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THE MAGAZINE FOR DEMAND-DRIVEN LOGISTICS • OCTOBER 2010

ANNUAL INTERMODAL ISSUE

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PORTS Gateways to Global Trade

October 2010 • Vol. 30 • No. 10

INSIGHT

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by Keith Biondo | **Publisher**

Currency Events

Recent actions by the U.S. House of Representatives and calls from the Obama administration may impact global trading patterns next year. One such resolution–H.R. 2378, the Currency Reform for Fair Trade Act passed in early October 2010–allows the United States to peg import tariffs directly to what is determined to be the true value of a foreign currency. The United States could then use its own estimates of artificial currency undervaluation to set tariffs and import duties on products from countries that use cheap currency as a tool to dominate global trade.

Treasury Secretary Tim Geithner supports this legislation. At a recent International Monetary Fund (IMF) meeting, he called for the IMF to take a strong stance against countries keeping their currency cheap to gain global trade advantages. Many industrialized nations back this position. While neither the IMF nor the U.S. Congress has codified this stance, the action is a direct challenge to trading partners who artificially keep their currency value low. Who is this challenge directed at?

Ah, that would be China, as made clear by global financier George Soros, who spoke out in support of these actions in a BBC interview in early October 2010. "Whether it realizes it or not, China has emerged as a leader of the world," Soros said. "If it fails to live up to the responsibilities of leadership, the global currency system is liable to break down and take the global economy with it." Pointing to China's incredible $2.5 trillion trade surplus, Soros warned of a currency war: "The Chinese control not only their own currency, but the entire global currency system."

These currency tensions impact labor costs, too. Some countries use low-cost labor to compete for global trade. In Thailand, for example, the baht increased its value 10 percent this year, causing labor costs to rise as well. Not good when competing with countries undervaluing their currencies.

As you might expect, the Chinese expressed strong opposition to the move by Congress, the IMF, and the positions of Geithner and Soros. "Carrying out anti-subsidy investigations on the basis of currency is against the rules of the World Trade Organization (WTO)," said Commerce Ministry spokesman Yao Jian. Chinese officials have already committed to a gradual rise in the yuan, but say it will take time to adjust to prevent internal economic disruptions. They also cite loose U.S. economic policies, immense deficit spending, and low productivity, which are fundamental to weakening the dollar against the yuan. The Chinese are taking their case to the WTO, but there are also quiet hints of retaliation against U.S. products.

As it plays out after the election and during 2011, this issue will impact global product flow. Keep your eye on this important development. ■

inbound logistics

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10TIPS

STEP-BY-STEP SOLUTIONS

Optimizing Global Supply Chain Management

Today's complex and dynamic global business environment presents increased operating challenges for companies striving to achieve sustainability while working with an array of global trading partners, regulations, business requirements, risk management concerns, cost control issues, and competitive objectives. Andrea Robinson, business development manager-United Kingdom, at supply chain management software provider CargoWise, offers these tips for using technology to handle global supply chain management challenges.

1 **Ensure partner collaboration.** Fragmented functionality cannot be tolerated within the successful supply chain; rather, all parties should work together to ensure the supply chain partnership's success.

2 **Invest wisely in IT.** A variety of supply chain best practices are available, but some can be ineffective if companies don't select the IT solution that best meets their specific supply chain requirements. Evaluate operational goals, budget considerations, and other relevant factors to determine the most effective tools for regaining control over operating procedures and providing customers with visibility and service.

3 **Provide clear, concise communications.** Using a single automated database ensures trading partners can communicate in a language compatible with other companies to identify common key performance indicators that provide a level of integration for shared systems and processes.

4 **Evaluate legacy IT infrastructures.** It may be necessary to upgrade and implement new technology that supports today's global market demands. The right software platform is crucial to avoid economic stagnation and improve partner relationships while cutting costs, ensuring growth, and increasing return on investment.

5 **Keep your staff's skills up to date.** Your IT department or its technology resource should have quality-assured processes in place to ensure skills are current and moving forward. Keep documentation and learning resources updated to benefit future hires.

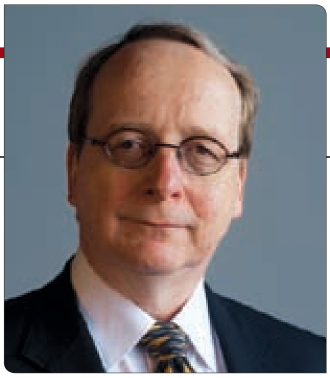
6 **Set targets.** To ensure you achieve your goals, review your implementation process and take actions to correct it where necessary. Set anticipated milestones, be prepared for the unexpected, and develop creative and flexible strategies to stay on track.

7 **Provide sufficient time to implement.** Give yourself enough time to not only deploy software updates, but also to train your IT, sales, and management teams.

8 **Keep an open mind.** Be receptive to positive change and encourage customer participation and ownership. Involving all trading partners with a common, integrated, and distinctive IT application provides greater control over the global logistics process.

9 **Get to know your software vendor.** The traditional paradigm of plug-and-play software systems is no longer adequate to deliver the necessary logistics solutions. Today's complexities and diversities require companies that rely heavily on IT systems providers to deliver a clear vision of resources necessary to optimize supply chain management with a competitive advantage.

10 **Establish and manage metrics.** Proper investment in IT solutions provides opportunities to review your processes and practices, and implement better administrative resources and skills. Use these benchmarks to ensure the successful delivery of services to your customers. ■



[INPERSPECTIVE]

BY PERRY A. TRUNICK
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Surviving a Rocky Relationship

Happy 30th anniversary, Staggers Act.

These days, the statistics are against the majority of us celebrating a 30th anniversary of any kind. But the Staggers Act, which largely deregulated the U.S. rail industry, has reached that milestone. It hasn't always been easy, and doubts often surfaced about whether it would survive. In fact, almost as soon as the Act became public law, there were whispers that it wouldn't last.

Today, those whispers about the Staggers Act are growing louder, turning into shouts in some cases. But the rail industry won't go quietly back into regulation, nor should we let it.

We should listen to the claims that this is a different era and Staggers hasn't kept pace. But we should listen in the context of rational review, not outright rejection or radical revision.

I grew up in a railroad family and, even before I entered this field, I was acutely aware of the industry's condition. I watched the railroad's logos change from the red keystone of the Pennsylvania Railroad to the green Penn Central, then the blue Conrail.

I sensed some tension as each change occurred, though my father tried to keep it from coming home with him. It was unavoidable, however, when the bank refused to accept his paycheck from the bankrupt Penn Central.

I also saw firsthand what had become of the rail infrastructure when I worked summers on the track as a "gandy dancer." The industry coined a few new terms in the mid-1970s, including "deferred maintenance" and, as a consequence, "standing derailment." It's hard to imagine today that the infrastructure was so bad that a train standing still could derail, but that's what happened.

We shouldn't dismiss rail industry claims of nearly half a trillion dollars of investment in its systems as merely a rationale for higher rates. The North American rail network accomplishes what it does today because the rails had access to massive amounts of capital to invest. Let's not cut that off and return to 1970s infrastructure.

Among the most critical issues for the rail system today are congestion, poor infrastructure, or inefficiency at the points where it connects to other modes–especially ports. That's the next big challenge in making multimodal networks more efficient, and it has macro-economic impact.

We need to review pricing mechanisms and monitor for abuses, that's true. But, we need to do it in the context of a rail network that is part of a global supply chain and interlocking economies, not for some parochial self-interest. We should be integrating all of the transport modes under a single, cohesive national transportation policy designed for tomorrow's economy.

A 30th anniversary is a good time to renew vows, and this one is no different. Our relationship with rail is important. It has survived some very rough stretches and emerged stronger, but it's a delicate balance.

Let's re-commit to building the most efficient and effective global trading engine with adequate oversight and enforcement. We don't want to go overboard when we have come this far. ■

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by Merrill Douglas

WELL-CONNECTED

NAME: **Randall Plost**

TITLE: Houston distribution manager

COMPANY: Victaulic, since 1981

PREVIOUS EXPERIENCE: Travel agent; inside sales representative, Orbit Valve; customer care and distribution manager, Victaulic

EDUCATION: University of Texas, Austin, BBA in marketing, 1978

Plost Plugs Into the Pipeline

Randall Plost didn't worry much about his warehouse when he managed inside sales in Houston for Victaulic, a global manufacturer of low- and medium-pressure valves and other pipe connectors. Because filling orders meant sending products out the door, Plost also was in charge of distribution. But work in the 20,000-square-foot warehouse pretty much hummed along on its own. "I thought the warehouse was just a sideline to customer care," he says.

Then in 2000, Victaulic consolidated inside sales at its headquarters in Easton, Pa. That change left Plost with a new position: Houston distribution manager.

To gain a better handle on his new job, Plost attended a seminar run by the Warehouse Education and Research Council. The meeting gave him a new perspective. "It opened my eyes to the fact that distribution and warehousing was a profession in itself," he says. It turned out to be a profession he loves.

Victaulic's Houston warehouse fills orders for customers in Texas, Louisiana, and Mississippi. Those customers are mostly distributors serving companies in construction, fire suppression, power generation, and other industries that use pipes. The Houston site also serves as the factory warehouse for Victaulic's branch in Mexico.

One thing that makes running the warehouse rewarding for Plost is the number of improvements he has seen there. For instance, the company has remodeled the building with new racking and narrower aisles. "We increased capacity by 40 percent without having to build a new facility," Plost says.

Victaulic also implemented bar-code and scanner systems, making it much easier to locate products. The facility has also started using smaller pallets. That allows the warehouse to store three boxes per rack slot rather than two, making it possible to store more product in floor locations.

"A few years ago, we averaged about

The Big Questions

What do you do when you're not at work?
I'm an avid snow skier. I organize one or two ski trips a year with friends and relatives. I like to read and explore new Web sites. And my wife and I love to travel.

Ideal dinner companion?
My two favorite authors, Stuart Woods and J.D. Robb.

Business mottos?
"If you're not enjoying your job, find something else to do," and "You've got to speak your mind."

If you didn't work in supply chain management, what would be your dream job?
Working in the ski industry or the travel industry, either for an airline or a cruise line.

60 percent of our monthly pick on the floor," Plost says. "Last month, we hit 93 percent."

When workers pick from the floor, they pick faster because they don't have to retrieve boxes from the second level, then put them back.

Another change came when Plost forged a partnership with a driver at the drayage company that hauls inbound product from the Houston rail terminal. Plost offered to give the driver the railroad's tracking numbers; the driver would then monitor the inbound piggyback trailers and arrange on his own to pick them up.

With new warehouse racking and narrower aisles, "we increased capacity by 40 percent without having to build a new facility."

The relationship has paid off in faster service. "If a trailer hits Houston and I want it at 8 a.m., I don't have to call to make an appointment," Plost says. "The driver is happy because he gets a guaranteed number of loads per week, and I'm happy because the product arrives at 8 a.m. instead of 11 a.m."

With a staff of just six, including Plost, the Houston facility is one of Victaulic's smallest. Plost likes the way a small operation allows him to wear many hats. "I'm not only the manager, but also the safety inspector, the garbage collector, and the fireman," he says. "That makes it fun to work here: it never gets routine, and it never gets boring." ■

LOGISTICS **knowledgebase**©

by Mike Marlowe, Vice President, Kane Is Able, Inc.
570-906-4659 • mmarlowe@kaneisable.com

Integrate Contract Packaging Into Distribution Operations to Cut Costs by 30%

Specific consumer products look exactly the same when they roll off the manufacturing line. To satisfy retailer requirements, however, these identical products are wrapped, sealed, tied and packed in dozens, even hundreds, of different ways for presentation on the retail shelf. Consumer packaged goods (CPG) companies often outsource final packaging to outside contract packagers, adding a costly and time-consuming step between manufacturing and the distribution center.

CPG companies can streamline their supply chains by integrating final packaging into existing distribution operations and entrusting the function to the third-party logistics (3PL) professionals who manage warehousing and transportation. Doing so can reduce combined distribution, packaging and transportation costs by 30%, and can cut at least 7 days in order-to-delivery cycle time.

Let's be clear. Contract packagers are good at what they do. The need for a new model is not driven by a flawed packaging capability; it's driven by a flawed, unnecessarily long process for customizing products. Performing final packaging at the distribution center achieves the following benefits:

- **Lower freight costs.** When products ship out to a contract packager and then back to the DC for final distribution, the extra runs add 38% to freight distribution costs.
- **Lower inventory carrying costs.** Use of an outside contract packager adds about 7 days to the distribution cycle and loses visibility to product, creating uncertainty about the amount of product available for sale. Manufacturers deal with this uncertainty by adding inventory.
- **Reduced labor and equipment.** Combined packaging/distribution operations allow for labor and rolling stock to be deployed where it's most needed in the facility.

Beyond cost savings, the most powerful benefit of an "in DC" packaging operation may be an enhanced capability for late-stage product customization. Mass retailers are the power brokers in today's retail supply chains. They want what they want, when and how they want it. A more flexible solution for final product configuration gives brand managers the freedom to change packaging formats with great agility, to reflect the retailers' merchandising strategies.

Here's an example. Let's say a cleaning product manufacturer has an idea for a multi-product "Spring Clean-Up" bucket. Walmart likes the idea and requests 100,000 buckets for a pilot program that it wants to kick off in four weeks. A flexible, fast solution for product packaging and distribution enables the manufacturer's sales team to book the order with confidence rather than bargain for more time to design and create the kits. That's a powerful competitive advantage.

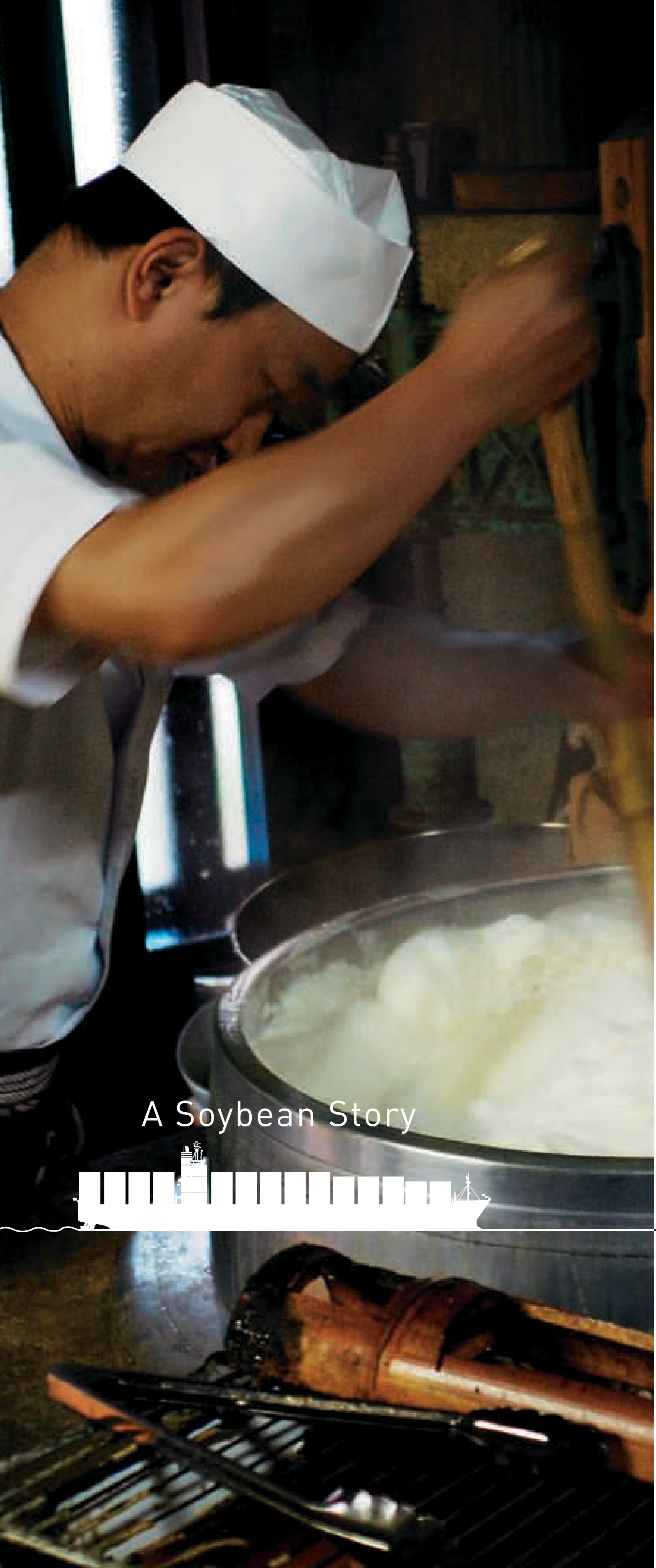
Implementing a combined packaging/distribution strategy requires contract packaging to be handled within a 3PL-operated distribution center. Are 3PLs ready to take on contract packaging? Some are. Some aren't. Moving a complex contract packaging operation to a distribution center is a big shift, from a "ship it" to a "make it" operating environment. This new environment requires:

- A rigorous quality control process to manage the greater risk of a packaging environment. The financial downside of a missed shipment is minor compared to an improperly packaged product for a large retailer order, which could result in chargeback fines or even recalls.
- Experienced packaging engineers to design the packaging process and specify equipment.
- Strict processes and KPI measurement tools to monitor and measure outside labor.

Some logistics providers have made this shift and, because of that, integration of final packaging into distribution operations has become a compelling proposition.

America's largest CPG companies have been quick to recognize the potential of the strategy to streamline their supply chains. Kimberly-Clark, for instance, has consolidated contract packaging and distribution operations into ten 3PL-operated mega-centers throughout the U.S. and Canada. It's only a matter of time before manufacturers of all sizes recognize integrated packaging and distribution as an opportunity to get products to market faster with greater flexibility and at a lower cost.

Mike Marlowe is Vice President at Kane is Able, Inc. (www.kaneisable.com), a third-party logistics provider that helps consumer packaged goods (CPG) companies warehouse and distribute goods. Kane has managed high-volume packaging operations since 1993.


A Soybean Story

NOTED

THE SUPPLY CHAIN IN BRIEF

soundbyte

"To create lasting prosperity, we need to work harder – much harder – to open markets overseas, while resisting the temptation to retreat into economic isolationism at home."

–Peter M. Robinson, president and CEO
The United States Council for International Business

SEALED DEALS

General Motors selected **Comprehensive Logistics** to manage global inbound logistics and value-added subassembly processes for its 2011 Chevrolet Cruze. Under the terms of the agreement, the 3PL will receive parts and components from hundreds of global suppliers and build complex vehicle configurations for just-in-time delivery to the automaker's assembly lines in Lordstown, Ohio.

PepsiCo has tasked **Jacobson** with running a new 450,000-square-foot distribution center in Tacoma, Wash. As part of broader efforts to consolidate supply chain operations, the beverage company recognized an operational need in the Pacific Northwest. This is the fifth DC that Jacobson operates for PepsiCo.

Belgian food retailer **Delhaize Group's** American division now uses **XATA Corporation's** fleet management technologies across its Food Lion, Hannaford, and Sweetbay brands to better track speed and driver behavior, while accessing real-time vehicle, routing, and delivery information.

Football business event organizer **Soccerex** has partnered with **DB Schenker** to handle logistics for its 2010 Global Convention in Brazil. The integrated logistics service provider will support industry delegates moving freight to the event, held Nov. 20-24 in Rio de Janeiro.

Royal Caribbean Cruises has named **Hellmann Worldwide Logistics** as its official logistics partner. The 3PL provides all dedicated contract logistics including warehousing, cargo consolidation, and customs brokerage services. Hellmann Worldwide Logistics currently operates a 267,500-square-foot warehouse in Weston, Fla.–now dedicated to the cruise line–and has hired an additional 30 Royal Caribbean employees to manage the facility.

UP THE CHAIN

Burger King Holdings, the U.S. fast-food chain being taken over by 3G Capital, will name **Bernardo Hees** CEO after the $3.3-billion acquisition is completed later in 2010. Hees most recently served as CEO of Brazilian railway company All America Latina Logistica.

Hill-Rom, a medical equipment and technology provider, has hired **Scott Jeffers** as its senior vice president of global supply chain operations. Jeffers joins the company from GE Healthcare, where he last served as general manager for its global lean enterprise. At Hill-Rom, he will be responsible for all aspects of the company's manufacturing and supply chain operations.

Andrea Thomas has been appointed as **Walmart's** new senior vice president of sustainability after serving in a similar executive role for the company's global merchandising center. In this position, she was heavily involved in supply chain, product development, and brand marketing – all of which are key elements of Walmart's sustainability push.

Apparel company **The Warnaco Group** appointed **Helen McCluskey** as its new COO. Previously group president of U.S. Intimate Apparel and Swimwear, she will focus on the company's brand portfolio, strategic direction, and execution of its long-term growth plan. She also oversees the company's global supply chain and sourcing operations.

David Jones has been named supply chain director for high-end British food retailer **Waitrose**. Jones became head of buying services at parent company John Lewis in 2002, then assumed a similar position at Waitrose in 2007.

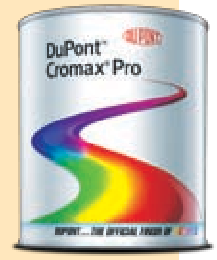
m&a

Crowley Maritime Corporation's logistics group purchased **Islandwide Air and Ocean,** and entered an agreement with sister company Islandwide Logistics, to provide warehouse management, inventory management, pick and pack, and time-sensitive delivery for customers in Puerto Rico. In addition, Crowley will offer less-than-containerload freight transportation services from the company's Miami and Jacksonville warehouses to Puerto Rico, as well as from a new consolidation center in the Northeast.

Supply Vision, a SaaS vendor serving the supply chain industry, has acquired **Web Freight Pro,** a Web-native freight and warehouse management solutions provider. The move helps Supply Vision expand its suite of applications, and the company is currently exploring other acquisitions that will help provide visibility tools for all aspects of the supply chain.

recognition

DuPont has honored **Kenco Logistic Services** with its **2009 Responsible Shipper Award** for achieving zero recordable distribution incidents and regulatory citations between 1995 and 2009 at the 3PL's Live Oak/Orange, Texas, location. The award recognizes Kenco for ensuring all materials shipped from the site comply with safe transportation policies and guidelines, and Responsible Care practices.



John Christner Trucking was named **ArrowStream's 2010 Carrier of the Year** based on key performance criteria such as on-time pickup and delivery percentages, ability to meet capacity commitments, and claims ratio.

NACCO Materials Handling Group's manufacturing facility in Greenville, N.C., has been honored with the **North Carolina Department of Labor's Gold Safety Award** and **Million Hour Award**, demonstrating the plant's commitment to a safe work environment, with an incidence rate 70 percent below the industry average.

OHL was recently named a **2010 certified supplier** for **Eastman Kodak.** The 3PL currently operates Kodak's online store order fulfillment operations. The certification criteria consist of five elements: quality management system, quality of product/service, on-time delivery performance, lead-time expectations, and year-on-year productivity.

The Port of Houston Authority received the **Houston-Galveston Area Council's Best All-Around Clean Air Leadership Award**. The Council's Clean Air Action Program aims to reduce air pollution and help the region comply with federal air quality standards for ground-level ozone pollution.

