

OCTOBER 2019

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THE LOGISTICS OF LIQUIDATION
MARITIME LOGISTICS IN
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Info **SNACKS**

BITE SIZED SUPPLY CHAIN/LOGISTICS INFORMATION

You Can Run But You Can't Hide



Supply chain shortages attributable to Asian suppliers will stunt sales growth for Adidas in 2019.

“Volume grew quicker than anticipated and we didn't respond quickly enough to that demand signal,” says CEO Kasper Rorsted.

61%

of survey respondents agree or strongly agree that customer experience will overtake price and product as the number one brand differentiator in the next five years.

—Customer Experience report, BluJay Solutions

“When I was working in New York, I could have a Coca-Cola delivered at 2 a.m., but couldn't get organic produce.”

Ashley Tyrner, on why she founded Farmbox Direct

(see Reader Profile, pg. 18)

DIGITAL TRANSFORMATION? NOT SO MUCH

Although more fleets use technology than ever before (86% use telematics), most organizations lack a data-driven approach to running their businesses.

Only 23% use big data analytics to guide strategic decision-making, while 36% still rely on manual processes to forecast hiring needs.

—Telematics Benchmark Report, Teletrac Navman



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NEXT LEVEL SERVICE

WHATEVER IT TAKES TO MAKE YOUR CUSTOMERS' EXPECTATIONS A REALITY



THE NORTHWEST SEAPORT ALLIANCE

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Experts share advice on how to get fast-enough service while saving money with domestic intermodal transportation.



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THE LOGISTICS OF LIQUIDATION

When a customer returns a product, or a company clears unsold merchandise off the shelves, that's the start of an uphill climb in search of maximum value recovery.

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MARITIME LOGISTICS IN SHIP SHAPE

While the prospect of higher tariffs and the cost of low-sulfur fuel requirements pose concerns for the maritime industry, it's forging ahead with bigger, more automated seaports, as well as technology that improves visibility, reduces its environmental impact, and streamlines operations.



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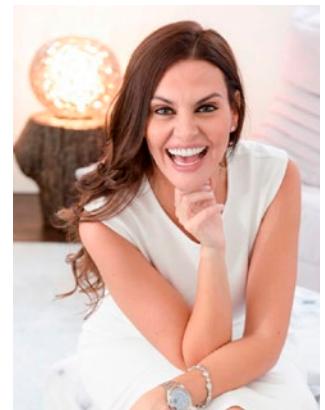
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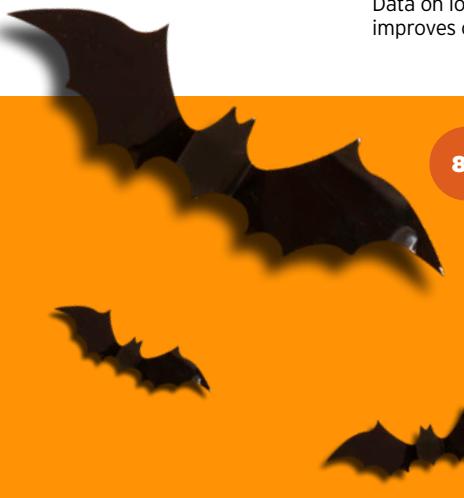
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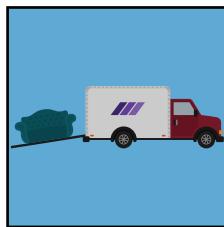
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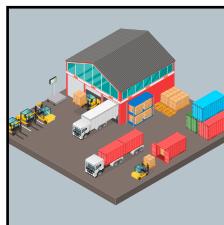
FSVP INSPECTIONS ARE UNDERWAY—IS YOUR FOREIGN FOOD SUPPLIER READY?

To combat foreign foodborne illnesses, the U.S. government recently introduced new regulations for importers: the Foreign Supplier Verification Program (FSVP). Here's what you need to know to ensure compliance.
bit.ly/fsvpinspections



CONSUMER DEMANDS PUT PRESSURE ON FURNITURE'S FINAL MILE

The battleground for competitive advantage in furniture retailing is shifting from the store aisle to the buyer's doorstep. Find out how companies are adapting to meet consumer demands and manage the complexity and cost of final-mile delivery.
bit.ly/furniturefinalmile



THE VALUE OF A TRUCKING COMPANY OFFERING 3PL SERVICES

Combining trucking assets with 3PL services is not an entirely new concept—but it's one that has been refined and improved to give shippers a freight model that outperforms past models in the marketplace. bit.ly/truckingoffer3pl

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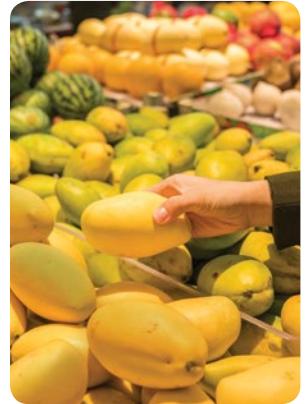
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CHECKING IN

Take the Current When It Serves



Keith Biondo, Publisher

I recently participated in a summit of supply chain and business leaders who shared the many ways they are successfully navigating the turbulent waters of global trade. Despite the headwinds, they were determined to find new supply lines and expanded market opportunities.

Determined and, yes, even optimistic about their economic future. It reminds me of a quote an old friend

gave me years ago that hangs on my office door:

There is a tide in the affairs of global trade.

Which, taken at the flood, leads on to fortune;

Omitted, all the voyage of their enterprise is bound in shallows and in miseries.

On such a full sea are we now afloat,

And we must take the current when it serves,

Or lose our ventures.

Yes, I updated that a bit, with apologies to William Shakespeare. But the sentiments are the same. Although not necessarily a call to arms as in the original *Julius Caesar* passage, this quote recognizes how supply chain managers face known and unknown challenges—with a certainty that they can and will succeed no matter the impediments.

Trade friction? Tariffs? Protectionism? Global strife? Energy turmoil? Sustainability concerns? Government gridlock? Digital disruption of traditional distribution channels? Destruction of transportation density regimes? Increasing cultural changes? Supply chain impatience by everyone? Rapidly morphing customer preferences, demands, buying patterns, and visibility requirements? Now add the impact of artificial intelligence on evolving workflows and enterprise strategies. What kind of unknown business landscape are we sailing off to?

That same old friend recently gave me his last parting gift, a 1930 biography of Ferdinand Magellan by E.F. Benson. It did not take many pages before I recalled Magellan's indefatigable spirit, optimism, and accomplishment. Certain that the earth was round, Magellan led an expedition to prove he could reach the east by sailing west. That mission was the first circumnavigation of the earth.

It's hard to imagine the immensity of that trade-driven accomplishment not knowing where the tides would take him. His guide? The stars, crude charts, a dedicated team, and the certainty that he would succeed. "It is difficult for us, to whom the globe is a map for all to read, to put ourselves back to the times when far the greater part was undiscovered, but we must do that in order to understand the raging fever that heated men's blood to so noble a delirium," Benson wrote.

You are exploring too, charting a course to a future unknown. But instead of the stars you have an iPhone in your pocket, and the certainty that you will succeed.

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[INSIGHT]

DIALOG

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Quick TIP

Leverage your TMS carrier connectivity and visibility capabilities to improve access to real-time information for proactive shipment monitoring, exception management, and customer notification on delivery disruptions or new estimated arrival times. Intelligent and instantaneous actions enable exceptional customer experiences.

—Ron Lazo
Vice President, Professional Services
Manhattan Associates

Re. 2019 Trucking Perspectives bit.ly/2019ILTruckingPerspectives

Over the past two years, transparency in delivery has been a growing priority among our customer base and a theme we've been encountering regularly. Our customers are stressing the need for real-time visibility into their freight's location throughout the delivery process, and we continue to provide that with advances in technology and our proprietary systems. Not surprisingly, our customers expect us to be proactive to the changing trucking environment and create solutions that benefit their companies. In addition, over the past couple of years, the conversations have typically been about volume

for national capacity, with now volume for national preferred pricing being a predominant factor in that dialog once again.

—Tim Phillips
COO and Executive Vice President, Universal Logistics Holdings



After a record 2018, many trucking companies may find themselves over-extended. For shippers, the come-down from 2018 has meant they've regained some of their pricing power. If a recession hits, they'll likely experience a much deeper business impact. While shipping rates are important, they'd likely be of lesser concern against macro-economic conditions and lower consumer demand.

—Kris Lamb
CEO, uShip



Re. I Was a Shipment at Disney bit.ly/disneytechnology

One of the best editorials I have read in years. Loved it.

—Bob Eck
The Villages, Florida

Re. Trucking Strategies for Whichever Way the Wind Blows bit.ly/sourcingtransportation

The best value for transportation sourcing happens in a network RFP with targeted pre-negotiations.

—Kate Anderson
Director, Consulting, Transplace

Fast TAKE

FedEx was faced with a difficult choice: Hold on to a customer [Amazon] who has the potential to suck the life out of your business long term, or deal with some losses in the short term. They made the right move here. FedEx will be able to replace this lost business with increases in B2B commerce and continued growth in B2C working directly with retailers and manufacturers.

The company has the infrastructure in place to keep up with shoppers' unabating desire for convenience and fast shipping. We know that 75% of consumers will expect same-day delivery in the next 12 months, and FedEx is in one of the best positions to make that happen for brands outside of Amazon. The company has mostly avoided rate increases for this holiday season, so I don't think we'll see FedEx as the next Amazon casualty any time soon.

—Darin Archer
Chief Strategy Officer, Elastic Path
on FedEx's prospects after ending its partnership with Amazon

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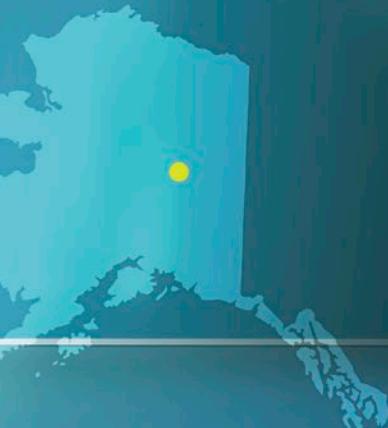
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GOODQUESTION

Readers Weigh In

What's the 2020 supply chain buzzword or phrase?

GIG WORKER. Embracing this growing segment of workers is the key to helping companies handle variability—from last-minute orders to seasonal swings—while remaining agile.

Robert O'Dwyer
Logistics Industry Principal
Kronos Incorporated

AI. It has only just begun to transform freight and logistics. With innovation comes new services and opportunities for cost savings or efficiency gains.

Oren Zaslansky
CEO, Flock Freight

TRANSPARENCY. We need to build it into every aspect of our business.

Frank Hurst
President, Roadrunner Freight

REAL-TIME STATUS UPDATES.

Carriers are adjusting to the needs of shippers to have complete visibility over their shipments. Supply chains are tightening, and more deliveries are requiring an appointment.

Marty Freeman
Chief Operating Officer and
Executive Vice President
Old Dominion Freight Line

BLOCKCHAIN. This causes consternation among supply chain stakeholders. For now the applications are constrained to high-value goods and those that can be counterfeited, tainted, and/or corrupted.

Ted Stank
Professor of Supply Chain
Operations and Planning
Online Masters in
Supply Chain Management
University of Tennessee

SUPPLY CHAIN DIGITAL

TWIN. With the rise of cloud and algorithmic intelligence, digital representation of a supply chain no longer needs to be a patchwork of models for sourcing, manufacturing, distribution, etc. Instead, a living model can be digitally rendered to simulate real-world events.

Dr. Madhav Durbha
Group VP, Industry Strategy
LLamasoft

AUTONOMOUS MOBILE

ROBOTS. They leverage smart devices to augment workforces and create value by eliminating non-value-add activities.

Sean Elliott
Chief Technology Officer
Körber Logistics

DOOR TO FLOOR. The shipment goes directly to the “floor” of the consumer. Some people in logistics refer to these deliveries as “over the threshold.”

Bob Hitt
Salesforce

VERIFICATION. New engagement models will gain ground where consumers are scanning product data off the item to verify origins, claims, and safety. The supply chain will have to adapt faster—to digitize granular, accurate data to keep up with consumer demand for a data-driven supply chain.

John McPherson
Director of Global Solutions
rfxcel

Have a great answer to a good question?

Be sure to participate next month. We want to know:

Popeye's chicken sandwich shortage: Supply chain fail or marketing savvy?

We'll publish some answers. Tell us at editorial@inboundlogistics.com or tweet us

@ILMagazine #ILgoodquestion

10 TIPS

Tackling E-Commerce Shipping

E-commerce is quickly becoming a part of our everyday lives—putting pressure on retailers. Here are tips to help shippers keep costs down and customers happy.

1 ALIGN TRANSPORTATION SERVICE LEVELS WITH CUSTOMER DEMANDS.

Amazon reset expectations for delivery times. Instead of five to seven days, consumers have become accustomed to two-day delivery thanks to Amazon Prime membership. Now, Amazon is even going further by offering next-day delivery for Prime memberships. Can other retailers follow? Should they? Retailers should first understand their customers' needs and wants and then make smart transportation decisions that align with those needs yet are still financially feasible.

2 OFFER ALTERNATIVE PICKUP LOCATIONS.

These days it's all about choices. Consumers are on the go and no longer willing to sit at home and wait for their packages. Offering alternative pickup locations is not only good customer service but can also help reduce shipping costs.

3 LEVERAGE CROWD-SOURCED PROVIDERS.

Walmart uses various crowd-sourced providers for last-mile delivery and Target actually acquired one, Shipt, in 2017. Utilizing such delivery providers can be extremely cost effective—depending on the retailers' costs and strategy.

4 UTILIZE REGIONAL SMALL PARCEL PROVIDERS.

Never underestimate these often-overlooked providers. By focusing on a particular part of the United States where demand is greatest, retailers can opt to use just one or create a nationwide network with several of these providers.

5 WATCH OUT FOR HIDDEN SHIPPING COSTS.

Accessorial fees—residential delivery fees, fuel surcharges, and requiring a signature upon delivery—can increase shipping costs. Review your invoices regularly to make sure you're not paying more than you should.

6 FULFILL PRODUCTS IN STORES.

A growing preference for many retailers is to fulfill products in stores versus warehouses. This allows for quicker delivery as well as potentially lower inventory carrying costs.

7 MANAGE RETURNS EFFECTIVELY.

The cost of returns is high and can occur in up to or even more than 30% of all e-commerce orders. Managing returns is a necessity in keeping costs down and customers happy. Solutions such as free shipping for returns and returns to stores are popular among retailers.

8 KNOW YOUR FULFILLMENT OPTIONS.

There are a growing number of fulfillment options from Fulfillment by Amazon, Shopify, UPS, and FedEx, to in-house and more. Know your options but, more importantly, know your cost limits and evaluate. You might be surprised.

9 CONSIDER ON-DEMAND WAREHOUSING.

Warehousing is moving closer and closer to the end customer to provide faster last-mile delivery. This can be a pricey strategy. One option is on-demand warehousing from companies such as STORD. UPS also offers a similar solution that may suffice depending on strategy and cost.

10 SKIP THE WAREHOUSES BY USING DROP SHIPPING.

In drop-shipping, a business is not required to keep products in stock. Instead, the store sells the product and passes the sales order to a third-party supplier who then ships the order to the customer. Sounds great but drawbacks include being at the mercy of your supplier when it comes to product quality, fulfillment speed, or return policies.

SOURCE: MELISSA RUNGE, VP ANALYTICAL SOLUTIONS, SPEND MANAGEMENT EXPERTS

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FURNITURE

SOFA SO GOOD

What is the outlook for the U.S. furniture market moving forward? Here's what to expect, according to Coresight Research's *U.S. Furniture Report*, May 2019:

- **A steady growth curve** for the U.S. furniture industry is being driven by a strong economy. Consumer spending on furniture reached \$114.2 billion in 2018, up 6.7% from the previous year, according to the U.S. Bureau of Economic Analysis.
- **Uncertainty in the housing sector** is represented by a decline in housing permits and starts.
- **Millennials**, the largest U.S. consumer group, have become a key target market for furniture retailers who are shifting offerings to more effectively reach this group.
- **E-commerce** as a channel for furniture shopping is becoming increasingly popular, especially among millennials. Companies such as Amazon and Wayfair have capitalized on this trend to become formidable players in the sector.
- **Brick-and-mortar stores** remain the format of choice for the majority of U.S. furniture consumers, but establishing a strong omni-channel presence has become imperative in a sector where research online, purchase offline is commonplace.

RESTORING RETAIL Stores, inventory, and promotional saturation are not keys to sustainable success in the furniture industry. Look to Sears and Mattress Firm as two recent examples. Upscale home furnishings company Restoration Hardware is taking a different approach. It recently opened



a New York City gallery complete with a rooftop restaurant/wine bar and showroom intertwined with art, architectural inspiration, and interior design. It also opened a luxury hotel in the area. This strategy solidifies Restoration Hardware's brand identity and appeals to its core consumers in an out-of-the-box way. It also enhances brand recognition for non-consumers through socially driven marketing.

“ WHILE THE WEB HAS SHINED A BRIGHT LIGHT ON STORES THAT ARE DYING FROM LACK OF INNOVATION, HISTORY WILL DEMONSTRATE THAT THE PHYSICAL MANIFESTATION OF A BRAND WILL BE THE MOST COMPELLING WAY TO ENGAGE CUSTOMERS. ”

– *Restoration Hardware*

SLEEP ON IT

Almost one-third of mattress retailers expect stronger sales trends in the remaining months of 2019, reveals Piper Jaffray's August Mattress Survey.

14%

expect sales trends to get much stronger in the last four months of the year, compared with the first eight months of the year and

another 14%

expect sales trends to get somewhat stronger.

57%

of retailers expect sales trends to remain the same for the rest of the year

while 14%

of respondents say they expect sales trends to get somewhat weaker.

None of the retailers surveyed say they expect sales trends to get much weaker.

–*Furniture Today*

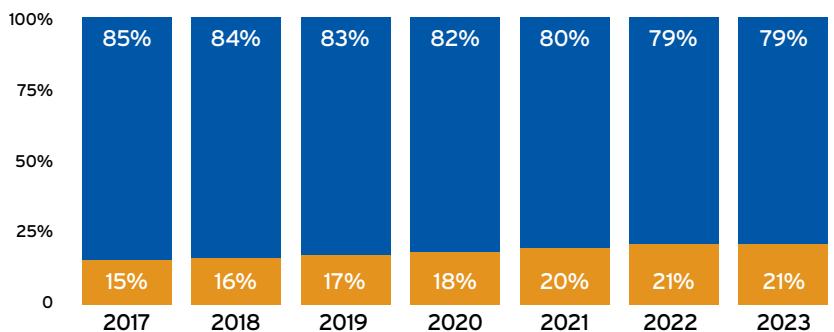
POLISHING ONLINE SALES CHANNELS

In the furniture market, online sales will generate 21% of total revenue by 2022.



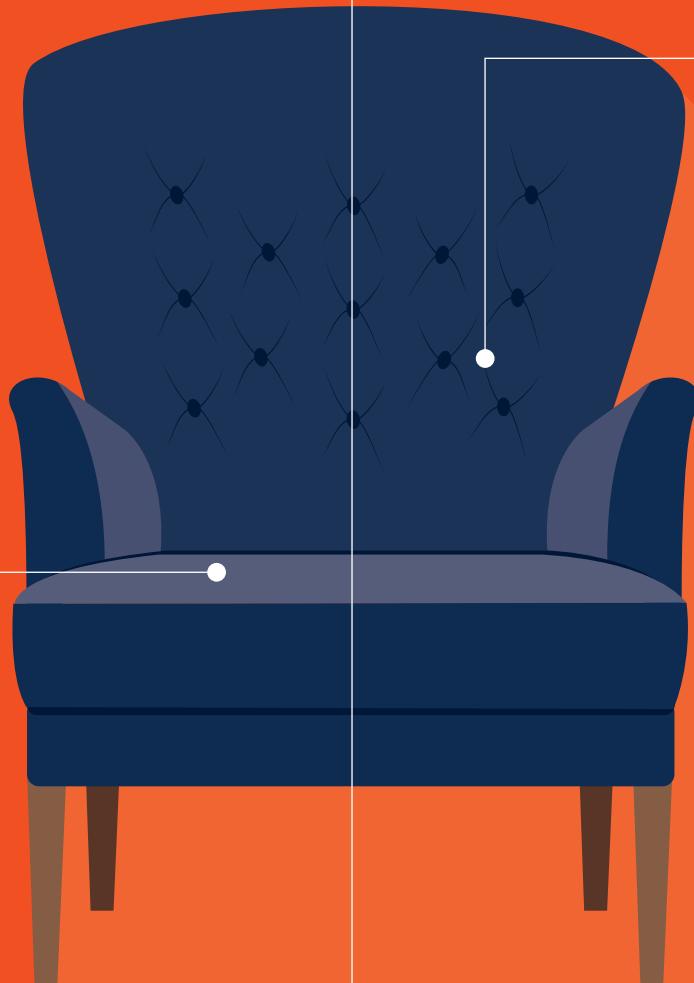
SOURCE: STATISTICA, AUGUST 2019

FURNITURE SALES CHANNELS (IN %)



CONSUMERS SEE

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READERPROFILE *as told to Karen Kroll*

Ashley Tyrner's Vision Bears Fruit



ASHLEY TYRNER is founder and CEO of Farmbox Direct, which works with hundreds of farms to deliver fresh, natural, and organic produce to its 10,000-plus members.

RESPONSIBILITIES: Sourcing fresh organic and natural produce, forming partnerships with farmers, working with shipping companies, and designing the produce boxes that customers receive.

