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Chemical Logistics: Making the Transition	page 2
Responding to Fundamental Change	page 4
Intermodal's Proven Performance	page 6
Focusing on Demand	page 8
Barge and in Charge	page 10
Ramping Up for Recovery	page 12
Managing Change	page 14
Continuous Commitment Reaps Benefits	page 16
Chemical Logistics on the Web	page 18



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All articles written by Perry A. Trunick

Chemical Logistics: Making the Transition

As the economy drives change, chemical players adapt.

The depressed global economy drove some fundamental inventory strategy changes that may linger into the recovery. After companies in all industries worked off inventories that had accumulated as demand slowed, they began replenishing stock more in line with demand. That strategy has kept inventories trim and reduced capital requirements, but it has also driven some changes in logistics, transportation, and supply chain management.

Matching supply to demand has specifically impacted the chemicals industry, despite its unique production and distribution qualities. Third-party logistics (3PL) and technology companies report that chemical industry customers are seeking better demand management support as they attempt to align their supply chains with the market. Volumes have increased as demand grows, but companies are stockpiling less and concentrating more effort on improving supply chain visibility.

Supply lines aren't necessarily changing, notes Stephen H. Albrecht, manager of terminal and warehouse operations for Odyssey Logistics

& Technology, a 3PL located in Danbury, Conn., but some suppliers are positioning materials closer to the point of use. "Many smaller suppliers are also consolidating shipments to take advantage of lower costs associated with shifting transport modes," he says.

While that mode shift can mean increased use of ocean transport for imports and exports, companies managing smaller shipments are opting for truckload and rail intermodal services in place of rail bulk.

Forward staging of inventories in tank storage and bulk facilities also appears to be declining as many 3PLs report more products moving directly to consumption.

Even so, bulk terminal and tank capacity are limited, says Albrecht, fueling the move to more transloading of product into rail cars, tank trucks, and drums at the warehouse.

Truck transportation capacity is tight in general; so is capacity at certain types of facilities. That's pushing pricing up, and logistics and transportation service providers are looking for ways to hold on to those increases. Many providers, however, have not instituted rate hikes as the

downward spiraling global economy stripped away volumes and drove shippers and consignees to apply pressure on pricing to achieve their own cost-cutting goals. Pricing isn't as much a retaliation in the back-and-forth battle between shippers and logistics providers as it is a new market reality.

Capacity isn't just tight because demand returned quickly; a number of factors will likely keep it tight.

First, much of the capacity permanently exited the industry during the economic downturn. Russia and Nigeria, for example, were strong markets for exports of used U.S. trucks and trailers.

Second, tighter emissions standards on trucks being produced now, and new mandated environmental technologies, will drive up the cost of replacement vehicles.

Third, new safety requirements for drivers will make it harder for those carriers that can even get financing to fill driver's seats and acquire capacity. Driver hours-of-service rules will be reexamined, and requirements to add electronic onboard recorders are also coming.

The economic downturn focused attention and stimulated action in areas chemical supply chains need to address in light of the permanent, long-term changes that lie ahead. But the chemical logistics sector is coping with these changes and preparing for the future, as the following profiles demonstrate. **CL**

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At the 2010 Responsible Care Conference and Expo, Miller Transporters, Inc. was recognized as a winner of the inaugural Responsible Care Partner of the Year award.

This award was given to Miller Transporters for their excellence in transportation and supply chain management. Miller Transporters was selected to receive this award for their attention to detail in the areas of safety, security, health, and environment and for how their actions in each of these areas effects their stakeholders. Furthermore, Miller Transporters has demonstrated throughout the years the importance of the Responsible Care program by their outreach and promotion of the program in the communities in which we operate.



The award was presented by the American Chemistry Council, ACC CEO, Cal Dooley. He is pictured with our Brent Cobb (Manager of Quality) and Lee Miller (President).

Achieving an award of this level is not something that can be accomplished by the work of one individual, but is the result of a team effort working towards the common goal of supporting and promoting the Responsible Care Guidelines in their daily activities. Congratulations to all of Miller Transporters' people for helping them receive this prestigious award.



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Responding to Fundamental Change

Successful 3PLs react to market flux by giving chemicals shippers what they want.