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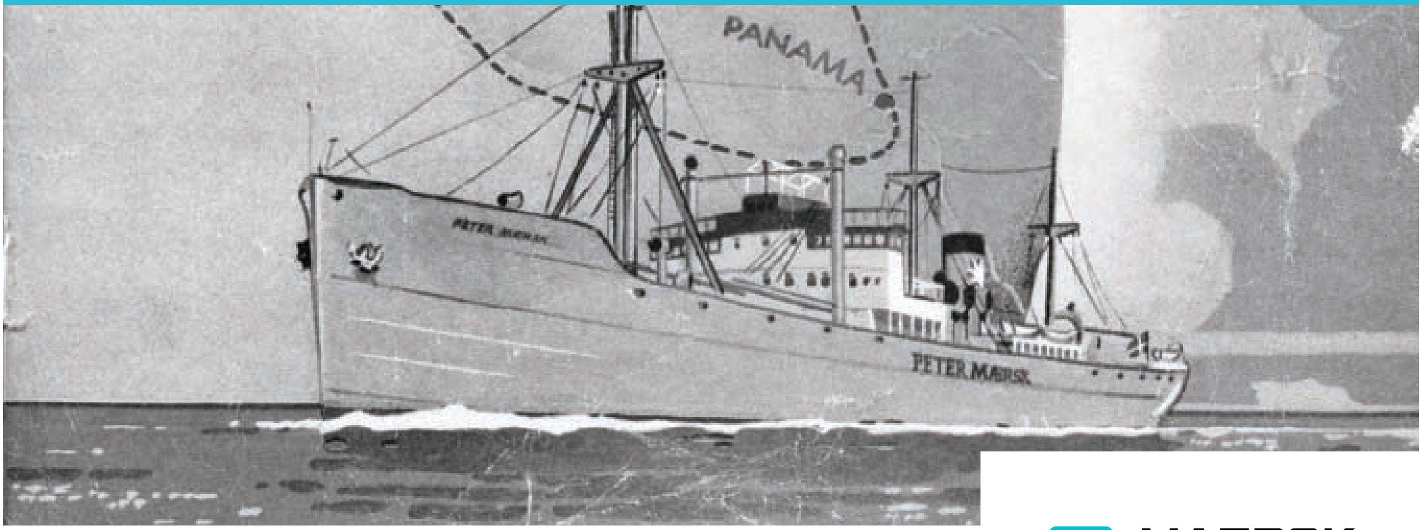


MAERSK LINE

TRENDS

SHAPING THE FUTURE OF LOGISTICS

U.S. Transportation Investment: A Political Pothole

by Joseph O'Reilly

Drive any measurable distance across the United States and you're bound to run into "Schneider Eggs"–trucker slang for sometimes-scrambled orange construction barrels. As much as road construction is an obstacle to efficiency and timeliness, it's also a sign of progress, investment, and your tax dollars at work.

Ironically, the problem is a lack of construction barrels slowing down drivers and hastening government to stimulate infrastructure development, according to the U.S. Chamber of Commerce's first-ever nationwide and state-by-state Transportation Performance Indexes (TPI).

The report rates infrastructure performance on both the national and state levels, with the goal of meeting three primary objectives:

- Define what businesses require of infrastructure to grow and succeed, not what government decides is important.
- Look across four critical sectors of infrastructure–transportation, energy, broadband, and water–and consider their relationships.

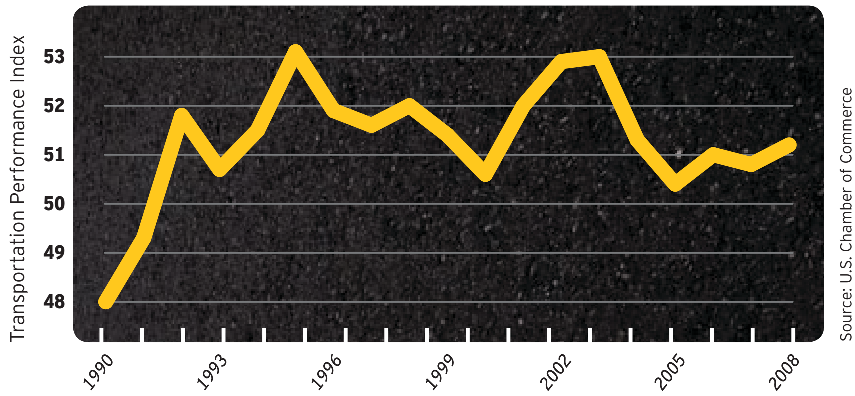
■ Show how infrastructure performance correlates to economic growth.

The Chamber of Commerce's study exposes a significant decline over the past seven years in how America's transportation infrastructure is serving the needs of domestic commerce, international trade, and the overall U.S. economy (*see chart, right*).

On the national scene, the TPI combines indicators of supply (availability), quality of service (reliability, predictability, safety) and utilization (potential for future growth) across all modes of passenger and freight transportation between 1990 and 2008 to measure U.S. transportation system performance.

Infrastructure Performance Shows Seven-Year Decline

The Transportation Performance Index combines indicators of supply, quality of service, and utilization across all passenger and freight transport modes to measure infrastructure performance. A higher index value is better; lower index value is worse.



For 2008 (the last year data is available) the national index reached 51.24, which shows a slight improvement from 50.74 in 2007. But the moving average, which levels annual variations, reveals a clear downward trend from 2003 to 2008. Over the course of the measurement period, the index increased only six percent while the U.S. population expanded 22 percent, passenger travel grew 39 percent, and freight traffic jumped 27 percent.

"The performance of the nation's transportation system is not keeping pace with the rate of growth of the demands on that system," says Thomas

J. Donohue, president and CEO of the U.S. Chamber of Commerce. "In fact, a 10-point improvement in the new national transportation index could generate three percent more growth in the nation's Gross Domestic Product (GDP).

"However, the transportation index shows that from now through 2015 there will be a rapid decline in the performance of the system if we continue business as usual," he adds. "Right now we're on an unsustainable path."

On the state level, North Dakota and South Dakota rank highest, while the District of Columbia and New Jersey bring up the rear. The study reveals that higher population growth rates and densities are generally associated with lower index value. In turn, these states experience significant pressure in terms of population growth, high levels of development, and dealing with limited access to or aging infrastructure.

"The gap between the national index and the best performing states is 20 points wide," adds Donohue. "We're leaving $1 trillion on the table in GDP by not getting the most bang for the buck out of our transportation system. If we don't head off that decline, we're taking money out of every American's pocket."

Ocean Volumes Rise...And So Do Rates

Recent news that steamship lines such as Maersk, OOCL, and MSC are pushing through general rate increases (GRIs) on transatlantic cargo in fall 2010 is a sign that markets are stabilizing and capacity is turning over more quickly to meet growing demand.

Maersk, which posted a half-year profit of US $1.2 billion on container activities, reports that while the Atlantic markets have stabilized, rates remain unsatisfactory.

A number of carriers, including Maersk, NYK, and MOL, introduced substantial GRIs on transatlantic trades in July 2010, while German container carrier Hamburg Süd imposed a GRI of US $150/TEU and $300/FEU on cargo moving between the U.S. West Coast and Canada to Europe in September 2010.

Maersk reports volumes on the transatlantic routes increased by four percent year-on-year in the first half of 2010. OOCL, which launched a new transatlantic service in October 2010, reveals that volume growth is up almost six percent in the second quarter compared to the first.

Compared to other modes that are still struggling to maintain buoyancy amid shifting economic tides, the ocean trade's recovery is telling. Carriers have become more effective at managing capacity. Apart from idling vessels and re-aligning service strings and frequencies, the slow-steaming trend, which carriers adopted to reduce fuel costs, has found anchorage among shippers as well.

Many companies deliberately decelerated their supply chains to manage inventories according to changing service patterns and speeds, and slow-steaming containerships essentially became moving warehouses.

Maersk Line is one of several carriers implementing general rate increases for the second half of 2010.

International Air Cargo Looks up

International scheduled airfreight traffic showed a 22-percent improvement in July 2010, according to recent statistics from the International Air Transport Association (IATA). While the recovery in demand has been faster than anticipated, it has now entered a slower phase.

During the second half of 2009, demand rebounded at an annualized rate of 28 percent; in the year to July, the annualized growth rates had dropped to 17 percent, but this is still considerably above the industry's traditional six-percent growth trend.

Consumer confidence remains fragile due to the jobless economy, particularly in North America and Europe, says IATA Director General and CEO Giovanni Bisignani. Following the boost of cargo demand from inventory re-stocking, further growth will be largely determined by consumer spending, which also remains weak.

The two-speed recovery continues to see weak growth by European carriers of 12 percent in July, less than half the 25-percent increase by Asia-Pacific carriers or the 27-percent growth recorded by North American carriers.

Bisignani reiterates the need for a regulatory structure that facilitates consolidation across political borders. The industry has more than 1,000 players with only limited opportunities to consolidate as a result of the antiquated bilateral system's restrictions on ownership, he says.

Matching Small Supply to Big Demand

For many small businesses, the challenge of applying as a potential supplier to large companies is fraught with prohibitive investments in time, money, and expertise. Varying standards make it difficult to pursue business with a single large company, let alone multiple global companies.

But a group of large businesses that includes AT&T, Bank of America, Citigroup, IBM, Pfizer, and UPS has devised a new process that allows small and medium-sized businesses (SMBs) to more easily sell goods and services to global companies, potentially leading to the creation of new jobs and economic growth.

Led by IBM, the consortium is developing the *Supplier Connection* Web site, an online portal that accelerates and streamlines the application process leading to increased contracting with SMBs. The companies have also agreed to standardize and simplify the application process required for qualified lower-tier U.S. suppliers. A single, streamlined electronic application allows smaller vendors to complete a form once to potentially become suppliers with multiple participating companies.

Technology leaders at IBM are leading an effort to help SMBs become more competitive.

Expected to launch in the first quarter of 2011, the *Supplier Connection* Web site will also enable SMBs to expand their global presence beyond U.S. markets, leveraging the geographic breadth of larger companies. Small suppliers can learn from, collaborate with, and sell to each other so that they can become more competitive and successful. For participating companies, the portal provides a mechanism for sharing valuable business information with innovative companies that can generate new products and services. ■

GLOBAL

THE WORLD AT A GLANCE

by Joseph O'Reilly

Russia Developing Super Plane

Russia's State Scientific Center, in cooperation with airplane manufacturer Beriev, has begun developing a new super-heavy cargo plane titled Project 2500. The prototype is expected to be complete in 15 to 20 years and will be able to carry out non-stop transatlantic flights with large cargo volumes.

"Earlier, it was a dream. But now we have all the required technologies for its implementation," says Victor Kobzev, CEO of Beriev.

Despite the global recession and Russia's own economic doldrums, the country's cargo transport market is

Northern Wind Blows Off Course

Efforts to build offshore wind farms in Northern Europe are meeting gale force resistance because of supply chain limitations, according to a recent report by the *Wall Street Journal*. The United Kingdom, Denmark, the Netherlands, and Belgium are among the countries seeking to expand capacity to meet European Union mandates for more renewable energy sources. The problem? Manufacturers aren't capable of matching parts and components to growing demand.

Wind turbine companies have balked at adding production capacity until they have firm orders from utilities and developers, many of whom are unwilling to sign big contracts because of the considerable costs involved in offshore installations. Meeting the forecasts and reducing costs will only come with competition from many suppliers and mass production—and to date there are not enough customers or orders to stimulate new manufacturing.

Still, some developers aren't waiting for prices to drop. They're securing equipment by placing bulk orders or buying stakes in the industry's leading suppliers. Experts predict that Europe's blowing pains could eventually touch down in the United States, creating a major stopgap in the development of wind farms and jobs.

growing three to five percent per year, and there is already increasing urgency for new and better cargo aircraft. Kobzev expects the new airplane will help Russian industry target bulk air cargo shipments as well as oversized freight traditionally moved via ocean.

UAE Harvests Rice Exports

Despite explosive growth in its real estate and industrial sectors, the United Arab Emirates (UAE) has always been dogged by its dependence on oil trade and revenue. Economic diversification has been an ongoing challenge and the country looks to be making headway in one niche area–rice.

The UAE was the top global re-exporter of rice between 2005 and 2009, according to a recent study conducted by the Ministry of Foreign Trade. The country attained the top spot largely due to its geographical positioning as a pivot point between production, export, and consumption areas in Southeast Asia and the rest of the world. UAE's competitive logistics capabilities and accommodating customs procedures have helped it build status in the rice trade.

Liberal economic policies anchored by free market principles have also allowed the government to target the international food commodities market–for example, securing strategic food items to guarantee domestic economic security goals and stabilize local markets with a food surplus.

The UAE is continuing efforts to raise its profile as a commercial logistics hub in non-oil trade by investing vast financial resources–around $52 billion over the past decade–in the storage, transportation, and communications sectors, reports the study.

Brazil Outsourcing Heats Up

Brazil's relatively steady market growth in a suppressed global economy has placed it squarely in the crosshairs of enterprising businesses exploring new markets to grow into. With demand rising, the challenge now becomes reducing the total landed costs of importing goods into the country.

In a recent study of supply chain executives in Brazil, conducted by BDP International, 70 percent of respondents cite costs – including purchase price, freight transportation, insurance, customs duties, and taxes – as a deterrent to faster growth.

These companies also place higher priority on reducing internal overhead as they turn to third-party logistics providers for better control of inbound shipments and compliance with complex import regulations that impede cargo clearance and incur punitive penalties for documentation irregularities.

More than 60 percent of respondents outsource their transportation-related functions; nearly half report greater outsourcing of global logistics and lead logistics provider management support.

Expediting Eurasian Trade

Europe ranks as China's fastest-growing export market, with outflow to the EU reaching US $236.2 billion in 2009–20 percent of China's total overseas shipments, according to the Chinese General Administration of Customs. In an effort to capitalize on this growth, FedEx Express extended pickup time by two hours for all international low-value shipments from Shanghai, Suzhou, Hangzhou, Ningbo, and Shaoxing, to help meet growing business demands. [ ]

No Hangups Down Under

Australia's textile and apparel industry is getting a supply chain design cue from Luxembourg-based logistics service provider Logwin. The 3PL, which specializes in air and ocean freight and logistics services targeting the fashion industry, has introduced its AirTextainer solution into the Australian market.

The multimodal hanging garment container is optimized for air, ocean, road, and rail transport, ensuring textiles move quickly and safely from production to the point of sale. Consequently, garments arrive at resale locations in pristine condition, eliminating the need for pressing, steaming, and waste disposal, reducing total logistics costs by as much as 40 percent and shortening lead times.

Logwin operates the largest European fashion logistics network and delivers more than 300 million hanging garments each year. The AirTextainer has been in worldwide use for decades and modified over the past 10 years to reflect current industry standards. The 3PL is focusing on the Australia market as demand builds for both international and Australian brands that are manufactured in Asia. Logwin is now leveraging its experience in the global marketplace to develop business in Australia as well as southern Africa and Latin America.

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VIEWPOINT

by Chandler Hall

Supplier Disruptions: Preparing for the Unpredictable

Supplier disruptions are a reality for most shippers. In fact, 75 percent of supply chain professionals responding to a recent AMR Research poll indicated that at least 10 percent of their supply partners had experienced a disruption in the past year. Even worse, 12 percent of respondents saw half or more of their suppliers experience disruptions.

Shippers can take steps to reduce the frequency and severity of disruptions by fostering long-term collaborative relationships with their suppliers. A commitment to supporting vendors' financial success and helping key vendors develop richer capabilities has helped many organizations reduce disruption risk.

ENSURING VENDOR VIABILITY

Last year, AMR Research profiled a shipper who used spend analysis to rationalize payment terms. During this process, the $3-billion manufacturer discovered a set of strategic vendors whose financial risk profile suggested they would struggle with the manufacturer's new extended terms.

The manufacturer worked with its vendors to secure third-party financing that would support a viable working capital model for both parties. Supporting these types of win-win scenarios helps create healthy and stable vendors.

In transportation, letting carriers propose custom lane bundles and other economies of scale unique to their operation can uncover savings for shippers, while filling the carrier's business needs. Many carriers report an increased desire to participate in bids and RFPs that allow them this flexibility because it helps maximize profitability on a particular shipper's account while still charging competitive rates.

DEVELOPING CAPABILITIES

Helping suppliers develop their capabilities, whether through process improvements, capital investments, or other opportunities, is one of the most effective ways to manage supply risk. Engaging in joint improvements signals both parties' commitment to their commercial agreement. It also allows shippers to create visibility and reduce risks during production or delivery.

Choosing the right areas to make investments, however, can be tricky. During the supplier selection process, innovative companies have begun asking vendors not just about their current capabilities, but about future capabilities and the cost to bring that capacity online.

Using optimization techniques, buying teams can quickly analyze the costs and benefits of making such an investment in a key supplier.

For example, a carrier might propose existing volume for over-the-road shipping, but also indicate additional capacity provided by purchasing new equipment. Shippers can then use optimization techniques to evaluate and compare potential buying scenarios to determine the cost, timing, and savings of the various options.

Remaining open to this sort of additional investment allows businesses to save money in the long term, and create "dedicated bandwidth" in the short term, thus reducing the risk of interruptions.

The very nature of risk makes it impossible to ensure you will never experience supplier disruptions. But, by making a strong commitment to developing lasting collaborative relationships with your most strategic vendors, your company can create the visibility and control needed to ensure you've taken precautions against risk. ■

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3PLLINE

by Robert Russo

3PL Partnerships: Finding Your Better Half

Just like people, companies seeking long-lasting relationships need to keep a strategic focus when choosing their "other half." In the high-stakes world of international shipping, smart companies considering logistics outsourcing for their supply chain needs should carefully consider the question, "How do I choose the right provider?"

Here are five tips to help you properly identify the best third-party logistics provider (3PL) to create a win-win relationship and ensure that your company is adequately "partnershipped."

1. Choose a partner that will walk beside you. Unilateral decision-making doesn't work. Find a 3PL that wants to partner and looks at the relationship with a truly vested interest; one that will maintain open lines of communication to guide and collaborate with you. Ask candidates to demonstrate a plan for expansion and technology upgrades that can be put in place if your logistics needs grow.

2. Say no to cookie-cutter solutions and pricing. Find a 3PL that listens to and understands your unique logistics needs. Align yourself with a partner that provides flexible solutions, and takes a tailored approach to suit your specific situation. Challenge candidates to demonstrate distinct examples of how they have provided a customized solution for a similar organization.

And size does matter. Some companies prefer small, regional providers over large international providers because they feel they can benefit from a more personalized, intimate relationship.

Ask your logistics providers to demonstrate a plan for continued process improvements that control costs and ensure ongoing efficiency. Outsourcing can produce many benefits. By leveraging the resources of a 3PL, you can save money, improve service levels, and focus on your core business.

3. Find a partner that will "NIPIM" in the bud. That is, find a company that offers stability of resources through:

N **Network strength.** Does the 3PL have good resource availability? Is it actively involved in the industry?

I **Industry knowledge and expertise.** Talk is cheap. Find a company that has relevant experience with your type of product, technology integration, geographic area, and other specific needs.

P **People.** Ask about the company's personal and professional development programs. If everyone on the team is involved and shows up for practice, it's more likely that they'll win the game.

I **IT** (or systems capability).

M **Mindset**–dynamic and partner focused.

4. Choose a partner that can serve multiple product markets where compliance, safety, and cargo security are required. If one logistics provider can meet the needs of a diverse base of customers, each with its own challenges and industry requirements, then the chances of a successful partnership greatly increase. Ask about certifications that are aligned with your supply chain and industry-mandated protocols.

5. Make the connection. No matter how smart, successful, and impressive a company might be, if you don't connect with the organization and its people, it's not going to work. Like dating, chemistry is key. Being able to work together to resolve mutually defined goals and objectives is paramount to success.

By remaining true to your company's identity, expectations, and needs–and communicating them clearly to your 3PL candidates–you'll find a partner that can provide you with reliable, secure, and affordable logistics solutions. ■

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By Leo Espinoza

Getting a Seat at the Leadership Table

Supply chain management's evolution from a purely tactical to a critical strategic function has earned logistics executives a seat at the leadership table. What attributes do you need to earn that chair–and keep it?

According to Korn/Ferry International studies of best-in-class executives, success is about 50 percent attributable to leadership characteristics, 40 percent to job and technical skills, and just 10 percent to motivation and experience. In other words, experience and skill only get you halfway there.

Granted, it is a challenge to find executives who understand the breadth of supply chain issues. And demand for jobs in the function is expected to grow in the years to come. But those who will rise to the very top of the profession must be able to effectively implement cost, quality, and timeliness improvements while mitigating business risks. They must be able to lead.

Companies know this. When they begin the process of looking for a new executive to improve business operations, among the first things they discuss with a recruiting consultant are the required leadership characteristics. Candidates should have the ability to effect change. They must inspire not only supply chain staff, but also key stakeholders, including the executive committee, senior management, business units, suppliers, and customers.

Once you recognize and understand a firm's leadership needs, it gets easier to identify your own gaps or weaknesses–and start to address them.

SEASONED EXECUTIVES WORTH THEIR SALT

Companies also want to hire candidates with demonstrated results across multiple supply chain operations structures. They expect seasoned executives to recognize the value of models and standards such as lean, Six Sigma, and kaizen, and know when to implement each one. Successful supply chain executives understand business operations and can implement programs to meet both on-time and just-in-time scenarios for customers, while maintaining profitability for their own firms.

Experience establishing infrastructure is also a sought-after competency for supply chain executives. This includes instituting governance, policies, procedures, and appropriate technology–whether setting up a new system or changing existing processes.

Knowing the three things companies want–leadership, demonstrated results, and facility with infrastructure–you can tailor your résumé accordingly. Rather than a long-winded list of previous positions, your résumé should cite specific, outstanding examples of how you've excelled at these core competencies.

It's also valuable to cultivate a relationship with an executive recruiter who specializes in supply chain management. The keys to staying connected with a recruiter are communication, honesty, and reciprocity. When contacted about a job opportunity, assess it–and yourself–realistically. Do not feign interest in a job that you do not intend to pursue. That wastes everyone's time, and harms your image as a serious candidate.

Also, a willingness to refer other executives can be a powerful way to set yourself apart. By being a reliable resource, you will stay top-of-mind for the recruiter, and have a reason to reconnect periodically.

Opportunity is out there. To capitalize on it, you must take inventory, source possibilities, and leverage relationships–skills all top-notch supply chain executives already possess. ■

REASSESSING RAIL REREGULATION

Will rail reregulation untie captive shippers but tie up rail productivity?

by Perry A. Trunick

IN THE 30 YEARS SINCE THE STAGGERS ACT DEREGULATED the American railroad industry, rail rates have dropped 55 percent, volumes have nearly doubled, and railroads have invested more than $460 billion in their systems, "according to the Association of American Railroads (AAR). But some shippers still perceive that they are captive to the railroads and subject to–or victims of–their market power.

That sentiment is echoed strongly by West Virginia Senator John D. Rockefeller IV, chairman of the Senate Committee on Commerce, Science, and Transportation. "The railroads are earning 12- and 13-percent profit margins, which puts them at the top of the Fortune 500," Rockefeller said in a recently issued staff report. "And they're just getting more profitable because they're raising their shipping prices by an average of five percent each year."

While railroads tell regulators they are barely earning sufficient revenues, they boast of profits when talking to Wall Street analysts, Rockefeller says. "Whether we do it this year or next year, railroad reform is going to happen," he notes. "Either Congress will do it, or it will need to be done through regulation."

Another call for stricter regulation comes from Senator Herb Kohl, chairman of the Judiciary Committee's Subcommittee on Antitrust, Competition Policy and Consumer Rights.