EXPERIENCE: Brand manager with fashion designer Cesar Galindo.

After I had my daughter, I was working 16- to 18-hour days in the New York fashion industry and found it difficult to find fresh fruits and vegetables. You could have a can of Coca-Cola delivered to you at 2 a.m., but you couldn't get organic produce.

I didn't have a logistics background when I started Farmbox Direct and I definitely didn't have any idea what I was in for. But we have been able to pioneer shipping fresh produce to the customer's door.

Shipping living, breathing produce is a logistical nightmare. For instance, we had to figure out how to mitigate ethylene (the gas given off by ripening

fruit) in a way that was food-safe. We had to determine how to get the shipping box to maintain its temperature. We had to identify a food-safe way to eliminate moisture in the box. Even something as simple as an orange sitting next to strawberries can make or break a box during transit.

Initially, Farmbox Direct delivered only in New York City and Brooklyn. Then we expanded and shipped up and down the Eastern Seaboard, which was one day of transit.

Next, we configured the box to work for two days of transit. Then, we knew if we could get the box to last for three days of transit, we could have one

Ashley Tyrner Answers the Big Questions

1 What's it like to take a business from start-up to national presence in five years?

I've learned that anything that comes across my desk is something no one else can handle. There's no road map that teaches you to be a CEO, or how to grow a business to a national company. We grew so quickly that it was rough sometimes, but we're in a good spot now.

2 If you had \$1 million to start a new business or philanthropic venture, what would you do?

I'd put it toward my newest endeavor, Harlow's Harvest, started with my daughter. We ship cooking kits built around STEM and nutrition with

recipes and games for kids ages 4 to 15. The kits bring advocacy and education to healthy eating.

3 Words to live by?

There are little rhinos all over my house because rhinos can only charge forward. They can't look backwards. You have to always charge forward.

4 Any advice you'd give your 18-year-old self?

Don't get married so young, travel more, and think before hitting send. I used to be more short-fused when I started the company because there were so many problems to deal with. Now, I'm more seasoned. I know that at the end of the day, the world is still going to spin.

warehouse in the Midwest, which we located in Kansas, and blanket the entire continental United States from there.

We tried more than 100 prototypes of the shipping box and it's nothing short of a miracle that we figured out how to do it. You can't just throw all the produce in a box because it won't make it during transit. Our box is completely proprietary, down to where we put the

onion, the grapefruit, and the orange.

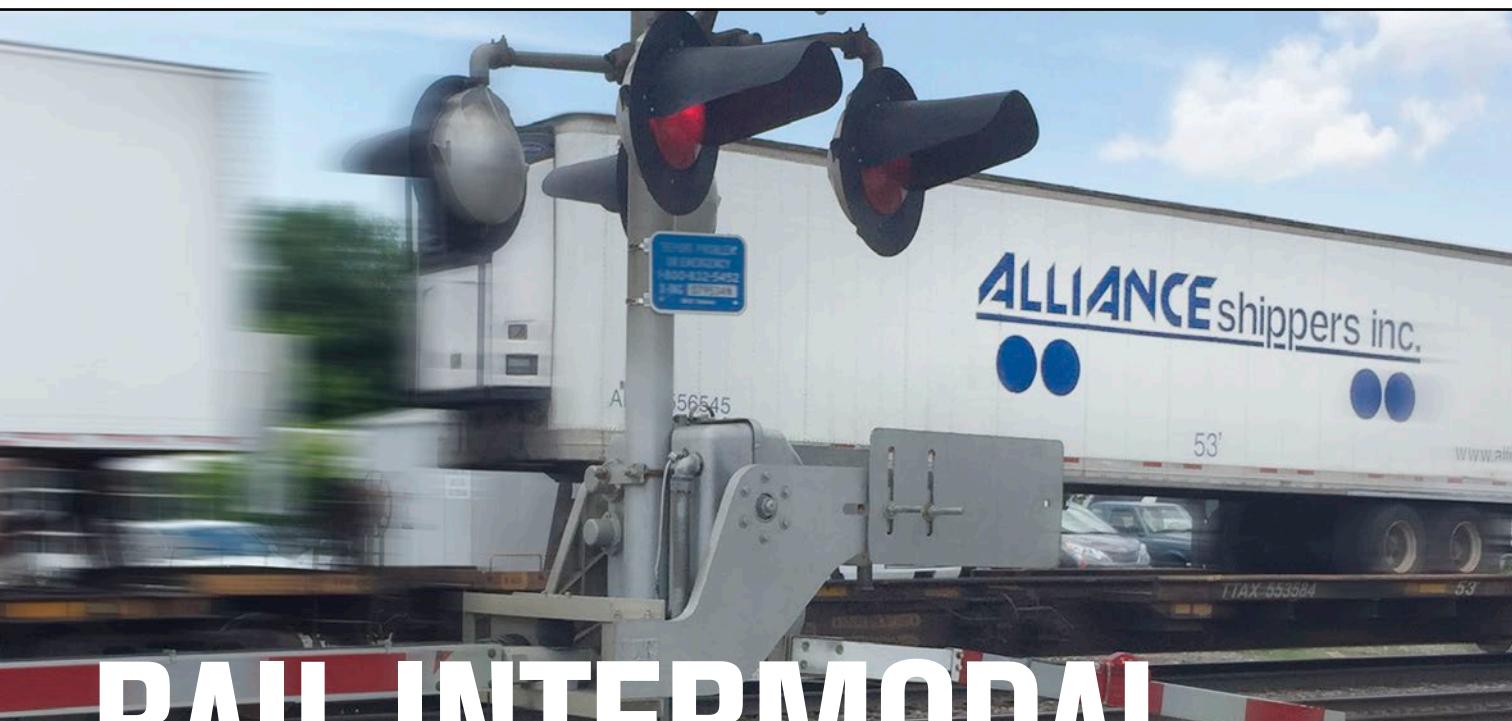
We try to source locally first, but we're also trying to eradicate a much bigger problem: the approximately 24 million Americans who live in urban or rural food deserts.

People in food deserts don't have access to fresh fruits and vegetables. Maybe they don't have a grocery store near them, or they can't afford a vehicle

to get to the store. Instead, they shop for food at a fast food chain, bodega, or convenience store.

In these food deserts, diet-related illnesses are rampant. Diabetes and cardiovascular disease can be eradicated if people get access to the right food.

I have found my passion: food, food policy, childhood nutrition, and eradicating food deserts. ■



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[IN FOCUS]

NOTED

The Supply Chain in Brief

> GOOD WORKS



MSC Group, parent company of MSC Cargo, worked with **South Carolina Ports Authority** and other industry partners to fill two 40-foot shipping containers in Charleston, South Carolina, with critical supplies to send to the Port of Freeport in the Bahamas following Hurricane Dorian. The

maritime partners filled the shipping containers with more than 200 gas generators, tarps, gas cans, canopy tents, power cords, batteries, water, toiletries, baby wipes, diapers, cleaning supplies, and other related items.

DHL will donate its decommissioned computers and educational equipment to educational institutions and orphanages throughout North and South America, Central America, and the Caribbean. Through the DHL Helping Learners initiative, DHL will install lightly used, refurbished computers at no cost to schools with low-income students and educationally focused non-profit organizations.

The **Canaveral Port Authority** donated nearly 60,000 square feet of warehouse and office space to non-profit organization Crossroads Alliance & Ministries to help in its humanitarian relief efforts for the Bahamas. The organization, which had exceeded capacity for donations at its Ocala, Florida, warehouse, collected, stored, and staged supplies from the port's Maritime Center and Port Canaveral Logistics Center in Titusville.



GIG Logistics launched the Back-2-School Giveaway in Africa to provide children in low-income communities in Ghana with backpacks filled with school supplies. The initiative, in partnership with NGO Aim Higher Africa, kicked off in Accra with the distribution of 1,000 school bags.

m&a

■ **CN** acquired **CSX's** 220-mile Massena rail line between Valleyfield, Quebec, and Woodard, New York.

■ **Elemica**, a cloud-based digital supply network, was purchased by **Eurazeo**, a global investment company.

■ **FedEx** acquired **Cargex**, an international freight forwarding company, and **Agencias de Aduanas Aduanamos S.A. Nivel 2**, a Cargex affiliate specializing in customs brokerage services.

■ **Lineage Logistics**, a provider of temperature-controlled logistics solutions, acquired two facilities from **Van Soest Coldstores**, which specializes in the storage and transfer of cooled and deep-frozen food products.

> GREEN SEEDS

The **CMA CGM Group** unveiled the world's largest containership (23,000 TEUs) powered by liquefied natural gas, which will help reduce emissions



of sulphur oxides and fine particles by 99%. These new vessels will join CMA CGM's fleet in 2020 on the French Asia Line, which calls on Northern Europe and Asia.

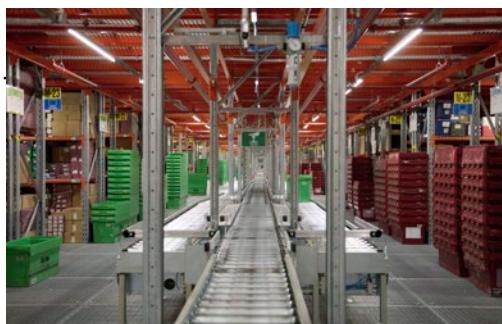
Nestlé set a goal to achieve zero-net greenhouse gas emissions by 2050. The company will introduce more plant-based food and beverage products, reformulate products using sustainable ingredients, strengthen



its programs with farmers to restore land and better manage its dairy supply chain, and use 100% renewable energy in its factories, warehouses, and logistics sites.

> SEALED DEALS

• **Inter Cars**, an importer and distributor of automotive spare parts, selected intralogistics system supplier **BEUMER Group** to install conveying, picking, and sortation technology at its new logistics center near Warsaw, Poland. The installation includes a warehouse control system that manages material flow to get spare parts faster to workshops and customers across Europe.



• Bedding products maker **Century Home Fashions** adopted **TrueCommerce's** Transaction Manager platform to streamline transactions with retailers throughout North America. The company selected commerce solutions provider TrueCommerce for its ability to integrate with Spire ERP to process key business documents, such as purchase orders and invoices.

• Device maker **Avanos Medical** selected 3PL **DHL Supply Chain** to manage logistics operations for its U.S. distribution network. DHL Supply Chain leveraged 65,000 square feet of an existing multi-client facility in Las Vegas and a new 129,000-square-foot dedicated site in Southaven, Mississippi, to speed the picking process for the medical device company.

> UP THE CHAIN



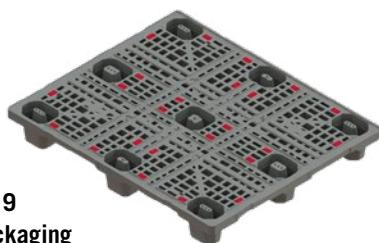
Helen Davis was appointed senior vice president of global supply chain—manufacturing at Estée Lauder Companies.

Davis will drive the company's manufacturing strategy, enhance operational excellence across its manufacturing network, and collaborate with supply chain leaders to organize manufacturing processes.



> RECOGNITION

• **The Kroger Company**, with reusable packaging supplier Polymer Logistics, won the Reusable Packaging Association's **2019 Excellence in Reusable Packaging Award**. The Kroger Company was recognized for its 2018 commercial pilot demonstrating the cost savings and environmental impact reductions of adopting Polymer Logistics' Cleanpal pallet to distribute fresh eggs from a supplier to Kroger stores.



• The American Logistics Aid Network presented **Amazon** with its **Outstanding Contribution Award** for its Disaster Relief by Amazon program. Disaster Relief by Amazon earned the award for leveraging the company's services, operations, and logistics technology for large-scale disaster relief, most recently, in the wake of Hurricane Dorian.

• The Intermodal Association of North America honored **Mike Wilson**, CEO, Consolidated Chassis Management, with the **2019 Silver Kingpin Award**. The award recognizes an individual's long-term contributions to intermodalism.

• **Schneider** earned VIQTRy's **2020 Military Friendly Employer Award**, which recognizes companies that set the standard for demonstrating positive employment outcomes for veterans and their families. This year's award marks the 13th time Schneider has been honored by VIQTRy for providing opportunities to veterans and active-duty military members.



• The Association for Supply Chain Management (ASCM) named oil and gas producer **Petrobras** as the first recipient of its **Enterprise Certification**. The certification recognizes the energy company's supply chain excellence, transparency, and adherence to the ethical, environmental, and economical standards set by ASCM.

• Coca-Cola presented logistics provider **Werner Enterprises** with the **2019 Dedicated Carrier of the Year Award**. The company was recognized for its performance, communication, on-time service record, and process improvements.

[IN FOCUS]

TAKEAWAYS

Shaping the Future of the Global Supply Chain

3PLs: RESPONSIVE, COST-EFFECTIVE, AND GREEN

The modern supply chain is complex, and in order for the world's leading companies to deliver their goods and services in an expedient, cost-conscious, and environmentally friendly fashion, they are increasingly turning to third-party logistics (3PL) companies to achieve these goals. These are among the themes of the 2020 Third-Party Logistics Study, created and supported by Infosys Consulting, Penn State University, and Penske Logistics. Here are some insights gleaned from the 2020 3PL Study:

When shippers turn to 3PLs for supply chain improvements, what is their biggest need? That would be technology. Top 3PLs have already built out a robust tech infrastructure that contains the right tools for the job and best practices already realized by being field tested with an array of customers.

What are the top challenges in the modern supply chain? The study lays out a half-dozen common concerns: e-commerce growth; economic uncertainty following what is arguably the longest bull market run in the history of the stock market; the truck driver shortage; disruptive technologies (e.g., drones, automated vehicles, cloud-based capabilities); relationship necessities, namely supply chain alignment strategies; and competitive challenges.

How analytics fit into the supply chain. The five most commonly referred-to types are: descriptive (explain what is happening); diagnostic (understand why); predictive (forecasting); prescriptive (suggest what should be done); and cognitive/artificial intelligence/machine learning to identify patterns of activity.

In the study, 95% of shippers and 99% of 3PLs agree that analytics are a necessary element of 3PL expertise. But, only 26% of shippers and 27% of 3PLs are satisfied with current analytic capabilities. The issues are based on ways to create clean and useful data, and insufficient resources to best utilize analytics (are there data scientists on the team?). This has created a large analytics gap that warrants further study.

Why is there an analytics gap? According to the study, a big roadblock is when the shipper and 3PL are not in total agreement on a strategic plan on the best use of analytics: What is the need and how to best serve it? It could be a battle of the old vs. the new. Many shippers currently employ legacy systems that are difficult to connect to today's hardware and software. In general, the supply chain, like many areas of the business world, may be slow to adopt new approaches.

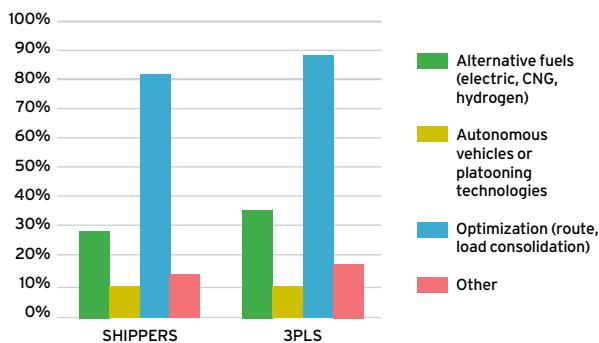
As geopolitical volatility affects global operations, supply chain finance is becoming critical. The survey reveals that 26% of shippers employ a supply chain finance professional at the vice president level; 31% report having someone with the director title. For shippers, the top supply chain finance costs are freight payment audit (72%), total landed cost (57%), and letters of credit (37%).

For 3PLs, top supply chain finance costs are freight payment audit (71%), letters of credit (39%), and open accounts (36%). The study also finds that 70% of shippers manage their impact of global political decisions internally, 20% aren't managing it at all, and 19% use 3PLs to do so.

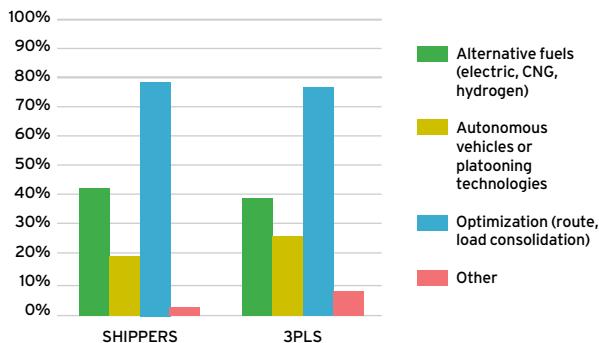
The greening of the supply chain continues. Why do shippers and 3PLs feel the need to introduce more sustainability into their supply chains? The top reasons are regulatory requirements, public perception, and cost savings.

CURRENT AND FUTURE GREENING INITIATIVES

WHAT GREENING TECHNOLOGIES ARE PART OF YOUR LOGISTICS OPERATIONS TODAY?



WHAT INITIATIVES WILL YOU BE LAUNCHING IN THE NEXT FIVE YEARS?



Calm Before the Storm

Though Hurricane Dorian may be behind us, U.S. supply chains continue to feel its effects. And it's possible that another large storm could still be on the horizon.

Even if manufacturers aren't located in a hurricane impact area, they can still experience business disruptions if a customer, supplier, or transportation route is affected.

In the downtime between storms, companies can take crucial steps to help prevent supply chain disruption, including:

- Have a comprehensive contingency plan in place, including back-up suppliers and alternative transportation routes. Make sure suppliers have back-up plans as well.
- Establish an emergency communication plan for employees and suppliers in case operations are affected.
- Prepare to monitor social media and have a transparent response ready to address customer concerns, troubleshoot issues, and communicate status updates.



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TAKEAWAYS

Barriers to Scalable IIoT Execution

By providing visibility into the assets and processes that historically had no data feedback loop, the Industrial Internet of Things (IIoT) has allowed manufacturing organizations to leverage their incoming data to implement crucial initiatives such as condition monitoring and predictive maintenance.

In addition, by establishing a constant and secure channel for data to flow from physical assets to digital tools, IIoT can provide organizations the ability to extend equipment lifetime, reduce equipment maintenance costs, and deliver more accurate data for production-quality improvements.

In a recent Software AG survey, 84% of automotive and heavy industry manufacturers agree that the most important area of IIoT is “monetization of product-as-a-service-revenue.” Optimizing production is also viewed as a top priority, with 58% of heavy industry and 50% of automotive manufacturers agreeing with that statement.

Still, few manufacturing organizations are actually

executing on their belief in the value of IIoT, primarily due to implementation and integration difficulties.

Case in point: The research shows Information Technology and Operations Technology (IT-OT) integration is considered one of the most difficult implementation tasks, with 57% of automotive manufacturers stating that this has prevented them from realizing a full return on their IIoT investments.

About 60% of manufacturers surveyed say that defining threshold-based rules is as difficult as leveraging predictive analytics. This is surprising because condition-based rules, at the lowest form, are simple if-then statements that any associate can create, while predictive analytics rely on complex algorithms that require a data scientist’s expertise.

The data reveals that neither task is considered simple but each is rated as very difficult, with leveraging predictive analytics rated only slightly more difficult than condition-based rules.



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INSIDE INNOVATION

What are the top supply chain differentiators and innovation drivers? According to the findings of BluJay Solutions' *Focus on Customer Experience: Research on Supply Chain Priorities and Investments* report:

■ **Customer experience reigns supreme.** 61% of survey respondents agree or strongly agree that customer experience will overtake price and product as the number one brand differentiator in the next five years. Additionally, "to deliver an enhanced customer experience" rose to the top of the list as the main driver for supply chain innovation, receiving 30% of top factor votes.



■ **Growing demand for real-time visibility and BI/analytics.** In terms of supply chain investment priorities, overall, business intelligence/analytics received the most top factor votes (22%), followed closely by visibility/control tower (21%) and transportation (16%).

TAKEAWAYS

■ **Connecting the ecosystem.** A strong partner ecosystem is critical for achieving a frictionless supply chain that enables better and faster decision-making to meet today's high-speed demands. The survey results show that companies that are more electronically connected to their trading partners are more likely to have better supply chain performance.

■ **Making supply chain a C-suite conversation.** When looking at the factors impacting supply chain innovation the findings reveal that "lack of upper management support for funding/resources" is a significant inhibitor. Particularly, for laggard/late majority companies, it is the biggest barrier to innovation, receiving 23% of top factor votes (compared to 10% for innovator/early adopter companies).



Greg Syfan, President, Jim Syfan, CEO and Steve Syfan, Executive Vice President



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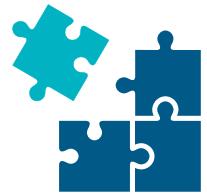
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Supply Chain Challenge?

SOLVED



Control Tower Approach Drives Visibility, Aids Planning and Supply Chain Reliability

LANXESS, a global specialty chemicals supplier, selected Odyssey Logistics & Technology to track multiple assets for four business units that provide products across 33 countries.

THE CHALLENGE

References to control towers generally conjure up mental images of tall buildings lurking in the middle of airports that are filled with air traffic controllers hovering over numerous radar screens to ensure every aircraft departs and arrives safely. While there may not be a physical “tower,” a supply chain and logistical control tower works in a similar fashion, providing visibility across multiple operations, assets, and services. When LANXESS was challenged with managing a variety of assets across multiple partners and countries such as ocean containers, rail cars or ISO tanks, its team turned to Odyssey to help track these resources.