Dry bulk load volumes and levels began to improve late in 2009; that growth continued through the first quarter of 2010 and right into the second quarter. As a result, dry bulk capacity is extremely tight, according to Jeff O'Connor, president of A&R Logistics, a Morris, Ill.-based third-party logistics provider specializing in bulk transportation, packaging, distribution, and logistics.

A&R operates three companies spanning transportation, packaging and storage, and global logistics solutions. This range gives A&R a good view into how manufacturers have fundamentally changed the way they do business. In the categories it handles, the logistics provider has seen manufacturers work down

inventories, then buy in line with demand.

"Manufacturers are not buying in large bulk to get ahead of price increases," says O'Connor.

A&R's packaging and warehousing operations are closely tied to

giving way to more truckload shipments. Consignees had been using railcars of product as forward-staged inventory. Now, however, they are proceeding with a level of caution, and orders are more in line with consumption. That has led to fewer rail

The economy has caused chemicals shippers to proceed with caution. Their orders are now more in line with consumption.

the trucking side, he explains. The company's facilities have rail access and one indication of the change in procurement strategy is a mode shift—large rail shipments are slowly

and more truckload shipments.

From the logistics side, some companies have reduced capacity and others were not interested in adding trucks in a market where customers

were seeking price reductions and the value of their asset base was dropping, says O'Connor.

Since January 2010, as volumes were building, A&R was able to add 80 trucks to its fleet; 60 were new and 20 were refrigerated units converted to haul dry bulk commodities.

The Federal Motor Carrier Safety Administration's Comprehensive Safety Analysis 2010 (CSA 2010) will have an impact on a market that is already seeing tighter capacity. Industry sources indicate the potential for as many as 100,000 drivers to drop out of the labor pool. The driver scorecards that will be part of the CSA 2010 program are available, and carriers are already using them to pre-qualify drivers.

The industry is also facing another federal mandate that will eventually require that each truck be outfitted with an onboard data recording device. Electronic logs (e-logs) will be part of the toolkit.

A&R has already begun using e-logs as it has added trucks. With good communication and proper



Pneumatic suction enables A&R Logistics to remove between 800 and 1,200 pounds of plastic pellets per minute from rail cars.

training, the e-logs have been well received by drivers, O'Connor says.

On the technology front, A&R is using transportation management systems for more than just executing and managing trucking-based operations. Processes are more than transactional, O'Connor points out.

A&R is ramping up safety initiatives and integrating with customer enterprise resource planning (ERP) systems to provide updates.

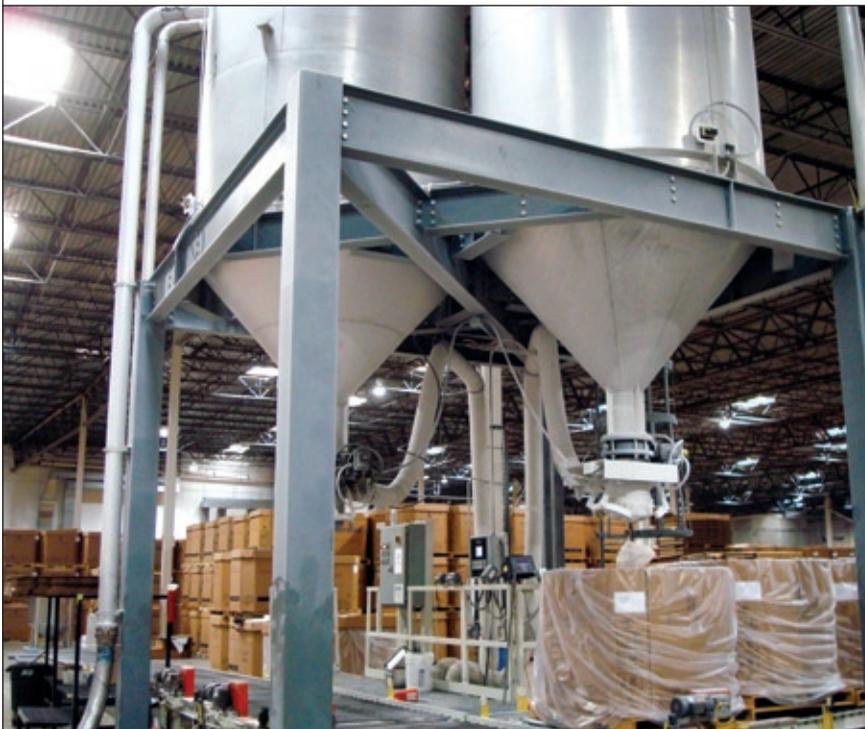
ERP integration can include customer service and quality control information, as well as carrier performance. A&R selected the MercuryGate Transportation Management System (TMS) because of its open architecture. It is a Web-native system, as opposed to the many other TMS products A&R considered, which were based on an IBM AS 400 platform.