"It is crucial that antitrust law enforcement be a part of our nation's rail policy," Kohl told Sen. Rockefeller's committee. "For decades, freight railroads have been insulated from the normal rules of competition followed by almost all other parts of our economy by an outmoded and unwarranted antitrust exemption."

In response, the AAR vehemently disagrees that there is a need "to roll back the successes achieved since the 1980 Staggers Act. Imposing new Washington regulations will undermine the railroads' ability to sustain private investments in the nation's rail network that provide hundreds of thousands of American jobs, and the foundation for both freight and passenger rail."

The railroads spent $21.8 billion of their own private capital in 2008, and $20.2 billion in 2009, to build, maintain, and modernize the nation's 140,000-mile rail network that serves both passengers and freight, according to the AAR.

"There's nothing wrong with success," insists the AAR. "We've run smart, successful businesses, improving efficiency and service for our customers while keeping prices below what they were 30 years ago. Now is not the time to inject greater regulatory involvement from Washington, but instead to keep letting the current balanced system work."

The deregulation of the railroad industry "ushered in increased market flexibility, competitive and differential rates for rail service, and a climate open to innovation," notes consulting firm Laurits R. Christensen Associates Inc. in a report to the Surface Transportation Board (STB), the regulatory body overseeing the railroads.

"In the years following the passage of The Staggers Act, the railroad industry experienced dramatic reductions in costs and increased productivity, which

Thirty years after President Jimmy Carter signed The Staggers Act into law, shippers, railroads, and industry groups are still arguing the benefits and drawbacks of railroad deregulation.

yielded higher returns for carriers and lower inflation-adjusted rates for shippers," the report states. "Thus both railroads and their customers benefited from regulatory reform."

For the first time since it was created in 1996, the STB is facing reauthorization by Congress. Among the changes proposed in the reauthorization bill–S. 2889, sponsored by Sen. Rockefeller–the STB would be moved out of the Department of Transportation and become an independent agency. Board membership would increase from three to five members. The bill also takes aim at class exemptions, the Uniform Railroad Costing System, and rail interchange agreements.

STB Chairman Daniel R. Elliott III offers his support, at least for part of this proposal: "I plan to examine the rules the agency has in place regarding rail-to-rail competition," he says. "It is time to explore the commodity exemption system.

"The STB is extensively reviewing its Uniform Railroad Costing System–the agency's general purpose costing model–which estimates the variable cost of transporting goods by rail," he says.

Let's Be Reasonable

Elliott addresses some concerns raised about captive shippers. "Only common carrier rates (as opposed to rates contained in a contract) for non-exempt commodities by market dominant carriers are subject to rate review," he notes. "It is in those instances where it is most important that the agency be able to step in: rates for captive shippers that have no competitive alternatives. The statute mandates that such rail rates be 'reasonable.'"

Illustrating the difficulty of striking a balance between protecting shippers and preserving the railroads' ability to attract capital investment, Elliott cites a Russian ban on wheat exports, which, he suggests, would increase demand for U.S. wheat.

"The railroads' role in the supply chain will be even more vital than usual," Elliott says. "And, with the railroads significantly reducing their number of employees and equipment in use in 2009 due to the poor economy, some parts of the shipping community are concerned about whether the rails will be able to provide adequate service as traffic levels continue to increase."

Deputy Secretary of Transportation John D. Porcari voices a similar concern. "Freight railroads will need to be profitable to attract the level of private capital

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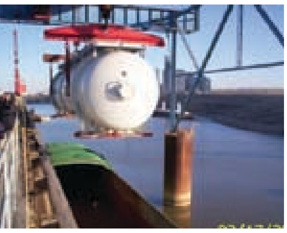


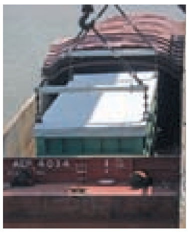
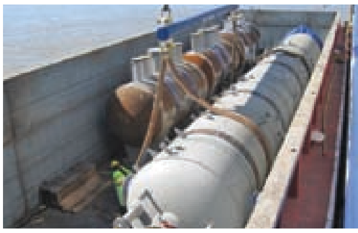

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investment necessary to assure that the rest of their systems are built and maintained to meet our future freight mobility needs."

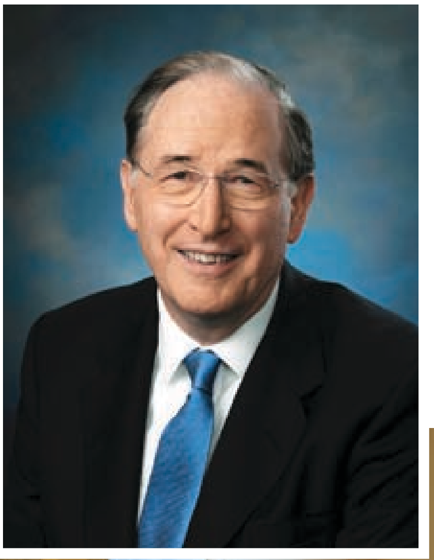
Porcari appears to hedge on the proposed legislation, however. "Finding the correct balance will be difficult. History would indicate that we will be very fortunate indeed if we find this balance the first time.

"The Staggers Rail Act of 1980 was the fourth piece of legislation enacted within a decade to address the rail financial crisis," he adds. "So any policy changes need to include provisions for quick correction if they are found to be detrimental to transportation investment."

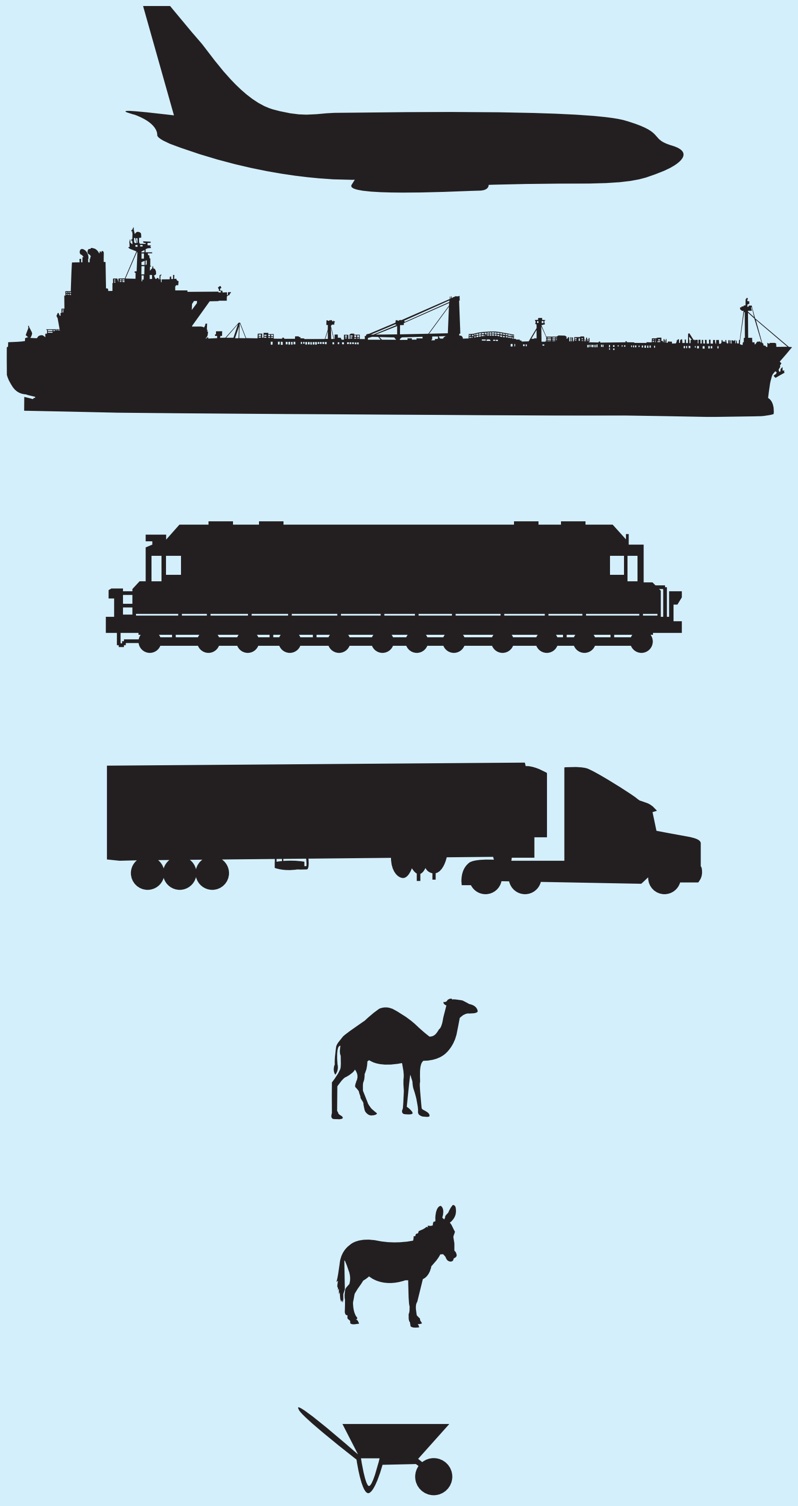
Congestion issues will still need to be addressed, as they have been with the development of the Alameda Corridor and Chicago's CREATE projects. Porcari adds the need for commitments from state and local partners. "They, too, need to put into place the appropriate policies, program structures, and investments – both public and private – to achieve this enhanced opportunity for rail," he says.

A more immediate snapshot of shipper experience and expectations comes from Morgan Stanley's newly released *Freight Pulse Survey*. The 19th semi-annual survey of shippers indicates volume growth estimates are "robust but decelerating." Rates, however, are on the rise.

On the general economic front, shippers report that orders are rising faster



West Virginia Senator John D. Rockefeller (*above, right*) and Wisconsin Senator Herb Kohl are among those calling for stricter rail regulation and reform.



than inventories, indicating the volume increases are less about restocking and more about market growth.

In addition, shippers report ample capacity, although they express some near-term concern about tighter truckload and intermodal capacity. So, mode shifting is more a function of trying to improve on pricing than it is a search for capacity.

The picture on volumes is turning positive. The *Freight Pulse Survey*, released in September 2010, covers current conditions and six-month projections. Shipper respondents to the September survey say they expect a two-percent increase in rail volumes. This was lower than the 2.6-percent increase indicated in the April 2010 survey, but those two surveys follow three successive surveys indicating volume declines. In the October 2008 report, shippers indicated a slight drop in rail volumes, followed in April 2009 by a two-percent decline, and in October 2009 by another 1.5-percent drop.

The 2010 surveys are the first time since September 2006 that shippers have forecast an increase of more than one percent in expected rail volumes.

Half of shippers say they expect rail spending to increase by one percent to five percent. That number jumps to 72 percent of shippers when the range is extended to include a six- to 10-percent increase. The expected rate increase change is back up to 3.1 percent, the highest it has been since the 3.5 percent reported in September 2007.

Leveraging other modes is the top negotiating tool shippers report using against rate increases. That said, six percent of shippers say they are shifting significant volumes from motor carriage to rail, and 50 percent say they are shifting some volumes to rail. Tighter capacity and rate pressure in the truckload sector have made rail competitive on price, but lead times are the biggest obstacle for those shifting from truckload to intermodal.

Service is also a concern for bulk shippers who perceive railroads are giving preference to higher-value, time-sensitive intermodal traffic. And organizations representing large-volume shippers and rail users – such as agriculture, chemical, and power generation – add examples of substantial rate increases to their argument.

While some parties advocate a repeal of The Staggers Act, the railroads maintain that deregulation enables them to reduce costs, increase productivity, and invest in infrastructure improvements.

Pricing issues may derive in part from one of The Staggers Act's key provisions – the ability of railroads to negotiate confidential contracts with shippers. One of the first following the enactment of The Staggers Act in 1980 was a 30-year contract for moving coal.

Though that's an exception more than a rule, analyst firms have long reported the effect on rates and railroad earnings when long-term contracts come up for renegotiation. While legacy rates and terms may have weighed on rail earnings, the new rates also can skew the picture of overall rate increases.

The Christensen report to the STB examines rates and rate structures, as well as "captive shipper" concerns, and advises that railroad ratemaking is a complex and specialized process.

"For most years in the 1987 to 2006 period of our study, the Class I railroad industry does not appear to be earning above normal profit," says the report. "The increase in railroad rates experienced in recent years is the result of declining productivity growth and increased costs rather than the increased exercise of market power."

What Price Rate Relief?

While industry groups representing bulk shippers argue for rate relief and closer regulation, the Christensen report says that providing significant rate relief to certain groups of shippers will likely result in rate increases for other shippers or threaten railroad financial viability.

Rail ton/miles have increased steadily while track owned or operated has declined, leading to more intense use of existing networks. "This increasingly intensive use of rail networks results in lower per-unit costs – a reflection of economies of density," says the report.

In keeping with Government Accountability Office findings, the Christensen study shows that the number of shipments moving at more than 300 percent of revenue/variable cost (R/VC) increased; so had the number of shipments moving at less than 100 percent R/VC.

"Correctly assessing the presence of market-dominant behavior requires direct assessment of relevant market structure factors," notes the report. "Thus, regulatory reforms that would establish R/VC tests as the sole quantitative indicator of a railroad's market dominance are not appropriate."

Incremental policies such as reciprocal switching and terminal agreements have a greater likelihood of resolving shipper concerns via competitive response, and have a lower risk of leading to adverse changes in industry structure, costs, and operations.

Railroad unit costs have risen while productivity gains have slowed. “One effect of this slowing productivity growth is the diminished ability of railroads to absorb increases in their input prices in recent years,” says the report.

Differential Pricing

“Economies of density arise when the average cost of serving customers decreases as the volume of business increases over a network,” says Christensen. When economies of density are present, marginal cost pricing does not produce enough revenue to cover a firm’s total cost, and it must find alternative pricing or funding.

Differential pricing (i.e., charging different price markups over marginal costs to different customers or customer classes) is recognized in economic literature as a way to achieve sufficient revenue in the presence of economies of density, notes Christensen. This is the case with other network industries as well as the railroad industry, with different customer groups facing different levels of price markups over marginal costs.

Since the passage of the Staggers Act, freight rail transportation rates have been largely deregulated, with the Surface Transportation Board providing a regulatory backstop for captive shippers. Differential pricing is acknowledged by policy as a method by which railroads achieve revenue adequacy, with the STB determining whether the degree of differential pricing is reasonable if a rate is challenged, explains Christensen.

STB Chairman Elliott seems to support this view for moderation in the STB’s approach. “As economic conditions continue to improve, the Surface Transportation Board will need to monitor how and to what degree it should reexamine and tailor its regulatory policies to meet new conditions,” he says.

“Although the railroad industry’s earnings have increased in recent years, they do not appear to be excessive from a financial market perspective,” notes the Christensen report. “Among the financial metrics we examined, one commonly cited financial measure is earnings per share. We found that from 1997 to 2006 there were many similarities among the financial performances of the rail industry, the electric utilities industry, and the S&P 500 composite.

“Overall, the railroad industry is pricing at levels generating earnings that maintain or slightly exceed those necessary to ensure financial viability,” notes Christensen in its assessment to the STB. This implies there is little room to provide significant “rate relief” to certain groups of shippers without requiring increases in rates for other shippers or threatening the railroads’ financial viability.

In the end, the Christensen report places the responsibility for the next step with the regulators: “While economic analysis may be able to quantify benefits and costs to specific stakeholders given more precise policy proposals, the cost/benefit balance will ultimately be struck by policymakers.” ■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2010 OCEAN CARRIER GUIDE

FULL STEAM AHEAD

As the global economy begins to recover from the recession, consumer spending rises and port traffic starts to rebound. U.S. East Coast ports are expected to import 17.1 percent more TEUs in 2010 than 2009, while West Coast ports are projected to import 13.5 percent more than in 2009, according to the *Global Port Tracker* report published by the National Retail Federation and consulting firm Hackett Associates.

Although ships have been sitting idle and traditionally strong service strings have been tangled by slack demand, the worldwide fleet continues to expand, and ocean carriers are following a similar course.

Carriers are realigning routes and service frequencies to better match supply with demand; investing in logistics-driven technologies that capture and share information upstream and downstream in the supply chain; and acquiring bigger, better, and greener ships to pilot greater efficiencies and economies for ocean freight buyers.

Ocean liners are scanning the horizon for new markets, alliance partners, and slot-sharing arrangements to expand services, distribute costs, and allay risks. Responding to shipper needs, carriers are also investing assets and resources in more value-added services, including speed-to-market programs, anti-piracy system trials, and perishable cargo tracking and monitoring solutions.

With so much change in the ocean trade, *Inbound Logistics*' annual Ocean Carrier Guide offers a quick-scan perspective of how some steamship lines are investing in and expanding their services, technologies, and equipment to keep you moving forward.

▼ Atlantic Container Line (ACL)

800-ACL-1235
www.aclcargo.com

PARENT COMPANY: Grimaldi Group

Since 1967, ACL has operated as a specialized carrier of containers, project and oversized cargo, heavy equipment, and vehicles in the transatlantic trade, with the world's largest combination RORO/containerships. Headquartered in Westfield, N.J., the company maintains offices throughout Europe and North America. ACL offers five transatlantic sailings each week, as well as a direct RORO/container service under its parent company, Grimaldi Group, between North America and West Africa. The company also offers through-service for non-containerizable cargo to the Mediterranean, Middle East, South Africa, Australia, and the Far East.

WEB TOOLS: Booking and rate requests, express documentation.

FLEET SIZE: Five G-3 vessels operate in the core North Atlantic service and various vessels are time-chartered to the Grimaldi Group.

CUSTOMER AWARDS: Honda Premier Partner Award.

WHAT'S NEW: ACL now offers RORO services from North America to any part of the world.

▲ China Shipping

888-712-7811
www.chinashippingna.com

PARENT COMPANY: China Shipping Group Company

China Shipping offers container transportation and related services including storage, transshipment, customs arrival manifest filing, and intermodal on-carriage. Its 504,761-TEU fleet calls 12 China base ports and most river ports along the Yangtze River, the Pearl River, and their branches, providing fast, safe, and economical transportation of all containerized freight. A total of more than 40 international routes round out the line's current service profile.

WEB TOOLS: Tracking/tracing, EDI, eBrochure, sailing schedules.

FLEET SIZE: 135 vessels

CUSTOMER AWARDS: 2010 Michael's Stores Carrier of the Year Award.

WHAT'S NEW: China Shipping introduced Transpacific, Transatlantic, Mediterranean, North Europe, China Pearl River Delta, and China Yangtze River Delta services.

CMA CGM

757-961-2100
www.cma-cgm.com

LOGISTICS DIVISION: CMA CGM Logistics

CMA CGM, founded in 1978 by Jacques R. Saadé, serves more than 400 ports with 175 main shipping lines around the world. With a presence on all continents and in 150 countries through its network of 650 agencies, CMA CGM employs 17,000 people. The group offers a complete range of activities, including transport by sea, river, and rail, handling facilities in port as well as logistics on land to guarantee high-quality door-to-door services. CMA CGM has also been investing in rail, inland waterway, and road haulage services and strategic shipping terminals worldwide.

WEB TOOLS: Interactive schedules; routing finder, including line services and voyage finder; quotation requests; tariffs; container tracking; bill of lading printing (draft, way bill, original bill of lading); and shipment details.

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FLEET SIZE: 401 vessels

CUSTOMER AWARDS: 2010 Best Partner Carrier Award, Sony; 2010 European Carrier of the Year, ASDA (Walmart subsidiary); 2010 Best Shipping Lines for CMA CGM Chile, CMPC Cellusola SA.

WHAT'S NEW: CMA CGM recently launched new services, including FAL5 (Asia/Europe), Yang Tse (China/U.S. West Coast), New Cimex 2 (Asia/India–Pakistan), and ACSA 2 (Asia/Mexico–West Coast of South America). The group also took delivery of new containerships ranging from 3,600 to 13,800 TEUs, including the 11,400-TEU *CMA CGM Leo* and *Pegasus*, the 13,800-TEU *CMA CGM Amerigo Vespucci* and *Laperouse*, the 6,500-TEU *CMA CGM Maupassant*, and the 3,600-TEU *CMA CGM Africa One*. Committed to sustainable development, CMA CGM signed an agreement in May 2010 with Daewoo Shipbuilding & Marine Engineering Co. Ltd. and Bureau Veritas to study a new generation of containerships powered by liquefied natural gas.

COSCO Container Lines Americas Inc.

800-242-7354
www.cosco-usa.com

PARENT COMPANY: China Ocean Shipping Company (COSCO)

Founded in 1961, COSCO now maintains 85 representative offices in 49 countries around the world, while operational agencies are located in 1,000 cities in 160 countries. COSCO continues to make major equipment investments. Cargo handling capabilities include 20-foot and 40-foot dry containers, refrigerated containers, flat-racks, open tops, high cube, and other specialized equipment.

WEB TOOLS: Automated 24/7 cargo tracking service.

FLEET SIZE: 120 vessels

CUSTOMER AWARDS: 2010 Ocean Carrier of the Year and Top Ocean Carrier–Far East, Canadian International Freight Forwarders Association (CIFFA) Eastern Region Forwarder's Choice Awards; 2009 Best Shipping Line–Transpacific, Asian Freight and Supply Chain Awards.

WHAT'S NEW: In addition to equipment improvements, recent scheduling additions and revisions have resulted in significantly faster transit times. COSCO's 20 main line services connect more than 1,000 ports.

▼ Crowley

800-CROWLEY
www.crowley.com

PARENT COMPANY: Crowley Maritime Corporation
LOGISTICS DIVISION: Crowley Logistics

Jacksonville, Fla.-based Crowley Maritime Corporation, founded in San Francisco in 1892, is a privately held family- and employee-owned company that provides diversified transportation, logistics, and marine services in domestic and international markets through six operating lines of business: Puerto Rico/Caribbean liner, Latin America liner, logistics, petroleum, marine, and technical services. Offered within these enterprises are liner container shipping, logistics, contract towing, and barge transportation; harbor ship assist and tanker escort; energy support; salvage, wreck removal, and emergency response; vessel management; vessel construction and naval architecture; government services; and petroleum and chemical transportation, distribution, and sales.

WEB TOOLS: Track-and-trace, tariff retrieval, e-bill of lading registration, 24-hour manifest schedule, downloadable shipping documents, booking, rate requests.

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FLEET SIZE: 210 vessels

CUSTOMER AWARDS: Toyota Logistics Service Awards for Outstanding Customer Service and Quality; Sears Partner in Progress; Payless ShoeSource International Partnership Award; Ford Motor Company's World Excellence Award and Silver Award for Supplier Excellence; SC Johnson Service Award.

WHAT'S NEW: Crowley's Speed-to-Market program leverages the proximity of Central America and the Caribbean with frequent, direct vessel services for apparel and reefer shippers and others seeking to get products to market faster. The carrier offers warehousing, trucking, and other logistics services throughout Central America. Crowley has acquired Customized Brokers, a Miami-based company specializing in the clearance of fresh produce imports into the United States, and Islandwide Air and Ocean, a Puerto Rico company specializing in warehouse management, inventory management, pick and pack, and retail time-sensitive delivery and other logistics services on the island.

Evergreen Line

201-761-3000
www.evergreen-line.com

PARENT COMPANY: Evergreen Group

LOGISTICS DIVISION: Evergreen Shipping Agency (America)

Taiwan-based Evergreen was founded in 1968 by Group Chairman Dr. Yung-fa Chang and commenced full container liner services in 1975. It has developed into a global carrier, operating one of the industry's newest fleets and serving all six continents. Now, 40 years since it began offering ocean shipping services, Evergreen continues to make waves with its ongoing global reach, environmental responsibility, customer-driven services, and innovation.