The core business for LANXESS is developing, manufacturing, and marketing chemical intermediates, additives, specialty chemicals, and plastics. The challenge was to integrate all assets across four LANXESS business units servicing 60 production sites worldwide so that the internal customer team can see where their products are dwelling at any given time.

THE SOLUTION

Prior to deploying Odyssey’s custom-designed control tower, LANXESS was receiving GPS data from three different device providers in varying formats



with no way to overlay the location information. Odyssey now gathers all this data, integrates it into their centralized control tower and then distributes it in a consistent format—ultimately improving visibility, while saving time and money.

Going one step further, Odyssey also built geofences around storage depots and LANXESS plants. LANXESS now knows what assets are sitting, where they are dwelling and how long they may have been stagnant. This helps them keep products moving within close proximity to a LANXESS production facility and customer location. The many parts in the LANXESS supply chain are now aggregated and completely visible for employees around the world through clean data that goes up to five layers, drilling down to a business unit level as well as product level.

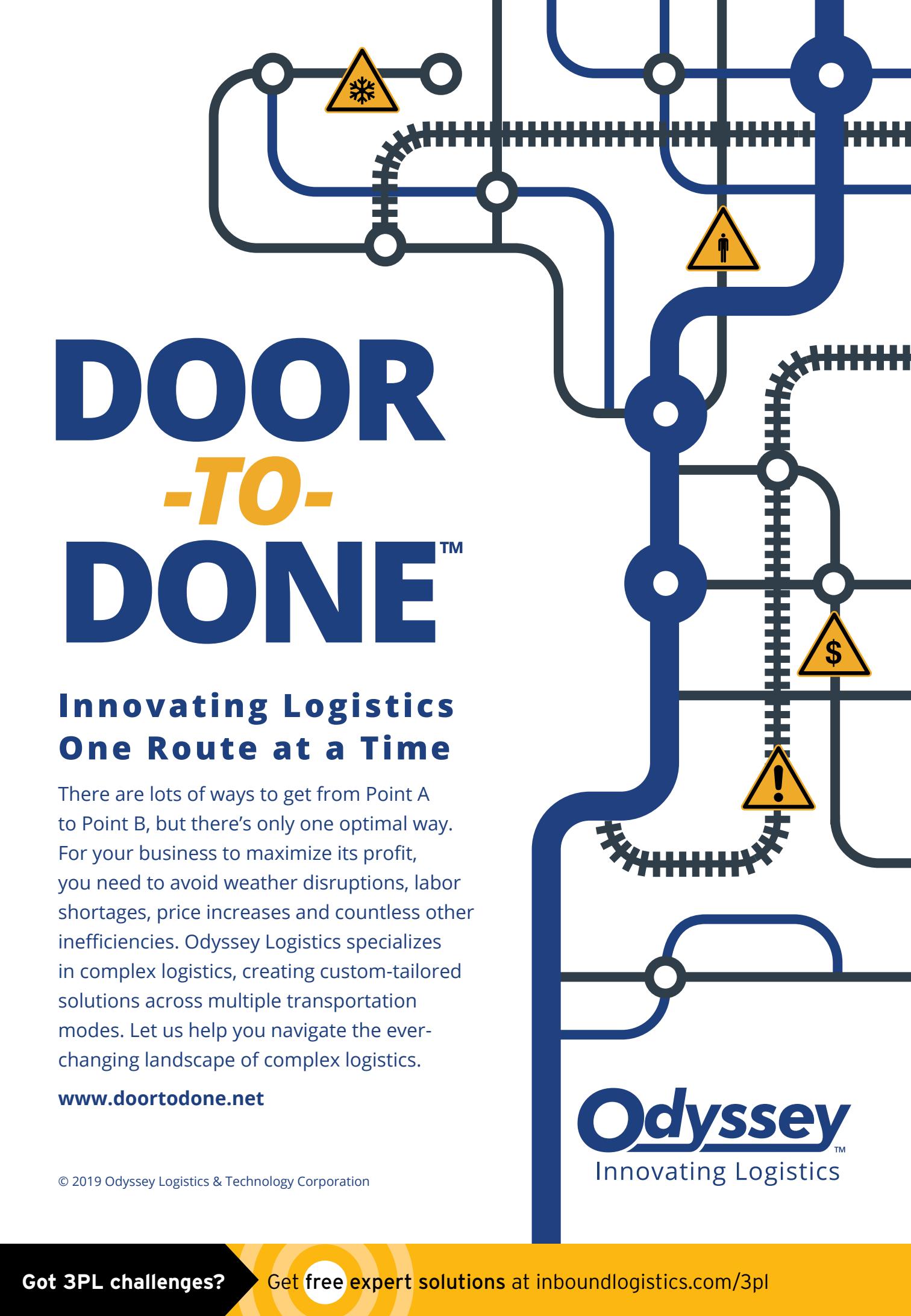
The Odyssey-designed LANXESS

control tower provides an integrated overview that allows the team to maximize customer service and overall efficiency by aligning all assets. This facilitates improved upstream planning to consistently meet production cycles. The increased visibility and rich data also aid LANXESS in scheduling equipment maintenance, which is valuable in keeping assets online and at the ready. And, when there is a significant weather or in-transit event, the visibility of asset type and status is invaluable in preventing a supply chain disruption, allowing the team to source another alternative to deliver for their customers.

Whether transporting chemicals, raw materials or food, Odyssey has the expertise to create a targeted, comprehensive control tower solution that addresses a client’s unique set of challenges, systems, products, and vision.

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THOUGHT LEADERS

Data on Loading Dock Activities Improves Operations, Boosts ROI



Michael Eastabrook

President and Managing Director
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Warehouse managers have long been forced to base decisions about their loading docks on assumptions rather than data. That's starting to change, thanks to new technology that assembles objective information to support well-informed decisions.

Q: *For shippers in retail, high-volume distribution, and similar industries, what kinds of data about activities at the docks could help to make their operations more efficient?*

A: Historically, managers have not been able to track key performance indicators (KPIs) related to the loading dock environment, such as the time trucks spend restrained, the number of restraint overrides, or the number of operational cycles for each piece of equipment. When managers and supervisors have this information, they can, for example, identify operators who need better training on equipment, put loading crews to work the minute trucks arrive, or schedule equipment maintenance and replacements more effectively.

Q: *How does the 4SIGHT Connect-Dock platform, together with the Kelley Digital Master Control Panel, help shippers use data to achieve improvements?*

A: While providing an interface for controlling all dock equipment, the Kelley Digital Master Control Panel also collects data from sensors in that equipment, relaying it over an independent network to the cloud-based 4SIGHT Connect-Dock platform. That platform provides full visibility into dock operations. The information

is available on any device with a web browser. Through the 4SIGHT Connect-Dock's dashboard, users can monitor KPIs in real time and receive alerts about issues of concern, so they can take immediate action.

4SIGHT Connect-Dock can also generate historical reports. For example, a report might compare performance on different shifts or on various docks. This provides a firm foundation for strategic decisions, helping companies enhance efficiency and gain a better return on the capital they invest in dock equipment.

Q: *What are the advantages of managing a facility's docks through a cloud-based platform?*

A: Because 4SIGHT Connect-Dock is a cloud-based platform, managers can gain visibility into dock operations from any location, whether in another part of the warehouse, in another city, or from home in the evening or on weekends. If anything happens that should raise concern, a manager will learn about it directly and can take immediate action.

Also, thanks to the cloud architecture, as 4SIGHT Connect-Dock is updated and improved over time, it can push those changes to its customers, who gain seamless access to the new features.

In addition, the cloud architecture helps to future-proof a company's investment in loading dock technology. As warehouses embrace innovations such as autonomous forklift trucks and autonomous tractor-trailers, these advanced systems will be able to interact seamlessly with a company's loading dock equipment, using 4SIGHT Connect-Dock as the connectivity hub.

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[INSIGHT]

IT MATTERS

by Tom Maher

Senior Vice President, Global Service Parts, Dell EMC

Tom.Maher@Dell.com | 512-632-2505

How Smarter, Stronger Supply Chains Improve the Customer Experience

Companies today are increasingly leveraging digital technologies like artificial intelligence (AI), deep learning, and machine learning (ML) to build smarter supply chain operations.

They are turning “big supply chain data” into real insights that improve efficiency, bring products and services to market faster, and deliver differentiating customer value, all key to remaining competitive in the new digital economy.

But, before organizations can start to leverage these technologies, they need to digitize and integrate their supply chain fully and then understand what degree of “big analytics” techniques can transform the way they manage their supply chain.

With end-to-end traceability of parts through the supply chain, in and out of global warehouses and customer sites, massive amounts of historical and real-time service parts data can be utilized.

Companies gain insights from their data by applying various ML modeling techniques to two areas: 1) predictive and proactive planning and 2) faster repair times.

Predictive planning and forecasting can present ongoing challenges due to the unpredictability of demand for service parts. For more accurate demand forecasting, domain expert parts planners

and data scientists must collaborate to develop and supervise a data-driven digital ecosystem that uses deep analytics to identify and focus on variables, build predictive models, and generate plans for global inventory.

Generating plans without human input also reduces the time and resources spent on the front end of this process. Once done, parts planners need only to review and adjust them before approving. As the planning tool continues to “learn” from planner modifications and usage patterns, and as AI continues to evolve, companies can move to a fully autonomous planning tool, freeing planners to focus on more complex issues.

PREDICTIVE REPAIRS

When product repair is needed, organizations want to make the process efficient and straightforward. A predictive repair engine can combine relevant data science and analytics to recommend what parts are required before a unit arrives at the repair depot.

Traditional operations process flows

need to evolve into an answer-first model. The process flow also needs to accommodate repair paths that optimize current and future-state models. There are many ways to solve this. For one, piloting variations of these lines on small product sets lessens the impact and risks to customers.

Reverse supply chain data that comes from built-in system diagnostics, tech support workflow, hands-on diagnostics, defective part evaluations, and other sources also informs predictive analytics that identify the likelihood of failures and help quicken repair times.

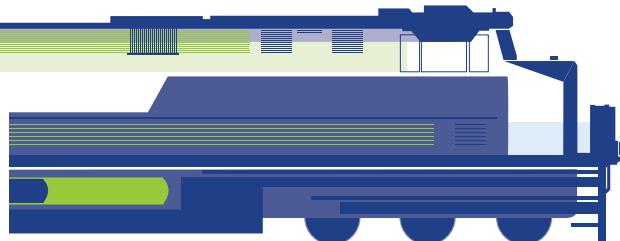
As predictive technology learns from accurate recommendations, efficiency will continue to improve. Customers will benefit because you can anticipate their demands quicker and connect the supply chain network to react to the need.

They will also benefit from the predictive repair engine that learns from post-event failure analysis of parts, as this creates valuable information for product engineers working on next-generation systems.

Innovation and transformation are critical to staying competitive. Companies should apply that same innovation to the supply chain to deliver better customer experiences and outcomes. ■



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[INSIGHT]

VIEWPOINT

by *Eric R. Byer*

President and CEO, National Association of Chemical Distributors (*pictured*), and Mark M. Fisher, President, Univar Solutions USA

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Why Freight Rail Needs Reform

A lack of competition, outdated regulations, and a handicapped federal agency allow poor delivery service, failure to provide notice of fee changes, and inadequate customer service, making it harder for shippers to depend on freight rail.

Those shippers include a substantial percentage of National Association of Chemical Distributors (NACD) members, such as Univar Solutions, who receive product via rail cars and depend on timely shipments to meet their customers' needs. Questionable demurrage policies and charges and the move toward Precision Scheduled Railroading (PSR) are making freight rail a less desirable option.

Chemical distributors have been concerned about demurrage charges for years, but in the past 18 months some railroads have worsened the problem by reducing the time allowed to unload rail cars before being subject to demurrage fees.

Demurrage is intended to facilitate the flow of commerce through prompt loading and unloading of cargo. In general, the person liable for the demurrage is the one who assumed the duty to unload the cargo but failed to fulfill the responsibility. However, this process can break down, resulting in demurrage charges for shippers and excessive company staff time attempting

to resolve problems, even those on the railroad's side. As a result, demurrage fees have turned into a cash cow for freight rail operators.

In a recent survey of NACD members, 40% report that they had received wrongful demurrage and/or accessorial charges and in 60% of these cases, the rail carrier failed to provide on-time delivery before the charge was imposed. Most small businesses will not push back because of the big railroads' lack of concern or fear of retribution, but many NACD members have filed complaints.

Of these companies, 70% were successful in disputing the charges. All—including many small businesses—had to spend valuable staff time disputing charges that the railroads should not have imposed in the first place.

PSR SLOWS PROGRESS

The advent and implementation of PSR by Class I railroads exacerbates the unfavorable demurrage situation for rail customers. PSR has created cost savings for railroads while imposing enormous delays and service issues for

rail customers and restrictive service conditions on shippers. Changes to the system—including establishing and enforcing reciprocal demurrage and a rollback of PSR—would improve the current situation and provide incentives for both customers and railroads to move product and rail cars more efficiently.

Under reciprocal demurrage, when the servicing railroad fails to pick up the rail cars, the shipper or receiver would charge the same daily demurrage rate and in the same time reference after constructive placement to the railroad company.

This reciprocal option would reduce the customer's shipping charges, especially when they have done everything within their power to meet their end of the contractual agreement. Recent attempts at PSR have proven disastrous, and freight railroads should learn from their mistakes.

It is time for shippers and receivers to invoke a reciprocal demurrage fee structure and even-handed operating policies on the major rail providers that the U.S. Surface Transportation Board and other regulators should enforce.

It is only fair that both sides be motivated to do their part to ensure that shipments arrive as scheduled. This will create more favorable service for shippers and customers who depend on this critical mode to move products and our economy forward. ■

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GREENLANDSCAPE

by *Pete Zimmerman*

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Tech Can Turn Your Supply Chain Into a Well-Oiled Green Machine

The majority of your customers want to make their consumption habits more sustainable and their loyalty will only go so far if your brand doesn't adapt.

Despite growing demand for sustainable products, and consumers who value green practices over the green in their wallets, CPG brands are falling short. If they want to succeed, smart brands need to recognize the consequences of getting sustainability wrong.

When this realization occurs at your company—if it hasn't already—you need to be ready to implement a vision of how your supply chain's sustainable practices can factor into the company's overarching green initiatives.

THINK DIFFERENT

Brands love to publicize sustainability initiatives that show an immediate physical impact or presence. Solar panels, wind farms, and green roofs are easy visuals of environmental commitment. But it's not always as simple to imagine the effect even small changes to the supply chain can have, let alone demonstrate this impact to the customer. With the right strategy and

tools, logistics professionals can prove how scalable solutions have a big impact on business and the environment.

- **Tap into blockchain.** Blockchain's reputation for causing an energy drain is earned, yet misleading. The technology has far more applications than just powering cryptocurrency—it has the potential to reshape the supply chain.

Blockchain-powered solutions offer the vastly improved ability to track goods and capture costs. This increased visibility also allows businesses to keep a much closer eye on the vendors carrying products through the supply chain.

Touting the green initiatives of partners and vendors is often a core component of sustainability plans, and blockchain-based systems make it easier to keep these parties honest.

- **Be resourceful.** Incremental changes to your company's impact on the supply chain can make a big difference. Maintaining an accurate, real-time picture of inventory in the form of a modern enterprise resource planning

(ERP) solution can be key to this reality. Reducing the number of shipments through a given facility can add up quickly in the form of lower carbon emissions and energy use.

Additionally, ERP software synthesizes millions of new data points, so proving the resulting environmental and financial impact of your sustainability efforts is a simple task.

- **Spread the word.** If you've committed to giving customers more eco-conscious options, tell them about it. Also communicate your success internally, and support departments like marketing in spreading the word to customers about your green practices.

Use social media and targeted ads to share the news about choosing sustainable vendors, implementing new tech, and reaching milestones.

THE VALUE OF GREEN

Technology has the power to reshape the supply chain and make practices more sustainable in the process. As all companies look to match their processes with customers' environmental values, technology that creates a more transparent, efficient operation will be a key driver toward a healthier planet. ■



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[INSIGHT]

SMARTMOVES

by *Debbie Lentz*

President of Global Supply Chain, RS Components and the Electrocomponents Group

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Five Tips to Achieve Career Success

The beauty of working within the supply chain is that it touches nearly every aspect of a business, which opens up huge career opportunities.

Regardless of the career path you opt for within the supply chain, and like any job you embark on, to achieve success you need to work hard. Here are five tips for achieving supply chain career success:

1. Experience = opportunities.

Progression in any industry requires hands-on experience. While knowing theory is important, putting that knowledge into practice is a skill that has become desirable to employers.

One of my first jobs was in a customer service department for a food and drink manufacturer, where I was taught the value of understanding customers. I progressed to the inventory operations team and was given the opportunity to continue my studies and work toward an MBA. These opportunities and experiences meant I had a wide range of skills that were favorable to future employers

2. Maintain knowledge of the industry. Stay on top of upcoming conferences and look at opportunities to speak at these events. Not only will this deepen your knowledge but it is also a great way to network and get recognized. By showing what you bring to the industry, you'll become someone who businesses want to employ.

Don't underestimate the power of online networking. The internet provides a breadth of opportunity, whether that's creating a blog, interacting through social media, or contributing articles to industry publications. Should you know the area you want to home in on in your career, keep this as a focus of your online networking activity.

3. Get your voice heard. Be vocal about what you want from your business and know the skills you need to get there. Being open with your leadership team about your ambitions and where you want your skill set to grow will help you get the support you need to achieve your goals.

Working abroad had always been an ambition of mine, for both my career and my family. I knew that to achieve this I needed to network and openly discuss these goals. I built relationships with my company executives and aired my desire to work overseas. In doing so, once a position became available, I then had their full support to go for it.

4. Make purposeful career movements. A sideways career move could look like moving to a different position within your current company, or moving to a new company but

keeping a similar job title, salary, or even responsibilities.

I quickly found that to get to where I wanted to be in my career, and in order to work myself closer to the top, I needed experience working in the manufacturing sector, which I'd not yet done. My drive and determination to be successful led to my decision to take a life-changing but lateral career move to a job 4,000 miles away in Zurich in order to gain this experience even though this was a position with far fewer responsibilities.

Taking the risk paid off as this ended up being a pivotal career move. This move is part of the reason why I have the position I hold today and the career experience under my belt.

5. Aim high. The supply chain within any industry is broad. You, therefore, need to understand what the "top" looks like in the position you aspire to. Once you know this you can move toward translating this directly to your personal career path to get there. To move up the ranks, you need to gain more responsibility.

If you are at a crossroads in your career path, mapping out a clear plan is a great place to start to achieve your long-standing ambitions. Don't rule out lateral career moves, seek support from a mentor, and the top of the tree will start to become more achievable. ■

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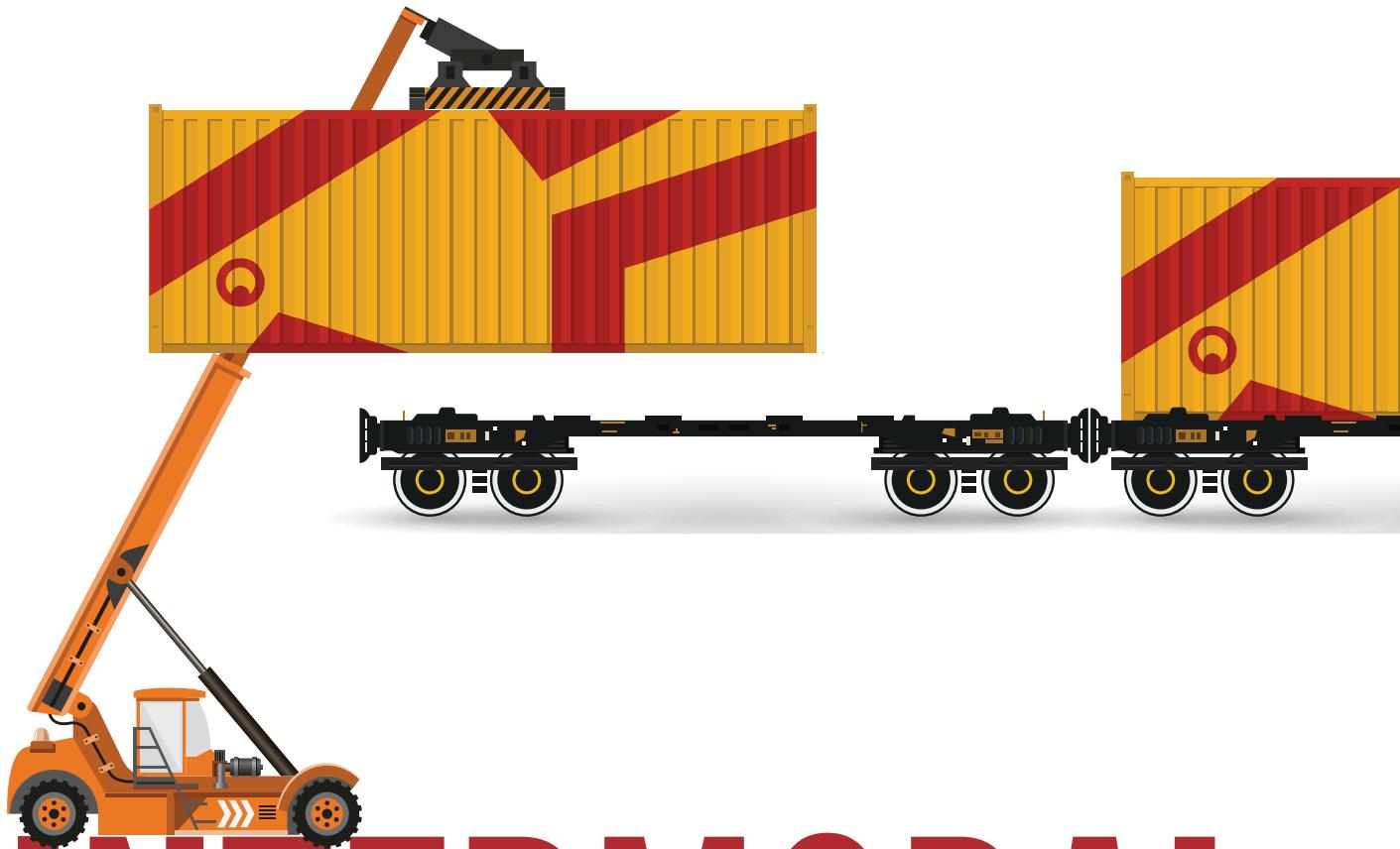
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INTERMODAL 19 TIPS FOR SUCCESS

BY MERRILL DOUGLAS



EXPERTS SHARE ADVICE ON HOW TO GET FAST-ENOUGH SERVICE WHILE SAVING MONEY WITH DOMESTIC INTERMODAL TRANSPORTATION.