Shippers are hungry for information, says O'Connor, and the open-architecture TMS helps A&R integrate and share data easily. In addition, A&R packaging and distribution facilities use Windows-based TRAMS inventory management and TMW dispatch systems for order and inventory management and shipment routing.

Process is important, and all of A&R's warehouse facilities are ISO 9001 certified. "Shippers who get it realize that transportation management is not all about price," says O'Connor. "To be successful, respect what the shipper wants and execute well."

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Next to a rail siding at the A&R Logistics facility, paired silos vacuum-suck plastic pellets from a rail car into boxes for packaging.





BNSF Logistics is committed to enhancing efficiency and safety through the entire chemicals supply chain and can provide customized solutions to meet individual needs.

Intermodal's Proven Performance

Chemical shippers make the move to intermodal.

Chemical shippers are done experimenting with modal shifts and are now committing to the faster transit times and lower costs of intermodal transportation, says Eric Wolfe, vice president and general manager of BNSF Logistics, a transportation intermediary in Springdale, Ark.

As one example, a BNSF Logistics customer that used to use bulk truckload to move shipments to Mexico has been testing intermodal service, says Robert Sutton, director of specialty services for BNSF Logistics. The shipper uses a flexible service that consists of a bladder placed inside a 20-foot ISO container, then filled and sealed. At destination, product is typically discharged via a bottom-release valve.

This type of transport service is common in international shipments, but Sutton says it can also be applied to domestic use, where it can enable shippers to shift from bulk tank truck to intermodal without highly specialized equipment.

Using intermodal also eliminates lead time variability thanks to its transit time consistency, but the intermodal story gets even better for

bulk truck moves to Mexico.

In the BNSF Logistics customer example, intermodal shipments move under bond directly across the border into the interior of Mexico. The railroad pre-clears the border crossing, and the consignee only needs to have Mexican Customs clear the goods at destination. After successfully completing more than one dozen test moves, the shipper converted the entire lane to the intermodal container service.

Railroads have continued to invest in infrastructure, which has reduced bottlenecks and improved service during the recent economic downturn and its corresponding lower volumes. "I am confident that the rails will sustain this improved performance when volume returns to historical levels," Wolfe says.

The truckload sector is starting to show signs of tight capacity, with some flatbed and dry van service shortages. While not directly an issue for the chemical industry, it can indicate similar capacity issues as volumes rebound.

BNSF Logistics has moved to the high-tech side of innovation by consulting with one chemical customer

to improve its demand management. The consultation includes modeling for site rationalization, taking control over a channel back from distributors, and potentially making changes to the distribution network.