WEB TOOLS: Integrated e-commerce services via Evergreen's ShipmentLink portal; enhanced e-reports available to all customers, with new functions including event-driven notification, tracking reports, and statistics to help manage and monitor shipments.

FLEET SIZE: 150 vessels

CUSTOMER AWARDS: 2010 Best Shipping Line–Intra-Asia, Asian Freight and Supply Chain Awards; 2009 Lloyd's List Global Corporate Social Responsibility Award.

WHAT'S NEW: Evergreen Line launched a new service linking Japan, Vietnam, and Thailand to support growing intra-Asia trade. The carrier also added 10 8,000-TEU environmentally advanced container vessels to its fleet.

▲ Hamburg Süd

973-775-5300
www.hamburgsud.com

PARENT COMPANY: The Oetker Group

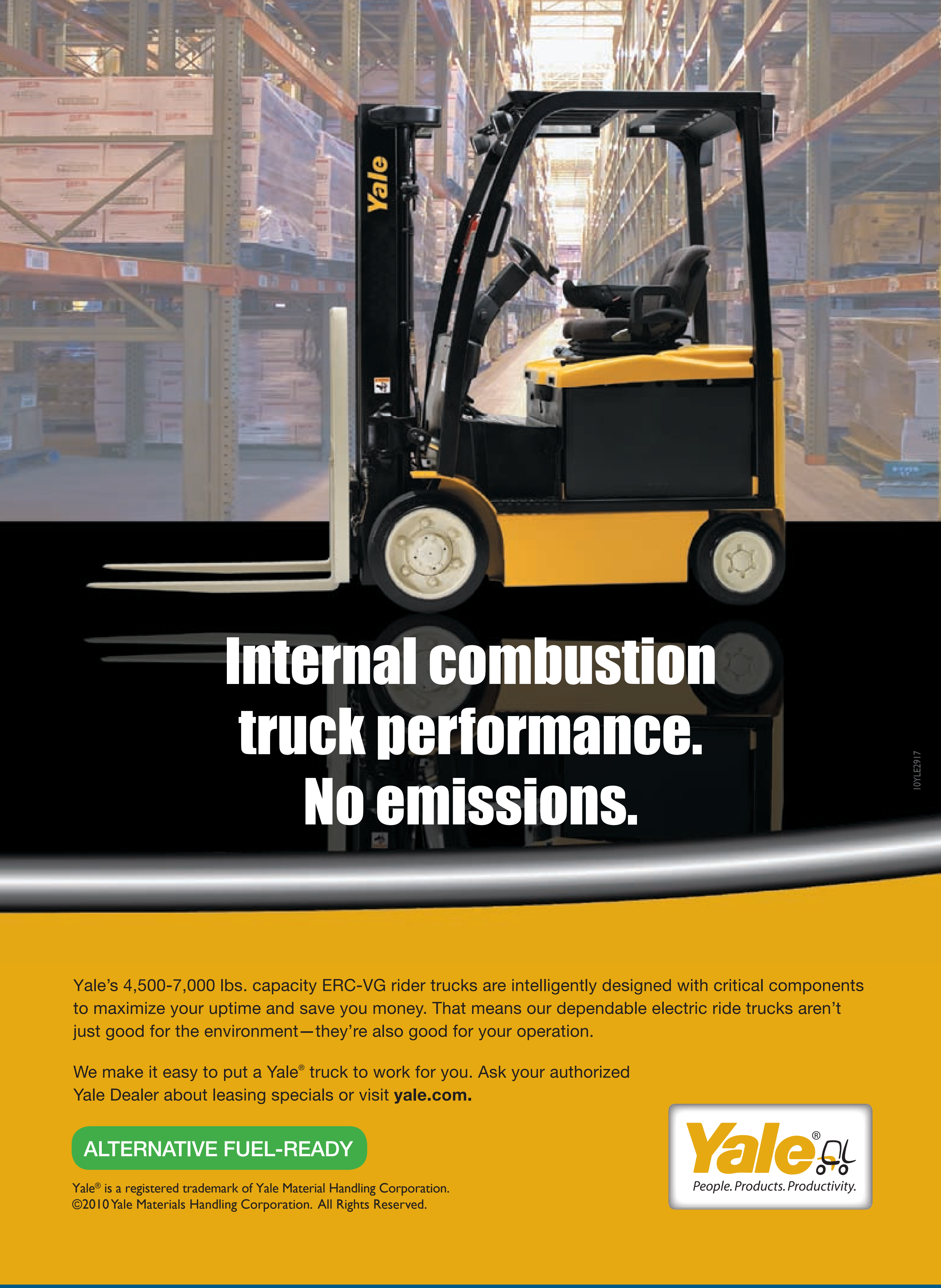
Hamburg Süd specializes in marine transport and logistics, with a focus on containerized temperature-sensitive cargo shipping. Company services link North America, South America, Europe, the Mediterranean, Asia, India, Pakistan, and Australia/New Zealand.

WEB TOOLS: Cargo booking, tracking, and tracing.

FLEET SIZE: 174 vessels

CUSTOMER AWARDS: 2010 Ocean Carrier of the Year, 2010 Top Ocean Carrier–Latin America and Southwest Pacific, CIFFA Central Region Forwarder's Choice Awards; 2010 Top Ocean Carrier–Latin America and Southwest Pacific, CIFFA Eastern Region Forwarder's Choice Awards.

WHAT'S NEW: Hamburg Süd upgraded its Europe-Mediterranean service to provide comprehensive port coverage and fast transit times from and to North Europe. The carrier also added the 4,600-TEU *Cap Jackson* containership to its fleet; the vessel serves the line's Asia-Mexico/South America-West Coast route.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▲ Hapag-Lloyd

800-223-4443
www.hapag-lloyd.com

PARENT COMPANY: The Albert Ballin consortium and TUI AG

Hapag-Lloyd connects all major ports worldwide via 76 liner services—including U.S. flag services. Hapag-Lloyd operates 300 offices in 114 countries and offers a container stock of one million TEUs of all types, including one of the largest reefer fleets in the industry.

WEB TOOLS: Schedule overview download and subscription; shipment overview listing; tariffs, freight rates, and local charges; rules and regulations; shipping instructions (for registered customers); sea waybill of lading download; track-and-trace by booking, container, or bill of lading number; vessel tracing; import overview with customs information; invoice copy download; shipment rate of exchange; general rate of exchange information; RSS news feeds.

FLEET SIZE: 127 vessels

CUSTOMER AWARDS: 2009 Carrier of the Year, Hellmann Worldwide Logistics; 2009 Outstanding Service Award, Lowe's Home Improvement; 2009 Partner Data Quality Award, GT Nexus Shipper Council; 2009 Carrier of the Year, California Dried Fruit Exporters Association; Gold Anchor Award, CEVA Logistics; 2009 International Carrier of the Year, Whirlpool Corporation.

WHAT'S NEW: Hapag-Lloyd started the weekly Atlantic Express Shuttle between Antwerp and New York with a transit time of nine days. The Mediterranean Gulf Express has been upgraded to weekly frequency. The new Asia-to-South America East Coast service connects Asia and South America via Durban/South Africa.

Horizon Lines

877-678-SHIP
www.horizonlines.com

PARENT COMPANY: Horizon Lines Inc.

LOGISTICS DIVISION: Horizon Logistics LLC

Horizon Lines is a domestic ocean shipping and integrated logistics company comprised of two primary operating subsidiaries. Horizon Lines LLC operates a fleet of 20 U.S.-flag containerships and five port terminals linking the continental United States with Alaska, Hawaii, Guam, Micronesia, and Puerto Rico. Horizon Logistics LLC offers customized logistics solutions to shippers from a suite of transportation and distribution management services, information technology developed by Horizon Services Group, and intermodal trucking and warehousing services provided by Sea-Logix. Horizon Lines Inc. is based in Charlotte, N.C.

WEB TOOLS: Booking, track-and-trace, and payment applications that allow shippers to create customized reporting; event notification; and e-mail or threshold activity alerts.

FLEET SIZE: 21 vessels

CUSTOMER AWARDS: 2010 Platinum Carrier Award, Lowe's Home Improvement.

WHAT'S NEW: Horizon Lines received recognition from both the United States Coast Guard and the Chamber of Shipping of America for its record of safety and stewardship.

Intermarine

504-529-2100
www.intermarineusa.com

PARENT COMPANY: Intermarine LLC

New Orleans-based Intermarine provides worldwide ocean transport and inland heavy haul services for breakbulk, specialized project, and heavy lift cargo. The company also operates offices in Houston, Caracas, Buenos Aires, Shanghai, Seoul, and Mumbai.

WEB TOOLS: Company information, weekly sailing schedules.

FLEET SIZE: 30 vessels

CUSTOMER AWARDS: 2009 Best Shipping Line–Project Cargo, Asian Freight and Supply Chain Awards.

WHAT'S NEW: Intermarine launched its next generation of multipurpose heavy lift carriers with the delivery of the *M/V Industrial Freedom.* Built in China, the new F-class series consists of four 14,100 dwt heavy lift ships boasting two 440-ton cranes and one 80-ton standard crane.

▲ Maersk Line

973-514-5000
www.maerskline.com

PARENT COMPANY: A.P. Moller-Maersk Group

LOGISTICS DIVISION: Damco

Maersk Line, a division of the A.P. Moller-Maersk Group, is dedicated to delivering the highest level of customer-focused, reliable global ocean transportation services. Its dedicated resources include: 1.9 million containers, more than two million TEUs of capacity, and a network of 325 Maersk Line global offices in more than 125 countries.

WEB TOOLS: Online sailing schedules; e-rates; e-booking; e-shipping instructions; electronic transport documentation and bill of lading printing; track-and-trace; reports.

FLEET SIZE: 470 vessels

WHAT'S NEW: In its 2010 quarterly reports, Drewry Shipping, an independent maritime consultant, consistently rates Maersk Line best in schedule reliability among the top 20 global ocean carriers. Maersk Line announced its voluntary switch from bunker fuel, used at high sea, to low-sulfur fuel while at berth in Hong Kong. This kicks off the first voluntary fuel switch plan in Asia. By switching from bunker to cleaner fuel at berth, Maersk Line will significantly reduce sulfur and particle emissions. Maersk Line has implemented similar fuel switch plans in California and Houston, as well as other port locations.

Matson Navigation Company

800-4MATSON
www.matson.com

PARENT COMPANY: Alexander & Baldwin Inc.

LOGISTICS DIVISION: Matson Integrated Logistics

Matson's transportation offerings span the globe from Shanghai to Savannah and encompass everything from providing a vital lifeline to the island economies of Hawaii, Guam, and Micronesia to offering a premium, expedited service from China to Southern California. Matson continues to strengthen its ocean transportation services through fleet enhancements, industry-leading on-time arrivals, and award-winning customer service.

WEB TOOLS: Online booking, tracking, billing, account balances, container tracking, EDI.

FLEET SIZE: 13 containerships, including four specialized barges

WHAT'S NEW: Matson launched its expanded China-Long Beach Express, offering weekly service from Hong Kong and Yantian and a new second weekly call at Shanghai. This expansion augments its weekly service from Xiamen, Ningbo, and Shanghai to Southern California and extends its geographic reach to the South China region.

MOL

800-OK-GATOR
www.molpower.com

PARENT COMPANY: MOL Ltd. (Mitsui O.S.K. Lines)

CONSOLIDATION DIVISION: MOL Consolidation Services, Ltd. (MCS)

LOGISTICS DIVISION: MOL Logistics (U.S.A.) Inc.

MOL (America) Inc., MOL's wholly-owned liner subsidiary in North America, employs approximately 400 transportation professionals in 16 sales offices throughout the United States. Founded in 1884, MOL's business diversity makes it one of the world's most financially solvent transportation companies.

WEB TOOLS: Online booking requests and shipping instructions; bill of lading searching, viewing, and printing; global shipment tracking; reports; sailing schedules.

FLEET SIZE: 905 vessels, including 101 containerships

CUSTOMER AWARDS: 2009 Ocean Service Provider of the Year Award, Limited Brands Logistics Services.

WHAT'S NEW: MOL began a new all-water service to expedite cargo moving from major Asian ports to key destinations on the U.S. East Coast via the Suez Canal.

▲ NSCSA (America) Inc.

410-625-7000
www.nscsa.com

PARENT COMPANY: The National Shipping Company of Saudi Arabia

LOGISTICS DIVISION: Freight Forwarding & NVOCC Division

NSCSA operates four fully owned multipurpose vessels, deployed to serve its Arabian Gulf–Indian Subcontinent–Red Sea–Mediterranean–U.S./Canada East Coast route on a 21-day frequency. The company also invested in on-land facilities by building a container service yard at Saudi Arabia's Jeddah Islamic Port to facilitate container storage and maintenance/repair services.

FLEET SIZE: Four vessels

WHAT'S NEW: NSCSA signed an agreement with Arabian Agricultural Services Company to establish a joint-venture company to transport dry-bulk cargo. The new company will acquire, own, charter, and commercially operate a fleet of dry-bulk vessels, starting in 2011.

▲ OOCL

888-388-OOCL
www.oocl.com

PARENT COMPANY: OOIL (Orient Overseas International Ltd.)
LOGISTICS DIVISION: OOCL Logistics (USA) Inc.

OOCL is among the world's largest integrated international container transportation, logistics, and terminal companies. As one of Hong Kong's most recognized global brands, OOCL provides shippers with fully integrated logistics and containerized transportation services, with a network that encompasses Asia, Europe, North America, and Australasia.

WEB TOOLS: OOCL's Web site and My OOCL Center portal provide advanced visibility and exception management, enabling shippers, consignees, and logistics providers to keep cargo moving and delivered on time.

FLEET SIZE: 74 vessels

CUSTOMER AWARDS: 2009 Global Logistics Carrier Excellence Award, Owens Corning.

WHAT'S NEW: OOCL offers the new Atlantic Express Shuttle, a weekly sprint service between Antwerp and New York.

Trailer Bridge

800-554-1589
www.trailerbridge.com

PARENT COMPANY: Trailer Bridge Inc.

Trailer Bridge provides multiple weekly U.S. flag sailings between Jacksonville, Fla., and San Juan, Puerto Rico; weekly sailings between Jacksonville and the Dominican Republic; and weekly inter-island service between Puerto Rico and the Dominican Republic. Its innovative processes have brought the efficiencies of larger, high-cube equipment to the markets it serves. By utilizing a fleet of primarily 53-foot by 102-inch-wide high-cube equipment, along with single carrier door-to-port service, Trailer Bridge is able to provide increased value to its customers.

WEB TOOLS: Shipment tracking, customizable reports, booking, rate request, sailing schedule.

FLEET SIZE: Seven vessels

WHAT'S NEW: Trailer Bridge has three 400 by 100 foot ocean-going barges available for charter-hire for project work. The barges are U.S. flag and Jones Act qualified, and are designed for RORO, float-on/float-off, breakbulk, and container cargoes.

United Arab Shipping Company (UASC)

908-272-0050
www.uasc.net

UASC is the largest ocean carrier of dry cargo to the Middle East. Maintaining a commitment to serve the Arabian Gulf, UASC offers a wide scope of services to the Arabian Gulf/Red Sea and Indian Sub-Continent regions.

WEB TOOLS: Shipment tracking, bill of lading, and sailing schedules.

FLEET SIZE: 42 vessels

CUSTOMER AWARDS: 2009 Lloyd's List Ship Owner/Operator Award

WHAT'S NEW: UASC launched a new Asia-Australia container service, covering the trade lane from Australia to South East Asia.

Yang Ming

201-222-8899
www.yml.com.tw

PARENT COMPANY: Yang Ming Marine Transport Corporation
SUBSIDIARY COMPANY: Kuang Ming Shipping Corporation
SUBSIDIARY COMPANY: Yes Logistic Corporation

Containerships are the mainstay of Yang Ming's fleet. Established in 1972, Yang Ming practices a management philosophy of Teamwork, Innovation, Honesty, and Pragmatism.

WEB TOOLS: Scheduling, vessel tracking, shipment track-and-trace, bill of lading processing, and booking.

FLEET SIZE: 91 vessels

WHAT'S NEW: Yang Ming runs container wharves in Kaohsiung and Taipei Harbors, Taiwan; Antwerp, Belgium; Los Angeles, and Tacoma. Currently, it is engaged in the Kaohsiung Intercontinental Container Terminal development project. The terminal center will become Yang Ming's Far East transshipment hub upon its completion in 2011.

GREAT LOGISTICS SITES

Supply Chain Central

At some spots on the map, the elements combine to create the perfect setting for logistics success.

The features that combine to create the ideal site for a logistics facility depend on the facility itself. Whether a company is siting a factory, a warehouse, or both; whether it needs access to highways, rail hubs, or seaports; where the suppliers are, and what kinds of markets the business needs to reach all contribute to the equation.

Nevertheless, certain attributes rank high on the list for any company seeking a location for supply chain activities. Abundant transportation options, easy access to major markets, prime real estate, reasonable business costs, a high-quality workforce, and a choice of employee training programs are bound to put a location in the plus column. Here's a look at five regions where the elements of logistics greatness, including positions in the U.S. heartland, really add up.

CENTRAL AND SOUTHERN INDIANA:
THE SWEET SPOT

Locating in central or southern Indiana puts a company in the center of an abundant web of transportation options. The interstate highways that converge in Indiana have earned the state the nickname "Crossroads of America."

An extensive network of rail services and several inland ports, including facilities on the Ohio River at Jeffersonville and Mount Vernon, give companies in Indiana many cost-effective choices for shipping and receiving freight.

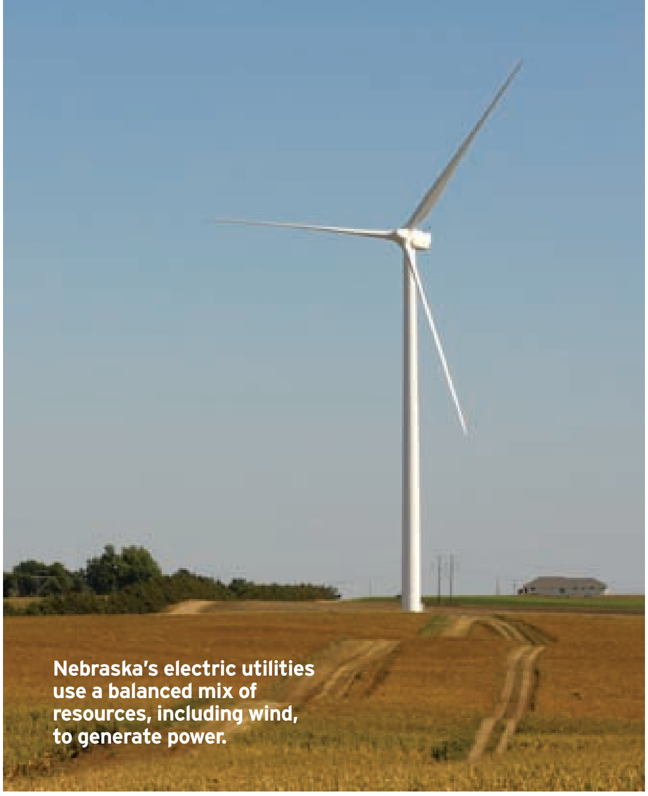
Together with its transportation infrastructure, the state's geographic location is tailor-made to support a logistics operation. "Indiana falls right in the sweet spot of distribution to every area east of the Mississippi River, including parts of Canada, within a one-day drive," says Harold Gutzwiller, manager of economic development and key accounts at Hoosier Energy in Bloomington, Ind.

Hoosier Energy is a generation and transmission cooperative that delivers power to 18 rural electric member corporations. Those members serve customers in central and southern Indiana and a small portion of Illinois.

Compared with prices on the East Coast, the lower cost of real estate in the region makes central and southern Indiana an especially good location to site a distribution center serving eastern markets. "Indiana also offers excellent access to the FedEx hub in Indianapolis, which is the second-largest in the world, and the UPS hub in Louisville," Gutzwiller says. Companies located close to those hubs gain a few extra hours to get shipments out the door to the expedited carriers at the end of the day.

Central and southern Indiana also offer convenient access for businesses that need to be near Indianapolis, Louisville, St. Louis, or Evansville, Ind. And companies that seek locations on interstate corridors can take their pick from among I-64, I-65, I-70, and I-74. "Central and southern Indiana can meet just about any requirement a logistics operation would have," Gutzwiller says.

The Precedent South Business Center, located in Greenwood, Ind., enjoys central and southern Indiana's convenient highway access.



Nebraska's electric utilities use a balanced mix of resources, including wind, to generate power.

NEBRASKA:
BRIMMING WITH ENERGY

One of the powerful reasons for locating in Nebraska is the cost of power. As the only state to be served entirely by publicly owned electric utilities, Nebraska offers some of the lowest electrical rates in the country.

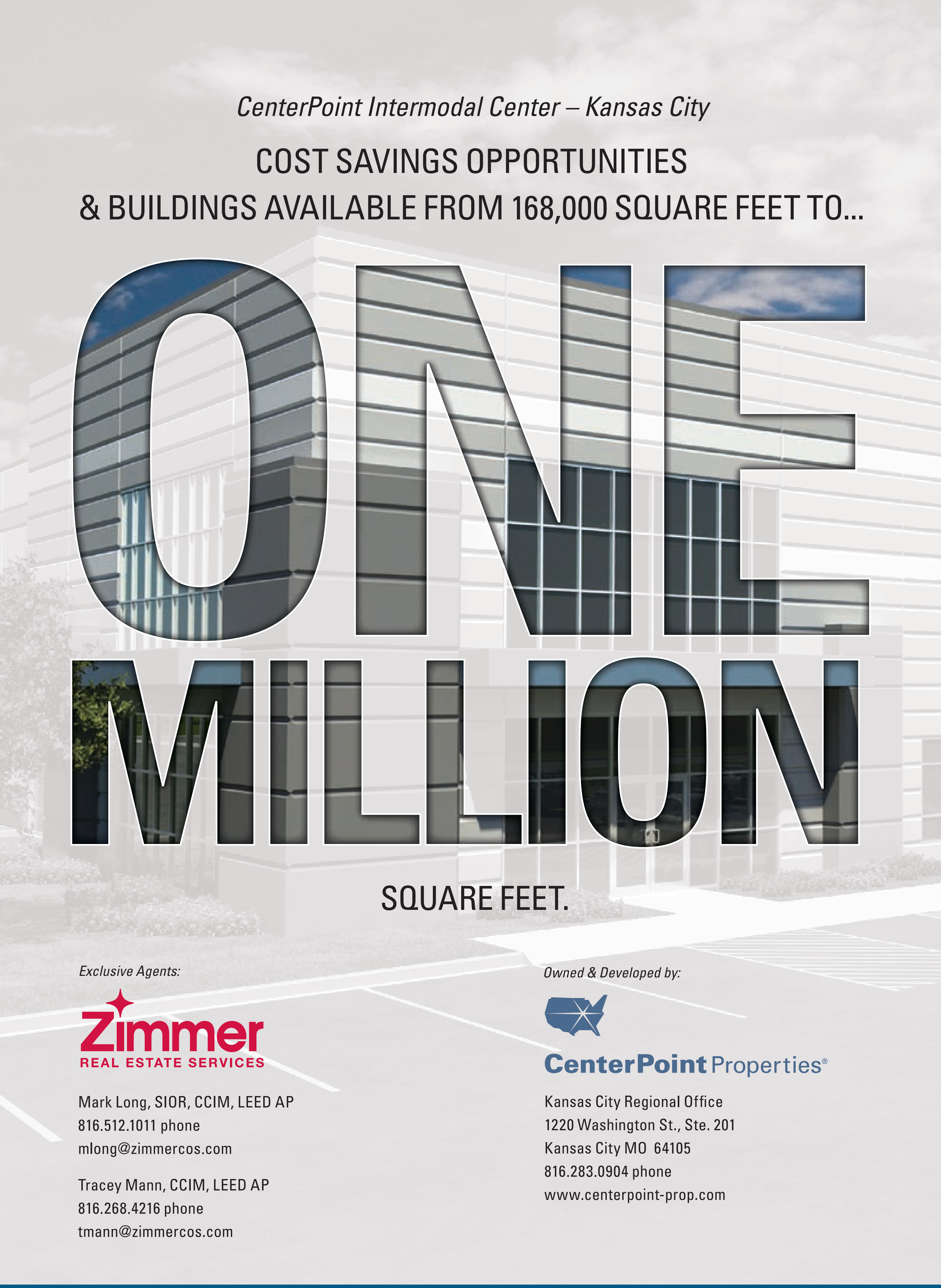
"The state's public power utilities carefully manage the dollars customers pay for electricity to provide the most reliable service at the lowest possible cost," says Dennis Hall, economic development manager at the Nebraska Public Power District, the largest generating electrical utility in the state.