North American shippers in 2019 aren't choosing intermodal for domestic transportation quite as often as they did in 2018, according to statistics from the Intermodal Association of North America (IANA). In the first quarter of 2019, domestic container traffic fell by 4.1% compared with Q1 of 2018. That trend continued in the second quarter, which saw a year-to-year drop of 6.3%.

Nevertheless, many shippers still look to intermodal for transportation savings. "Rail is always cheaper than road," says Murray Tairney, purchasing manager at Davey Textile Solutions, which uses intermodal for some shipments from a supplier in Montreal to its factory in Edmonton, Alberta.

"If I could ship every case intermodal, I would," says Robert Iannuzzo, senior manager of logistics at importer and distributor Proximo Spirits in Jersey City, New Jersey.

Of course, when your logistics strategy includes rail freight, different conditions apply than when you use only over-the-road (OTR) transportation. Here's some advice for making the most of rail intermodal.

WHEN TO USE IT

1 Choose the right lanes. "Generally, longer-mile transit equates better to going on the rail than shorter-mile transit," says Craig Laughlin, senior business development representative at Zipline Logistics in Columbus, Ohio. A trip of 500 or 600 miles by rail doesn't save the shipper enough to offset the cost of drayage to and from rail terminals.

A shipment of 700 miles or more is an opportunity to consider intermodal, says Rick LaGore, chief executive officer at Intek Freight and Logistics in Indianapolis. "Also, you don't want to be more than 50 or 100 miles away from the rail ramp." That distance can be a bit greater if the rail portion of the trip is extremely long.

2 Choose the right loads. "Rail transit is comparatively more complex and less predictable than over-the-road," says Matthew Decker, vice president of intermodal at Chicago-based Coyote Logistics. "If you have an inflexible, pre-set delivery appointment with hefty potential late fees, check with your provider to decide if recent rail performance is consistent enough to meet your needs."

Loads that lend themselves well to intermodal transportation include raw production materials, packaging materials, and goods being transferred from one warehouse to another. "These are moves that are necessary but that aren't ending in a sale," says

Laughlin. Because they can afford a bit of extra transit time, such moves provide great opportunities to reduce transportation costs.

3 Don't be in a hurry. While rail freight services are cheaper than truck transportation, they're also slower. "If you're desperate for a shipment, never use rail," says Tairney. "But if you can wait and build in that lead time—whether that be one week or two weeks—and you're not desperate, rail's a great way to travel."

4 Find a partner who offers creative solutions. "It boils down to working closely with a multimodal third-party logistics (3PL) provider," Cooper says. "For example, there may be ways to leverage short-haul truck moves as a cost-saver in an intermodal strategy. To do this, the 3PL needs insight into the shipper's entire book of truckload business."





ROUTING, TIMING, BALANCE

5 Examine all intermodal options. A third-party partner that maintains relationships with all rail carriers can offer a choice of routes, transit times, and rates for a particular load. “Some shippers would rather wait the extra two days and save money,” says Laughlin. Others want faster transit, even though they know it won’t be as fast as an OTR haul.

The carrier generally dictates the route that rail freight takes. But the shipper may be able to choose between tendering the cargo to a railroad nearby or draying it over a long distance. “Sometimes there’s flexibility in choosing which ramp to use for lanes like Chicago to Los Angeles, where multiple terminals offer different routes and cutoff times,” notes Troy Cooper, president of XPO Logistics in Greenwich, Connecticut.

6 Consider splitting your business. You might need to work with more than one partner to get the greatest advantage. For example, in the

western United States, some intermodal marketing companies (IMCs) work primarily with the Union Pacific (UP) railroad, which provides its own domestic containers and won’t take containers from other sources. Other IMCs work mainly with the BNSF Railway and provide their own rail containers.

“Shippers need to be educated on the options,” says Matt Parry, senior vice president of logistics at Werner Enterprises in Omaha, Nebraska. “Most of the time that means bringing in a few different providers that ride each railroad and using that as a way to learn the right choice for you.”

7 Plan ahead. “Lead time is always huge,” says Laughlin. Large shippers can use their volume to negotiate better rates from carriers. But even smaller shippers can keep a lid on intermodal costs by planning shipments well ahead of time and making sure that every step occurs on schedule.

“Detention is higher for rail than for truck,” says Laughlin, referring to the charge a carrier imposes when rail freight sits in a yard too long. So, for example, when a container reaches a destination ramp, it pays to make sure that a truck will arrive promptly to dray it to the final destination.

8 Be flexible. Strict rules about when a truck should arrive to pick up or deliver a container can push costs higher. In some cases, if you agree to

admit a driver a little sooner or later than usual, you can save money. “Sometimes it’s cheaper to pay overtime at the warehouse to unload the container a day or two earlier than to have it sit in the yard and pay storage,” says Laughlin.

9 Align shipping patterns with rail schedules. A company might send a truck to meet a train that arrives at 4 a.m., and by the time that container is loaded on a chassis and ready to roll, it’s 6 a.m. But the consignee only accepts deliveries between 4 and 7 a.m.

“That adds a whole day to the transit, and incurs dwell [detention charges],” says Parry. Unless the consignee can change its receiving hours, or the shipper can work with a rail carrier that arrives earlier, intermodal might not be the right choice for this lane.

10 Check the calendar when you ask for rates. “The fourth quarter is typically the worst time to go out for bid,” says LaGore. Carriers set prices for lanes based on current market conditions. Demand for capacity surges toward the end of the year. So if you approach carriers in November, they’re likely to ask for more money.

“It makes better sense to go out in February or early March to get the best rates,” LaGore says. “That tends to be when intermodal volumes are down.” Big shippers follow that rule of thumb; smaller shippers should do it, too.





LOADING AND UNLOADING

11 Mix intermodal and OTR strategically. “Intermodal doesn’t need to be all-or-nothing,” says LaGore. To get the best price and service, examine each lane that’s at least 700 miles or more, evaluate the distance to rail ramps, and then compare prices for intermodal and truckload service.

Even a shipper that uses truckload transportation successfully on a high-volume lane should consider blending modes as a hedge against capacity crunches.

12 But mix them consistently. Whatever blend of truck and rail freight you choose, it’s important to execute consistently on that strategy. “You just add cost if it’s intermodal on Monday and truck on Tuesday, because both create inefficiencies in the network by never knowing when you’re going to ship,” says Parry.

IMCs and other service partners provide the best value when there’s a reliable rhythm to the service a customer expects, he says.

13 Be aware of the capacity situation at your origin. “If you ship out of a generally surplus market, like New Jersey, securing capacity is less likely to be an issue,” says Decker. “If you ship out of a traditionally deficit intermodal market, like Cincinnati or St. Louis, it’s important to work with a provider that has a steady inbound capacity in your region.”

14 Watch your weight and dimensions. “The standard over-the-road weight is 45,000 pounds,” says LaGore. “On intermodal, you can only load at 42,500 pounds. That often disqualifies potential loads.”

Also, a domestic intermodal container may have slightly different dimensions than a truck trailer. “Weight and size differences do have an effect on some products,” says Parry. Some shippers decline to use rail because they can’t get as much product into a container as they can into a trailer.

15 Block and brace correctly. “While intermodal transit is smooth, gentle vibrations caused over hundreds of rail miles can cause product to slide,” says Decker. “To prevent load shifts and product damage, shippers must fill empty space with void fillers and dunnage.” This is true for OTR as well, but it’s more critical with intermodal.

Besides causing damage, vibrations on the rail might also change weight distribution. When the container returns to the road at the end of the trip, it might no longer comply with state regulations for how much weight a truck may carry on each axle.

16 Use a drop-and-hook strategy. Dropping containers on site for loading later is one of the keys to efficiency at Proximo Spirits’ distribution center (DC) in Lawrenceburg, Indiana.



That facility ships 12 to 14 million cases annually from eight loading bays.

“The only way I can do that is to smooth out the logistical side of the business by pre-loading,” says Iannuzzo. The DC usually has 75 to 100 empty containers waiting on site. “That gives me the flexibility to load then, when I have the staff and inventory, versus having them wait for three to six hours with live loads or trucks.”

With a drop-and-hook strategy, drayage drivers may also drop loaded trailers at a receiving site, rather than wait for them to be unloaded. A facility that accommodates drivers’ schedules can save a shipper money. “Keep drop-and-hook sites open around the clock with no appointment necessary,” says Cooper.



FINAL ADVICE

17 Cultivate close ties with rail carriers. “We’ve developed some good relationships with Norfolk Southern and CSX out of Cincinnati,” says Iannuzzo, whose company works with Werner Enterprises to coordinate most of its transportation. “Those railroads tend to do things for us they might not do for other customers.”

Good forecasts and abundant communication are key to fruitful relationships. “The more, and the more timely, information I can get to them, the better,” he says.

Benefits that Proximo has seen grow out of those strong ties include a

decision by CSX to keep its rail ramp in Cincinnati open on weekends to accommodate Proximo’s heavy volume there, Iannuzzo says.

18 Take advantage of technology. The transportation management system (TMS) that your IMC or 3PL uses should be able to look across multiple modes to find the best solution. “Ask about electronic communications,” says Cooper. “Are the updates current? Are shipment tracked on both containers and trucks?”

A provider that maintains robust data on historical trends and uses predictive analytics can offer proactive insights.

“Also, prioritize exception-based tracking, which leads to more effective load tracking, along with faster issue resolution,” says Decker.

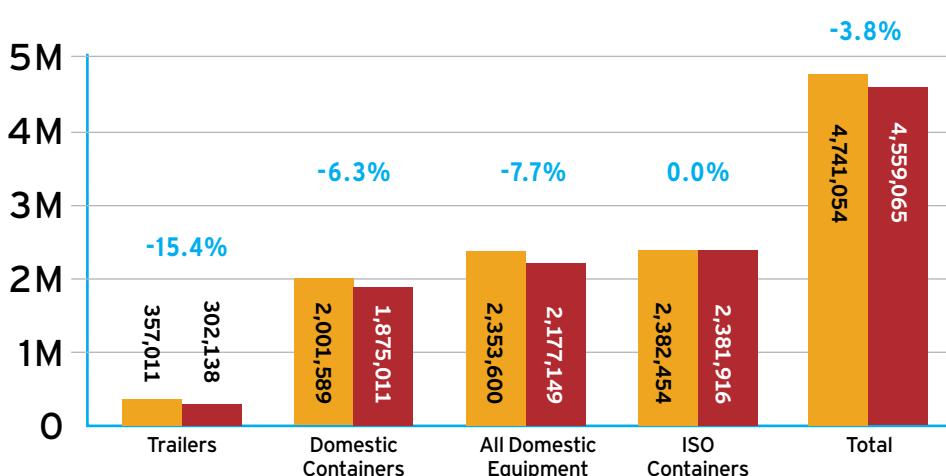
19 Try, try again. Don’t let one bad experience—say, an unexpected detention charge—sour you on intermodal. “There’s a place for it,” Laughlin advises.

For example, consider the customer that used intermodal for seven out of 100 recent moves with Zipline Logistics. “Those moves will save the company about \$5,000,” he says. “Compound that over months, quarters, and years, and it’s a sum of money you can’t ignore.” ■

SECOND QUARTER 2019 INTERMODAL VOLUME COMPARISONS

Total intermodal volumes declined 3.8% year-over-year in the second quarter of 2019, according to the Intermodal Association of North America’s Intermodal Market Trends & Statistics report. International intermodal showed no change from the same period in 2018, while domestic containers and trailers dropped 6.3% and 15.4% respectively.

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MARITIME
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While the prospect of higher tariffs and the cost of low-sulfur fuel requirements pose concerns for the maritime industry, it's forging ahead with bigger, more automated seaports, as well as technology that improves visibility, reduces its environmental impact, and streamlines operations.

BY KAREN KROLL

While the maritime industry faces challenges—uncertainty around tariffs and concerns about the ultimate cost of the low-sulfur fuel requirements that go into effect in early 2020—it's also experiencing changes that should be positives for shippers. These changes include upgrades at many seaports as well as collaboration between neighboring ports; the formation of the Digital Container Shipping Association and the Global Shipping Business Network; and new technologies that can offer greater visibility to ships' cargo. Moreover, these positive shifts in maritime logistics promise to continue.



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WHATEVER IT TAKES TO MAKE YOUR CUSTOMERS' EXPECTATIONS A REALITY



TARIFFS. It's not all smooth sailing in the maritime logistics realm. In August 2018, the Trump administration announced that it would raise tariffs from 25% to 30% on about \$250 billion in goods coming from China.

Prior to the tariffs, trade between China and the state of Louisiana totaled about \$7 billion per year, says Chris Kane, New Orleans-based partner and global trade, transportation, and logistics team leader with law firm Adams and Reese. It has since dropped to about \$3 billion.

While tariffs are definitely a challenge, they also present an opportunity. Louisiana is now exporting more than it had been before the tariffs started. However, that trade is with Canada, Mexico, and South Korea, among other countries. "It's a net positive for exports," Kane adds.

To be sure, import tonnage remains down, due largely to a drop in steel imports. "It's not like a magic wand passed over Louisiana and we were not impacted," Kane says. But, the market "baked in," or accounted for the potential instability resulting from the tariffs and implemented strategies to take advantage of opportunities.

Indeed, many seaports across the East Coast are enjoying impressive growth. They increased their total share of the inbound container market to 43%, up

from 42.7% in 2017, notes Cushman & Wakefield's 2019 North American Ports Outlook (*see sidebar*). Seaports on the West Coast account for the remainder.

"I think the share will go to 50-50 when both East and Gulf Coast seaports are included," says Jim Newsome, chief executive officer with the South Carolina Ports Authority. He notes that 70% of consumers in the United States live east of the Mississippi River. By moving their goods directly from Asia to the Gulf or East Coast, many shippers can cut intermodal transportation costs.

ALLIANCES. The three alliances—2M, Ocean Alliance, and THE Alliance—among top container carriers continue to impact maritime logistics. "Alliances bring a measure of stability to the industry," Newsome says. They enable carriers to offer a range of routes without undertaking the massive investment in vessels that would be required if each carrier made all routes available on their own.

In addition to these alliances, nine of the largest carriers—A.P. Moller-Maersk, Hapag-Lloyd, MSC, ONE, CMA CGM, Evergreen Line, Hyundai Merchant Marine, Yang Ming, and ZIM—have formed the Digital Container Shipping Association (DCSA). The DCSA's goal is to establish digital standardization in the container shipping industry, streamlining administration and enhancing visibility.

"For customers, the DCSA means less red tape. For authorities, it's one point of contact," says Nils Haupt, spokesperson with Hapag-Lloyd. "For ports, it's more efficient collaboration."

Still, concerns remain about having such a large percentage of the shipping industry concentrated in a small number of players. The top 10 shipping companies control about 83% of the global ocean container shipping capacity, Cushman & Wakefield reports. That could lead to fewer options and higher prices for shippers.

In addition, the alliances often operate with a hub-and-spoke model, which can mean more trans-shipments, in which one ship transfers cargo to a feeder vessel, says Mollie Bailey, vice president, international with Transplace, a transportation management solutions provider. If the first ship is late, containers may sit before they can move to another ship.

It's not just carrier alignments that are impacting maritime logistics. More seaports in the United States and in some Asian countries are collaborating to consolidate port operations, achieve economies of scale, and improve overall efficiency.

As one example, four years ago, the ports of Seattle and Tacoma joined operations. "We've been able to prioritize our investments and develop a strategy that will optimize utilization of our terminal assets across the gateway," says Larry Kvidera, marketing and international trade manager with the Northwest Seaport Alliance.

SUSTAINABILITY INITIATIVES. Maritime logistics increasingly is concerned with moving goods with as little environmental impact as possible. Seaports, carriers, and affiliated firms are rising to the challenge. "The ocean shipping industry doesn't get credit for its sustainability efforts," Newsome notes.

A case in point is the ruling by the International Maritime Organization. As of January 1, 2020, ships will need to use fuel with a sulfur limit of 0.50%, down from the previous limit of 3.5%.



PHOTO: THE NORTHWEST SEAPORT ALLIANCE - PORT OF TACOMA

The Northwest Seaport Alliance reached a historic milestone in July 2019, handling a record 1,818,221 international TEUs year to date, a 6.2% increase from the prior year.

Hapag-Lloyd will meet this requirement in several ways, Haupt says. It will run one ship on liquid natural gas, equip 10 others with scrubbers, and use low-sulfur fuel on the bulk of its fleet. These initiatives will help Hapag-Lloyd work toward its goal of reducing emissions by 20% by 2020.

The shift to low-sulfur fuel is just one step carriers are taking to reduce their environmental impact. In June 2019, Maersk unveiled a carbon-neutral vessel powered by biofuel.

Also in June 2019, TOTE Maritime Puerto Rico began using carbon dioxide as a refrigerant for 220 containers. Carbon dioxide has a lower global warming potential than the other refrigerants currently used in container systems, notes a TOTE press release.

In August 2019, Leclanché, a supplier of battery energy storage systems, announced the commercial launch of the world's largest all-electric ferry. Over one year, it should prevent the release of 2,000 tons of carbon dioxide and 42 tons of nitrogen oxides, among other pollutants. The battery's lighter weight and smaller size, when compared to a diesel generator, will provide additional energy savings, says Dean Jennings, vice president, e-marine business, Leclanché.

Carriers also are identifying ways to make better use of the backhaul. Many times, containers of goods coming to the United States from Asia are empty on their return trips. Sensors can help track their whereabouts, making it easier to fill them with goods for this leg of the journey, says Vicki Warker, chief marketing officer with Savi Technology, a sensor technology provider.

Along with the vessels themselves, many seaports are going green. The Port of Long Beach, for instance, is investing \$1.5 billion to create the world's greenest container shipping terminal, says spokesperson Courtney Ridgway. It will accomplish this by implementing zero-emissions electric equipment, conserving energy and water, and using recycled materials, among other steps.

Over the next decade, the port also will invest in an on-dock rail program

Smooth Sailing at Container Ports

In 2018, inbound twenty-foot equivalent unit (TEU) volume to the top container seaports in North America increased by 6%, while outbound volumes inched up by 2%, according to Cushman & Wakefield's 2019 North American Ports Outlook.

West Coast: The strongest growth rates for inbound loaded containers were recorded at Prince Rupert (up 8.6%) and Long Beach (up 6.1%). Los Angeles inbound loads were up 3.3% and the Northwest Seaport Alliance experienced inbound growth of 5.2%. Oakland recorded a solid 5% inbound growth, but the port's generally strong outbound direction declined.

Gulf Coast: Houston had a strong year with inbound volume up 9.6% and outbound up 11.4%. For perspective, Houston's growth rates for both inbound and outbound were higher than the average for either the Atlantic or Pacific Coasts.

Atlantic Coast: Each of the largest U.S. East Coast ports did very well in 2018. Savannah had a record year with 10.9% growth on inbound loaded boxes and 5.2% outbound. Charleston and Norfolk were in the 4-6% range on inbound containers. The largest port on the East Coast—New York-New Jersey—recorded an 8.2% gain in inbound.



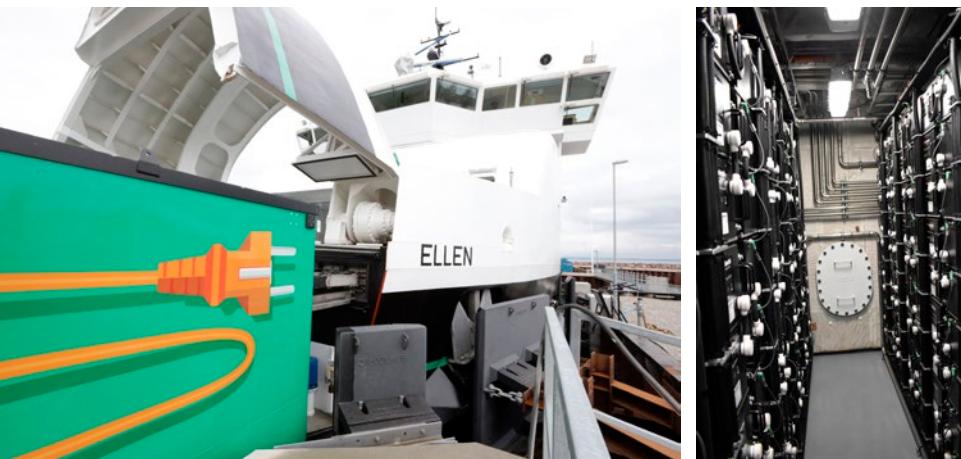
that will allow it to assemble trains up to 10,000 feet long. This will eliminate up to 750 truck trips for each mile of train. "We're moving more cargo with less environmental impact," Ridgway says.