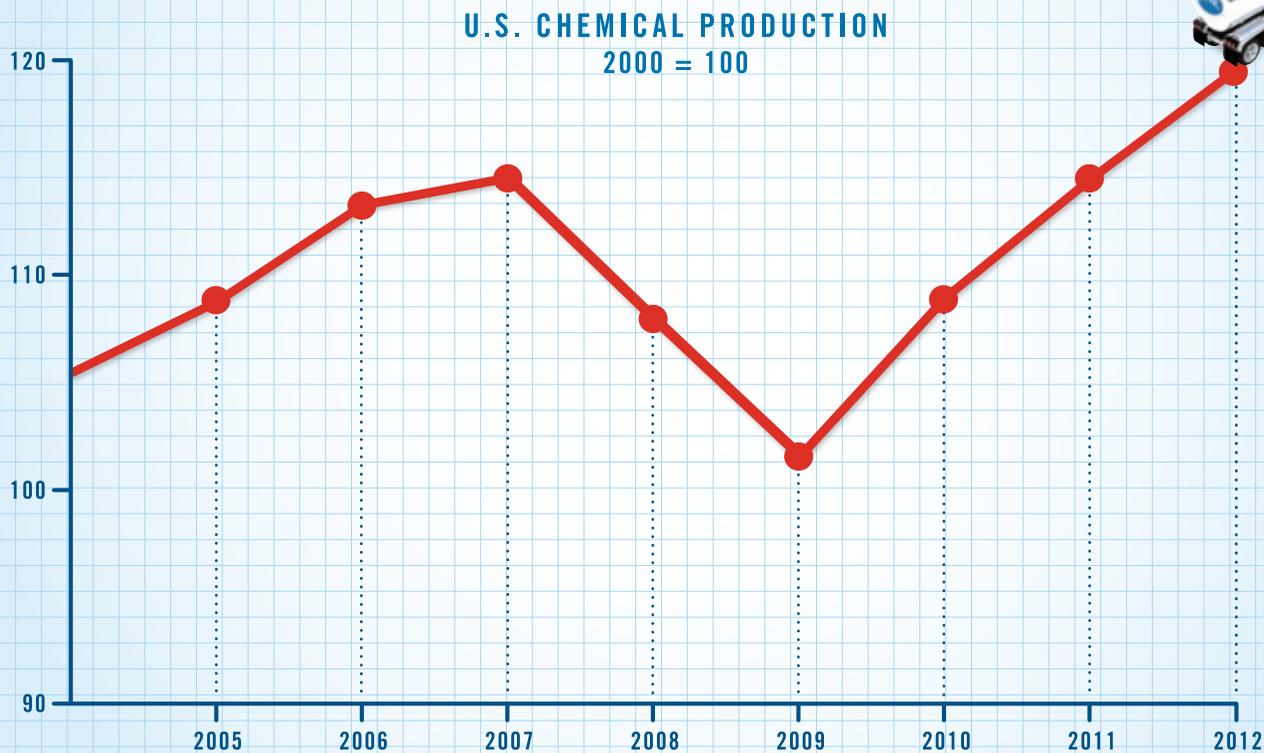
The next stage would be to implement some of the modifications identified in the model, such as origin/destination changes. The customer does a lot of forward product deployment because of its seasonal consumption, says Sutton, and one goal has been to place inventory close to the consumer without having to put it in a tank farm and build large inventory positions.

The sourcing side of the supply chain may also see some action soon. As a modestly sized non-vessel operating common carrier (NVOCC), BNSF Logistics has also heard some discussion about moving sourcing closer to the end market.

Wolfe says he heard the same discussions five years ago when international container shipping rates started to climb, and some production shifted to Central and South America. The discussions are taking place again now as rates start to climb once more.

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Focusing on Demand

Lean inventories throw a spotlight on demand management.

Everyone is watching inventory, notes Ed Hildebrandt, senior vice president of operations for ChemLogix, a chemical industry consulting services, TMS technology, and comprehensive transportation management services company based in Blue Bell, Penn.

That's no surprise after months of recession, but the lean inventory strategy is putting more emphasis on demand management in an industry that has been largely production-oriented.

Fewer chemical customers are filling tanks with product and asking for tank monitoring services to keep them full. "It's just not happening in this economy," Hildebrandt says. And that means more truckload shipments at a time when capacity is already lean.

Truck tonnage was up seven percent in March 2010, he adds, noting that spot market transportation pricing also rose as volume increases consumed available capacity.

Bulk carriers are looking for rate increases. Will they hold? If load patterns return to September levels because companies aren't building inventory, they may not. But many of the underlying circumstances won't disappear, says Hildebrandt.

In the past 18 months to two years, as the economy began to slide, load counts dropped and carriers started disposing of excess capacity. In the tank truck industry, only so many trailers are available, and they are expensive. One tractor manufacturer that was begging for orders four months ago now has a six-month backlog. Orders for new technologies face similar backlogs as new safety regulations take force.

After the severe trough carriers experienced, they won't be anxious to invest capital in new tractors and trailers, Hildebrandt notes. In many

cases, they don't have the capital, as a consequence of lower volumes and revenues. And, finally, who will be willing to lend to a motor carrier? So, capacity is likely to remain tight, even if the economy doesn't take a double dip.

