EXPEDITED TRANSPORT:
It’s All in the Timing

ALSO:
Who’s Who in Airfreight Forwarding
Seasonal Demand: Holiday Stocking

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
READ MORE

EXECUTION is EVERYTHING

Ryder
Capacity as a competitive advantage.

What do you get with North America's most powerful truckload network? The confidence that every freight shipment arrives at its destination on time. People in every C.H. Robinson office have the local market knowledge and visibility to maximize your opportunities. Now, your customers are satisfied and you're prepared for any situation.

Say yes to coast to coast connections working for you.

solutions@chrobinson.com | 800.323.7587
INPRACTICE

10 READER PROFILE Michael Smyers: Molecular Logistics
For Michael Smyers, associate director, logistics, at chemical and transportation fuel products manufacturer Amyris in Emeryville, Calif., the formula for a successful career relies on continuing education.

91 I.T. TOOLKIT Inventory Tracking: Crunching the Numbers
With store replenishment lagging behind sales growth, potato chip maker Golden Flake deployed a mobile inventory-tracking solution to satisfy its craving for stock visibility.

INDEPTH

36 Expedited Transport: It’s All in the Timing
Once cost-prohibitive for all but the most time-sensitive rush deliveries, today’s expedited services help shippers balance their need for speed with cost-effective solutions.

45 Holiday Stocking
Smart planning throughout the year allows retailers to strike the right balance for Black Friday, Cyber Monday, and beyond.
INDEPTH

55 Who’s Who in Airfreight Forwarding
Inbound Logistics’ annual guide helps shippers find airfreight partners that will help them soar.

61 SPECIAL SUPPLEMENT H.O.W. (Help on the Way)
Need tips on sustaining 3PL partnerships, measuring sustainability program results, or keeping your supply chain afloat through natural disasters? You’ve come to the right place. Find out H.O.W. to handle these challenges and others in our annual compilation of logistics best practices.

INFO

13 NOTED

17 TRENDS
The annual Council of Supply Chain Management Professionals conference featured supply chain best practices and logistics trends such as predictive analysis, green initiatives, and career paths for logistics professionals.

23 GLOBAL
U.S., China consider joint logistics partnership to facilitate humanitarian aid and counter-piracy efforts; Canadian trucking companies call on government to invest in transportation infrastructure.

85 ECONOMIC DEVELOPMENT SUPPLEMENT
Kentucky: Racing Toward Logistics Leadership
Kentucky is building America’s future with its technological savvy, good jobs, hard work, and a government focused on making the most of the state’s logistics assets.
WHEN EVERY SECOND COUNTS, COUNT ON AIRNET

AIRNET: MORE PLANES, MORE FLIGHTS, MORE OPTIONS

AirNet is one of the nation’s largest cargo airlines. With our own private air network, we can offer unmatched flexibility and transportation solutions that precisely fit your needs. At AirNet, you’re not just a tracking number – you’re our customer.

- Hundreds of scheduled flights each night to all major U.S. markets
- The latest departures and earliest arrivals
- Superior on time performance, averaging 99.2%
- On-demand charter service with aircraft strategically positioned throughout the U.S. for quick response
- Certified for handling and shipping dangerous goods
- A leader in time-critical transportation for more than 35 years

For information on making AirNet your partner in customized transportation, email solutions@airnet.com or call 800-999-0974.

The leading express cargo airline.
Retailers Rebalance
Time vs. Cost?

For retailers and their value chain partners, practicing inbound logistics provides two competitive advantages—the ability to keep prices low, because matching demand to supply optimizes inventory-to-sales ratios and creates other economies; and the agility to use time as a competitive advantage by serving customers faster and more completely.

In the past, retailers emphasized keeping costs down and prices low. Demand-driven practices produced a large measure of success on that score. Today, leading retailers have been so successful at it that they can offer to match online competitors’ prices. In these cases, economy is no longer a differentiator. If cost was king, and that advantage is gone, what’s left to differentiate? Time.

Brick-and-mortar stores and online retailers provide different returns on the time side of the competitive equation. If demand is immediate, traditional retailers have the edge, because nothing is faster than driving to the mall and buying what you need. Of course, the trip takes time, too. And at certain times of the year—the holiday season—mall visits can be harrowing. And there is the out-of-stock issue, too.

That kind of problem doesn’t generally exist with an online retailer. But you are exposed in another way. Consumers can’t get what they want right now, or even soon, without paying more for next-day delivery. So how does an online retailer offset the time advantage held by traditional retailers?

For more than a year, rumors spread that Google is planning to offer same-day delivery in specific markets through its retail partners. Amazon has been providing it for a while in certain markets. Perhaps the Kiva purchase provides the infrastructure to successfully expand that offering without killing the cost advantage.

Does same-day delivery by online retailers signal the end of the traditional retailer’s time advantage? Walmart says no. With more than $4 billion in online sales, Walmart straddles both online and traditional retail channels, and has the logistics infrastructure to support both. Now the company is launching Walmart to Go, a $10 flat-rate charge for same-day delivery of products shipped directly from stores in certain areas. It likely won’t encompass all products, just ones with high demand. Otherwise, the demand-driven logistics cost advantage Walmart worked so hard to achieve would be squandered on expedited shipping and warehousing costs.