TECHNOLOGY UPGRADES. Along with reducing environmental impact, the technology initiatives underway within many seaports and carriers promise to streamline operations and bring greater visibility to maritime logistics. "The ocean part of a multi-modal shipment is where it has been most blind," Warker says.

That's changing. For instance, Savi can draw on the 10 to 15 million data

points it collects each day to alert shippers to growing port congestion. To provide real-time visibility, Savi combines sensor readings and data from GPS, telematics, ocean vessel locations, and other sources.

Another example comes from Traxens, a provider of supply chain data and services. In June 2019, Traxens announced it was installing its tracking telematics technology on the refrigerated containers of PT TKSolusindo, an Indonesian non-vessel operating common carrier. Shippers will gain visibility to their containers throughout all legs of the journey.



Among green initiatives in maritime logistics, the world's largest all-electric ferry, named *Ellen*, made its first commercial trip in August 2019. Capable of carrying about 30 vehicles and 200 passengers, the e-ferry is powered by a Leclanché battery system.

Many seaports also are working to boost visibility. The Port of New Orleans is evaluating cloud-based data aggregators that heighten supply chain visibility. "Ports are increasing their focus on technology since it's becoming more of a customer expectation," says spokesperson Jessica Ragusa.

Greater visibility can help shippers more precisely manage inventory. Say a shipper assumes its ocean shipments take 45 days. They'll typically double this and maintain a safety stock of 90 days of inventory, Warker says. But if tracking technology shows that the journey takes 35 days 98% of the time, shippers are holding 20 days of inventory they don't need. Reducing inventory levels frees up cash.

Another benefit of visibility is agility. By maintaining a better handle on its supply and distribution routes, a shipper can identify a viable Plan B, or even Plan C, should it become necessary to change course due to severe weather, political instability, or other events. "You can compare the cost of Port B versus Port C, including the cost of tariffs and changing routes," Warker says.

Distributed ledger technology, more commonly known as blockchain, is penetrating the maritime logistics industry. In June 2019, CargoSmart, a provider of transportation solutions, launched the Global Shipping Business Network (GSBN) Services Agreements

with nine maritime industry operators. The GSBN's goal is to transform the global supply chain with openness and transparency.

"We are excited to see carriers, terminals, shippers, and forwarders coming together to connect ecosystems and build a solid foundation for the digitization of the shipping industry to enable the development of innovative solutions based on distributed ledger technology," says Lionel Louie, chief commercial officer with CargoSmart Limited. Distributed ledger technology allows each party visibility, at the same time, to the same data, from its original source, he adds. The result should improve maritime logistics effectiveness.

FASTER TURNAROUND TIMES. Few seaports of the past were built to handle spikes in traffic and the mega-ships now traversing the oceans. "Their infrastructure wasn't built for Easter Sunday," says Mike Wilson, chief executive officer with Consolidated Chassis Management, a cooperative chassis pool manager.

As with other areas in maritime logistics, this is changing, largely due to changes in seaports' physical infrastructure and IT systems. For instance, by 2021, the Charleston Harbor in Charleston, South Carolina, will be deepened to 52 feet. That will make it the deepest harbor on the East Coast.

Along with physical infrastructure enhancements, technology is streamlining port operations. The Port of New Orleans is investing in technology, such as optical character readers on container cranes, to improve production at terminals, Ragusa says.

Similarly, appointment systems can bring predictable solutions to the drayage system, while robust on-dock rail systems can help speed goods to market, says Noel Hacegaba, Ph.D., deputy executive director of administration and operations with the Port of Long Beach. They also allow seaports to better track and control cargo.

And by pulling together the information gained through technology into a Port Community System, shippers can locate cargo within the port, identify delays, and make transportation and routing decisions that will save them time and money, Kvidera says.

In addition, a growing number of stowage teams are using software algorithms to guide the loading and unloading of cargo. In the past, if a customer had, say, 50 containers on a ship, it wasn't unusual to find them mixed with other shippers' containers. That's not surprising, as most ships make several stops along their voyages, collecting more containers at each. Once the ship made its final stop, however, the jumble of containers would slow their transit out of the seaports.

The algorithms increasingly incorporate enough sophistication that they can account for the additional containers a ship collects. With this intelligence, yard workers can more easily assemble distinct groups of containers for different customers.

It's difficult to predict how the imposition of tariffs and potential trade wars will ultimately affect maritime logistics. Any negative impact, however, should be at least partially offset by the continued investments carriers, seaports, and the firms that partner with them are making in technology and equipment that promises to enhance visibility, speed operations, and improve environmental impact. ■



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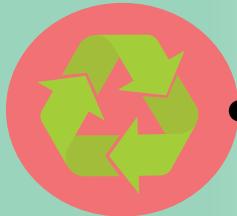
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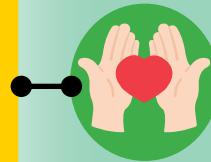
RETURN TO MANUFACTURER



LIQUIDATE



RECYCLE



DONATE



DISPOSE

0%



RECOVERY VALUE

The Logistics of Liquidation

WHEN A CUSTOMER RETURNS A PRODUCT, OR A COMPANY CLEARS UNSOLD MERCHANDISE OFF THE SHELVES, THAT'S THE START OF AN UPHILL CLIMB IN SEARCH OF MAXIMUM VALUE RECOVERY.

by Merrill Douglas

October 2019 • Inbound Logistics 51

NEXT LEVEL SERVICE
WHATEVER IT TAKES TO MAKE YOUR CUSTOMERS' EXPECTATIONS A REALITY


THE NORTHWEST
SEAPORT ALLIANCE

It's easy to picture retail as a river, with product flowing from manufacturer to merchant to consumer. But think about all the merchandise consumers return, including about 30% of goods sold online. Some of that product goes right back on sale, but much of it isn't in sufficiently perfect condition. Then consider the product that never gets sold in the first place.

The last thing a company wants to do is write off this merchandise and truck it to a landfill. That's where reverse logistics and liquidation come in.

Reverse logistics refers to the process of receiving returned or unsold merchandise and preparing it for the next step in its lifecycle. Liquidation refers to the sale of this product through secondary channels.

Those towels you examined at Ollie's Bargain Outlet? That lot of 500 pairs of earrings on eBay? The still-in-the-box panini grills at the weekend flea market? They all got where they are thanks to liquidation.

Besides returned items, products that go into liquidation channels can include shelf pulls (merchandise that was put up for sale but never bought) and overstocks (merchandise the retailer no longer wants because it's out of season,

obsolete, or otherwise undesirable), says Renee Cyr, who together with Robert Cyr operates Product Sourcing 101, an information publisher and community for buyers and sellers of wholesale merchandise.

Products for liquidation also include salvage goods, which pose a particular challenge. "True salvage merchandise is defined as broken and/or damaged items that have been tested and deemed of little value," Cyr says. Liquidators seek to squeeze what value they can from those items.

THREE GOALS

A well-conceived strategy for reverse logistics and liquidation helps a company achieve three kinds of goals, says Jeff Rechtzigel, vice president and general manager, retail at Liquidity Services, a Dallas-based company that helps customers with asset recovery, returns management, and merchandise sales.

The first goal is to recover as much value from merchandise as possible. "That recovery calculation is a combination of how much one is able to sell it for, less all the costs that go into the selling process," he says.

The second goal is to protect the brand by handling products responsibly,

and protect consumers by destroying personal data connected with electronics and other returned products.

The third goal is to uphold a company's sustainability principles. "Unless something is completely broken, there is a buying market for it," Rechtzigel says. "Even if the net recovery on a product is low, it's better not to have it end up in a landfill."

For a company trying to recover value from returned merchandise, the first step is to sort those miscellaneous items and determine what to do with each. For example, Ryder Supply Chain Solutions, based in Miami, operates a site in Pennsylvania for a large telecommunications company, where it processes used equipment that consumers return, such as set-top cable boxes and Wi-Fi routers.

"We screen that product to see whether it still works and can be put back on the shelf," says Norm Brouillette, vice president of operations at Ryder Supply Chain Solutions. Employees at the site clean each unit to remove contaminants such as dust and insects.

If it's in good enough shape, they put the item back in stock to be resold or re-rented. If the unit doesn't work, technicians repair it. If the company doesn't want to reuse a unit, Ryder sells it for scrap. "We certify that it was not put in the landfill or sent somewhere as trash," he says.

ASSET RECOVERY

In its asset recovery service, Liquidity Services also prepares returned items for resale, either in the original market or through secondary channels. "Those services can range from simply removing labels and marks from products, to repackaging, to data wiping to delete any consumer data that may be on electronics, to refurbishment, rekitting, all the way through detailed repair," Rechtzigel says.

Bulldog Liquidators, a retail liquidation chain headquartered in the Los Angeles area, does its own processing. Bulldog buys overstocks from retailers, wholesalers, and other sources and sells that product to the public for

RECOMMERCE: WHAT'S IN A NAME?

If you've been reading up on reverse logistics, you may have run across the term "recommerce." And you may have discovered contradictory definitions.

Jeff Rechtzigel, vice president and general manager of retail at Liquidity Services in Dallas, defines recommerce as performing value-added activities on returned or excess products and reselling them in a way that gains the highest possible net recovery, protects the brand, and is environmentally sustainable.

"What's cool is that recommerce can happen on the original retailer's or manufacturer's store or website," Rechtzigel says. For example, an item purchased from Walmart and then returned could end up for sale on Walmart.com through a third-party merchant.

For some, recommerce refers to used products—especially electronics—that consumers trade for cash to companies that refurbish and resell them. A similar concept exists in the fashion world, where consumers may sell used clothing to resale companies such as thredUP and The RealReal, or brand owners may establish resale programs of their own.

However you define it, recommerce represents part of a larger movement to eliminate waste in the reverse supply chain and give products a new lease on life.



Bulldog Liquidators purchases products from the retail liquidation market, then inspects, tests, and competitively prices them for sale at its store locations.

40% to 80% off the retail price. When it strikes a deal with a seller, Bulldog sends one of its own trucks or a carrier's truck to transport the merchandise to one of its warehouses across the United States. There, workers examine each item.

"We have to make sure it's working, tested, and complete," says Steve Pazmany, Bulldog's vice president of retail. "If it's a used product, it has to be cleaned and tested. If it's a brand new product, that's amazing." When Bulldog can't get a product working, it may sell it for parts—for example, selling a broken vacuum cleaner to a vacuum repair shop.

CHOOSING THE CHANNEL

Once a seller or its third-party partner sorts and prepares merchandise for liquidation, it's time to send the goods into a sales channel. This often poses an interesting challenge. "Often entire loads, pallets, or lots are mixed goods, which will not sell through any one platform," says Cyr. "It's common to resell goods using multiple resell channels."

Larger, bulkier items may sell through local sales applications such as OfferUp, Letgo, or the Facebook marketplace. "Name-brand merchandise works extremely well on platforms such as Amazon and eBay," Cyr says. "Lower-value items are typically sold through discount bins in brick-and mortar stores, in flea markets, and/or a local auction."

Bulldog's main sales channel is its chain of 10 brick-and-mortar stores in five states. But thanks to its 30-day return policy, the liquidation retailer also sells merchandise into other liquidation markets. "When items that we sold come back, they get palletized and we

sell that pallet," Pazmany says. Buyers are likely to be people who sell at garage sales and swap meets. Bulldog also liquidates product that has been sitting in its stores too long, to clear space for fresh merchandise.

Liquidity Services provides three sales channels. One is Secondipity, a direct-to-consumer platform for refurbished consumer electronics.

The second is Liquidation.com, an online platform for business-to-business sales, where millions of registered users buy bulk lots ranging from a box full of product to a truckload. "They are

mixed products that come back in all different conditions.

"It's not a clean business," observes Brouillette. "Retailers that are selling the product may not want to have that come back into the primary hub." The retailer might rather have a third-party partner such as Ryder take this product into one of its own facilities for processing.

Through its information technology, Ryder keeps customers up to date on the status of all their products going through the reverse logistics process. "We can show them that it has been returned and what the status of that return is,"



Reverse logistics operations at Ryder Supply Chain Solutions include inspecting, cleaning, and repackaging equipment with the goal of placing it back into stock.

typically using that product for some form of resale, in their own stores or flea markets, or in a repair operation," Reichtzigel says.

The third channel is for larger customers. "It could be many truckloads of product shipping to a large retailer or truckloads or containerloads of product exporting to another country," Reichtzigel says.

Product Sourcing 101 also offers an online marketplace for liquidated goods, as do many other service providers.

Among the challenges that companies face in the liquidation process, an important one is sorting the

Brouillette says. "Has it been put back in stock? Will it need to be repaired?"

For companies on the buying end, liquidated goods pose another sort of challenge: Often, buyers have to commit to a purchase sight unseen or without a manifest. "Sourcing liquidation goods can, at times, be described as gambling," says Cyr. Buyers should be careful not to let the excitement of the gamble overrule their best instincts.

"Learn as much as possible prior to sourcing distressed merchandise," Cyr recommends. "Use common sense in all regards. If a deal sounds too good to be true, follow your gut." ■

These logistics sites reach
for the stars and
deliver stellar performance.



Logistics site professionals play an important role. They constantly pursue new ways to move products quickly, efficiently, and safely. They know that in order to earn top billing, their methods must change in tandem with market and technology shifts. What works today may work tomorrow, but in all likelihood there is something new under the sun and something even better over the horizon.

To be leading performers, site selectors look for stellar logistics locations and services that will facilitate their journey. Which locations and services make the A-list? Who is setting the standard and who is raising it? How are they doing it? Most importantly, what can we learn from them?

The lessons the site leaders teach us—about state-of-the-art intermodal, warehousing, and distribution services—are born of both experience and vision.

★ **BREAKOUT PERFORMANCE**

When determining the best spot to locate a distribution or manufacturing facility, what makes a site stand out?

In addition to strategic location, site managers should base such decisions on the region's business-friendly environment, labor availability, infrastructure, and land inventory, says Steve Schnur, chief operating officer, Duke Realty, a leading owner, developer, and manager of logistics real estate. Based in Indianapolis, Duke Realty's varied markets include Atlanta, Central Florida, Chicago, Cincinnati, Columbus, Dallas, Houston, Indianapolis, Minneapolis-St. Paul, Nashville, New Jersey, Northern California, Pennsylvania, Raleigh, Savannah, Seattle, South Florida, Southern California, St. Louis, and Washington, D.C./Baltimore.

"In selecting sites for development projects, Duke Realty is extremely analytical, delving into the characteristics of specific submarkets," Schnur says. In many larger markets, Duke Realty may operate in only a few submarkets.

"In each of these submarkets, our properties are well-served by key highway networks and, in many cases, supplemented by other forms of transportation including air, rail, and sea," Schnur says. "Our facilities also are in close proximity to major population centers.

From our properties, companies can easily and quickly reach their customers, whether business-to-business or the end consumer."

One of the most impactful factors that allows Duke Realty to capitalize on regional logistics assets is the local operating teams the company has in place in each of its markets.

"Having boots on the ground gives us intimate knowledge of market dynamics and our customers' needs,"

Schnur explains.

The company's portfolio includes 158 million square feet of space in its 20 major logistics markets.

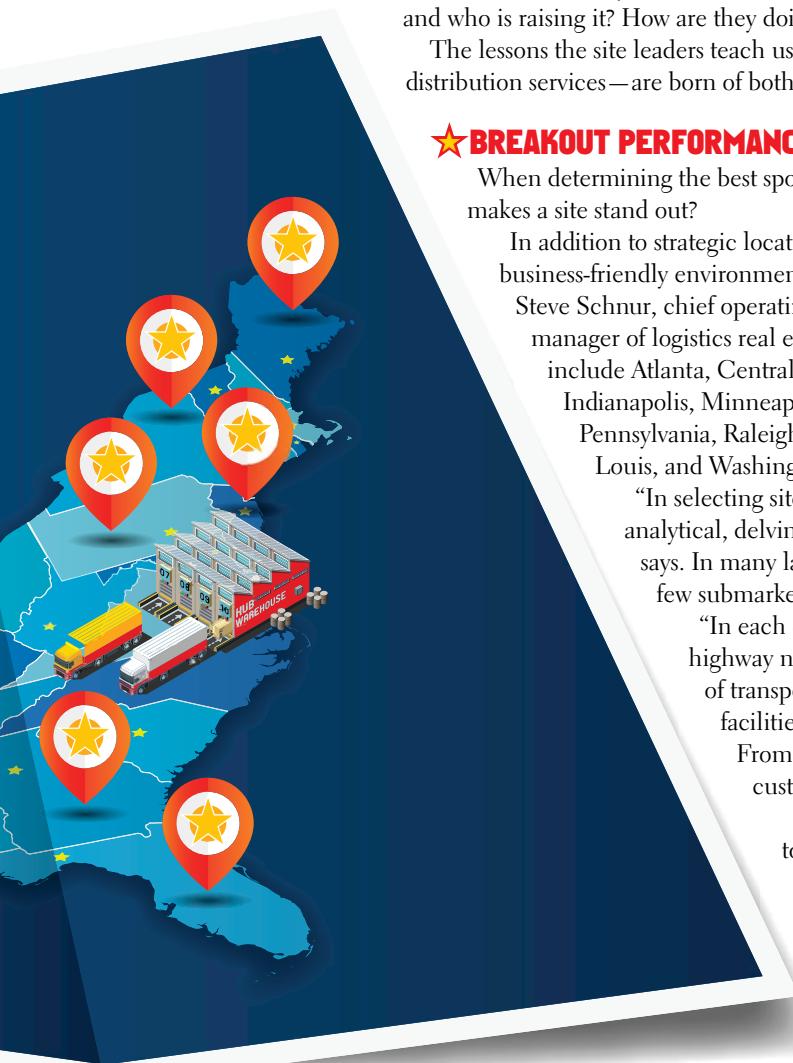
Duke Realty is a full-service commercial real estate

company, providing a wide spectrum of services, including working

closely with customers on site selection, construction, financing, leasing, property management, and renewal. "By owning the land, using our in-house construction team, and leasing and managing our own properties, Duke Realty is able to provide a seamless delivery system, control costs, and manage risk," Schnur says.

Dynamic growth in the logistics sector has prompted new ideas and innovations. "Though much of the growth can be attributed to general economic expansion, there is no doubt that e-commerce has been a big piece of the equation," Schnur says. "That being said, many of our customers are challenged with delivering goods to customers faster and more efficiently than ever. Increased delivery expectations have led to using technology to better manage inventory and improve facility operations."

In turn, the new facilities being built and designed to create stellar logistics sites are focused



Duke Realty, a full-service commercial real estate company, has a portfolio that includes 158 million square feet of space, including this facility in Fontana, California.



The non-privileged foreign position allows the duty rate for goods entering into an FTZ to be assessed according to the condition of the merchandise.

In addition, with access to product for display or exhibition purposes without customs intervention or supervision, utilizing an FTZ can significantly minimize bureaucratic regulations.

The FTZ designation also offers operational benefits, which companies can use to gain a competitive edge in their market. Companies have better inventory control with lower customs supervision. And the duty payable on FTZ goods doesn't need to be included in the calculation of insurable value, which lowers insurance costs. The FTZ may be utilized to examine product so it meets accurate specifications before duty is paid.

Merchandise not meeting the requirements can then be repaired, re-exported, or destroyed without having to make duty payments. Furthermore, goods may be stored in an FTZ for unlimited periods, even if they are subject to U.S. quota constraints.

Certain types of merchandise can be imported without going through formal customs entry procedures or paying import duties until the products are transferred from the FTZ sites for U.S. consumption. If the products never enter U.S. commerce or are re-exported to other countries, duties do not need to be paid on those items.

Watson's strategic location advantages are not limited to Southern California. In 2016, the company acquired two distribution buildings in the West Hills Business Center in Lehigh Valley, Pennsylvania, which is located on the I-78 corridor. Watson's East Coast expansion totals 678,000 square feet of space.

★ MAKING IT TO THE A-LIST

While "location, location, location" still describes the most important element in real estate, logistics professionals know it doesn't amount to anything if property owners and tenants do not make the most of the particular spots they claim as their own. CenterPoint Properties, which invests primarily in real estate used for intermodal freight transport, knows the lesson well.

The company, which began its industrial real estate operations in 1984,

on efficient inventory flow, including materials handling automation, product stacking and retrieval, increased dock capacity, power expansion capabilities, security, site layout, parking, and ingress/egress.

"Energy and water efficiency are also important considerations," he adds. "We increasingly incorporate features that reduce resource consumption such as increased glass lines, skylights, and dock door windows for heightened natural light, as well as LED lighting, solar panels, water-saving fixtures, EV charging stations, and efficient HVAC systems."

In addition, tenants are focused on their ability to adapt to ever-evolving logistics needs. The truly stellar site, then, incorporates flexibility and expansion capability in its design.

★ TOP BILLING

Having a strategic location as the hub of a company's logistics operations is a major theme of any story involving stellar logistics sites. This fact is clearly evidenced by the success of Watson Land Company, a developer, owner, and manager of industrial properties throughout Southern California and the East Coast.

Watson's legacy of success has become well established over nearly two centuries, due in large part to the strategic advantages intrinsic to the locations of its properties. The company's expanding portfolio of properties now contains close to 20 million square feet of industrial space, affording logistics providers an array of options for their next distribution center, warehouse, or

company headquarters.