If there was a more orderly return to order patterns, it would be easier to cope, but ChemLogix has seen a 30-percent surge in orders from some customers in the last 30 days. "That's tough to plan for," says Hildebrandt.

In January 2010, companies

the company now covers loads by using its transportation management system to broadcast to carriers.

ChemLogix also uses the transportation management systems to measure and track carrier safety compliance and performance, including looking outside the loads the carriers handle for ChemLogix customers.

ChemLogix also plays in the intermodal field through a history with Union Pacific and its 2008 acquisition of BulkTainer.

"Our volumes for the first four

"Our volumes for the first four months of 2010 are up 50 percent. Intermodal customers are stepping up production, working three shifts, and still not keeping up with demand."

— Steve Hamilton, managing director, ChemLogix Global

held the attitude that they were just rebuilding inventories. But the trend continued into February, and grew through March into April. Where the ChemLogix approach to a customer's business might involve three core carriers and three backup carriers, in some cases they're calling 40 or 50 carriers to get capacity to handle the growth. "If shippers had to do that, they would have to double their staff to make the calls and get the capacity," Hildebrandt notes.

All this change has also brought about changes in the technology that supports transportation management. One year ago, ChemLogix was automating spot tendering to get spot bidding because there was excess capacity in many lanes, says Mike Skinner, vice president ChemLogix Technologies. "That has shifted significantly," he says, and

months of 2010 are up 50 percent over the same period in 2009," says Steve Hamilton, managing director of ChemLogix Global. The loads include shipments of paint and coatings to auto plants in Mexico City. "Other intermodal customers are stepping up production, working three shifts, and still not keeping up with demand," he adds.

It is difficult to find truck capacity, but the Chicago-to-Mexico City lane is a four-day transit for ChemLogix intermodal liquid bulk shipments, and those trains run about 99 percent on time, says Hamilton.

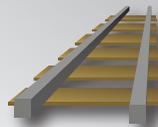
Intermodal has been around for decades, he adds, and he is surprised that more customers don't ask about it. But with tight trucking capacity and vastly improved intermodal performance, that could change. **CL**



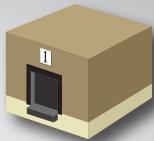
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Barge and in Charge

The role of barge transport in the chemical supply chain.

Barge transport is a critical modal component in the U.S. chemical supply chain. To better understand how inland river systems are floating to demand, *Inbound Logistics* spoke with Brad Hall, vice president and general manager, sales and marketing for American Commercial Lines (ACL), a Jeffersonville, Ind.-based barge transportation and manufacturing company.

Q How do ACL and barge transport fit into the chemical supply chain?

A ACL is the second-largest provider of liquid cargo transportation on the U.S. inland waterways. We provide a complete supply chain solution that includes barge transportation, multi-modal transloading, storage terminals, and our proprietary River-Trac barge tracking system. ACL also leverages partnerships with other transport modes to move liquid cargo beyond the barge to meet chemical customers' specialized supply chain needs.

Q What unique advantages does barge transportation offer dry and liquid cargo shippers?

A Barge transportation is the most economical, efficient, safest, and greenest transportation mode. As trains and trucks clog the highways and railways that run across the nation, ACL barges offer a cleaner and safer course.

Whether as a total transportation solution or an integral part of a liquids shipper's supply chain, ACL can reduce transportation costs while offering an abundance of room for growth. America's inland waterways are estimated to be running at just

40 percent capacity, and one tank barge can carry the equivalent load of 46 railcars or 144 trucks.

In terms of fuel economy, one barge can transport one ton of cargo 576 miles on one gallon of fuel—that's 163 miles farther than a railcar and 421 more than a truck. Barges also emit far less particulate matter, hydrocarbons, carbon monoxide, and nitrous oxide per ton-mile than trains or trucks.

Q What specific services does ACL provide to chemical shippers?

A ACL operates a 100,000-barrel tank storage terminal in Memphis and has partnerships with storage facilities strategically located throughout the network to help chemical shippers manage their supply chains and reach end-use markets as efficiently and economically as possible. We also have an industrial development program to assist with site selection, dock and terminal construction— even capital expenditures through volume refund contracts.