Besides being affordable and reliable, electrical power in Nebraska is diverse. The state's utilities use a balanced mix of resources – including water and wind as well as coal, nuclear, natural gas, oil, and methane – to generate power. "Nearly 40 percent of our power generation is carbon-free," Hall says.

Another high-powered asset in Nebraska is its labor pool. In an agricultural region with a strong work ethic, employers get good value for the wages they pay.

Also, companies such as Cabela's, Kawasaki Motors, and Nucor Steel gain excellent access to markets from their locations in Nebraska. More than 55 million people live within 500 miles of the state. Trucks traveling on Interstate 80 and connecting interstate and U.S. highways enjoy an easy ride from Nebraska to Denver, Salt Lake City, Chicago, Detroit, and other major markets.

Nebraska is home to one of the nation's largest railroads, Union Pacific, which operates extensively in the state, as does the BNSF Railway Company. Ninety-five municipal airports and all-water access to the Atlantic Ocean and the Gulf of Mexico via the Missouri River round out Nebraska's transportation options.



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KANSAS CITY REGION:
WHERE MODES CONVERGE

A rendering shows the fully built out and occupied CenterPoint Intermodal Center, which currently offers direct rail service from Mexico's Port of Lázaro Cárdenas.

Intermodal opportunities make up one of the prime attractions in the bi-state Kansas City metropolitan area. On the Missouri side, Kansas City Southern Railway already has moved into its new, nearly 400-acre facility in the CenterPoint Intermodal Center-Kansas City. The Class I railroad provides direct service to CenterPoint from the Port of Lázaro Cárdenas in Mexico.

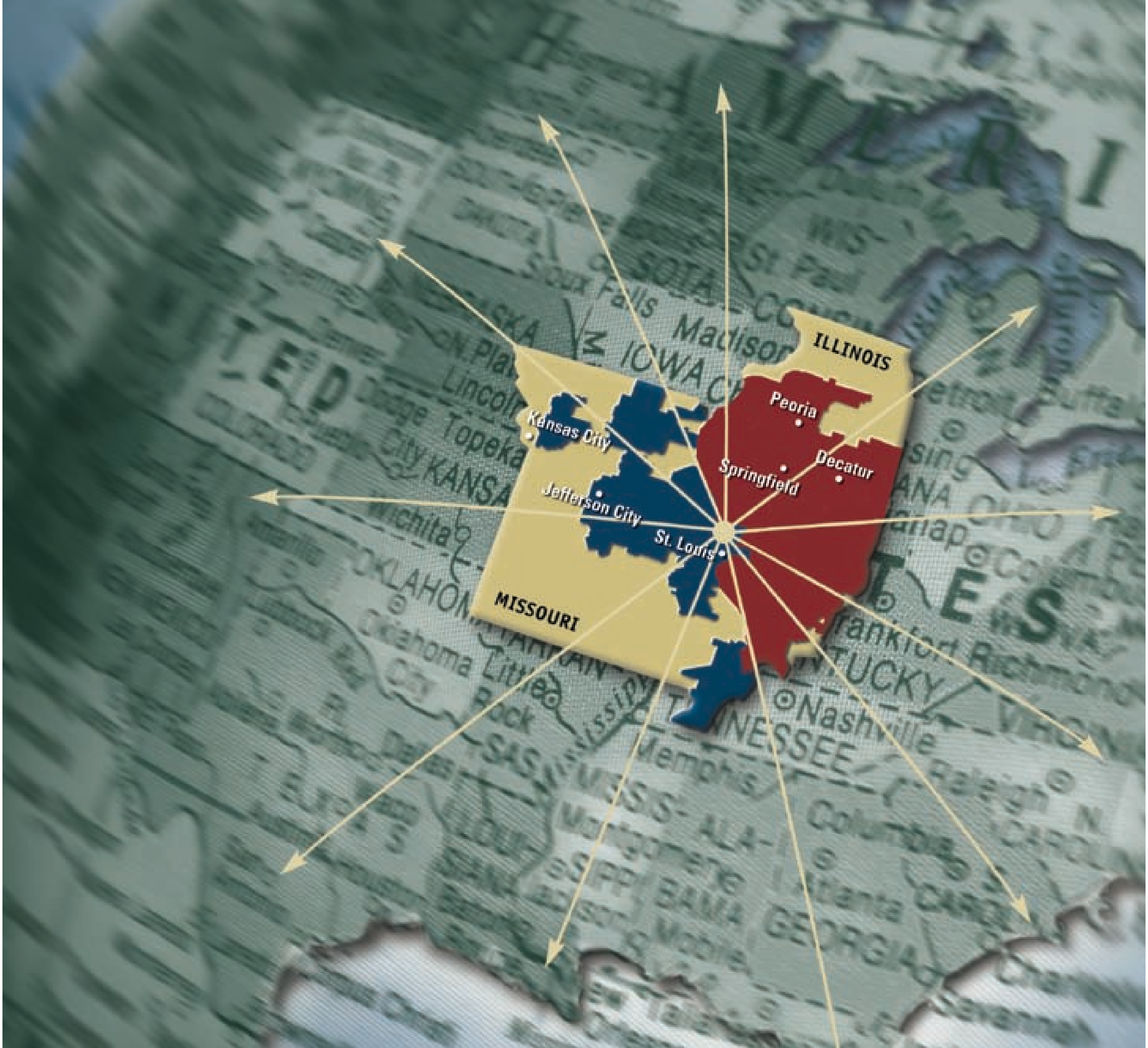
CenterPoint also features an industrial park of nearly 1,000 acres. "The business park is up and running, and ready for occupancy," says Mark Long, senior vice president and principal at Zimmer Real Estate, which represents CenterPoint. The infrastructure has been installed; design and engineering work has been completed for several warehouses and distribution centers; and Schneider National is operating a truck yard on the site.

The infrastructure represents an investment of nearly $30 million by CenterPoint Properties, the owner and developer of the park. Sites are ready for development and the park is a prime choice for companies looking for distribution or manufacturing locations. The available sites can accommodate facilities from 100,000 to one million square feet.

Adding to the park's list of features is its location and accessibility. The park is located at the intersection of Missouri Highway 150 and U.S. 71, and is within minutes of the area's major interstates.

The region's central location, plus the convergence of several interstate highways, make the Kansas City metro region an excellent base from which to serve either the Midwest or the entire United States. "The area is within a two-day drive to 80 percent of the U.S. population," Long says.

Companies that locate near Kansas City don't have to go deep into farm country to find suitable real estate. "We have abundant, developable ground that is conveniently located to the city," he says.


ILLINOIS
Peoria
Decatur
Springfield
Kansas City
Jefferson City
St. Louis
MISSOURI

MISSOURI-ILLINOIS BI-STATE REGION:
THE PRICE IS RIGHT

Locating a logistics facility in eastern Missouri, or in central or southern Illinois, can save your company a lot of money. Competitively priced real estate, labor, energy, and transportation all help keep logistics costs low for companies in the region, says Michael Kearney, manager of economic development at Ameren Corporation, an investor-owned electric and natural gas utility that serves 64,000 square miles of the Missouri-Illinois bi-state region.

"Distribution costs about 18 percent less in this area than the national average," he says.

The bi-state region's central location and rich transportation infrastructure put it within an eight-hour drive of 78 million consumers whose incomes are above the national average. The array of available modes keeps transportation costs particularly low, according to a survey that Ameren commissioned this year.

"In some areas, transport costs fell as much as 27 percent below the national average," Kearney says.

Interstate highways offer convenient access to markets such as Chicago, Indianapolis, Memphis, Dallas, and Denver. All seven of North America's Class I railroads operate in the region.

Mid-America St. Louis Airport in Illinois provides air cargo services,

The thriving St. Louis metropolitan area anchors the Missouri-Illinois bi-state region.

and Lambert International Airport in St. Louis is developing facilities to attract more cargo traffic. The area also enjoys highly economical barge service on the Mississippi, Missouri, and Illinois Rivers and connecting waterways.

Companies that operate distribution facilities in the Missouri-Illinois bi-state region include Sherwin Williams in Effingham, Ill., Dot Foods in Mt. Sterling, Ill., Procter & Gamble in Granite City, Ill., and Express Scripts in St. Louis County.

Businesses looking for real estate in the bi-state region might want to check out the Gateway Commerce Center in Edwardsville, Ill., the Aviator Business Park in Hazelwood, Mo., and the Eagle Court distribution facility in Mt. Vernon, Ill., to name just a few industrial developments where space is available.

JOPLIN, MISSOURI: GREAT REACH, GREAT WORKFORCE

Along with its location in the Midwest, a variety of transportation options put the Joplin, Mo., region within easy reach of major markets such as Chicago, Dallas-Fort Worth, Tulsa, Little Rock, and Memphis. Interstate 44 runs through the region, and the four-lane U.S. Highway 71 links Joplin to Kansas City and New Orleans.

The Missouri Department of Transportation recently upgraded four interchanges on Highway 71 to interstate standards, with more improvements to come.

"The stretch from Joplin to Kansas City will be all interstate-grade and will be renamed I-49 by the end of 2012," says Rob O'Brian, president of the Joplin Area Chamber of Commerce.

Three Class I railroads – Kansas City Southern, Burlington Northern Santa Fe, and Union Pacific (on the Missouri and Northern Arkansas Railroad) – serve the Joplin region, along with two shortline railroads in southwestern Missouri and southeastern Kansas. Air service is available at the Joplin Regional Airport and, within a 90-minute drive, at airports in Tulsa, Okla., Springfield, Mo., and northwestern Arkansas.

These transportation advantages are part of what draws companies such as Frito-Lay, General Mills, Jarden Consumer Solutions, and Schaeffler Group to locate facilities in the Joplin region.

Another attraction is the area's supply of high-quality workers. "Employers with other U.S. locations give the Joplin region high marks for the strength of the workforce, their willingness to train, their productivity, and their cost effectiveness," O'Brian says.

Employers in the region can take advantage of customized training programs offered through several institutions of higher learning. On the Missouri side of the border, Crowder College, a two-year institution, and Missouri Southern State University both offer training with state support through the Alliance for Business Consulting and Development. On the Kansas side, Pittsburg State University and two community colleges provide similar opportunities. ■

SPECIAL ADVERTISING SUPPLEMENT

America's Aerotropolis

Memphis

Geography, transportation infrastructure, and a strong distribution sector make Memphis a natural logistics hub.

Known for three decades as "America's Logistics Center," Memphis has now transformed into a global logistics center and is earning a reputation as "America's Aerotropolis"–where runway, river, rail, and road converge.

Memphis has been cited as the country's best example of a four-mode aerotropolis – a new urban form that puts the airport at the core of a transportation-intensive metropolitan business area – by Dr. John Kasarda, who coined the term in conjunction with his work at the University of North Carolina's Frank Hawkins Keenan Institute for Private Enterprise.

With geography, infrastructure, and a strong logistics industry on its side, Memphis supplements its aerotropolis status as a natural hub for distribution throughout the United States, and across the globe. From Memphis' central U.S. location, companies can ship goods to more major metro areas next day by truck than from any other city in the country. The city boasts the world's leading cargo airport, five Class I railroads (Norfolk Southern, Burlington Northern Santa Fe, Canadian National, Union Pacific, and CSX), the country's fourth-largest inland port, seven interstates and U.S. highways, and an abundance of logistics support and service providers.

SHIPMENT CENTER: Memphis serves more major metro markets overnight by truck than any other U.S. city, and can reach 45 states and Canada and Mexico by ground in two days or fewer.

Add Memphis' central location and proximity to the Mississippi River, and it is no surprise that "America's Aerotropolis" comprises a rich heritage of transportation and distribution excellence.

"Memphis has always been a logistics hub," explains Dexter Muller, senior vice president, community development for the Greater Memphis Chamber. "Originally it had to do with water transportation on the Mississippi River, then transportation moved to rail, then to road and to air, and now, all four modes are well represented here. We refer to it as the four Rs: runway, road, river, and rail."

RUNWAYS AND ROADS

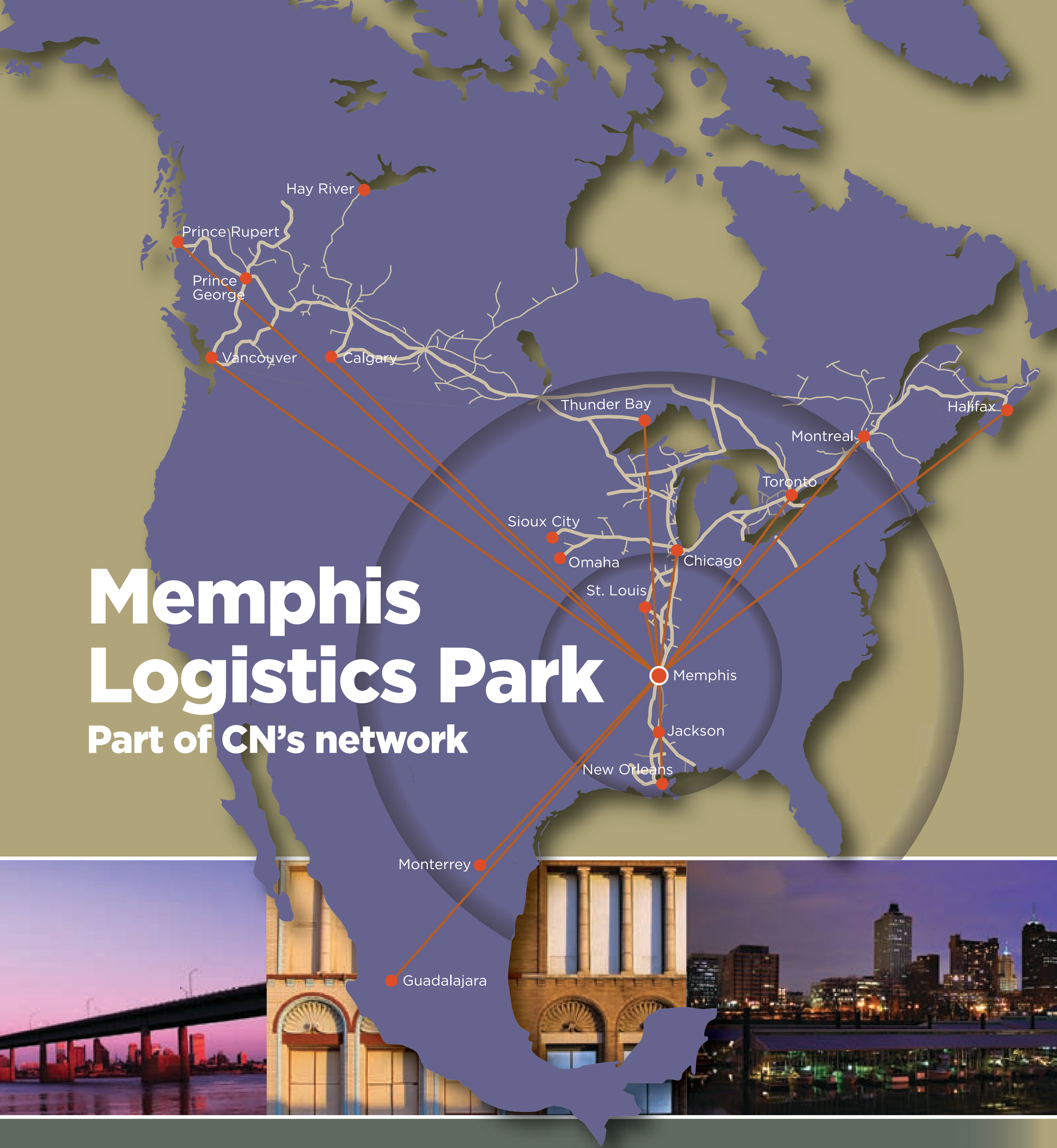
As befits a major aerotropolis, air cargo is a key strength in Memphis' transportation lineup. "For 18 years in a row, Memphis International Airport has been named by Airports Council International as the busiest air cargo airport in the world," notes Muller. Some 3.6 million tons of freight were moved through the Memphis International Airport in 2009.

Memphis shines as well when it comes to road transportation, with Interstates 40 and 55 providing the city with both north-south and east-west highway connectivity.

In addition, two new interstates that will run through Memphis are being developed now: I-22, which runs from Memphis to Birmingham, Ala., and I-69, which travels through the NAFTA Super Corridor, an area that connects the United States with its NAFTA partners in Canada and Mexico. When complete, I-69 will serve as a major roadway running from Montreal, through Memphis, to the Texas-Mexico border.

"We're excited about this corridor that

Continued on page 70



Benefits

- Up to a possible 4 million square feet warehousing space
- Rail served by CN with daily rail interchange
- Harbor access for barge transportation
- Congestion-free highway access - 7 miles to I-55, 12 miles to I-40, 13 miles to Memphis International Airport
- Single line rail service to ports on the Atlantic, Pacific and Gulf coasts
- The fastest ocean/land service from Asia
- Heavy container handling
- Space for future development of multi-commodity and liquid/bulk transload and warehousing facility

Continued from page 66
will link Mexico and Canada and come through Memphis," notes Neely Mallory, CEO of Memphis-based third-party logistics (3PL) provider Mallory Alexander International Logistics. "The completion of I-69 will allow us to offer second-day service to almost anywhere in Mexico and Canada via truck. That will position Memphis well going forward."

AN IMPORTANT PORT

The third transportation "R" is taken care of by the Mississippi River, via the Port of Memphis. Situated on the river's shallow draft portion, the Port of Memphis is the fourth-largest inland port in the United States, regularly handling some 18 million tons of freight each year. It runs along 15 miles of the Tennessee and Arkansas sides of the Mississippi River, and contains 56 terminal facilities moving products such as grains, petroleum, tar, asphalt, cement, steel, coal, salt, fertilizers, rock, and gravel. Three of the five major railways that service the city of Memphis, and two major interstates, I-40 and I-55, access the port.

"Our port is a transfer point in many ways," explains Randy Richardson, interim executive director, Port of Memphis. "A large portion of the goods that come in are raw products, which are pre-processed here, then shipped somewhere else for finishing."

One business that operates this way is Cargill, a global agricultural company that maintains a wet corn mill facility at the port. It turns raw product into starch or corn syrup, then ships it via rail or truck to customers that put the starch or syrup into other products. "That operation is typical of the larger industries that use the water frontage here," Richardson notes. "Ancillary businesses, including Glaxo SmithKline and Ledbetter Foods, are also situated at the port's non-waterfront areas."

The port comprises two locations totaling 15,000 acres of land. President's Island, which accounts for a total of 7,500 acres, is nearly 100-percent occupied, and hosts 4,000 employees serving roughly 135 industries ranging from machine shops to pharmaceuticals to meat processing and storage of grains and fertilizers.

The port also contains the 8,500-acre Frank C. Pidgeon Industrial Park, which opened in 1996. The park is home to the CN-CSX Intermodal Gateway Memphis and a Nucor Steel plant, and currently offers 2,000 acres available for development. Companies that build in the park gain easy access to global shipping opportunities by connecting via rail provider Canadian National (CN) to the Port of

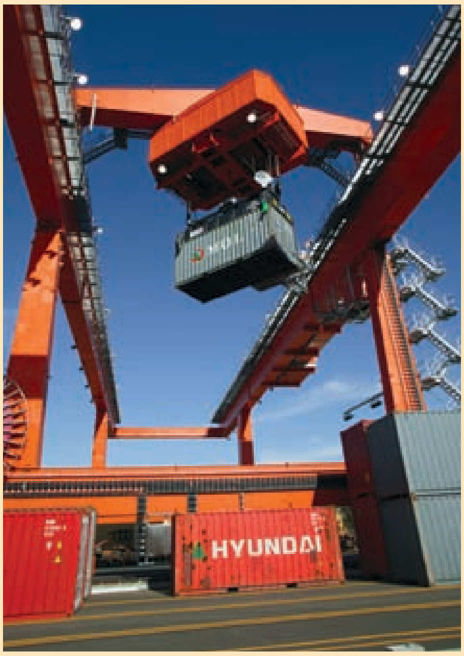
INLAND ACCESS: Situated on the Mississippi River, the Port of Memphis contains 56 terminal facilities and the 8,500-acre Frank C. Pidgeon Industrial Park, home to the CN-CSX Intermodal Gateway Memphis.

Heading West

Just across the Mississippi River from Memphis sits West Memphis, Ark., a city that offers the only location on the main channel of the Mississippi River with two railroad bridge crossings. Both UP and BNSF offer service through West Memphis, which makes the city a nice complement to the Memphis market, says Ward Wimbish, economic development director for West Memphis.

"The Mississippi River basically divides the country into two railroad operations, with UP and BNSF running on the west side," he explains. "Industries concentrated in Memphis that need rail service to the western part of the country find us an excellent fit."

The city focuses on logistics and distribution as one of its main industries, counting a variety of logistics-related firms among its businesses. West Memphis is home to distribution centers for companies including Family Dollar; DSC, a contractor for Smuckers; and Robert Bosch Tools. Schneider National is the city's largest employer with 1,300 employees, and USA Trucking and FedEx Ground also have terminals there. In addition, Simplot and United Refrigeration both operate West Memphis facilities that freeze, package, and distribute vegetables.



RAIL TRAIL: Across the river from Memphis, BNSF and UP offer service through West Memphis, Ark.

Manufacturers in the area include Temple Inland, which makes gypsum wallboard; paper bag manufacturer Langston Bag; Warren Unilube, a maker of lubricants for cars, trucks and industry; and Awesome Product, which produces household cleaners.

"We are also the number-one point of diesel sales in the country, and truck stops are a big business for us," Wimbish adds.

These businesses are able to take advantage of West Memphis' enviable utility costs, which are roughly 25 percent lower than elsewhere in the Memphis area—an important savings for power-heavy distribution facilities. "Our rates are lower because our utilities are municipally owned and we own positions in two power plants," Wimbish explains. "We get a significant portion of our power directly from the power plants at producer rates and we pass the savings on to our industries."