Watson delivers functional, high-quality buildings within master-planned centers. Its history is rooted in the Rancho San Pedro, the first piece of land granted to a private citizen in Southern California. The property eventually evolved into Watson Estate Company, founded in 1912, and was later renamed Watson Land Company.

★ DEVELOPING A NEW ROLE

For more than 50 years, the land owned by the company was used for agriculture and oil production. But in response to Southern California's rapidly changing business landscape, Watson Land Company shifted its focus to real estate development. Its goal was to enhance the value of its holdings by creating master-planned centers for industrial buildings.

In the 1960s, the master-planned Watson Industrial Center in Carson, California, where the company is based, would pave the way for the firm's further evolution into one of the region's most influential real estate companies, serving a broad range of regional, national, and international clients.

Watson customers enhance their location advantages—and significantly reduce their operating costs—through the activation of Foreign Trade Zone (FTZ) status. Granted through the Port of Los Angeles within the Watson subzone of FTZ 202, the FTZ status can be activated for some 12 million square feet of Watson facilities.

Companies can use the FTZ status to reduce operating costs for their manufacturing and inventory facilities.



INDUSTRIAL STRENGTH

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CenterPoint Properties, which invests primarily in real estate used for intermodal freight transport, owns 326 buildings, including the CenterPoint Intermodal Center in Joliet/Elwood, Illinois.

CN services 15 ocean terminals and well over 23 strategically located intermodal terminals across its network. The company's five logistics parks—in Calgary, Montreal, Toronto, Chicago, and Memphis—are designed for quicker transit times, efficiency, and superior rail service. Co-location of the parks within CN intermodal yards eliminates one truck move. Moreover, each site is easily reached by North America's largest highways and puts access to all key logistics services—rail, intermodal, warehousing, and distribution—in one place. Easily accessed by North America's largest highways, CN's logistics parks are modern, state-of-the-art facilities with dedicated teams to handle cargo.

CN transports more than \$250 billion Canadian worth of goods annually for a wide range of business sectors, from resource products to manufactured products to consumer goods.

★ ON THE RISE

Like the many tons of cargo it handles, CN is constantly on the move. Among recent expansions is the company's new intermodal terminal opening later this fall in Regina. The terminal will connect southern Saskatchewan to global markets and offers an intermodal option for shippers from North Dakota and Montana to get their products to West Coast ports for trans-Pacific shipping. The facility is the first privately operated, state-of-the-art intermodal terminal and is located in the Chuka Creek Business Park.

Meanwhile, CN recently announced two new agreements with COSCO and Evergreen shipping lines, extending their longstanding intermodal partnerships.

These recent announcements are the product of CN's focus on strategic and profitable growth in the intermodal sector as CN remains committed to offering the best intermodal rail service in North America.

In September, CN announced that it again has earned a place on the Dow Jones Sustainability World Index (DJSI). This marks the eighth consecutive year that CN has been listed on the DJSI World Index and the 11th consecutive year that CN has been listed on the DJSI North America Index. CN is the only Canadian company listed in the

invests in the coastal and inland port markets that anchor North America's most important freight lanes. With headquarters in Oak Brook, Illinois, CenterPoint has offices in Los Angeles, Oakland, Houston, New Jersey, and Miami. The company owns 326 buildings containing 61.3 million square feet, including the CenterPoint Intermodal Center in Joliet/Elwood, Illinois, and SoCal Logistics Center in Buena Park, California.

The company's success is built on choosing the right place at the right time, and then capitalizing on its property selections by enhancing natural logistics assets with the ultimate tenant in mind. "In its simplest form, I like to say we develop Class A and we buy Class B for functionality in the port markets," says Ryan Dunlap, senior vice president, investments, West Coast. "Not a lot of groups can do that."

Dunlap, who has been part of the CenterPoint team for three years, works out of the company's Los Angeles office. "As the logistics sector becomes increasingly nuanced, it becomes more about the functionality of the asset," he says. "What kind of tenants need clear height? Who requires quick inventory turnover, which translates into bigger yards?"

It is the dissection of these concerns and others that spells the difference between success and failure. The key is recognizing those concerns and responding with practical solutions. "You see a lot of sophisticated premium spaces that are not functional," Dunlap explains, adding that CenterPoint reliably delivers forward-thinking

solutions matched to its tenants' development, acquisition, and management needs.

★ GOING PLACES

If the three most important words in logistics are location, location, location, the three next most important words are mobility, mobility, and mobility. Put another way: It's not just where you are, but where you are going.

The definition of a stellar logistics site, then, has everything to do with the feasibility and services it provides. CN, headquartered in Montreal, Quebec, understands that well. The Class I freight railway serves Canada and the midwestern and southern United States.

CN, "North America's Railway," services an area encompassing more than 20,000 miles. It has the only rail network that touches three coasts in North America, accessing the Atlantic, Pacific, and Gulf coasts.

As Canada's only transcontinental railway company, CN offers integrated transportation services including rail, intermodal, trucking, freight forwarding, warehousing, and distribution. Its rail network serves all major Canadian cities and ports as well as the U.S. metropolitan areas of Duluth, Minnesota; Superior, Wisconsin; New Orleans; Mobile, Alabama; Chicago; Memphis, Tennessee; Detroit; and Jackson, Mississippi, with connections to all points in North America.

CN moves overseas container traffic to the U.S. Midwest from the Canadian ports of Vancouver and Prince Rupert B.C.; Montreal, Quebec; and Halifax, NS.



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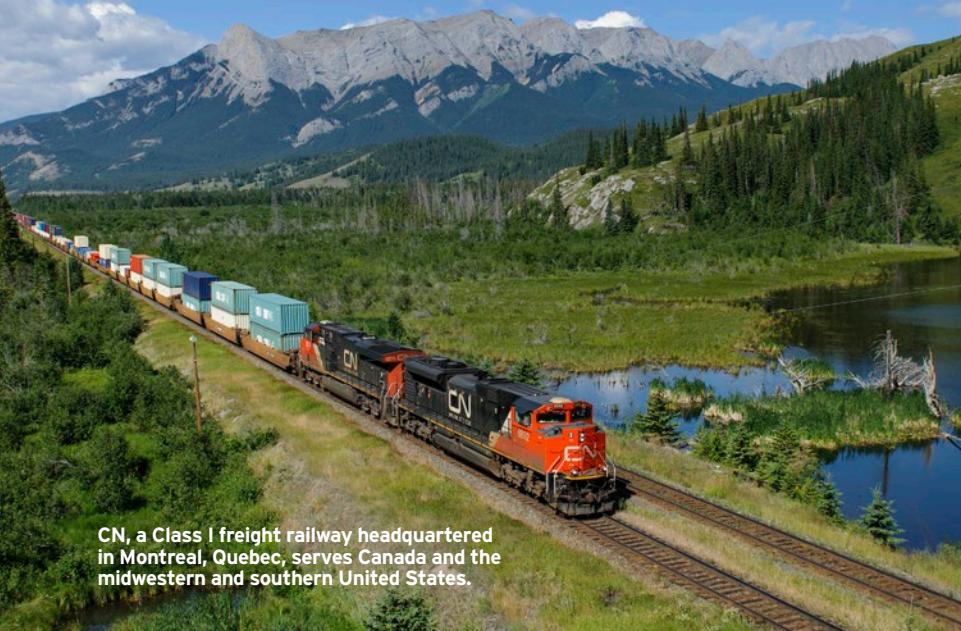


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CN, a Class I freight railway headquartered in Montreal, Quebec, serves Canada and the midwestern and southern United States.

to earn us a place among the world's best," said JJ Ruest, president and chief executive officer of CN. "2019 marks CN's 100th anniversary and we have a great deal to be proud of. As we move into our next century, we renew our commitment to be a leader in safety, sustainability, innovation, and growth."

★ PLAYING A PIVOTAL PART

In the end, for a logistics site to be stellar, it all comes down to proximity. In logistics, the word means more than just nearness in space and time, though those advantages are surely vital. Even more important are the synergies achieved through the locations of intermodal facilities and supply chain services.

A prominent case in point, and certainly qualifying the region as a stellar logistics site, is the area served by the North Carolina State Ports Authority, otherwise known as North Carolina Ports. As a congestion-free mid-Atlantic gateway, North Carolina Ports provides immediate proximity advantages for supply chains in the region.

North Carolina is home to two ports. The Port of Wilmington services containers and general cargo, while

Transportation and Transportation Infrastructure sector.

The DJSI tracks the performance of the top 10% of the 2,500 largest companies in the S&P Global Broad Market Index that lead the field in terms of sustainability. The DJSI follows a best-in-class approach, surveying sustainability leaders from each industry on a global and regional

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North Carolina Ports welcomed its first 12,000-TEU vessel to the Port of Wilmington in April 2019. The *Kofa Pekarang*, operated by ZIM in partnership with the 2M Alliance, is the largest capacity ship to call at the port.



significant refrigerated agricultural exports. The authority has commenced construction on an investment of more than \$15 million in a refrigerated container capacity expansion with vertical racks that increase fixed plug capacity from 350 to 550, with phase two adding approximately 300 additional plugs and further room to expand to serve the market.

“We are strategically investigating partnerships with refrigerated warehouse operators that would enhance our cold capabilities to support the North Carolina grocery sector and beyond,” Bean says.

“We are also continuing to look at alternatives to the growing agricultural segment of North Carolina as well as provide another East Coast gateway for Midwest agriculture products. These alternatives include an on-dock transload facility that can be both rail and truck served.”

★ RED CARPET TREATMENT

North Carolina Ports partners with local and regional trucking companies as well as local and regional warehouses, Bean says, adding that there are multiple megasites available in North Carolina for future expansion. He says the authority is consistently working with its economic development partners to attract business to those sites.

North Carolina Ports offers on-dock rail just a few hundred feet from vessel berths. Inland connectivity with Norfolk Southern and CSX includes legacy tracks that can be further networked for optimized services, and inland ports near rail ramps offer flexible staging and access options.

“In today’s environment it is all about visibility, speed, and cost containment,” Bean says. “North Carolina Ports will continue to be the best on the East Coast for port productivity. We will invest in technology that will allow us to proactively push information not only to the end customer, but also to the freight forwarding and trucking communities, allowing for operational process improvement and informed operational decision making.”

Not surprisingly, all these factors fit into logistics site professionals’ definition of a stellar logistics site. ■

the Port of Morehead City handles general cargo—bulk and breakbulk. Both ports are mileage favorable to all North Carolina metropolitan areas—the Greater Charlotte region, Piedmont Triad, Research Triangle, Greater Fayetteville, and the southern and eastern coasts.

★ SUPPORTING TURN

“Our best-in-class yard and gate productivity, fast truck turnaround times, crane productivity, and lack of berth congestion make North Carolina Ports a logical choice for speed to market for all industry sectors in North Carolina,” says Hans Bean, senior vice president of business development for North Carolina Ports.

“Our average turn time for truckers is a best-in-class 32 minutes for a dual move,” he adds. “With this consistent best-in-class port performance, we are seeing importers attracted to the area to achieve necessary flow velocity, gateway diversification, and risk-mitigation objectives.”

In addition to its proximity and performance advantages, Bean says, area exporters also appreciate the user-friendly nature of North Carolina Ports in supporting their business requirements.

“Our ability to be nimble, combined with our out-of-the box thinking, allows us to serve all industry segments in North Carolina and beyond,” he says.

“For many of the area’s core industry segments, North Carolina Ports is the closest to source/production and to market/distribution.”

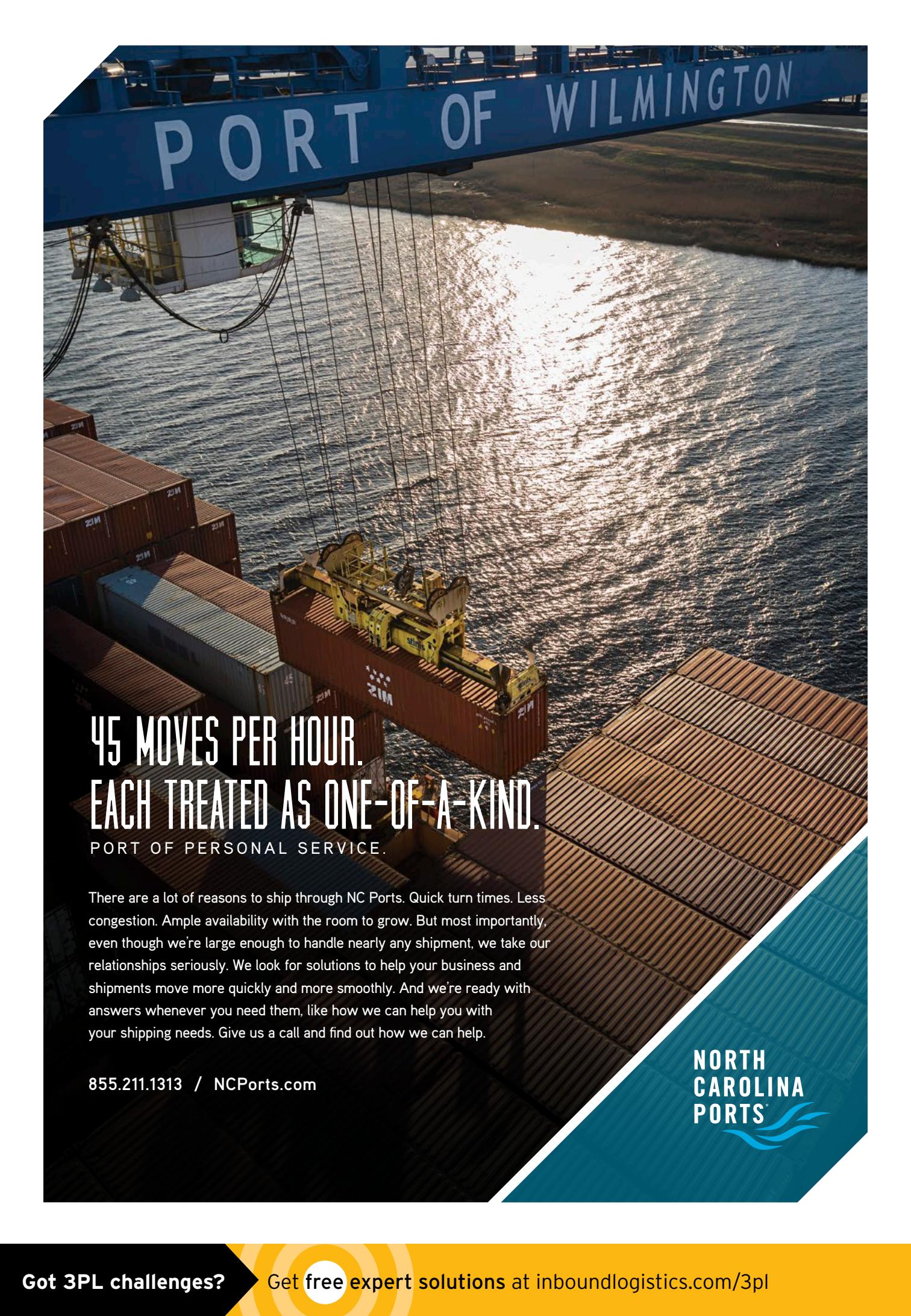
Coupled with recent infrastructure upgrades and a vision for serving the future, he says, these proximity advantages have positioned North Carolina Ports well to deliver value across supply chains.

In 2015, North Carolina Ports developed a five-year strategic plan that included capital investment for future growth. The authority committed more than \$200 million for a new terminal operating system, gate and terminal operations reconfiguration, three neo-Panamax cranes, and turning basin enhancements.

Additionally, on-dock rail service was revitalized in 2017, linking the Port of Wilmington to the western part of the state including eastern Tennessee, northwest South Carolina, southwest Virginia, and southeastern Kentucky.

The overnight rail service operates seven days a week between Wilmington and the Charlotte Inland Port. This reduces carbon footprint as well as truck miles in the western area and provides the fastest rail service inland on the East Coast.

North Carolina Ports continues to invest in refrigerated capability to serve as a cold chain gateway for imports of produce that complement the region’s



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IT TOOLKIT

E-Commerce Fulfillment: No Pain, No Gain

THE CUSTOMER

Headquartered in Evansville, Indiana, Escalade Sports manufactures, imports, and distributes widely recognized sporting goods brands in archery, indoor and outdoor game recreation, and fitness products through major sporting goods retailers, specialty dealers, key online retailers, traditional department stores, and mass merchants.

THE PROVIDER

Arkieva is a Wilmington, Delaware-based software company that empowers manufacturers with integrated, value-driven, personalized supply chain planning solutions for product segmentation and analysis, demand and supply, inventory, and executive sales and operations planning management.

by *Jennifer Baljko*

Escalade Sports has been playing the supply chain game since 1927. At one point in its history, Sears, the traditional model for catalog and retail store sales, accounted for about half of the sporting goods manufacturer and distributor's business. Today, while the company still serves specialty shops, department stores, and big-box retailers, Amazon and other e-commerce direct-to-end-user channels have changed the game.

E-commerce retailers are poised to win a larger share of the company's revenues and supply chain fulfillment requirements, says Eric Wilson, director of planning at Escalade Sports.

"We're seeing e-commerce sales grow by 20% per year," he says. "The business model has changed and we need to change our business model to keep pace." It may not be long before e-commerce fuels half of the company's sales, he adds.

TRANSITIONING TO INTERNET SPEED

As many companies have learned, the supply chain shift from traditional channel models to dynamic, difficult-to-forecast e-commerce fulfillment requires a good mix of thought leadership, time, and technology—things Escalade Sports took to heart when it started to evaluate what a digital supply chain transformation project would entail.

Headquartered in Evansville, Indiana, Escalade Sports, a wholly owned subsidiary of Escalade Inc.,

manufactures, imports, and distributes 47 different sporting goods brands in the basketball hoop, archery, dart, billiards, indoor and outdoor game recreation, and fitness product categories. The United States is the primary market for the \$200-million company, but it does have a small portion of international sales as well.

Although Escalade Sports produces some of its products at manufacturing facilities in Mexico, Florida, Illinois, and Iowa, it works with between 60 and 70 contract manufacturers in China for many other items. As it sources more of its production overseas, the company has seen manufacturing and shipping lead times climb from 40-50 days to about 120 days.

With approximately 8,000 unique SKUs shipping from Escalade Sports' four locations in Indiana, Illinois, Florida, and San Diego, forecasting, demand planning, and inventory management of predominantly seasonal sporting equipment were some of the

company's biggest pain points. Where it once was commonplace for retail customers to receive shipments two weeks after placing orders, consumers now demand two-day fulfillment, and that expectation is dropping to delivery within a few hours.

"Many of our products are seasonal," Wilson explains. "Previously, we had to plan the entire season's forecast in the pre-season because we had long manufacturing and shipping lead times.

CASEBOOK STUDY

Game Changer

CHALLENGE

Rapidly growing e-commerce and business-to-consumer fulfillment requirements stretched Escalade Sports' omni-channel supply chain, compelling the company to reevaluate its inventory and demand-planning activity.

SOLUTION

A supply chain digital transformation project, powered by Arkieva's One-Plan S&OP software.

RESULTS

- Improved item level forecasts by 26%.
- Reduced SKUs by 18% through SKU rationalization.
- Improved and increased customer service levels on "A" items by more than 10%.
- Reduced excess inventory by 11%.
- Lowered expedited/premium freight costs, customer penalties, and shipping fees by 17%.

NEXT STEPS

Continue to standardize the digital supply chain and optimize inventory. In the future, examine how the Arkieva solution can help Escalade Sports improve raw materials planning.

The hope was that if the forecast plan was good, we would sell through the season, and have nothing left at the end.

"It's a great concept but it's hard to achieve, especially when we have to plan so far out for many products," he adds. "Often, we would run out of about one-third of our SKUs, have too much inventory for another third of our SKUs, and hit the forecast plan for the final third of our products."

CHANGING DEMANDS

Growing and unpredictable business-to-consumer (B2C) demand has made forecasting and inventory management more complicated, and it has begun to pinch the company's supply chain and business operations. Inventory turns dropped from 4 to 4.5 several years ago to 2 about two years ago. Service levels that once reached 80-90% when traditional retail customers were the dominant sales drivers have fallen into the 70s as e-commerce spikes.

"We simply could not replenish fast enough," says Wilson, reflecting on the state of business when he joined the company two years ago in late 2017.

"We had in place one of the most widely used planning tools. You may know it; it's called Excel," Wilson jokes about the spreadsheet process the company used to manage supply and demand planning. "We had an old legacy

Enterprise Resource Planning (ERP) system that we didn't want to replace. Instead, we wanted a solution we could bolt on to that would become the engine for our transactional system and create end-to-end inventory optimization."

This is a fairly common technology transition pattern. "Despite all the progress the industry has made and the best-of-breed technology that is available, 60-70% of supply chain practices still run on Excel," says Sujit Singh, chief operating officer of Arkieva. Many companies typically look for an ERP extension when their legacy systems are pushed to their limits, he adds.

A few months after stepping in as director of planning, Wilson headed up a nearly seven-month review of what processes required tweaking and which supply chain gaps had to be closed. Setting up a four-point framework focused on integrated planning, segmentation (SKU rationalization), metrics, and supply chain systems, Wilson aimed the digital supply chain transformation outcomes toward standardization, delighting customers, and reducing costs.

CHOOSING A SOLUTION

He then started the search for a technology provider who could propel the business forward. He narrowed that list to four vendors.



As a result of implementing an end-to-end solution for demand, inventory, and supply chain planning, and sales and operations management, Escalade Sports has reduced SKU count by 18% and improved item level forecasts by 26%.