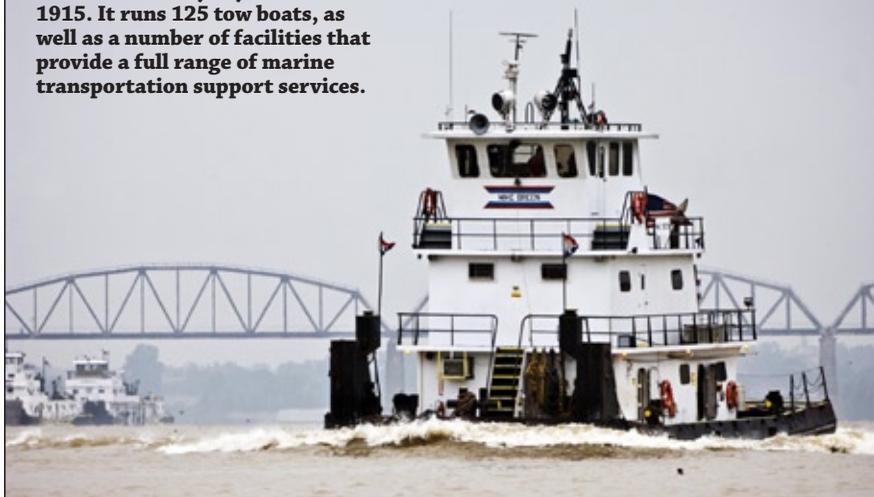
Q How is ACL addressing and executing safety initiatives to protect the chemical cargo chain?

A From a general perspective, barges are the safest form of transportation, with fewer spills and injuries than railroads or trucks. ACL is the industry leader in safety performance. Safety is our top operating priority and the first of our core values, and we are a proud member of the Responsible Care Partners Program.

Recently, ACL created a new national director, marine assurance and vetting position to lead the company's third-party vendor assessment and to serve as the primary contact for the marine assurance departments of liquids shippers. Dan Jaworski, who has been with ACL since 1981 and has held a series of senior commercial positions within the company's liquids sector, has been assigned this responsibility.

The process of vetting vendors, while maintaining effective lines of communication between ACL's operating group and customers' vetting teams, is critical to safety and service. In his new role, Jaworski will enhance ACL's vendor auditing processes and ensure that the company is exceeding customers' vetting requirements. **CL**

ACL has operated on the U.S. Inland Waterways System since 1915. It runs 125 tow boats, as well as a number of facilities that provide a full range of marine transportation support services.





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Ramping Up for Recovery

A renewed focus on costs, assets, and supply chain management is critical today in order for chemical companies to position themselves for the economic recovery.

The challenge for the chemical industry in the coming years will be to maintain operational excellence while meeting the demands of their customers and shareholders in a sustainable, low-carbon economy.

The companies able to overcome those challenges will be best positioned after the downturn.

“The economic situation remains volatile. Against this background, our chemical customers are not losing sight of what is most important to their business – their customers,” says Keith Reardon, vice president, supply chain solutions for CN.

To address their current and future needs, the chemical industry needs to be quick in developing innovative supply chain solutions to meet the dynamic requirements of markets and consumers.

“If you had said 18 months ago that the chemical industry would be where it is today, in terms of the strength of the rebound growth in Asia and North America, I wouldn’t have believed you,” says James Cairns, CN’s vice president-petroleum and chemicals.

Chemical customers are looking for experienced supply chain partners offering fully integrated transportation services that seamlessly and economically match demand to supply.

CN is one such transportation company, operating the largest rail network in Canada and the only transcontinental network in North America. It serves petroleum and chemical producers throughout Canada and the United States, with hands-on expertise in the Alberta Heartland, the Oils Sands, Eastern Canada, and the Gulf of Mexico.

In terms of geographic scope, the



Through CargoFlo, CN customers gain more control over inventory.

railroad’s expansive 21,000-mile network allows customers to extend their reach into non-traditional rail markets in the United States and Canada. For example, customers can partner with CN to strategically locate inventory in hard-to-reach areas so product can be delivered as if moving from a local supplier.