Another important asset West Memphis offers to companies in the distribution and logistics field is a Foreign Trade Zone. FTZ#273 is located in the IDI Interstate Commerce Center, a 340-acre distribution park that sits off Interstates 40 and 55, and between UP and BNSF's mainlines.

"We're positioning ourselves in the global market," Wimbish says. "As more and more Chinese businesses place locations in the United States for tariff benefits, we see the FTZ growing into an important asset for our region."

Prince Rupert on the Pacific Coast and the Port of Halifax on the Atlantic Coast. Renovations currently underway on a number of area crossings, exit ramps, and a new entrance to the park will further boost the park's value.

RAILS: BULLISH ON MEMPHIS

On the rail side, five Class I carriers provide service to the Memphis area, and all have recently made significant investments in their Memphis facilities.

In 2009, CN completed a $100-million reconstruction that reconfigured and modernized its Memphis rail classification yard. The new yard, named after CN's recently retired CEO E. Hunter Harrison, is the railroad's second-largest classification yard in the United States. It has a capacity of more than 3,100 freight cars with 45 tracks in the classification yard.

It also boasts 12 receiving and departure tracks and can handle 35 or more freight trains per day, notes Nadeem Velani, director, business development, supply chain solutions for CN, which provides transportation and intermodal services throughout North America.

In addition, CN invested $35 million to develop Intermodal Gateway Memphis, an intermodal terminal that opened in 2005 and is operated jointly by CN and CSX inside the Port of Memphis' Frank C. Pidgeon Industrial Park. CN is studying the possibility of expanding the facility by adding logistics park capabilities.

"We are working closely with the city of Memphis, Shelby County, the Memphis Chamber, and the Port of Memphis to develop 800 acres of land surrounding our intermodal terminal," Velani explains. "If our customers locate warehouses within our terminal, they will cut out several steps in the supply chain – they will not need to have trucks pick up containers to take them to a warehouse miles away."

Instead, customers located in a logistics park at CN's terminal would have access to an all-in-one solution. "That is a better service solution, and helps our customers reduce their carbon footprint," he adds.

CN's investments in Memphis underscore the importance the company places on the city as a premier distribution point for its North American customers. The railroad operates a container train service to Memphis from the Port of Prince Rupert in British Columbia, Canada – a key gateway for imports of Asian goods. Because the Port of Prince Rupert is geographically closer to Asia than some of the U.S. West Coast ports, Velani believes CN's Prince Rupert-to-Memphis service offers an important transportation time advantage for shippers.

"We offer a one-to-two-day advantage in ocean shipping time from Asia to Prince Rupert," Velani explains. "Couple that with the 132-hour, or roughly 5.5-day transit time from Prince Rupert to Memphis, and we offer a very compelling service advantage."

CN is not alone when it comes to rail investments in Memphis. In April 2010, BNSF unveiled a $200-million expansion of its Memphis Intermodal Facility, which spans 185 acres and will have the capacity to handle one million lifts per year at full build out. Norfolk Southern is building a new intermodal terminal in Memphis with the aid of $50 million in federal funding, and Union Pacific recently underwent a $10-million expansion of its 600-acre intermodal facility located just west of Memphis in Marion, Ark.

PAST MEETS PRESENT

Along with Memphis' tradition of providing great transportation infrastructure, two modern supply chain trends have continued to boost the area's distribution and logistics prowess, Muller says. The switch to offshore manufacturing means most companies today import containerized goods from Asia and around the world to ports on the U.S. West Coast, then send the goods via rail and truck to various markets around the country. Memphis' location and ample infrastructure has helped to make it a popular place for distribution under this new strategy.

"Because Memphis is centrally positioned to reach key Northeast and Southeast markets, and can offer shippers the necessary intermodal capacity to effectively move containerized goods from the West Coast, it has become one of the strongest distribution points in the country," Muller explains.

The city also offers companies the flexibility to import those goods through nearly any port in North America. "If your supplier decides to bring goods in from

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Continued from page 73

Asia through the Port of Seattle instead of the Port of Long Beach, for instance, you can still access a direct connection to Memphis," Muller explains. "We connect to all the different entry points via multiple transportation modes."

The second trend upholding Memphis' status as a logistics powerhouse is distribution network consolidation. While it was formerly common for companies to operate 10 or 15 medium-sized DCs around the nation, most companies today have switched to using fewer – but much larger – warehouses.

"The shift to using larger facilities led many companies to locate DCs in the center of the country in order to easily reach both coasts – and Memphis is ideal for that," explains Muller.

OVERNIGHT SENSATION: Shipping more than three million packages per day, FedEx's Memphis hub has helped make the area a magnet for businesses that thrive on time-critical transportation.

LOW-COST BENEFITS ADD UP

In addition, businesses choosing to place distribution centers in the Memphis area benefit from the region's relatively low operating costs for labor, taxes, utilities, and warehouse space. While storing products in a DC in California can cost up to $7 per square foot, Memphis rates are closer to $2.50 per square foot. "A business operating a 500,000-square-foot facility can save several million dollars a year just by locating in Memphis," Muller says.

These perks have helped Memphis add new industries to its traditional agricultural-based economy. The transportation/distribution/logistics field is now one of the city's strongest industries, and Memphis has a growing base of new manufacturing sprouting up as well.

"The tremendous growth in distribution here has been led by companies such as Williams Sonoma, Nike, and Technicolor, as well as a variety of manufacturing firms that have chosen to put distribution and manufacturing facilities here because they can ship and receive parts quickly from anywhere in the world," says Mallory. His company, Mallory Alexander International Logistics, has been based in Memphis for 85 years and currently maintains its corporate office, seven warehouses, and a large forwarding and customs brokerage operation in Memphis. The company, which opened its doors in Memphis in 1925, is now a global supply chain management firm that provides services to customers around the globe in all modes of transportation, transportation management, and lead logistics.

"The Memphis region keeps growing, and not just in existing industries – we are adding industries, too," Mallory says, citing the examples of Nike moving most of its U.S. distribution to a new $100-million facility in Memphis; Nucor Steel's $300-million steel manufacturing facility that produces one million tons of automotive-grade steel annually; and Riviana Foods' $100-million rice manufacturing plant in South Memphis.

For Mallory Alexander, being based in Memphis brings the advantage of offering clients easy access to expedited service. "Between the five big railroads, the excellent air cargo service, and the tremendous number of truck lines that are based in Memphis or have major hubs here, we can meet our customers' overnight needs through any transportation mode," Mallory notes.

THE FEDEX FACTOR

It is impossible to paint the complete Memphis logistics picture without adding the influence of transportation and shipping giant FedEx. FedEx's North American hub in Memphis has helped to make the area a magnet for businesses that thrive on time-critical transportation.

"We are lucky that FedEx decided to make Memphis its hub," Mallory says. "It spawned Memphis' tremendous growth in later years, bringing the major players we have here today."

With more than 15,000 employees supporting day and night sorts, the FedEx Memphis hub handles more than three million packages per day. From Memphis, FedEx can deliver to any North American location within 24 hours and to most

major global cities within 48 hours.

FedEx's presence is partly responsible for making Memphis the second-largest orthopedic device-manufacturing center in the country, with companies such as Smith & Nephew, Medtronic, and Wright Medical Technology all operating facilities in the region. "One of the main reasons medical device firms continue to grow here is because of our logistics capability," Muller says.

FedEx Express in Memphis offers some of the latest drop-off times in the country, allowing these medical device companies the ability to get late notice from customers and deliver products throughout the country the next day.

The opportunity to take advantage of FedEx's Memphis facility – and the resulting late cut-off times for sending critical next-day shipments – is also what lured New Breed Logistics, a High Point, N.C.-based 3PL, to the city. New Breed began its Memphis operations in 2001 and today runs five facilities there, totaling 2.3 million square feet. Because New Breed focuses on high-value, high-velocity services including finished goods distribution, aftermarket parts and services, returns processing, and special project work, the ability to get next-day delivery for products ordered late in the day makes Memphis a big draw for its clients.

A NEED FOR SPEED: New Breed located facilities in Memphis to better serve its customers' high-velocity requirements.

"Being able to accept next-day orders late in the day is critical for many of our clients, so Memphis is the ideal spot for us to service them," explains Joe Hauck, vice president of sales, marketing, and communications for New Breed.

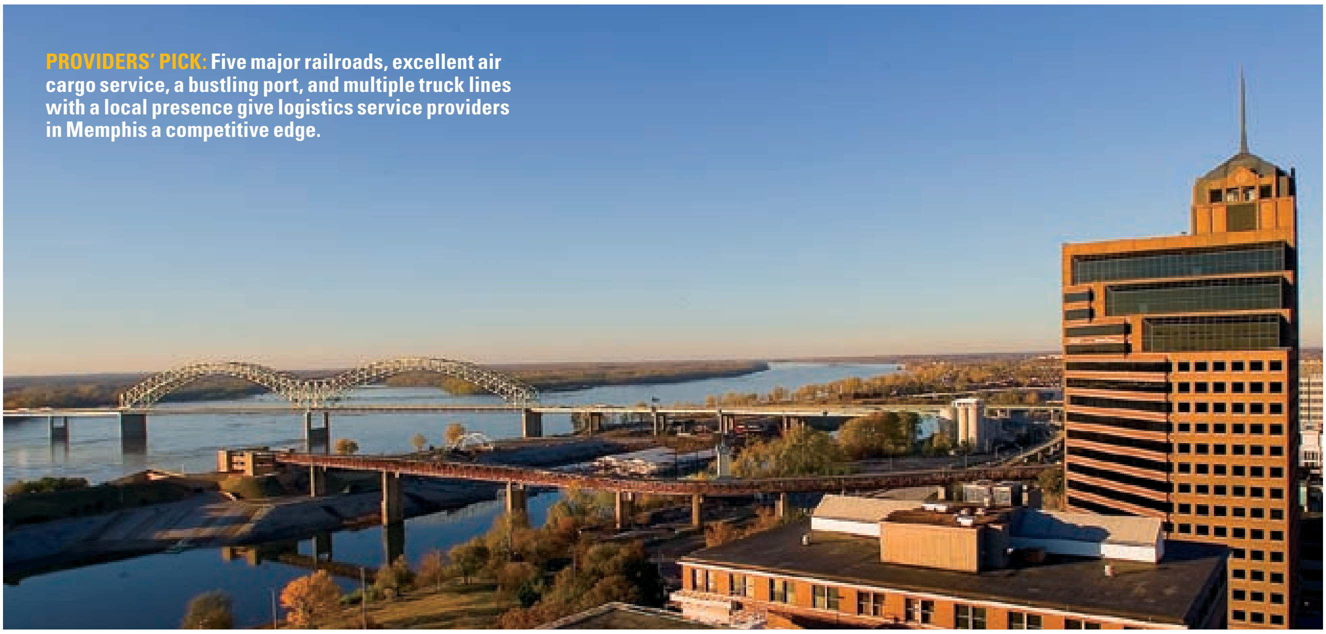
From its Memphis locations, New Breed services companies including Avaya, Boeing, Logitech, Laerdal Medical, Siemens Medical Solutions, and Verizon Wireless. To keep up with the demands of its marquis clients, New Breed has built a hard-working and dedicated Memphis workforce that is capable of providing the value-added services the company focuses on. Its 1,385 Memphis employees have helped New Breed establish an excellent reputation in the market, and as a result, Hauck views the city as one of the best places to serve its clients.

"We are proud of the workforce we have in Memphis," he says. "We have extremely low employee turnover, and many employees have been with us since the beginning."

The Memphis market has also proved fertile for long-time business resident Patterson Warehouses. When the company was founded in Memphis in 1856, its stagecoaches had to travel 55 hours on dirt roads to deliver goods from Memphis to Nashville. Today, getting from Memphis to Nashville – and indeed much of the country – is a far simpler and more efficient process, says Patterson Warehouses Vice President Buzz Fly.

"Within 600 miles of Memphis, we can hit Chicago, Atlanta, Dallas, Houston, and every location in between – overnight," Fly says.

Today, Patterson operates out of a 1.3-million-square-foot, four-building headquarters in Memphis. "As a regional logistics provider, Memphis is our only location, and for a lot of distribution companies that might be difficult," Fly



PROVIDERS' PICK: Five major railroads, excellent air cargo service, a bustling port, and multiple truck lines with a local presence give logistics service providers in Memphis a competitive edge.

explains. "But for us, being in Memphis is an advantage because it's such a great distribution point."

Patterson primarily provides import-to-retail services, handling more than 4,000 containers per year for customers shipping goods to retailers such as Target and Walmart. The company also provides display build, kitting, light assembly, and packaging services.

"We operate an in-house dedicated drayage service that pulls containers back and forth from the railroads so we can ship orders out as quickly as possible," Fly notes.

A PLACE FOR LOGISTICS PROVIDERS

Memphis offers strategic advantages for many other logistics and supply chain businesses, too. Logistics service provider Cornerstone Systems, for instance, uses its Memphis location to support nearly half of its nationwide business. While it maintains offices and customers across the United States, the company's Memphis headquarters – where about 85 employees work – serves as a nerve center for its operations and IT functions.

"Geographically, Memphis offers a great location for logistics and warehousing businesses," says Rick Rodell, CEO of Cornerstone, which provides intermodal, truck brokerage, and on-site logistics services to a variety of customers transporting goods ranging from toys to tires, cotton, wine, and electronics.

"We offer many services out of Memphis, and we can easily ship freight from Memphis to anywhere in the United States, Canada, and Mexico," Rodell explains.

Rodell also lists the presence of FedEx, the many major truck carriers serving the region, and abundant warehouse space as reasons why Memphis is a natural fit for logistics providers and their customers.

Memphis also fits well for CTSI, a supply chain management solutions provider with global headquarters in Memphis. "Memphis is a great location for shipping product anywhere in the world. It makes sense for us to be located here," explains CTSI CEO Ken Hazen, who purchased the company in 1982. Since then, CTSI has expanded rapidly, and now operates international offices in Ireland, Singapore, Hong Kong, and India.

CTSI is best known for its freight bill payment and transportation management software products. "We provide a hybrid product," Hazen explains. "We offer robust freight bill payment software and excellent TMS service."

The company's software can pay freight bills in 34 currencies, and its TMS product includes modules for international carrier selection and modeling, shipment execution, and event management. Its new Web site also boasts the ability to translate into 10 different languages. "Even though English is a global business language, we have to be able to attract business from all over the globe," notes Hazen.

Part of what makes the company an effective global supply chain partner is its strong workforce in Memphis. "We are situated at the apex of three states – Tennessee, Arkansas, and Mississippi – so we are able to draw on a very strong labor pool," Hazen says.

These top-notch employees have helped CTSI attract area customers including PFSWeb, Technicolor, Schering Plough, Terminix, Merry Maids, and Pathmark Transportation.

"We have a strong base of loyal customers in the Memphis area," Hazen says. "It's a great market for us."

Another logistics company that has taken advantage of Memphis' transportation and distribution assets to build a strong base of customers – both in Memphis and across the globe – is Centrix Logistics. Centrix began operations in Memphis in 1970 as a subsidiary and logistics arm of Dunavant Enterprises Inc., one of the world's largest cotton distributors.

Today, Centrix Logistics offers complete supply chain solutions to a variety of customers in the retail, commodity, energy, infrastructure, consumer goods, and food products industries. "We have perfected our global supply chain expertise through managing millions of commodity shipments during the past four decades," says Richard McDuffie of Centrix and Dunavant.

From its start in Memphis, Centrix has expanded to include branches in China and throughout North America, along with key partnerships in Africa, Australia, Europe, and South America. But its appreciation for Memphis' strategic position in global shipping and distribution has not waned.

"Memphis will always be our headquarters and home to our global load control center," McDuffie says. "Many of our domestic and international clients frequent Memphis regularly for quarterly operations reviews, to develop innovative supply chain concepts, and to see the management of their operations in real time."

Memphis' strategic location has proved ideal to meet many of Centrix's customers' global supply chain needs. It has also helped Centrix offer unique advantages to both Fortune 500 and small to mid-size companies that want to move their businesses forward globally, McDuffie notes.

"With the presence of FedEx – one of the key air carriers in the logistics industry – as well as many of our logistics partners, we are able to capitalize on international needs quickly and more efficiently," he explains. "With more global companies moving into the region, it helps to have a quality logistics infrastructure for companies with national and global needs. In our 40 years of business, we have built great relationships with our partners in the area."

> **"Memphis is one of the strongest distribution points in the country."**
>
> – Dexter Muller, Senior Vice President, Community Development, Greater Memphis Chamber

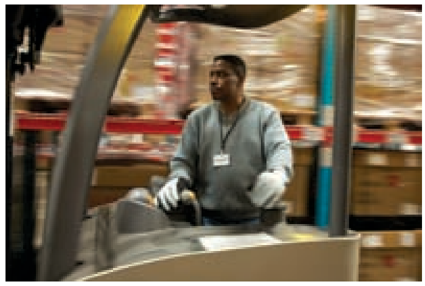
LOCAL TALENT

Logistics providers in the Memphis area can be assured of a supportive business community that values the contributions of the logistics sector to the region's economy. "Memphis boasts the highest percentage of logistics workers of any metro area in the country, so it is clearly an important industry for us," says Muller. That workforce includes employees at more than 400 trucking firms.

Consulting and placement firm Vaco works to connect Memphis businesses with all those qualified workers. Founded in Nashville in 2002, Vaco has grown to a $120-million company with 25 U.S. offices. The Memphis office opened in 2004, and Vaco launched its logistics division in 2009 to locate quality talent for permanent and consulting opportunities in logistics, transportation, distribution, and supply chain roles. The division focuses on placing managerial and professional level employees, including supervisors, senior executives, project managers, fleet maintenance managers, and safety personnel.

"Our ability to help clients fill positions located in Memphis or nationwide is enhanced by the wealth of talent here," says Steve Gilmore, director and sales manager for Vaco's logistics division. "As businesses locate their distribution centers in Memphis, we can help them find local talent – especially if their HR function is located elsewhere."

The continued growth of Memphis' logistics and distribution sector will attract more businesses that can benefit from Vaco's services.



AREA OF EXPERTISE: The local workforce possesses ample logistics experience.

"Business owners are making a concentrated effort to promote our city and attract top quality business to the region," says Gilmore.

MAKING LOGISTICS A PRIORITY

To support the agendas of those involved in the region's booming logistics sector, the Regional Logistics Council – which consists of members from Tennessee, Mississippi, and Arkansas – was formed in 2002. The Council works to enhance the region's logistics competitiveness by focusing on infrastructure improvement, workforce development, strategic partnerships, and marketing the area's assets.

"We have become America's Aerotropolis, but we can't rest on our laurels," Muller says. "We want to continue to position our region as the logical place to be for distribution and transportation. Memphis is in it for the long haul."

For information on featuring your region in an Economic Development Supplement, contact James O. Armstrong at 815-334-9945 or jim@inboundlogistics.com.

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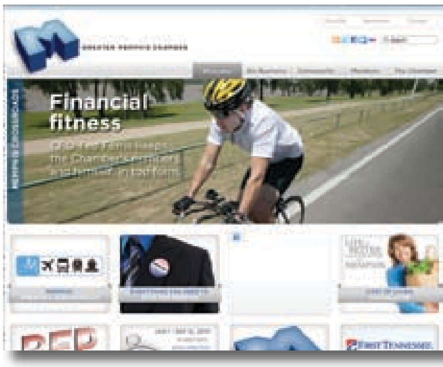
For more than 50 years, CTSI has been a valuable resource to companies by providing the technology and industry expertise to help them manage all aspects of their supply chain – physical, informational, and financial – through freight audit and payment, transportation management systems (TMS), information management tools, and global consulting. The end results are improved shipping efficiencies, greater control, and significant ongoing savings. CTSI is your link to supply chain solutions

Mallory Alexander International Logistics • www.mallorygroup.com

Mallory Alexander International Logistics is a leading third-party logistics (3PL) provider. As a specialist in global logistics and supply chain services, Mallory Alexander acts as a single source for all logistics and supply chain needs. Specifically, Mallory Alexander provides public and contract warehousing, freight forwarding (international, domestic, air, and ocean), customs brokerage, import/export services, intermodal trucking and transportation, logistics services, and consulting.



Memphis Regional Chamber • www.memphischamber.com

More and more companies are doing business in Memphis, for good reason. If you or your organization are looking to expand your operations, relocate to a business-friendly community, or take advantage of the economy of scale that Memphis' logistics infrastructure can provide, contact the Memphis Regional Chamber, the economic development agency for the mid-South region. For all the details, visit the Memphis Regional Chamber's Web site.

New Breed • www.newbreed.com

New Breed is a third-party logistics company that brings new levels of visibility and control to complex logistics operations. We combine methodical analysis of your material flows with the intelligent application of systems to reduce and automate process steps – across your supply chain or in your distribution center. Some of the world's most respected companies rely on New Breed minds to streamline logistics operations in support of manufacturing, distribution, returns, refurbishment and repair, and service parts logistics.

Patterson Warehouses, Inc. • www.patwar.com

Patterson Warehouses, Inc. is one of the largest third-party logistics providers in the Memphis area, operating more than two million square feet of food grade space. Whether it is import-to-retail, medical supplies, or raw materials for manufacturing, Patterson can meet your ever-changing distribution needs. Let Patterson ensure your success by becoming your distribution partner in Memphis.

Vaco • www.vaco.com

If you need qualified distribution, logistics, or supply chain talent on a contract, contract-to-hire, or permanent basis, Vaco will exhaust all resources to ensure that your company is presented with the best possible candidates for your professional level positions, allowing you to focus on your core business and your company's success.

City of West Memphis, Arkansas • www.westmemphis.com

Welcome to the economic development information center for West Memphis, Arkansas. The city's central location and superior access to highway, rail, river, and air transport have made it a high-performing location for companies that distribute both OEM supplies and consumer products. High-performing West Memphis facilities also owe much of their efficiency to the low cost of doing business in the city.

PACIFIC NORTHWEST:

North America's Gateway to Asia

Verdant forests, sheltered coves, snow-capped mountains, and brimming coffee cups on rainy days are hallmarks of the Pacific Northwest. So are its ports. From Portland to Prince Rupert and all points between, the region is making a name for itself as North America's gateway to Asia.

The fundamental advantage of Pacific Northwest ports is their proximity to Asia. A containership steaming from Prince Rupert to Shanghai arrives 2.5 days sooner than from Long Beach. Combining shorter lead times with a latticed network of intermodal connections is earning the region a reputation for cost- and carbon-efficient distribution–and that has become a big part of the ports' strategic vision and marketability to North American shippers and consignees.

"We have a common focus between government and the private sector. There is a lot of connecting infrastructure development and investment," says Robin Silvester, president and CEO of Port Metro Vancouver, British Columbia.

Much of this impetus has been directed at improving intermodal velocity. In Vancouver alone, 90 percent of shipments in and out of the port move via the railroad. The port/rail interface has become a critical differentiator given the relative remoteness of the Pacific Northwest, and as capacity constraints, congestion, and environmental concerns threaten throughput and economy elsewhere along the U.S. West Coast.

Location aside, the Pacific Northwest also has a "natural" symbiosis with Asian markets. Compared to other regions in North America, import/export volumes are far more balanced.

Port of Tacoma

CONTINUED FROM PAGE 87

The Port of Tacoma, for example, handled 410,324 import containers in 2009 and 455,312 outbound boxes. Its exports were largely tied to forest industry products and grain, and China's pace of consumption for both commodities remains strong. Elsewhere, the Port of Seattle has seen notable export upticks in animal feed, vegetables, logs and lumber, and bulk grains.