Wilson ultimately chose Arkieva, based in Wilmington, Delaware. He had worked with Arkieva before and thought its end-to-end solution for demand

planning, inventory planning, supply chain planning, and sales and operations management could help Escalade Sports up its game.

From a technology standpoint, the implementation, which started in summer 2018 and was completed by spring 2019, was “fairly straightforward,” says Quinn Freeman, Arkieva’s practice director.

Once the data cleansing and sales and revenue segmentation was done, Escalade Sports and Arkieva phased in the demand planning, inventory planning, supply chain planning, and scheduling solutions over a few months.

With these baselines and digital forecasting models in place, Arkieva’s solution now feeds back to Escalade Sports’ planning information nightly, and can be used to drive more efficiencies, Freeman says.

The hardest part of the implementation was change management and getting the workforce on board.

“Introducing a lot of change quickly can be painful for the people, the organization, and the culture,” says Wilson. “We needed to get the whole company to

understand the pain, the vision, the business model, and the roadmap. We treated the implementation as a separate work stream to help everyone adjust.”

This sometimes-overlooked activity helps clarify the vision and instill the importance of why the company is going ahead with the changes.

Although Escalade Sports is still in “block and tackle” mode with the Arkieva solution and continuing to standardize the planning process, the company has had a few early wins.

It has seen a 26% gain in forecasting for some products; a 10% improvement in fill rate; an 18% reduction in SKUs through SKU rationalization; a 10% increase in customer service levels; and a 17% drop in expedited/premium freight costs, customer penalties, and shipping costs.

Inventory optimization has also improved inventory health, allowing the company to make better cost, inventory, and fulfillment management decisions.

The software’s future decision-making capabilities may continue to expand as machine learning, artificial intelligence, and smart forecasting are added to future modules, Singh notes.

Further down the road, the company may examine how the Arkieva solution can help improve raw materials planning for its internal manufacturing

facilities, Wilson says.

Sounds like an e-commerce fulfillment slam dunk. ■

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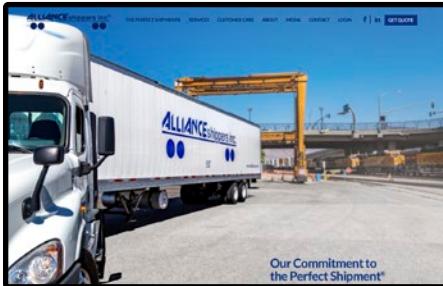
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Another challenge was spelling out exactly what needed to be done, and why it needed to be done a certain way.

IN THIS SECTION:
3PL

3PL



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ECHO GLOBAL LOGISTICS www.echo.com

Echo Global Logistics, Inc. (Nasdaq: ECHO) is a provider of technology-enabled transportation and supply chain management services. Echo maintains a proprietary, web-based technology platform that compiles and analyzes data from its network of more than 50,000 transportation providers to serve its clients' needs. Offering freight brokerage and managed transportation services across all major modes, Echo works to simplify the critical tasks involved in transportation management.

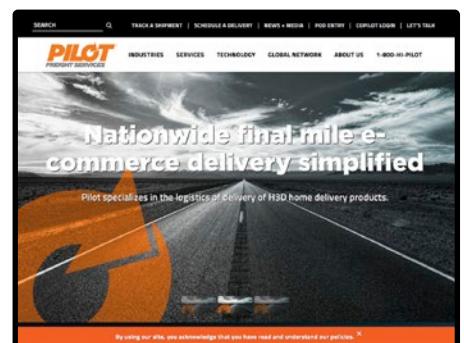


IEDS LOGISTICS www.ieds.net

Inland Empire Distribution Systems (IEDS) is a third-party logistics provider with operations in Spokane and Pasco, Washington. IEDS specializes in warehousing and transportation services across North America. In addition, IEDS is served directly as the premier railroad transloader with the BNSF and Union Pacific railroads for Central Washington, Eastern Washington, and Northern Idaho. IEDS is a family-owned-and-managed company with the capacity to operate one million square feet of heated and non-heated warehouse space.

PILOT FREIGHT SERVICES www.pilotdelivers.com

Pilot Freight Services, Inc. is a full-service transportation and logistics provider with over 75 locations throughout North America, as well as stations in Amsterdam, Toronto, Vancouver, Mexico City, and A Coruña, Spain. The company's freight forwarding services encompass every mode of transportation, including air, ground and ocean, serving all corners of the globe. Pilot's logistics programs offer a complete line of expedited and time-definite services, international shipping solutions, product warehousing and inventory management. In addition, Pilot's online shipment navigator, CoPilot, makes online shipping fast, convenient and secure. Learn more about Pilot Freight Services at www.PilotDelivers.com.



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3PL – Enterprise Resource Planning

3PL



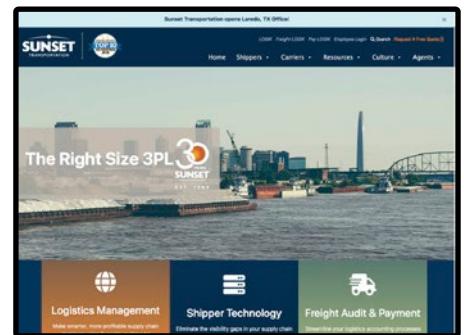
ROMARK LOGISTICS www.romarklogistics.com

Make Romark Logistics your choice for nationwide warehousing, distribution, contract labor management, fulfillment, packaging, real estate development, and transportation solutions. Our commitment to continuous improvement, customer satisfaction, and the spirit of partnership has been the foundation of our growth and success for more than 50 years. Romark Logistics operates more than 3 million square feet of contract distribution and packaging centers, and can customize a supply chain solution for your most demanding challenges.

SUNSET TRANSPORTATION www.sunsettrans.com

Sunset Transportation isn't just another 3PL. We are driven by the right-size fit for each business, using all levels of global and domestic supply chain resources and services. Our culture allows customers to feel like family, while offering advanced TMS solutions, reporting, and shipment reliability.

Our approach is simple: through analysis of historical shipping data, we identify opportunities for optimization, service improvement, and technology enhancements. All this is done with five promises we make to every customer, every day: savings, visibility, data-driven decisions, continuous improvement, and relationships. Sunset is the right size 3PL for your growing business.



WERNER www.werner.com

Werner Enterprises, Inc. is a premier transportation and logistics company, with coverage throughout North America, Asia, Europe, South America, Africa and Australia. Werner maintains its global headquarters in Omaha, Nebraska and maintains offices in the United States, Canada, Mexico and China. The Werner Logistics portfolio includes truck brokerage, freight management, intermodal, international and final mile services. International services include ocean, air and ground transportation; freight forwarding; and customs brokerage.

ENTERPRISE RESOURCE PLANNING

NAVIGATOR BUSINESS SOLUTIONS www.nbs-us.com

Navigator Business Solutions is an SAP Gold Partner with more than 25 years' experience and more than 500 implementations worldwide. A leader in integrated cloud-based enterprise resource planning (ERP) software for manufacturing, distribution, consumer products and life science companies. Their single vendor solution is implemented based on industry best practices, delivering ERP, SCM, and WMS along with robust analytics built in to better automate your business. Solutions based on SAP Business ByDesign and SAP Business One.



IN THIS SECTION:
Intermodal

INTERMODAL

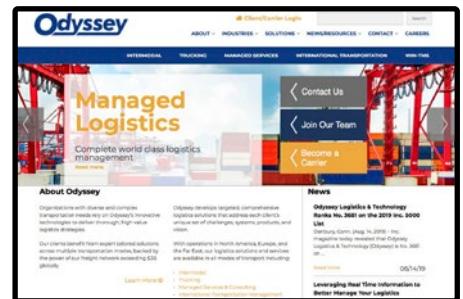


MARYLAND PORT ADMINISTRATION www.marylandports.com

Located in the nation's third-largest consumer group, the Port of Baltimore has an impressive array of distribution locations, with more on the way. As an import destination from China, the most cost-effective and quickest way to tap this affluent market is by bringing your cargo direct to Baltimore, where you will be greeted with world-class efficiency and customer service. Find out more at www.marylandports.com.

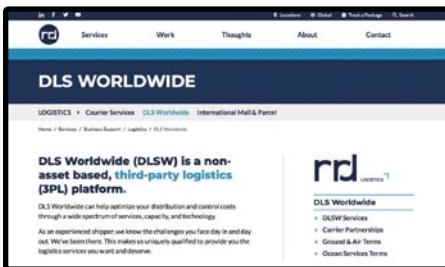
ODYSSEY LOGISTICS & TECHNOLOGY www.odysseylogistics.com

Odyssey Logistics & Technology Corporation (Odyssey) combines deep industry expertise with leading technology to provide multimodal logistics management services to the chemical industry and other process manufacturers. Odyssey enables clients to outsource any part of their logistics processes to achieve savings through reduced transportation and infrastructure costs, measurable customer service and process improvements, and improved data quality and management. Odyssey is a leader in intermodal with expertise in liquid food, chemicals, and metals transport.



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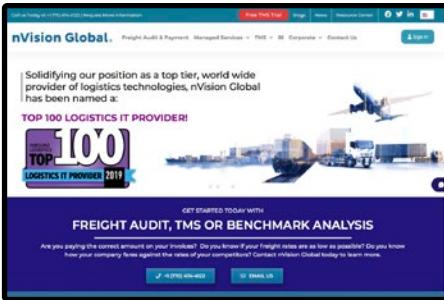
SYFAN LOGISTICS www.syfanlogistics.com

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



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Logistics IT – Ocean

LOGISTICS IT



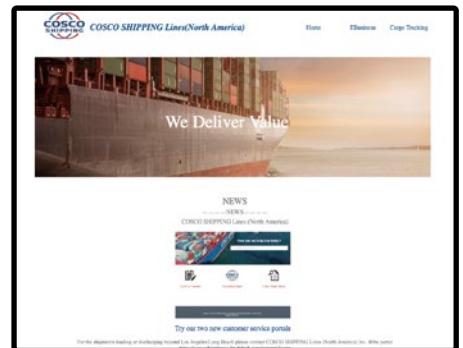
nVISION GLOBAL www.nvisionglobal.com

nVision Global is an industry leader in providing configurable logistics services and solutions for customers around the world, enabling them to optimize their supply chain and gain access to critical data. We offer a full suite of logistics services and solutions that allow for end to end shipment and supply chain management and visibility. Our solutions include a global, multi-modal TMS application, international freight audit and payment, loss & damage/overcharge/service failure claims management, as well as industry leading logistics analysis solutions.

OCEAN

COSCO SHIPPING LINES (NORTH AMERICA) www.cosco-usa.com

China Ocean Shipping (Group) Company (COSCO), the national flag carrier of the People's Republic of China, is one of the world's premier full-service intermodal carriers. The company utilizes a vast network of ocean vessels, barges, railroads, and motor carriers to link the international shipper with the consignee. COSCON's 20 main-line services connect over 100 ports worldwide to reach more direct ports of call than any other carrier in the world, with weekly, fixed-day service to many destinations. The AUM-Pendulum Service's direct ports of call include Tokyo, Qingdao, Shanghai, Yantian, Hong Kong, Charleston, Norfolk, New York, Boston, Valencia, Naples, Genoa, and Barcelona.



EVERGREEN SHIPPING AGENCY (AMERICA) CORP. evergreen-shipping.us/

Evergreen Shipping Agency (America) Corp. is the North America general agent for Evergreen Line, one of the world's leading ocean carriers. Serving U.S. importers and exporters since 1974, Evergreen Shipping Agency (America) Corp. offers one of the largest intermodal networks in the United States, including worldwide ocean shipping and inland transportation services. Together with its principals, EGA continues to offer unmatched international transportation service.

HUB GROUP www.hubgroup.com

Hub's extensive service network—built over many years—enables it to provide innovative transportation solutions that are versatile, flexible, and designed to deliver maximum efficiency. With this advantage, Hub Group is able to collaborate with customers daily to help them meet their transportation challenges. With intermodal, highway, and logistics transportation offerings, the Hub Network is your single source—coast to coast, border to border. Visit the website to learn what Hub can do for you.



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Ocean

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Over land, on the water, in the air—or in any combination—Lynden has been helping customers solve transportation problems for almost a century. Operating in such challenging areas as Alaska, Western Canada and Russia, as well as other areas around the globe, Lynden has built a reputation of superior service to diverse industries.

MATSON www.matson.com

Matson is a leader in Pacific shipping and most noted for its long-standing service to Hawaii, Guam, and Micronesia. Matson's China-Long Beach Express offers premium, expedited service from Ningbo and Shanghai to Long Beach, including a guaranteed expedited service option to many U.S. destinations. Its subsidiary, Matson Integrated Logistics, is one of the nation's leading logistics providers, with expertise in all aspects of U.S. mainland transportation: truck, rail, and air.



PORT OF LONG BEACH www.polb.com

The Port of Long Beach is one of the world's busiest seaports, a leading gateway for trade between the United States and Asia. During the next 10 to 15 years, the Port of Long Beach plans to create at least four container terminals of more than 300 acres each, and to build at least one other large terminal. The new terminals will have dockside rail facilities, which allow cargo to be transferred directly between ships and trains. Such transfers speed deliveries between Long Beach and markets nationwide. For more information on the advantages and services offered by the Port of Long Beach, visit www.polb.com.

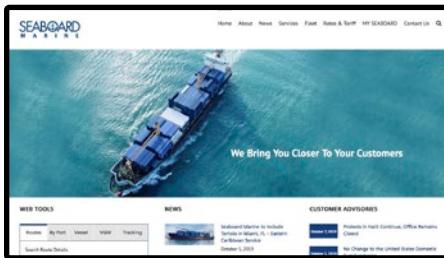
PORT TAMPA BAY www.porttb.com

Tampa/Hillsborough County boasts some of the highest-rated international and domestic shipping facilities in the nation. Strategically located on Florida's west coast, the Port of Tampa is easily linked to rapidly expanding markets in Central and South America, and beyond the Panama Canal. The port also provides ship building, maintenance, and repair. To learn more about these services, point your browser to the port's website.



IN THIS SECTION:
Ocean – Ports

OCEAN



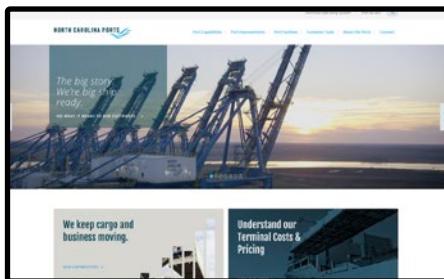
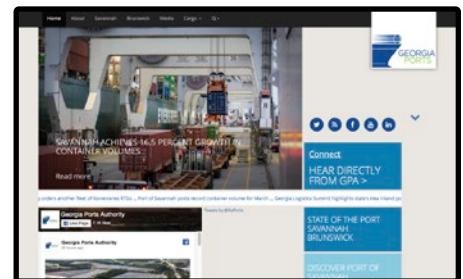
SEABOARD MARINE www.seaboardmarine.com

Established in 1983, Seaboard Marine, a wholly owned subsidiary of Seaboard Corporation, is a premier ocean transportation company providing direct, regular service between North America, the Caribbean Basin, Central, and South America. With a fleet of over 25 vessels serving nearly 40 ports, Seaboard Marine is a trade leader in the Western Hemisphere. Seaboard Marine provides service to more than 30 countries with each office and location contributing towards its success as a promoter of trade throughout the Western Hemisphere.

PORTS

GEORGIA PORTS AUTHORITY www.gaports.com

The Georgia Ports Authority is dedicated to providing customers with the most efficient, productive port facilities in the nation. Georgia's deepwater ports in Savannah and Brunswick, together with inland barge operations in Bainbridge and Columbus, are Georgia's gateways to the world. They are the critical conduits through which raw materials and finished products flow to and from destinations around the globe.



NORTH CAROLINA STATE PORT AUTHORITY www.ncports.com

North Carolina Ports has convenient locations in Wilmington and Morehead City, plus an inland port in Charlotte. Our customer-focused approach offers shippers excellent port communication and customized service. Customers experience the fastest turn times on the United States East Coast, with Wilmington featuring three neo-Panamax cranes and a new, 101,000-square-foot, on-terminal storage facility that can accommodate more customers than ever.

PORT AUTHORITY OF NEW YORK/NEW JERSEY www.panynj.gov

The Port of New York and New Jersey is the largest seaport on the East Coast in North America—trading a remarkable \$149 billion worth of cargo each year. The Port Authority of NY & NJ has invested over \$2 billion at the Port and has earmarked another \$2 billion for investment over the next 10 years with the goal of providing the necessary tools and infrastructure to streamline cargo transportation needs.



IN THIS SECTION:
Ports – Site Selection

PORTS



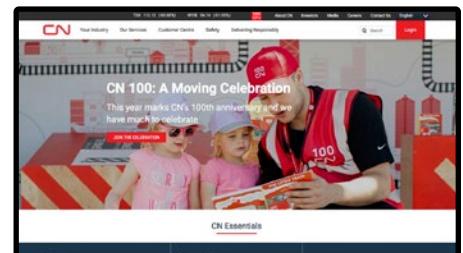
SOUTH CAROLINA PORTS www.scspa.com

In a world where speed to market, seamless processes, and flexibility are essential, South Carolina's ports deliver. Home to the Southeast's deepwater port, the South Carolina Ports Authority is the industry leader in productive operations, big ship handling, efficient market reach, and environmental responsibility.

RAIL

CANADIAN NATIONAL (CN) www.cn.ca

CN's network of logistics parks are strategically located at the heart of North America to connect your business to world markets. Located in, or adjacent to, its intermodal rail yards, CN provides you with seamless and efficient transportation and easy access to major highways. CN provides access to all key logistics services—rail, intermodal, warehousing, distribution, CargoFlo liquid and dry bulk transload, and Autoport distribution facilities—in one location. As your supply chain partner, CN can help you find your new distribution home.



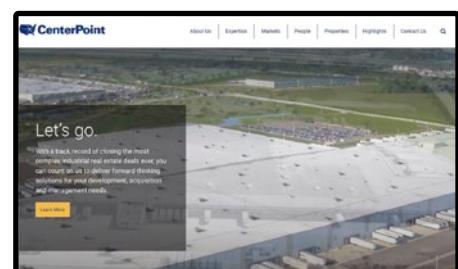
CANADIAN PACIFIC www.cpr.ca

Canadian Pacific is a transcontinental railway in North America with direct links to eight major ports, including Vancouver and Montreal, providing customers a competitive rail service with access to key markets in every corner of the globe. CP is growing with its customers, offering a suite of freight transportation services, logistics solutions and supply chain expertise. Visit cpr.ca to see the rail advantages of CP.

SITE SELECTION

CENTERPOINT PROPERTIES www.centerpoint.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

SITE SELECTION



DUKE REALTY www.dukerealty.com

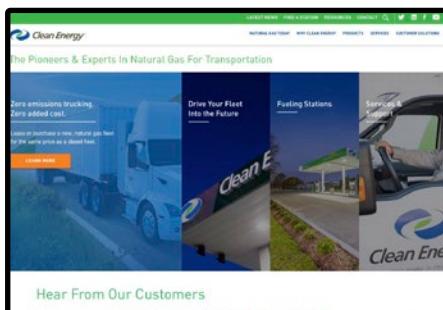
Duke Realty Corporation owns and operates approximately 156 million rentable square feet of industrial properties in 20 major U.S. logistics markets. Duke Realty is publicly traded on the NYSE under the symbol DRE and is listed on the S&P 500 Index. The company maintains a Baa1 rating from Moody's Investor Service and a BBB+ rating from Standard & Poor's Financial Services.

WATSON LAND COMPANY www.watsonlandcompany.com

Watson Land Company is a developer, owner, and manager of industrial properties throughout southern California. With a legacy spanning more than two centuries, Watson's dedication to customers is based on delivering functional, high-quality buildings within masterplanned centers, coupled with unmatched customer service. Watson Land Company's long-standing tradition of integrity, innovation, and fiscal responsibility has made it one of the region's most respected names in commercial real estate, and one of the largest industrial developers in the nation.



SUSTAINABILITY



CLEAN ENERGY FUELS www.cleanenergyfuels.com

Clean Energy is changing the way the world fuels its vehicles. Reducing pollution from the transportation industry is an important goal for our nation, and Clean Energy knows just how realistic and attainable that goal is with natural gas fuel. Moving forward in our thinking as well as in our vehicles means a safer, healthier planet for all of us. This change is happening. Natural gas is abundant and economically viable and is increasingly being adopted as transportation fuel by countries around the world.

TRUCKING

OLD DOMINION FREIGHT LINE www.odfl.com

Old Dominion Freight Line is a less-than-truckload carrier providing complete nationwide service within the continental United States. Through its four product groups, OD-Domestic, OD-Expedited, OD-Global, and OD-Technology, the company offers an array of innovative products and services to, from, and between North America, Central America, South America, and the Far East. The company also offers a broad range of expedited and logistical services in both domestic and global markets.



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video

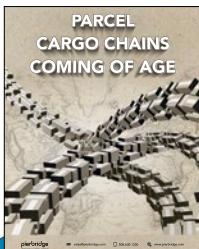
DRONE SWEET DRONE

bit.ly/FlirteyDrones

Flirtey's new video showcases its advanced delivery drone, the Flirtey Eagle. Flirtey's technology combines three unique products that together enable package delivery to customer homes in less than 10 minutes: 1) The Flirtey Eagle, which carries more than two times the payload of its competitors and operates in 95% of weather conditions, 2) The Flirtey Portal, a takeoff and landing platform that enables scalable operations from stores across America, and 3) Flirtey's autonomous software platform, which has FAA approval for one remote pilot to fly 10 drones.



whitepapers



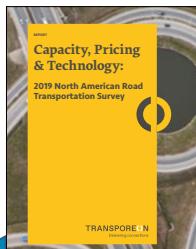
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bit.ly/PierbridgeComingofAge

Parcel Cargo Chains Coming of Age

Offered by Pierbridge

Consumers are shopping from merchants around the globe on their smartphones and other devices at the click of a button. Cargo chains are emerging to facilitate and accelerate cross-border last-mile parcel deliveries. The challenge for retailers and supply chain partners is making them seamless to end consumers. This free whitepaper shines a light on building a solid cargo chain.