CN is also helping customers make inroads in global markets. “Customers in all industries are looking to break into new markets. To meet that demand, CN has strategically located supply logistics teams in China, Brazil, and Mexico. These experts have their ears to the ground to help companies develop new markets and meet global transportation needs,” says Reardon.

As a total logistics solutions provider, CN offers rail transportation, product transfer, and trucking from origin or to destination, as well as complete inventory control and quality testing. The extensive scope and scale, and deep chemical expertise, allows customers to minimize their total logistics costs.

One way CN partners with shippers to achieve increased inventory control and lower overall transportation, equipment, and inventory costs, is through its CargoFlo operations.

“CargoFlo is a network of 19 CN-owned bulk distribution

terminals that allows customers to transfer product from railcars to trucks and vice versa, as well as load and unload liquid and dry bulk overseas containers,” explains Cairns. “This network cuts tankage and inventory carrying costs.”

In addition, CN’s intermodal capabilities allows customers to reach 75 percent of the North American population while gaining significant transportation efficiencies and reducing their carbon footprint. “Rail has been shown to emit six times less greenhouse gases than heavy trucks,” adds Cairns.

“Also, during these volatile economic times, we have seen customers manage their inventory more closely



CargoFlo transfers product from railcars to trucks and vice versa.

and sometimes revert to using trucks as an option. My team works with them to find cost-effective rail solutions that help avoid the high costs of trucking and its environmental impact,” says Reardon.

Using one innovative transportation company like CN is an effective way to ramp up for market recovery and meet customer demand. **CL**

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Managing Change

Innovation and creative thinking drive success.

In 1980, Reggie Dupré found it difficult to get consistent fuel deliveries to his rural Louisiana service station. So, he created his own company—Dupré Transport, LLC—to haul the fuel. With an initial fleet of two trucks, Reggie Dupré became a specialized hauler of bulk liquid commodities. His persistence and attitude permeates Dupré Logistics today.

Like other specialized 3PLs, Lafayette, La.-based Dupré Logistics is facing capacity issues. For example, many shippers who buy by the load from a central location will need to adapt to the realities of a market where capacity is tight and needs to be optimized.

“When economic conditions change, as they have during the past few years, companies have to reevaluate how they do business,” notes Tom Voelkel, president and COO of Dupré Logistics.

To face new economic and capacity challenges, Dupré Logistics turned inward and found help among its own employees. Crystal Faucheux, a customer service representative in the Strategic Capacity Services Group, discovered that the company’s automated rating system was replacing new market prices that had been quoted to and accepted by shippers with earlier, outdated rates.

Her discovery helped Dupré put the brakes on market erosion and avoid customer billing errors. For her efforts, Dupré Logistics recognized Faucheux with its “Thinking Out of the Box” award for process improvement.

In a larger context, that kind of thinking addresses rapidly developing



Dupré Logistics grew from a truckload fleet into a brokerage, transportation management, and dedicated fleet provider. By assessing customer operations, Dupré develops solutions that reflect its expertise and creativity.

market issues. Procurement tends to view transportation as a price-per-load function, and fails to measure the issues they don’t see that create or contribute to inefficiency.

Third-party logistics providers serving the chemical industry have worked hard to improve processes and reduce costs. “What the chemical industry needs now is a collaborative business partnership that addresses the entire supply chain,” says Voelkel. “It will take some effort to uncover inefficiencies that occur in chemical transportation, as well as in other interactions between the shipper, 3PL, and consignee.”

The next two to three years will be a time of high demand in the chemical industry, which will accelerate change. Other factors, such as environmental issues, will also come into play, providing a “steering mechanism for change,” says Voelkel.

An unavoidable driver shortage, which will develop as more experienced drivers reach retirement age, will also require collaboration between shippers and service providers. The trucking industry, especially chemical carriers, needs to attract new drivers by improving efficiency, so drivers can feel the work they do has value. Other issues revolve around pay and how compensation systems are constructed.

Technology also helps address efficiency issues, as well as an increasing need for more complete safety and performance

documentation. For example, Dupré Logistics’ onboard systems provide more and better transportation information than past manual systems. Dupré uses Qualcomm satellite tracking and communications tools to provide basic time and motion data. Not only do the onboard data recording devices help with government-mandated data collection and reporting, they can enable carriers to identify and address problem areas.