More telling, the ratio of laden exports to laden imports in Vancouver was 92 percent in 2009. "There is an abundance of backhaul opportunities. It's a very balanced gateway between inbound and outbound," adds Silvester.

Favorable export demand is spurring the ports of Portland, Vancouver USA, and Longview to deepen the Columbia River Navigation Channel out to the Pacific Ocean, dredging it from 40 to 43 feet by the end of 2010–a critical need for larger, fully loaded ships moving heavier export cargoes (three feet equals another 5,500 tons of cargo).

Shorter transit times and more backhaul opportunities are incentives for ocean carriers looking to expand their service strings and frequencies. In turn, it triggers cascading interest and investment from shippers, terminal operators, trucking companies, railroads, and other logistics service providers looking to capitalize on strengthening trade.

Even with the Panama Canal's imminent expansion, and increasing competition from all-water services to the U.S. East and Gulf Coasts, Silvester doesn't anticipate a major impact in Vancouver. In fact, there has been increasing collaboration among ports in the Pacific bloc, aligning sustainability objectives, among other things, and marketing regional strengths.

The area's proximity to Asia, abundance of raw materials, and diversified mix of cargoes, will keep demand in the Pacific Northwest evergreen–very naturally.

PORT OF TACOMA

www.portoftacoma.com

Main Channel Depth: 51 feet

ANNUAL TRADE DATA

Vessel Calls: 1,221

TEUs: 1,545,853

Automobiles: 117,357

Imports: 410,324 TEUs

Exports: 455,312 TEUs

Total Tonnage: 17,400,000

CARGO FACILITIES & TRANSPORTATION ACCESSIBILITY

- Six container terminals
- 11 deepwater berths
- 24 container cranes–including 19 Post-Panamax cranes
- Four dockside intermodal railyards with connections to two transcontinental railroads and easy access to Interstates 5 and 90
- Non-containerized facilities include breakbulk, the Marshall Avenue Auto Facility, and the Tacoma Export Marketing Company's grain terminal

COMMODITIES

INBOUND

- Electronics
- Vehicles
- Industrial machinery
- Footwear
- Toys and sports equipment
- Furniture and bedding
- Iron and steel products
- Plastics
- Apparel (non-knit)

OUTBOUND

- Grains
- Cereals
- Meat and meat products
- Inorganic chemicals
- Prepared vegetables
- Industrial machinery
- Iron and steel
- Paper products

TRADE PARTNERS

- China/Hong Kong
- Japan
- Alaska
- South Korea
- Taiwan
- Vietnam
- Canada
- Indonesia
- Thailand
- Malaysia

PORT OF SEATTLE

www.portseattle.org

Main Channel Depth: 50 feet

ANNUAL TRADE DATA

Vessel Calls: 1,212

TEUs: 1,584,596

Imports: 612,236 TEUs

Exports: 459,557 TEUs

Total Tonnage: 20,481,849 tons

CARGO FACILITIES & TRANSPORTATION ACCESSIBILITY

- 121,000 square feet of open wharf space
- Harbor Island Marine Terminal, 100,000-square-foot open wharf
- Roll-On/Roll-Off ramp, immediately downstream from Harbor Island Terminal
- 3.5-million-bushel capacity grain elevator
- Rail-to-ship bulk transfer facility ship loading rate: 11,023 tons/day
- Two major rail hubs within one mile, four railroad routes to inland markets
- Two major interstate highways within five minutes of all terminals for efficient truck access

COMMODITIES

INBOUND

- Toys and sports equipment
- Electrical machinery
- Machinery
- Knit apparel
- Woven apparel
- Vehicles

OUTBOUND

- Misc. grain and seed
- Machinery
- Fish and seafood
- Cereals
- Meat
- Preserved food
- Paper, paperboard
- Edible fruit and nuts

TRADE PARTNERS

- China
- Japan
- South Korea
- Taiwan
- Vietnam
- Indonesia
- Thailand
- Singapore
- Australia
- Malaysia

PORT METRO VANCOUVER

www.portmetrovancouver.com

Main Channel Depth: 45 feet

ANNUAL TRADE DATA

Vessel Calls: 2,791

TEUs: 2,152,462

Automobiles: 387,230

Imports: 1,122,849 TEUs

Exports: 1,029,613 TEUs

Total Tonnage: 112,435,754 tons

CARGO FACILITIES & TRANSPORTATION ACCESSIBILITY

- 28 major marine cargo terminals
- Three Class I railroads
- Deep-sea terminals offer virtually no draft restrictions, Super Post-Panamax capacity, and extensive on-dock rail facilities
- Freshwater facilities offer integrated services for the automobile and coastal forest industries, and for short-sea shipping

COMMODITIES

INBOUND

- Household goods
- Parts and components, construction and materials
- Machinery
- Produce
- Beverages
- Chemicals

OUTBOUND

- Wood pulp
- Lumber
- Specialty crops
- Metals
- Meat, fish and poultry
- Waste paper
- Chemicals

TRADE PARTNERS

- China
- Japan
- South Korea
- United States
- India
- Taiwan
- Mexico
- Brazil
- Thailand
- Germany

CONTINUED FROM PAGE 89

PRINCE RUPERT PORT AUTHORITY

www.rupertport.com

Main Channel Depth: 115 feet

ANNUAL TRADE DATA

TEUs: 265,259
Imports: 155,893 TEUs
Exports: 109,365 TEUs
Total Tonnage: 13,419,175 tons

COMMODITIES

- Wax
- Logs
- Grain
- Coal
- Wood pellets
- Gravel
- Waste paper
- Cotton

TRADE PARTNERS

- Mexico
- Guatemala
- Panama
- Columbia
- Venezuela
- Brazil
- Dominican Republic
- Spain
- Italy
- Egypt
- Israel
- Turkey
- Bulgaria
- Belgium
- England
- Germany
- Saudi Arabia
- United Arab Emirates
- Kuwait
- Singapore
- China

CARGO FACILITIES & TRANSPORTATION ACCESSIBILITY

- Prince Rupert Container Terminal, a 59-acre dedicated intermodal (ship-to-rail) container terminal with capacity to move 500,000 TEUs per year
- Ridley Terminal, a coal unloading and loading terminal, has an annual shipping capacity of 13 million tons and storage capacity of 1.3 million tons
- Prince Rupert Grain Terminal cleans grain to Canada's high-level export standard as fast as it can be unloaded
- CN Rail operates the Northwest Transportation Corridor through the lowest rail grade in the Canadian Rockies and on to the rest of North America via Chicago. With 17,821 route-miles, it is the only railway on the continent to serve ports on the Atlantic, the Pacific, and the Gulf Coast

PORT OF VANCOUVER USA

www.portvanusa.com

Main Depth: 43 feet

ANNUAL TRADE DATA

Vessel calls: 403
Imports: 789,043 tons
Exports: 4,552,305 tons
Total tonnage: 5,341,350 tons

COMMODITIES

- Wheat
- Copper
- Steel scrap
- Bentonite clay
- Malted barley
- Liquid fuels
- Pulp
- Automobiles
- Wind turbine components

TRADE PARTNERS

- Japan
- Australia
- China
- Europe
- South Korea
- South America

CARGO FACILITIES & TRANSPORTATION ACCESSIBILITY

- Five marine terminals with 13 shipping berths
- 1.2 million square feet of waterfront warehousing
- A unit train facility on Terminal 5 allows for handling of bulk, breakbulk, wind energy, and project cargo commodities by rail into and out of the port. Dual rail carrier service is provided by BNSF and Union Pacific
- The Columbia River's deep-draft channel provides a gateway to barge ports on the Columbia and Snake Rivers
- The port's rail system provides unit train access on more than 25 miles of track, with the potential to handle more than 160,000 railcars annually
- Two miles from Interstate 5, three miles from State Highway 14, and 10 miles from Interstate 84

PORT OF PORTLAND

www.portofportland.com

Main Depth: 43 feet

ANNUAL TRADE DATA

Vessel Calls: 501

Total TEUs: 174,203

Breakbulk Tonnage: 393,002

Automobiles: 240,683

Total Tonnage: 11,353,807 tons

CARGO FACILITIES & TRANSPORTATION ACCESSIBILITY

- T-2: 52 acres; breakbulk, RoRo, and project cargoes
- T-4: 261 acres; mineral and liquid bulks, autos
- T-5: 190 acres; grain, mineral bulks, warehouse/manufacturing
- T-6: 516 acres; containers, autos, intermodal railyard operations
- More than 1,000 businesses in Oregon and Washington use the port's marine facilities, which are served by a network of interstate freeways, the Union Pacific and BNSF railroads, and the Columbia/Snake River barge system

COMMODITIES

INBOUND

- Cement
- Limestone
- Iron and steel
- Vehicles
- Oil
- Crude oil
- Fertilizers

OUTBOUND

- Wheat and grains
- Fertilizers
- Soda ash
- Iron and steel
- Hay
- Animal feed

TRADE PARTNERS

- China
- Japan
- South Korea
- Taiwan
- Mexico
- Canada
- Russia
- Philippines
- Indonesia

I.T. Toolkit

Predicting Demand Levels Down the Road

No business wants to face a drop in demand for its products, but many companies have experienced just that during the global economic downturn. One such company, Wichita, Kansas-based polymers and fibers manufacturer INVISTA, seized the opportunity to get better visibility into, and control over, its demand and inventory planning.

When the ailing auto industry's demand for INVISTA's products dropped below forecast predictions, the polymer and fibers manufacturer turned to a new inventory planning tool to meet recessionary challenges.

As one of the world's largest integrated fibers and polymers manufacturers, INVISTA operates five major businesses: apparel, interiors, intermediates, performance materials, and polymers and resins. INVISTA serves customers from its worldwide facility network in the United States, Canada, Mexico, Europe, South America, and Asia, and is a leading supplier of nylon fibers, intermediates, and polymers. INVISTA holds more than 1,000 patents and owns some of the most recognizable brands in its respective markets, including Lycra, Coolmax, Cordura, Tactel, Antron, and Stainmaster.

INVISTA's Performance Materials division operates three sites in North America, one in England, and one in China. This division provides fabrics and fibers used in a variety of applications including residential and commercial flooring, home textiles, airbags, seat belts, automobile carpet, and outdoor equipment.

CHECKING THE FORECAST

With such a wide array of products being manufactured in facilities around the world, INVISTA's complex supply chain depends on reliable forecasting. INVISTA found that as the company continued growing, the home-grown forecasting tool it developed in-house 10 years ago was no longer meeting the needs of planners and the sales force. The old tool could not scale or adapt to changes in INVISTA's product portfolio.

INVISTA needed a demand planning solution that would use reporting and analysis to create a detailed and reliable demand plan for both day-to-day and extended-horizon business decision-making.

After considering its options, the company implemented the *Zemeter* software suite from Wilmington, Del.-based business solutions firm Supply Chain Consultants. The suite offers modules for demand and supply planning, inventory management, and scheduling. These tools help evaluate planned changes to markets, including sourcing patterns, capacity, transportation, and distribution.

SEEING MULTIPLE PERSPECTIVES

"When we started using *Zemeter* in the third quarter of 2007, we discovered that we could create a forward-looking view that had not been possible before," says Carl Landerl, global supply chain manager for INVISTA Performance Materials. "While we did have a process for sales and demand planners to develop a forecast and bring multiple forecasts together, our old tool only provided a one-dimensional view. We had a forecast, but the power to view and enhance it was limited to one opportunity per month.

"When our business started feeling the effects of a changing economic environment in November 2008, we began to discover and appreciate the full potential of *Zemeter*," Landerl continues. "We found our automotive customers, for example, were rapidly building up unsold inventory. The situation reached the point in January 2009 where there was not a single passenger car made in the United States."

With cars sitting in inventory and fabric weavers having little work to do, INVISTA needed to be able to rapidly respond to safeguard its business. Accurate and reliable data became all the more important. By the end of February 2009, there were three million cars in inventory, which translated into more than 90 days supply–about three times the norm. INVISTA was able to adjust its output accordingly.

"*Zemeter* has helped us reduce inventory by 30 percent, which equates to more than $30 million in savings," says Landerl. "We believe it will be possible to shave 25 percent off the remaining inventory and bring our stock into line with demand."

Another important manufacturing reality for INVISTA is that it does not operate an assembly line that can be either sped up or slowed down. It is more a case of turning production either on or off. There are considerable costs involved in such an all-or-nothing environment.

Given the variety of different products being scheduled by INVISTA Performance Materials, the division built the financial justification for implementing *Zemeter* from improved operations of its assets. Substantial costs result each time a product change needs to be made on a machine. *Zemeter* allows the company to generate a more detailed, accurate forecast, reducing the number of product changes.

SALES BOOSTER

Using *Zemeter*, INVISTA is now able to create multiple forecasts that are viewed by salespeople and segment leaders. Planners can identify areas that require more focus, allowing them to direct sales leaders to those items that need the most attention. This saves a significant amount of time because planners can concentrate on specific areas instead of having to forecast everything, as they did with the old tools.

Another important benefit to INVISTA is *Zemeter*'s off-line capabilities. With approximately 15 global salespeople in Asia, Europe, and North and South America, it is important that INVISTA's entire sales team is able to access the system. They can obtain data, update forecasts off-line, and upload new data the next time they connect to the system. With the old tools, regional demand managers collected data from the salespeople and entered it into the program.

"All salespeople can interface with the tool, giving them the power to analyze variability, see the accuracy of their forecasts, and view the collaborative history of open orders," says Landerl.

"Our business has changed radically in 100 days," he adds. "It was always important for us to have an accurate forecast, but now it has become more crucial than ever." ■

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.

Management Dynamics

TITLE: ***Improving Supply Chain Visibility via Technology: Options, Trends and ROI-Driven Projects***

LENGTH: *17 pages*

DOWNLOAD: *http://tinyurl.com/mgmtdynamics1*

SUMMARY: Many vendors claim to enhance supply chain visibility, but not all products will advance an organization's goals. This expert e-book from TechTarget and Management Dynamics defines the supply chain visibility challenge and provides an overview of the different types of SCM technologies and solutions available. Receive this e-book, and gain a better foundation for managing your supply chain and improving visibility with suppliers as well as within your organization.

3PL Central

TITLE: ***The ABCs of EDI: A Comprehensive Guide for 3PL Warehouses***

LENGTH: *8 pages*

DOWNLOAD: *www.3plcentral.com/abcsofedi_email*

SUMMARY: EDI means a lot of things to a lot of people. At a public warehouse, EDI support often means the difference between winning and losing a customer. Straightforward and instructional, *The ABCs of EDI* whitepaper covers the basics of 3PL warehouse EDI and outlines the critical touchpoints your warehouse management system must have in order to be "EDI-friendly." Most importantly, it will give you the EDI answers you need to improve your bottom line.

Yale

TITLE: ***The Truth About Electric Lift Trucks***

LENGTH: *6 pages*

DOWNLOAD: *http://tinyurl.com/yaletruth*

SUMMARY: Examine the beneficial advancements made in the lift truck and materials handling industries throughout the past decade in this exploratory whitepaper from Yale.

Kewill

TITLE: ***Parcel Shipping & Global Trade Management: 2010 Industry Survey Findings & 10 Best Practice Recommendations***

LENGTH: *16 pages*

DOWNLOAD: *http://tinyurl.com/kewill1*

SUMMARY: For the fourth year, Kewill has conducted a benchmarking survey of logistics professionals. The research findings are detailed in this whitepaper that also provides 10 recommendations for best practices. Focus areas of the report include:

- Parcel Shipping
- Carrier Management and LTL Flexibility
- Export Documentation
- Restricted/Denied Party Screening

Ameren Corporation

TITLE: ***Competitive Marketing Analysis-Wholesale Trade***

LENGTH: *29 pages*

DOWNLOAD: *www.surveymonkey.com/s/7N8F7RN*

SUMMARY: Among the Midwest's largest utilities, Ameren's Illinois and Missouri service area has an unusually strong set of assets for distribution centers and related business facilities. Ameren's whitepaper, *Competitive Marketing Analysis-Wholesale Trade*, discusses how selected business costs range from 18 percent to 27 percent below the national average for distribution centers. Learn how Ameren's advantages of least-cost option, market access, and connectivity can work for you.

HighJump Software

TITLE: ***Nine Telltale Signs You Should Replace Your Current WMS***

LENGTH: *8 pages*

DOWNLOAD: *www.inboundlogistics.com/hj*

SUMMARY: Is an inflexible or legacy warehouse management system (WMS) putting your business at risk? You rely on a WMS to maintain ongoing operations, support changing customer requirements, keep up with new industry regulations, and simply get product out the door on a daily basis. What happens when you're no longer able to get the job done? In this new industry report, *Nine Telltale Signs You Should Replace Your Current WMS*, you'll learn to analyze the operational factors influenced by your WMS—and find out whether your system is constraining your company's growth and global reach.

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**

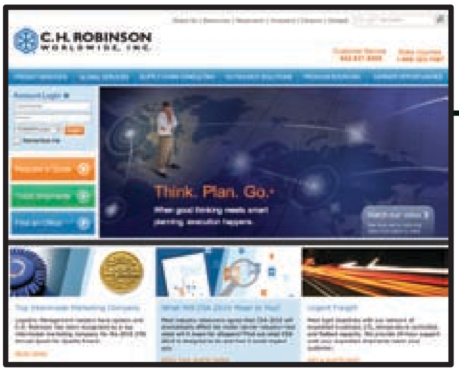
3PLs

Agility • www.agilitylogistics.com

Let Agility manage the details of your international transportation. Choose from an array of highly configurable air and sea freight options, and road freight services that span Europe, the Middle East, North Africa, and Central Asia with more than 1,000 scheduled, weekly departures. Agility offers global expertise in commodity classifications and local government rules and regulations to ensure rapid clearance of your products through Customs.

APL Logistics • www.apllogistics.com

APL Logistics designs and operates global supply chains that deliver products to everywhere you need them. Its innovative end-to-end solutions use data connectivity for greater visibility and control. APL Logistics provides the resources necessary to support your supply chain. Services include shipment consolidation and deconsolidation, global freight forwarding and customs management, regional warehousing and distribution networks, and IT solutions that increase supply chain performance and reduce costs.

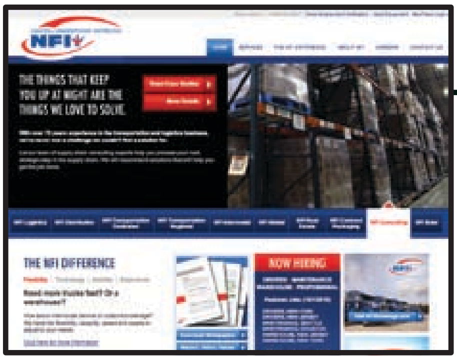


C.H. Robinson Worldwide, Inc. • www.chrobinson.com

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.

Mallory Alexander International Logistics • www.mallorygroup.com

Mallory Alexander International Logistics is a leading third-party logistics (3PL) provider. As a specialist in global logistics and supply chain services, Mallory Alexander acts as a single source for all logistics and supply chain needs. Specifically, Mallory Alexander provides public and contract warehousing, freight forwarding (international, domestic, air and ocean), customs brokerage, import/export services, intermodal trucking and transportation, logistics services, and consulting.



NFI • www.nfiindustries.com

Founded in 1932, NFI offers a variety of integrated supply chain services to help businesses manage, grow, and succeed in today's marketplace. The company is one of the largest privately held third-party logistics providers in North America. NFI divisions include NFI Distribution, NFI Logistics, NFI Transportation (Dedicated and OTR), NFI Intermodal, NFI Real Estate, NFI Global, NFI Contract Packaging, NFI Transportation Brokerage, NFI Consulting, and NFI Solar.

NYK Logistics • www.nyklogistics.com

NYK has embraced change and expanded in response to customer requirements and market demand. Gearing up for business in the 21st century, NYK Logistics is committed to providing value for customers, and being recognized as a strategic partner that provides custom solutions based on customer profiles, rather than a company that provides cookie-cutter solutions from a menu of logistics services. NYK has a network of logistics companies and partners that provide every transportation and logistics service within the supply chain. Can all this change help solve your global logistics challenges? Visit www.nyklogistics.com and find out.

TLC-Total Logistic Control • www.totallogistic.com/services

TLC creates custom solutions tailored to your specific demands by linking multiple supply chain elements to help provide the ideal solution. For 108 years, our core competency has been logistics. We help improve the supply chain you already have with solutions for distribution, transportation, manufacturing, and packaging that span all aspects of the supply chain. No other 3PL provider offers more capabilities than TLC.

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.

DEDICATED CONTRACT CARRIAGE

Ryder • www.ryderscs.com

Ryder provides end-to-end supply chain, warehousing, and transportation solutions including: third-party logistics (3PL), fleet management, RFID operations, reverse logistics, supply chain management, transportation management/freight management, truck rental, truck leasing, warehousing, lead logistics provider, lead logistics manager, service parts operations, and distribution center management.

MATERIALS HANDLING

Material Handling Industry of America • www.mhia.org

Material Handling Industry of America (MHIA) is an international trade association that has represented the industry since 1945. MHIA members include material handling equipment and systems manufacturers, integrators, third-party logistics providers, consultants, and publishers. The association also sponsors trade events such as ProMat to showcase the products and services of its member companies and to educate industry professionals on the industrial productivity solutions provided through material handling logistics. Much of the technical work of the industry is done within its product-specific sections, councils, and affiliates. Increased productivity through better material handling logistics – that is the mission of MHIA.

OCEAN/INTERMODAL

Crowley Maritime Corporation • www.crowley.com/logistics

Crowley provides ocean cargo transportation between the United States, the Caribbean, and Central America with more sailings to more destinations than any other carrier. Additionally, Crowley offers a myriad of logistics services, including air freight, cargo consolidation, cargo insurance, customs brokerage, distribution (including pick and pack), freight forwarding, inland transportation (U.S. and foreign), NVOCC, SED preparation, truck brokerage, and warehousing. To learn more, please visit www.crowley.com/logistics.

Hyundai Merchant Marine (America) Inc. • www.hmm21.com

Hyundai Merchant Marine 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.

IN THIS SECTION:

Ocean/Intermodal–Rail/Intermodal

Maersk Line • www.maerskline.com

Maersk Line is a world-class leader in container shipping. We offer our customers door-to-door transportation service that is second-to-none. With more than 550 container vessels, 1.4 million containers, and our own terminals and intermodal network, we guarantee you will receive reliable global coverage. Our advanced e-commerce services offer a comprehensive suite of business tools including sophisticated Electronic Data Interchange (EDI) solutions and a partnership with the leading industry portal, INTTRA. Through our award-winning e-business solutions, you can quickly, accurately, and securely view schedules, request rates, submit booking and shipping instructions, retrieve bills of lading, and track your cargo 24 hours a day, seven days a week.

PORTS

Port Corpus Christi • www.portofcorpuschristi.com

Strategically located on the western Gulf of Mexico, Port Corpus Christi is the sixth-largest port in the United States in total tonnage. With a straight, 45-foot deep channel, the port provides quick access to the Gulf, the U.S. inland waterway system, and the world beyond. The port delivers outstanding access to overland transportation with on-site and direct connections to three Class I railroads, and uncongested interstate and state highways. With outstanding management and operations staff, Port Corpus Christi is clearly "More Than You Can Sea."