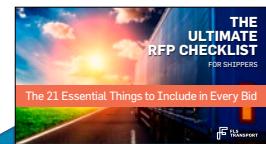
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North American Carrier Survey

Offered by Transporeon

Carriers across the United States, Canada, and Mexico weigh in on the current economic events that are influencing capacity, pricing, and technology developments and having the biggest impact on their businesses in 2019. Download the results of the most comprehensive survey among North American carriers to see just how much the landscape has shifted over the past year.



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bit.ly/ultimateRFP

The Ultimate RFP Checklist for Shippers

Offered by FLS Transport

Your RFP is much more than an opportunity to find the cheapest shipping lanes. It's also your opportunity to find and select the right freight partners that will make your business and life run a whole lot smoother. FLS put together this free guide to help you award lanes, reduce freight costs, and find the best business partners and carriers as you navigate today's unprecedented market.

Supply Chain Insights

whitepapers



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Staying Ahead of the Pack During Peak Season

Offered by Hub Group

Some shippers cringe at the mere thought of peak season and it's no wonder why: Retailers and consumer packaged goods manufacturers have a lot riding on peak season running smoothly. Download this free whitepaper to identify steps to take with your providers before and during peak to be ready for surges and minimize costs.



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The Top 4 Benefits of Supply Chain Agility

Offered by Amber Road

By creating a flexible digital supply chain, organizations can achieve productivity gains and increased agility. From centralization to flexibility, the advantages of supply chain agility can provide an enduring competitive advantage to your organization. Learn how implementing a comprehensive digital supply chain can enhance your company's agility by downloading this free whitepaper.



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bit.ly/BeyondSavings

Beyond Transportation Savings: Leverage Freight and Parcel Audit Data

Offered by enVista

Leveraging data provided by transportation insights is the key to unlocking valuable information and shining a light on weak spots in your supply chain. enVista's latest free whitepaper introduces the steps needed to make the most of your freight and parcel audit data, so you can reap the benefits of informed business decisions.

podcast



Bob LaMura



Cory Wyatt

Will ExpressRail Keep Your Supply Chain on the Right Track?

GUESTS: Bob LaMura, Manager of Maritime Industry Relations and Cory Wyatt, Manager of Intermodal Rail Development, Port Authority of New York and New Jersey

In June 2019, the Port Authority of New York and New Jersey announced the completion of the ExpressRail network's Port Jersey facility. With three other facilities in Newark, Elizabeth, and Staten Island, ExpressRail is focused on actively continuing the growth of container services in the area and becoming one of the largest cargo ports in the nation. Bob LaMura and Cory Wyatt of the Port Authority join us to outline the key advantages of this comprehensive intermodal network.



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[IN FOCUS]

INBRIEF

New Services and Solutions

>PRODUCTS

> UniCarriers Americas

unveiled its BXC65 4-wheel, cushion tire, electric forklift. With a 6,500-pound capacity, the BXC65 features on-board diagnostics and provides immediate truck status to reduce downtime.

> Materials handling

company **Crown Equipment** made its Crown WP Series pallet truck available for purchase through the Crown online store with free, five-day shipping. Crown WP Series pallet trucks maneuver in tight spaces and handle loads up to 4,500 pounds.

> Cold chain management

products maker **DeltaTrak** now offers two FlashLink Real-Time Prime In-Transit Loggers. The real-time monitors feature a 12-month battery shelf life and provide temperature and location information, utilizing GSM cellular technology. Shipments are tracked worldwide using DeltaTrak's ColdTrak 24/7 cloud service.

> A new thermal barcode printer from **Toshiba America Business Solutions** lets

shippers print high-resolution labels quickly. Toshiba's B-EX4T3HS prints 600 dots per inch at speeds up to 6 inches per second.



> To meet shippers' capacity needs, less-than-truckload carrier **Old Dominion Freight Line** expanded service centers in eight cities across the United States: Columbus, Ohio (*pictured above*); Central Point, Oregon; El Paso and Lubbock, Texas; Blackfoot, Idaho; Cartersville, Georgia; Little Rock, Arkansas; and Chicago, Illinois.

>SERVICES

> **A. Duie Pyle**, a provider of transportation and supply chain solutions in the Northeast, now offers a West Coast service. The company partnered with Oak Harbor Freight Lines to expand its coverage area and improve transit times.

> **RLS Logistics** opened a food-grade ambient storage facility in Vineland, New Jersey. Located adjacent to its current Vineland cold storage facility, the

new warehouse offers an additional 36,000 square feet of storage space.

> UniGroup Logistics

now provides white-glove final-mile service for over-dimensional items. Household goods carriers United Van Lines and Mayflower operate the UniGroup Logistics Final Mile service, which includes residential delivery, warehousing, fulfillment, and reverse logistics.

> Freight forwarder **Wen-Parker Logistics** moved into an

expanded facility in the Los Angeles area to support an increasing number of vertical markets.

>TECHNOLOGY

> TMS provider **Transplace** now offers real-time visibility as a standard feature, without any extra transaction or integration fees, for all of its managed transportation services and TMS customers. Transplace is leveraging Descartes MacroPoint as its real-time visibility partner.



> The e-Wrap 2.0 machine automates and integrates multiple supply chain processes including order fulfillment; online printing of transactional materials; packaging of variable-size products; weighing, printing, and applying labels; and product sorting. The solution is the result of a partnership between packaging line maker **Sitma Machinery** and weighing solutions provider **Bizerba**.

> Shipping and order fulfillment software company **ShipWorks** introduced ShipWorks for Warehouse, a product that helps high-volume shippers increase order accuracy and make more intelligent shipping decisions. ShipWorks for Warehouse includes rapid label print speeds and open database connectivity; access to ShipWorks Hub for web-based order management; support for fulfilling orders from multiple sites; and scan and pack quality control.

> Shippers can pinpoint areas to reduce costs in their supply chains while maintaining or improving service with **Ratelinx's** new Data-as-a-Strategy solution, a system that delivers logistics intelligence on one platform. The solution integrates data across order, shipment, tracking, and cost, letting shippers determine how changes in supply chain strategy impact service.

> **CargoSphere**, a neutral rate network for container shipping, launched Maersk Spot on its rates platform. The Maersk Spot product offers shippers a loading guarantee and a fixed price at booking.

> A new feature on digital platform **Upply** helps supply chain stakeholders anticipate transportation price volatility. The Trends tool shows how freight prices have changed over time and predicts prices over the coming months on principal trade routes for air and maritime transport on a global scale, and for road haulage throughout the United States and France.

> Shippers using **AscendTMS** now have digital freight management capabilities with the recent integration between the **InMotion Global TMS** and **Kleinschmidt**, a provider of EDI services. **AscendTMS** customers are instantly connected to the

EDI supply chain network, allowing for electronic load tendering, real-time load updating, and final invoicing.

> **Bringg**, a delivery orchestration platform, teamed up with **Mercatus**, a provider of e-commerce solutions, to provide an

end-to-end retail solution for grocers. Mercatus-enabled grocers can access the Bringg platform to manage deliveries across internal and third-party fleets and gain real-time visibility into delivery operations.

> **Virgin Atlantic's** first flight to Tel Aviv touched down at Ben Gurion International Airport in September 2019 with a full cargo payload. The new daily Airbus A330-300 flights offer 22 tons of cargo capacity to and from London Heathrow as well as connections with Virgin Atlantic's network serving gateways in the United States.



IN BRIEF



> 3PL **Sunset Transportation** extended its cross-border customs brokerage network with a new facility at the Laredo, Texas, and Nuevo Laredo, Mexico, border. The Texas-based branch offers customs brokerage and logistics management services, as well as a secure, C-TPAT-compliant and food grade-certified warehouse.

> Digital freight network **Convoy** partnered with **BluJay Solutions**, a supply chain software and services provider, to give shippers direct access to Convoy's instant market rates with guaranteed tender acceptance via BluJay's Transportation Management dashboard. Shippers can quickly find reliable coverage

from Convoy's network of tens of thousands of carriers.

> **Loadsmart**, a digital freight technology company, released its Simple Quote add-on for Google Sheets and Microsoft Excel. The integrations allow shippers to price and book truckload shipments in seconds directly from within a

> **Steel King Industries**, a manufacturer of materials handling products and systems, debuted a line of rugged industrial containers for heavy-duty storage applications. Designed to last up to 30 years, the containers come in custom sizes and can store automotive parts and recycled materials.



spreadsheet—without the need for emails, calls, or a TMS integration.

> Retailers and brand owners can simplify RFID adoption and maximize returns with RFID TotalCare, a package of solutions from provider **SML RFID** that includes item-level RFID tagging and software. The package provides tag development, source tagging at the factory, improved tagging in distribution centers to increase inventory accuracy, and consulting services to help maximize return on investments across the product lifecycle.

>TRANSPORTATION

> **Yang Ming Marine Transport** launched the TIX service (Thailand-Indonesia Service), which calls at Laem Chabang, Thailand; Singapore; and Jakarta. The route connects with Yang Ming's global service network via Singapore.

> **ZIM** started a service between Mexico, the Caribbean, and Central America. The rotation includes Veracruz, Altamira, P. Cortes, Santo Tomas, Kingston, Rio Haina, and San Juan. ZIM operates three vessels for this weekly, fixed-day service.



> **ID Label's** Eco Beam Renew can be applied directly over old or damaged warehouse rack labels, eliminating the need to scrape off old labels or chemically treat beams before relabeling. Eco Beam Renew comes in a linerless version, features a metalized backing that eliminates show-through, and has an easy-release surface for future relabeling needs.

> **OOCL** launched a Middle East/Indian Subcontinent-North Europe Service in October 2019.

> Expedited logistics provider **time:matters** established a new hub in Brussels and extended its services to Africa. The company now offers 81 weekly direct flights between Brussels and 16 African stations.

> The **CMA CGM Group** launched a direct weekly service between the Black Sea, Turkey, Morocco, and Spain, with connections to the rest of the world via Malta.



> Airfreight shippers can now book **AirBridgeCargo** and **CargoLogicAir** capacity on **cargo.one**, including general cargo and premium services, originating from Frankfurt, Munich, and Leipzig in Germany, as well as Amsterdam in the Netherlands. With more destinations to be added soon, the digital platform provides shippers with more time-condition choices for air freight.

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Jump Start 2020

smc3jumpstart.com

Jump Start, produced by SMC³, combines networking opportunities with industry education to explore emerging trends, current challenges and new innovations in the supply chain.

CONFERENCES

NOV 21-22, 2019
NEW YORK, NY

RailTrends 2019

railtrends.com

RailTrends offers networking opportunities, industry discussions and debates, and panels that provide perspectives on Class I, regional, and shortline railroads.

JAN 21-24, 2020
ORLANDO, FL

OPEX Week: Business Transformation World Summit 2020

bit.ly/OPEX2020

Hosted by IQPC, OPEX Week teaches attendees about best practices in business process re-engineering, robotic process automation, sustainability, and blockchain.



FEB 2-4, 2020
SEA ISLAND, GA

Georgia Foreign Trade Conference

gforeigntrade.com

Presented by Georgia Ports Authority, GFTC offers panels on subjects impacting global trade. Session topics include container, roll-on/roll-off, breakbulk, and agri-bulk transportation.

FEB 4-6, 2020
VANCOUVER, BC

Cargo Logistics Canada

cargologisticscanada.com

Presented by Informa Markets, Cargo Logistics Canada helps industry professionals learn, share, network, and move their supply chains into the future. It addresses the needs of cargo owners, shippers, and agents who manage the flow of goods through Canadian supply chains.

MARCH 9-12, 2020
ATLANTA, GA

MODEX 2020

modexshow.com

Hosted by MHI, MODEX 2020 offers providers and buyers the chance to explore the latest in materials handling and IT solutions. The exhibits and educational seminars allow attendees to discover industry trends to gain a leg up on the competition.

MARCH 12-13, 2020
SAN DIEGO, CA

LogiMed

bit.ly/LogiMed2020

Presented by Worldwide Business Research, LogiMed brings together top leadership from both the manufacturing and provider sides of the medical device supply chain. In an interactive and collaborative format, attendees identify the best practices to improve the end-to-end supply chain, better serve customers, and minimize costs in today's evolving healthcare environment.

MARCH 15-17, 2020
SAN DIEGO, CA

2020 IWLA Convention & Expo

iwla.com/convention

The IWLA Convention & Expo gives warehouse logistics companies and suppliers the opportunity to network and build valuable business relationships through educational sessions and special-interest meetings. Discussions focus on effective warehousing strategies and innovations and driving logistics forward.

APRIL 27-29, 2020
DALLAS, TX

ECA MarketPlace 2020

expresscarriers.org/marketplace

Hosted by the Express Carriers Association, the ECA MarketPlace conference facilitates networking and business development. Shippers and carriers participate in one-on-one, prearranged interviews designed to provide information and referrals and form logistical partnerships.

MAY 5-6, 2020
DALLAS, TX

American Supply Chain Summit 2020

supplychainus.com

Presented by Generis Group, the American Supply Chain Summit provides attendees with relevant, timely solutions to achieve their organizational goals. Participants examine key case studies on how workforce management, advanced analytics, process improvement, and automation are being rolled out in the world's best facilities.

SEMINARS & WORKSHOPS

APR 7-8, 2020
CAMBRIDGE, MA

Supply Chain Strategy and Management

bit.ly/MITsupplychainstrategy

MIT Sloan Executive Education's spring course presents industry professionals with innovative strategies and best practices for supply chain performance. Participants gain a deeper understanding of supply chain integration, technology sourcing, and strategic partnering, decision-support systems.



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BILLION

Estimated total spending on Halloween by U.S. consumers in 2019

Number of people in U.S. who celebrated in 2019:

172 M

Retailers scaring up the most pop-up business:
• Spirit Halloween
• Party City

1,300+

Number of Spirit Halloween stores in the U.S. & Canada in 2018. They open from August to early November.

25,000

Number of temporary employees Party City hired

275

Number of pop-up stores Party City opened

When shopping for Halloween, consumers haunted:

42%

discount store

36%

Halloween or costume store

25%

online

25%

grocery store

23%

department store

Estimated average spending per person:

\$86.27

Spending breakdown:

95%

Candy (\$2.6 billion)

72%

Decorations (\$2.7 billion)

67%

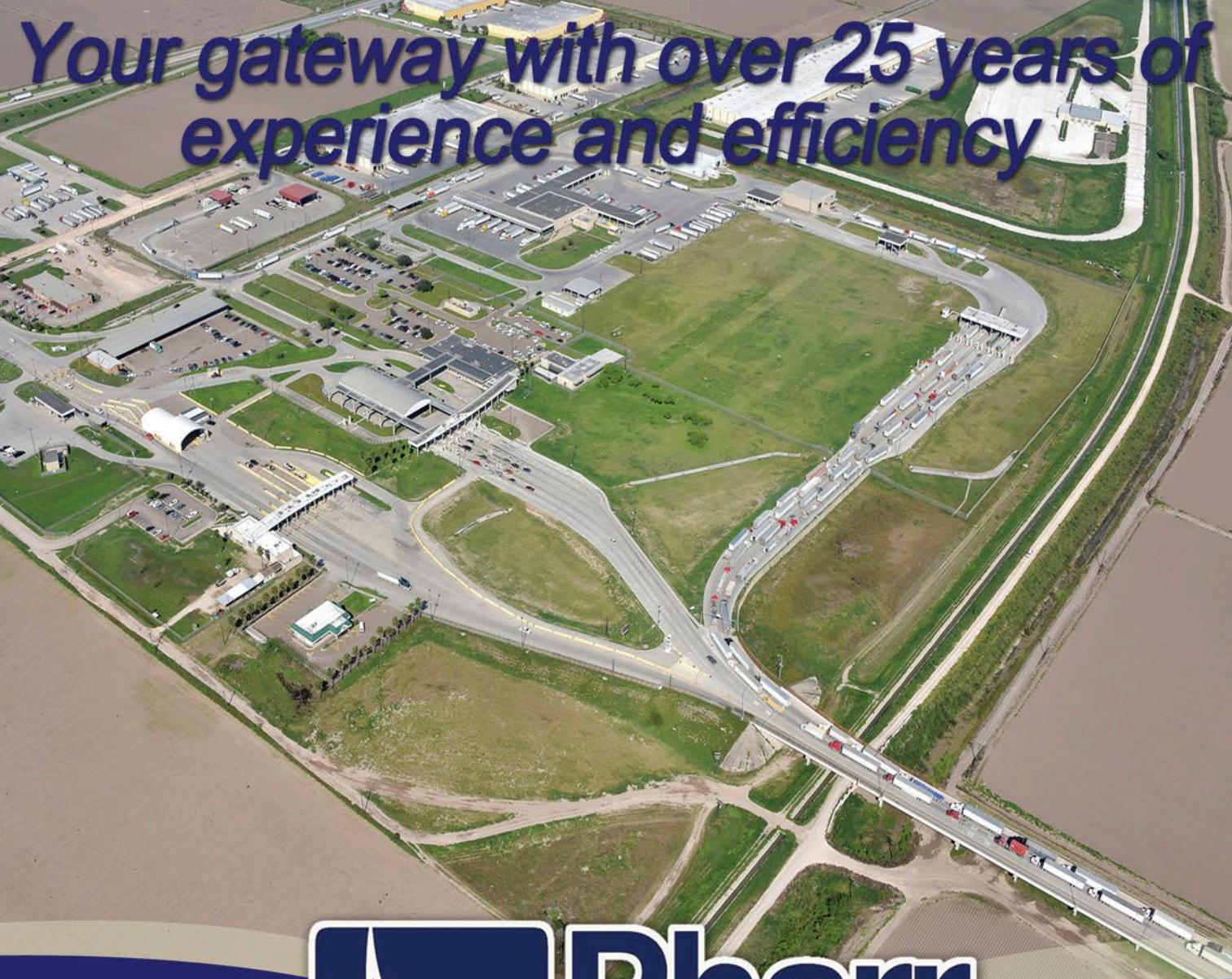
Costumes (\$3.2 billion)

34%

Greeting cards (\$390 million)

6-8 WEEKS

Time frame for manufacturers, distributors, and retailers to market candy



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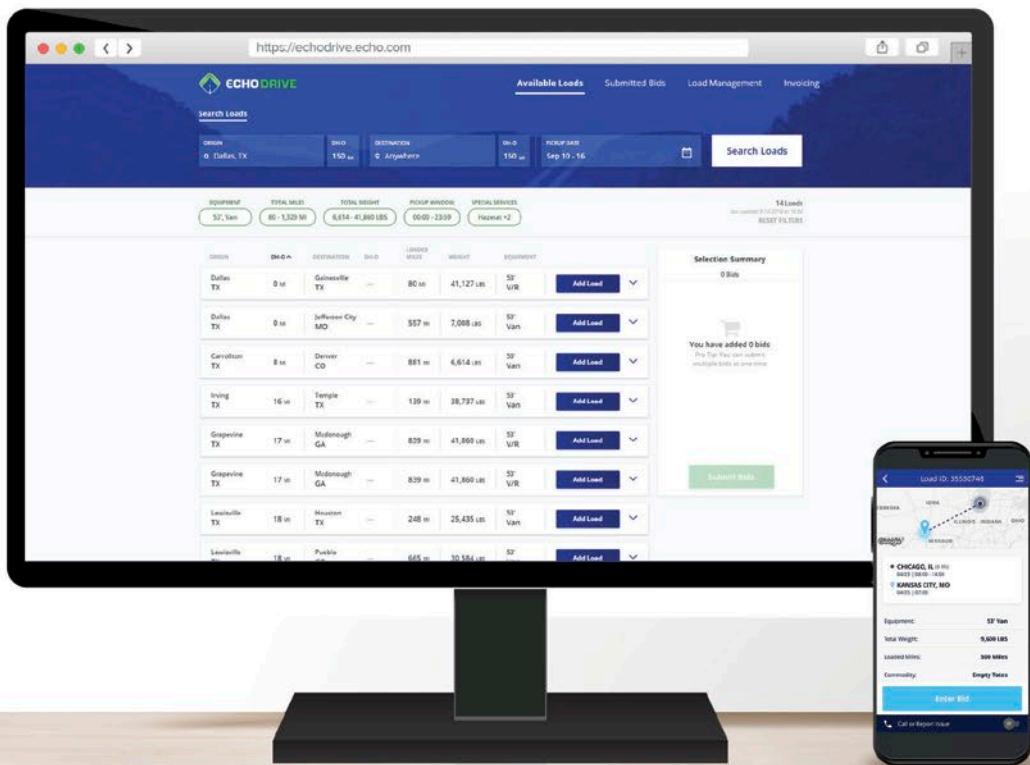
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A web portal and mobile app for dispatchers and drivers

- ◆ Search available loads and submit offers
- ◆ Real-time tracking
- ◆ Full fleet mode with ability to manage all loads and drivers
- ◆ Document upload capabilities
- ◆ Invoice portal to view current and past receivables

Learn more by visiting
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