaya Network
Tasks
Quotations
Jobs
Bookings
Warehousing
Pickup Orders
Pickup Order List
Warehouse Receipts
Magaya WMS
Big benefits for a small budget
Magaya
All warehousing processes included plus: a complete accounting system, real-time online inventory visibility for your customers, and built-in customization options. All this and more for less than you'd expect.
Magaya®
Logistics Software Solutions
www.magaya.com
info@magaya.com
ph 786.845.9150