Port of Houston • www.portofhouston.com

Visit the Port of Houston's Web site and choose from a menu of items. Check out facilities, shipping and service directories, frequently asked questions, and transportation and shipping links. The site also features the latest economic impact information, container and booking information, and trade statistics. The Port of Houston, the world's eighth-largest port, is a 25-mile-long complex of public and private facilities, just a few hours of sailing time from the Gulf of Mexico.

RAIL/INTERMODAL

BNSF Logistics • www.bnsflogistics.com

BNSF Logistics creates, implements, and executes high-value logistics solutions for customers by utilizing experienced logistics professionals; leading logistics technology; multi-modal execution including LTL, truckload, intermodal, and rail; and a deep understanding of its clients' business. Ultimately, blending these factors together enables BNSF Logistics to become your most valued partner – the most critical link in your supply chain. Visit www.bnsflogistics for more details.

IN THIS SECTION:

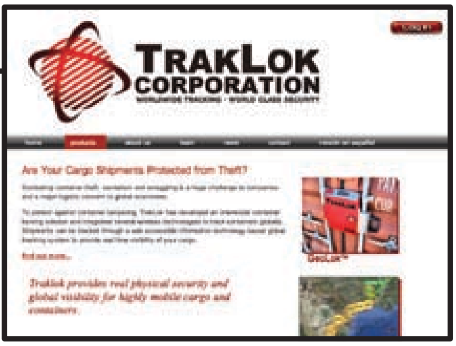
Rail/Intermodal–Site Selection

Union Pacific • www.up.com

Union Pacific Corporation operates North America's premier railroad franchise, covering 23 states in the western two-thirds of the United States. Union Pacific Railroad links every major West Coast and Gulf Coast port and provides service to the East through its four major gateways in Chicago, St. Louis, Memphis, and New Orleans. Additionally, Union Pacific operates key north/south corridors and is the only railroad to serve all six major gateways to Mexico. UP also interchanges traffic with the Canadian rail systems.

SECURITY: CARGO AND FREIGHT

TrakLok Corporation • www.traklok.com



TrakLok Corporation is deploying a solution to secure and globally track intermodal shipping containers and cargo. TrakLok creates an end-to-end cargo tracking and security management system that dramatically increases the security of cargo and containers while maximizing the efficiency of their movement and storage. Using physical security technologies, wireless communications, and wireless sensor networking, the GeoLok™ and TrakLog™ solution provides lock-tight security with total asset visibility for high-value and high-interest shipments throughout the world.

SITE SELECTION

Ameren Corporation • www.ameren.com

St. Louis-based Ameren Corporation is a Fortune 500 company dedicated to generating electricity, delivering electricity, and distributing natural gas to 3.2 million customers throughout Illinois, mid-Missouri, and the St. Louis Metropolitan Area. Ameren's professional development team serves as a complete source for business assistance services. For more information, visit Ameren's Web site: www.ameren.com.

CenterPoint Properties • www.centerpoint-prop.com

CenterPoint Properties is focused on the development, ownership, and intensive management of industrial real estate and related rail, road, and port infrastructure. We add value to our customers through forward-thinking solutions aimed at enhancing supply chain and operating efficiencies. We seek long-term relationships with customers, public and private business partners, internal colleagues, and the communities where we invest and operate. Member of NASCO.

IN THIS SECTION:

Site Selection–Trucking

Hoosier Energy • www.hepn.com

Hoosier Energy is a generation and transmission cooperative providing electric power to 17 member electric distribution cooperatives in central and southern Indiana and one member cooperative in Illinois. Based in Bloomington, Ind., Hoosier Energy operates coal, natural gas, and renewable energy power plants and delivers power through a 1,450-mile transmission network. Hoosier Energy is a Touchstone Energy Cooperative, one member of a nationwide alliance of electric co-ops providing high standards of service according to four core values: integrity, accountability, innovation, and commitment to community.

Joplin Area Chamber of Commerce • www.joplincc.com

Thinking of Joplin, Mo., as the next site for your headquarters or distribution center? Your first stop should be The Joplin Area Chamber of Commerce's Web site. You'll find a complete business profile of Joplin, including population, location, infrastructure, labor, education, real estate, and cost-of-living statistics. The Joplin Area Chamber of Commerce is a private, not-for-profit organization of business and professional people committed to improving the economic prosperity and quality of life in the Joplin area. Member of NASCO.

Nebraska Public Power District • www.sites.nppd.com

One Web site with everything you need to know about doing business in Nebraska. Find valuable information including sites and building availability; community profiles; facts books; population characteristics; labor availability; profit opportunity studies; contact information; and much more. It's the one place to go to find out why doing business in Nebraska is a smart move. Contact Nebraska Public Power District, 800-282-6773 x5541, e-mail econdev@nppd.com, or visit the Web site.

TRUCKING

ShipCanada.ca • www.shipcanada.ca

Ship freight between Canada and the United States with Canada's number-one transportation company. ShipCanada.ca is comprised of four trucking divisions specializing in LTL freight, truckload, flatbed trucking, and refrigerated trucking services. Whether you are shipping internationally or just shipping in Canada, our proprietary Freight Quote Manager allows shippers to manage all of their shipping requirements and trucking quotes online. Call us today to discuss your requirements.

INBRIEF NEW SERVICES & SOLUTIONS

TRUCKING

Old Dominion Freight Line

Two new service stations allow Old Dominion Freight Line to better serve regional customers. A 44-door facility in Kalamazoo, Mich., is located near the Kalamazoo/Battle Creek International Airport. In South Houston, Texas, a 38-door facility sits on a 3.7-acre site near William P. Hobby Airport.

www.odfl.com **800-432-6335**

MOBILE DEVICES/APPS

LXE

Suitable for route accounting, loading dock, and warehousing applications, the Marathon field computer provides a larger screen size and greater computing power than a PDA, smaller size and more rugged body than a laptop, and multiple data-capture options, including a seven-inch outdoor-visible touchscreen, full QWERTY keyboard, integrated fingerprint reader that doubles as a mouse, and high-resolution color camera.

www.lxe.com **770-582-6188**

Con-way Freight

A new app for mobile devices allows access to online shipping services, including shipment tracking, rate quotes, and document viewing, via iPhone and Android smart phones.

www.con-way.com/mobile **800-755-2728**

SOFTWARE

PathGuide Technologies

A new vendor managed inventory (VMI) solution helps distributors efficiently manage their customers' inventory replenishment levels. Part of PathGuide's *Latitude* WMS, which automates all operations from receiving and order picking to manifesting and truck route/stop management, the VMI tool offers inventory notifications via email and supports traditional RF handheld connections through a docking cradle or wired/wireless network for simplified deployment at the customer site. These capabilities allow real-time confirmation or correction on specific orders.

www.pathguide.com **888-627-9797**

3PL Central

Enhancements to the *3PL Warehouse Manager* WMS include metric functionality and support, including the ability to use the application's Billing Wizard to capture 3PL warehouse transactional handling and recurring storage revenues in local currencies worldwide. The system also manages international date and time zones, metric dimensions, and metric weights.

www.3plcentral.com **888-375-2368**

Chevin Fleet Solutions

Chevin's Web-based *FleetWave* software integrates data from across departments, giving managers visibility into fleet

◀ Mobile Devices/Apps: Psion Teklogix

The Omnii XT10 rugged modular handheld computer was designed for demanding users, such as ports, airports, and supply chain and logistics operations. It features a push-to-talk speaker/microphone, a keyboard, bar-code scanners, color camera, and GPS expansion module.

www.psionteklogix.com **800-322-3437**

CONTINUED FROM PAGE 105

operations. The benchmarking tools cover 18 key performance indicators, including fuel consumption, maintenance cycles, parking fine frequency, and safety records.

www.chevinfleet.com 781-793-0788

3PLs

OHL

New hubs in Sparks, Nev., and Dallas, Texas, provide integrated global supply chain management solutions including transportation, warehousing, customs brokerage, freight forwarding, and import and export consulting services. OHL also moved its existing operations in Gainesville, Ga., to a larger facility to improve service.

www.ohl.com 877-401-6400

PTG Logistics

PTG Logistics, a provider of logistics and dedicated contract carriage services, introduced home delivery services as a part of its supply chain solutions. These services are delivered through PTG Logistics' last mile business division.

www.ptglogistics.com 800-848-2843

Crowley

Crowley's distribution center network in Panama includes a new customs-bonded warehouse facility to provide the Panamanian market with storage and cargo handling that focuses on proper treatment and security. The new facility features a container yard and warehouse management system for loose, less-than-containerload, and full-containerload cargo handling. The 14,000-square-foot covered warehouse area is protected by video surveillance and a fire-control system. The warehouse offers inventory control, sorting and repackaging, tagging, customs brokerage services, storage in transit, and customized services.

www.crowley.com 800-CROWLEY

OCEAN

UPS

Preferred LCL Ocean Freight service combines UPS's North American ground network with containerized ocean services to provide container freight station-to-door delivery from Japan to the United States in 11 to 18 days, depending upon the destination. After arriving at a West Coast port, preferred LCL shipments move to a trucking network operated by UPS to support air freight, ensuring fast transit and day-definite delivery. For U.S. East Coast destinations, the preferred service cuts up to six days of transit time from the current standard service. Preferred LCL Ocean Freight service gives businesses shipment visibility via UPS's technology solutions.

www.ups.com 800-PICK-UPS

CMA CGM

The CMA CGM *Rabelais*, a 6,500-TEU containership, now operates on the Columbus loop, a pendulum service linking Japan, China, and South East Asia to the U.S. East Coast via the Suez Canal; and South East Asia, China, and Korea to the Pacific Northwest and Vancouver.

www.cma-cgm.com 757-961-2100

▲ Materials Handling: Intelligrated

An upgrade program for all North American installations of Intelligrated sorters optimizes system capacity and throughput, improves equipment utilization, and extends system life. After conducting an initial audit, Intelligrated completes a full analysis of multiple upgrade, retrofit, and rebuild options, developing flexible, customized sortation solutions based on facility or business requirements.

www.intelligrated.com 877-315-3400

CONTINUED FROM PAGE 107

PARTNERSHIPS

CEVA Logistics and RedPrairie

Global supply chain management company CEVA Logistics partnered with logistics software provider RedPrairie to create its Matrix warehouse management system (WMS), which will be the standard service offering for all CEVA customers seeking WMS support. The solution enables CEVA to monitor the flow of goods and provide shippers transport optimization, warehouse management, and stock control.

www.cevalogistics.com	800-355-0350
www.redprairie.com	877-733-7724

INTTRA and Descartes Systems Group

INTTRA, a provider of e-commerce solutions for the ocean freight industry, and Descartes Systems Group, a federated global logistics network, announced an alliance to provide tools for electronically managing the ocean cargo shipment lifecycle. The solution allows shippers to connect with carriers to submit bookings, as well as manage contracts and rates, view shipment status, exchange electronic documents, and submit and manage customs filings.

www.inttra.com	973-263-5100
www.descartes.com	800-419-8495

Affiliated Computer Services (ACS) and Vigillo

ACS announced plans to partner with software company Vigillo to provide safety and compliance data for drivers and fleets as mandated by the Federal Motor Carrier Safety Administration's Comprehensive Safety Analysis. The partnership builds on the services both organizations currently offer fleets, including hours of service information, overall safety scorecards, and intervention workflow for at-risk drivers who need extra training or development.

www.acs-inc.com	214-841-6111
www.vigillo.com	503-688-5100

EQUIPMENT POOLING

Intelligent Global Pooling Systems (iGPS)

Pallet rental service iGPS created a new Sales and Innovation Center in Bentonville, Ark. Supply chain professionals can visit the center to view demonstrations of iGPS technologies designed to improve product safety and enhance operational efficiencies.

www.igps.net	800-884-0225

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FedEx Express

FedEx Express extended its FedEx International Economy Freight service from the United States to more than 130 countries and territories and its FedEx International Economy service to more than 215 countries and territories. Both services provide customs-cleared, time-definite delivery to markets representing more than 95 percent of global GDP.

www.fedex.com 800-GO-FEDEX

DHL Express

Six regional quality control centers (QCC) worldwide identify potential delays and develop solutions to ensure packages arrive on time to their final destinations. DHL Express also uses the QCC to identify and correct problem patterns, such as the same outbound flight being habitually behind schedule.

www.dhl.com 800-CALL-DHL

AIR

AirBridgeCargo Airlines (ABC)

ABC extended its all-cargo services from China with a new twice-weekly B747-400 freighter flight from Zhengzhou to Europe. Flights from the capital of Henan province depart from Zhengzhou International Airport every Wednesday and Saturday to ABC's hub in Moscow and then continue onto Frankfurt, Germany, connecting central China with Europe and Russia.

www.airbridgecargo.com 416-622-9450

Coyne Airways

Coyne Airways expanded its cargo services to Afghanistan with weekly Boeing 747-700 freighter service from Dubai to Bagram. In Afghanistan, Coyne Airways serves Kabul, Kandahar, and Camp Bastion, as well as Bagram.

www.coyneair.com 800-950-6632

Panalpina

Global forwarding and logistics group Panalpina commenced regular airfreight services connecting Luxembourg with destinations such as South Africa, Dubai, and Hong Kong. The new service covers the transpacific route to Huntsville, Ala., complementing Panalpina's existing transatlantic airfreight service, Dixie Jet.

www.panalpina.com 973-683-9000

CALENDAR

YOUR LOGISTICS DATEBOOK

November 10-11, 2010, Supply Chain Complexity: Risks, Rewards, and Trade-offs, Bethlehem, Pa. Lehigh University's Center for Value Chain Research, in cooperation with the Council of Supply Chain Management Professionals, presents this symposium, featuring educational sessions on understanding causes and effects of complexity and how to overcome them; rapid execution of supply chain integration; building an infrastructure to manage several brands in one distribution center; and merging supply chains.

610-625-5000
www.lehigh.edu

November 8-10, 2010, SCM Chem, Dallas, Texas. Focused on end-to-end supply chain challenges for chemical manufacturers, this event highlights best practices in models, tools, and metrics; regulations; supply chain security and collaboration; global supply chain management; resource and human capital management; and greening the chemical supply chain.

888-482-6012
www.wbresearch.com/scmchem

November 13-16, 2010, NITL's TransComp Exhibition and IANA's Intermodal Expo, Ft. Lauderdale, Fla. In roundtable discussions and educational sessions, attendees at the National Industrial Transportation League event explore issues facing the supply chain and logistics sector. Forums cover topics such as CSA 2010's impact on intermodal shipping, ocean contracting essentials, cargo theft, and online education. Keynote speaker Captain James Lovell Jr., Apollo 13 Commander, addresses leadership and crisis management. At the Intermodal Association of North America event, intermodal freight transportation leaders take part in insightful educational sessions on the future of freight transportation, intermodal integration, green solutions, and legal issues. Also on-site, the Transportation Intermediaries Association presents special mode-specific sessions focused on what the future holds for the transportation industry.

703-524-5011
www.freightexpo.net

November 30-December 3, 2010, Defense Logistics 2010, Arlington, Va. Join fellow logisticians across the services, agencies, and in the private sector for a comprehensive look into how the new administration has impacted defense policy makers' short-term initiatives and long-term vision. Create partnerships with industry leaders whose expertise will help drive your future initiatives and further extend your enterprise.

646-200-7530
www.defenselog.com

December 7-8, 2010, Supply Chain and Logistics 2010, Dallas, Texas. World Trade Group presents a comprehensive educational program illustrating proven supply chain management and logistics strategies. This year's event, with the theme "Recovery in the New Decade," focuses on capitalizing on post-recession opportunities in a growing economy.

416-214-1144
www.supplychain.us.com

January 17-19, 2011, Jump Start Conference: Defining Success in Transportation, Atlanta, Ga. Attendees at this event, sponsored by SMC^3, hear from the CEOs of major shippers, carriers, and logistics service providers on trends and business concerns in 2011; learn the risks and rewards of integrating sustainability concepts with traditional supply chain practices; and catch up on global economic indicators and domestic legislative initiatives.

800-845-8090
www.smc3.com

February 1-2, 2011, Shifting International Trade Routes, Tampa, Fla. Co-sponsored by the American Association of Port Authorities and the U.S. Maritime Administration, this workshop addresses how players in the transportation industry view changes in global trade and the fallout of the recent economic recession. Speakers provide an update on the planned expansion of the Panama Canal; and discuss infrastructure needs from the perspective of cargo owners, ocean carriers, ports, terminal operators, warehouses and distribution centers, and highway and rail interests.

800-233-1234
www.aapa-ports.org

February 20-23, 2011, Logistics Conference 2011, Orlando, Fla. The Retail Industry Leaders Association presents this event focused on supply chain trends affecting retail operations. General sessions, roundtable discussions, and breakout meetings provide executives an overview of supply chain issues in the retail industry and updates on product safety, food distribution, and sustainability.

703-600-2039
www.rila.org

April 10-13, 2011, COSTHA Annual Forum and Expo, Scottsdale, Ariz. This event, presented by the Council on Safe Transportation of Hazardous Articles, offers an opportunity to network and share best practices with hazmat professionals, sharpen skills, and increase knowledge. Attendees can view exhibits of the latest technology and regulatory compliance publications, products, and services. Roundtable discussions focus on legislative topics, issues facing the life sciences industry, and tips for shippers working with vessel operators and air carriers.

703-451-4031
www.costha.com

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inbound logistics

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■ **WSI (Warehouse Specialists, Inc.)** pg. 94
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www.wsinc.com 800-999-2545

Career Development/Education

■ **American Public University (APU)** pg. 25
APU offers bachelor's and master's degrees in transportation and logistics management entirely online, designed for busy logistics professionals.
www.studyatapu.com 877-777-9081

■ **Currie Associates Inc.** pg. 93
Currie Associates provides international maritime dangerous goods training and publishes a variety of training programs and compliance guides.
www.currieassociates.com 518-761-0668

■ **Lion Technology** pg. 107
For more than 25 years, Lion Technology has been the leader in regulatory compliance training.
www.lion.com/hazmat 888-546-6511

Events

■ **ProMat 2011** pg. 23
From March 21-24, 2011, in Chicago, the materials handling and logistics industry showcases the latest manufacturing, distribution, and supply chain solutions at ProMat 2011.
www.promatshow.com 800-446-2622

■ **SMC³ Jump Start 2011** pg. 97
Get the insight you need to define success in transportation at the SMC³ conference, Jan. 17-19, 2011, in Atlanta, Ga.
www.smc3.com/go/jan11 800-845-8090

■ **TransComp & Intermodal Expo** pg. 111
Nov. 14-16, 2010, in Orlando, Fla., NITL and IANA host an in-depth exploration of the issues facing the supply chain and logistics sector.
www.nitl.org 703-524-5011

Expedited

■ **The Dependable Companies** pg. 26
Whether it's ocean freight or air freight, Dependable Global Express (DGX), Dependable Hawaiian Express (DHX), and Dependable AirCargo Express (DAX) strive to provide the best value available in the marketplace.
www.dhx.com 800-488-4888

■ **UPS** Cover 3
The new logistics is global. As the world's largest customs broker and one of the world's largest airlines, UPS can shrink the world for you.
www.thenewlogistics.com 800-PICK-UPS

Freight Payment Services

■ **Trendset Information Systems** pg. 109
Trendset integrates Web-based freight payment, logistics, and financial reporting systems to deliver real-time information and reduced costs.
www.trendsetinc.com 864-297-9255

Intermodal

■ **Alliance Shippers, Inc.** pg. 40
When it comes to making transportation and logistics work, Alliance Shippers, Inc. is on the job. From on-time performance to customer service, Alliance Shippers strives to be the best, day in and day out.
www.alliance.com 708-802-7517

Lift Trucks

■ **Landoll Corporation** pg. 106
Landoll Corporation specializes in lift truck solutions for narrow aisles, allowing users to maximize available storage.
www.landoll.com/mhp 800-428-5655

■ **Yale** pg. 51
Yale's ERC-VG rider trucks are designed with critical components to maximize uptime and save money.
www.yale.com 800-233-YALE

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Logistics IT

- **Magaya Logistics Software Solutions** Cover 4
  Magaya's warehouse management system lets you control your inventory from pickup to delivery.
  www.magaya.com 786-845-9150

- **TransCore** pg. 53
  Finding quality carriers can be challenging – but not with TransCore's 3sixty Total Power load board package. Access information on 20 million carriers and get actual market rate data.
  www.transcorefreightsolutions.com 800-551-8849

Memphis

- **Centrix** pg. 82
  Delivering results for 40 years, Memphis-based Centrix's expertise provides the logistics solutions that improve your bottom line.
  www.centrixnow.com 800-621-2582

- **CN** pgs. 68–69
  Part of CN's network, the Memphis Logistics Park offers up to four million square feet of warehousing space, with rail service, harbor access, and proximity to interstate highways.
  www.cn.ca/memphis 888-426-9962

- **Cornerstone Systems** pg. 78
  For rock-solid results, count on Memphis-based Cornerstone Systems' transportation solutions, including intermodal, truck, rail consolidation, and warehousing services.
  www.cornerstone-systems.com 800-278-7677

- **CTSI** pg. 71
  Headquartered in Memphis, CTSI helps companies manage and control all aspects of their supply chain – physical, informational, and financial.
  www.ctsi-global.com 901-766-1500

- **Mallory Alexander International Logistics** pg. 77
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  www.mallorygroup.com 800-257-8464

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  Memphis' merger of road, river, runway, and rail gives your business a strategic and logistical advantage you will only find in America's Aerotropolis.
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- **New Breed Logistics** pgs. 74–75
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  www.newbreed.com 866-463-9273

- **Patterson Warehouses Inc.** pg. 73
  Patterson Warehouses Inc., one of the largest 3PLs in the Memphis area, can meet all your distribution needs.
  www.patwar.com 901-344-2600

- **Vaco Logistics** pg. 81
  Vaco Logistics' Memphis-based executive search and placement services for the distribution, supply chain, and transportation sectors help find the most qualified talent, allowing you to focus on your core business and your company's success.
  www.vaco.com 901-333-2261

- **West Memphis, Arkansas** pg. 79
  In West Memphis, unmatched shipping access instantly puts the world at your fingertips, while dramatically lower utilities and taxes combine to put the emphasis on your bottom line.
  www.westmemphis.com 870-732-7500

Mobile Communications

- **Sprint** pg. 5
  Get your shipping business humming along at higher speeds with Sprint's fleet management tools.
  www.sprint.com/transportation 800-SPRINT-1

Ocean

- **Hyundai Merchant Marine (HMM)** pg. 86
  Whether the core of your business is in raw materials or finished goods, HMM understands the importance of ocean transportation to your supply chain.
  www.hmm21.com 877-7-HYUNDAI

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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+ L ◯ 500-999
K ◯ 250-499 J ◯ 100-249
E ◯ 1-99

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 ◯ Agri., 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.
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LOGISTICS OUTSIDE THE BOX

THE LAST MILE

Migrating Cranes

The Massachusetts Port Authority (Massport) recently acquired two low-profile ship-to-shore cranes and four rubber-tired gantry cranes from the Port of Oakland. The six units will be repositioned at the Conley Container Terminal in South Boston. Their low-profile style is necessary because the terminal is located below the flight path of a runway at Boston Logan International Airport.

The big rig expansion is part of Massport's strategic modernization efforts to accommodate the flood of Post-Panamax containerships expected to hit U.S. East Coast ports after the Panama Canal adds a third set of locks in 2014. As a precursor, the cranes arrived in Boston after a six-week, 6,300-mile voyage from Oakland via the Canal. The installation increases the number of dockside cranes at the terminal to six and the number of rubber-tired gantries to 12.


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