While government agencies may be looking at safety and compliance issues, the data can also point to when and where delays occur. Working with the shipper and consignee, chemical carriers can do a root cause analysis and collaboratively develop a solution that improves efficiency and reduces cost for all supply chain partners.

Moving chemicals is a complicated process, and shippers need to look at their business very closely and take a total-cost approach, Voelkel advises. “Selling total-cost concepts takes time and requires a champion inside the shipper’s organization,” he says.

It also requires top-level support to help drive the value of collaborative relationships down through the organization. When chemical shippers maintain good relationships at the top and at the interface level, they can manage their costs without sacrificing safety, compliance, and efficiency.

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Continuous Commitment Reaps Benefits

A high level of commitment translates into a high level of performance.

Responsible Care is not just a phrase and it's not just an option for members of the American Chemistry Council (ACC). The ACC is committed to improving the chemical industry, so it requires all members to participate in the Responsible Care program, which involves monitoring and publicly reporting environmental, health, safety, and security performance.

that received this recognition.

Miller Transporters joined Responsible Care at the request of ExxonMobil Chemical Company and Ashland Inc., notes Steven Tapscott, vice president of sales and marketing. Miller Transporters was the first independent to be qualified outside the Responsible Care Partners pilot program, he adds.

"Responsible Care Partners adhere

publicly report performance; and implement the Responsible Care Security Code."

If that sounds like a big undertaking, it is. The ACC added the "independent certification" requirement for partners in 2007. Prior to that, performance was self-reported. "While this added an extra



Cal Dooley (left), CEO of the American Chemistry Council, presents Miller Transporters' Brent Cobb, manager of quality, and Lee Miller, president, with the inaugural Responsible Care Partner of the Year award.

The Responsible Care Partner program was established as a "meaningful extension of the Responsible Care ethic," according to the ACC. Companies performing chemical transportation, distribution, or storage are eligible to become partners. This year, for the first time, the ACC honored partners with a Responsible Care Partners Award. Miller Transporters, a common and contract carrier based in Jackson, Miss., was one of three companies

to the same requirements as members of the American Chemistry Council," according to the ACC. "This means that each partner company, no matter where it operates within the chemical industry's supply chain, must apply the Responsible Care management system to relevant portions of its operations; obtain independent certification that the system has been fully implemented and functions according to professional standards; measure and



level of verification, it also added substantially to the cost of being a Responsible Care Partner,” Tapscott notes.

Independent, third-party certification was also required every three years. Many companies that participated in the Responsible Care Partner program when the certification was first required are now being asked to undergo re-certification.

During the economic downturn, many companies dropped the certification for cost reasons. Though the Responsible Care Partner program may be optional, Miller Transporters is maintaining its participation.

Major chemical companies want their logistics providers to be Responsible Care Partners, says Tapscott, but they also use some carriers, such as Miller Transporters, regionally or for a particular plant that they audit themselves.

A commitment to safety isn't the only thing Miller Transporters takes seriously. Responsible Care helps the company establish metrics, and measure and report safety performance, but that same framework can be extended to other areas. And, aside from the safety and environmental aspects, Responsible Care has helped Miller Transporters do just that, according to Tapscott.

Miller Transporters has been able to institute a number of operational changes that have benefitted efficiency and safety. The metrics help track performance and promote a greater attention to detail. The company is also more aware of what is being tracked.

The results have extended to areas such as equipment. It can be a safety issue to arrive with the right fittings and hoses to load and unload at a particular shipper or consignee

facility. This kind of tracking focuses attention on the details, and that has helped improve efficiency. Tracking also opens the door to conducting a root-cause analysis where performance issues are identified.

Electronic on-board reorders, which will soon be required in all vehicles, also help provide performance information. Though they don't directly provide load tracking, when coupled with other technologies, the recorders can register and communicate when a vehicle starts and stops, along with idle time.

Miller Transporters recently upgraded the Qualcomm satellite tracking and communications system it uses. The new system can now identify safety situations such as hard braking.

For Miller Transporters, a high level of commitment has translated into a high level of performance. **CL**



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