Velocity is more important than price for some consumers, perhaps giving some retailers another component to consider as they compete. In the clash of the retail titans, Walmart vs. Amazon (and now Google), where the cost advantage has been flattened, those using time to their best advantage may have an edge.
Dimerco’s network expansion in INDIA
A confident outlook on further serving
global customer needs in Emerging Markets

Dimerco Express Group,
the Taiwan based global logistics service provider, has been devoted to provide customers with logistics services, integration, and supply chain consultancy since 1971. Having developed a strong network in China over the last 20 years, Dimerco Express Group is now moving to the next stage of its network expansion by setting up a new Joint Venture company in India to better serve its global customer’s needs. Effective October 2012, “Dimerco Express India Pvt. Ltd.”, marks a significant milestone in the company’s expansion strategy in emerging markets.

Dimerco strives to become the most competitive global transportation and logistics service provider, integrator & consultant, by leveraging core values and creating competitive strengths in global supply chain, product diversity, and localized management to further set up the blueprint for the group’s sustainable management.

More than 40 years, Dimerco have progressively expanded our service network on a global scale and provides the international transportation and logistics service. The company will continue to identify the needs of our clients and to offer them innovative services that make a complete and effective supply chain.

For more information, please visit www.dimerco.com or email to marketing@dimerco.com

DIMERCO - Your ASEAN + China Logistics Specialist in India
WHERE SUPPLY CHAIN SOLUTIONS CONNECT

ProMat 2013 is the must-attend event in the manufacturing and supply chain industry. From January 21-24, 2013, leading innovators will showcase solutions that will open a world of possibilities to:

- Streamline operations and improve visibility
- Maximize efficiency and flexibility
- Cut costs and increase profitability
- Speed time to market
- Reduce your carbon footprint

REGISTER TODAY FOR PROMAT 2013!
Visit www.ProMatShow.com for free registration.
WHERE SUPPLY CHAIN SOLUTIONS CONNECT

ProMat 2013 is the must-attend event in the manufacturing and supply chain industry. From January 21-24, 2013, leading innovators will showcase solutions that will open a world of possibilities to:

• Streamline operations and improve visibility
• Maximize efficiency and flexibility
• Cut costs and increase profitability
• Speed time to market
• Reduce your carbon footprint

Navigating the New Political Climate for Business Growth and Success

With the presidential inauguration the day before ProMat opens, Steve Forbes assesses the impact of the President and his administration on the future of the economy and business growth. Mr. Forbes will provide insights and strategic advice for business success during these difficult times.

The Impact of Robotics on Economic Growth

During the last few years, a new wave of robotics has emerged that is revolutionizing manufacturing and distribution operations. Dr. Christensen will detail how these advances combined with core business drivers will help advance future economic growth.

The Future of Material Handling, Logistics and Supply Chain

Moderated by: Edie Weiner, Futurist
Panelists:
George Prest, CEO, Material Handling Industry of America
Rick Blasgen, President and CEO, Council of Supply Chain Management Professionals
Michael J. Mikitka, CEO, Warehousing Education and Research Council
Liz Richards, Executive Vice President, Material Handling Equipment Distributors Association

REGISTER TODAY FOR PROMAT 2013!
Visit www.ProMatShow.com for free registration.

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

REGISTER TODAY FOR PROMAT 2013!
Visit www.ProMatShow.com for free registration.

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
Transloading to Maximize Cost Savings

Transloading offers a cost-effective way to bring ocean containers inland to distribution centers. By transferring cargo without sorting the contents for shipment to a single destination, transloading services can reduce total landed costs, and—when combined with value-added services such as palletizing and shrink-wrapping—reduce handling at the destination. Jeff McCorstin, senior vice president of air and ocean products for UPS Global Freight Forwarding, offers these tips for maximizing savings with transloading services.

1. **Understand general transloading rules.** Transloading offers the greatest cost savings when ocean containers can be consolidated into fewer, larger domestic trailers. The cargo in three 40-foot ocean containers typically fits into two 53-foot domestic trailers.

2. **Ensure overall transportation savings outweigh additional handling costs.** Sometimes the savings are negated for destinations located farther east from the U.S. West Coast discharge port.

3. **Consider palletizing cargo during transloading.** To best use space in ocean containers, cargo is rarely palletized at the point of origin. Palletize during the transloading process to improve distribution center (DC) handling efficiency.

4. **Factor transloading into transit time estimates.** Unloading, handling, and reloading ocean container cargo near the port of discharge takes time. Allow up to three days to ensure customer delivery commitments are met.

5. **Ensure your cargo fits the bill.** Transload operators charge additional fees for containers with more than a certain number of cartons. The additional costs for containers with several thousand small cartons could offset any transportation savings.

6. **Ensure handling flexibility by making Customs entry at the port.** While it is a common practice to clear ocean containers at their final inland destinations, it is better to make entry at the port of discharge. This ensures maximum flexibility in handling cargo, and eliminates the need to move the shipment in-bond, saving additional costs.

7. **Increase supply chain efficiency with merge-in-transit offerings.** This type of deconsolidation allows importers to combine products arriving in containers from different origins/shipper by transloading near the port of arrival into domestic trailers. And if importers source from domestic suppliers—who may also have product arriving via container—this cargo can be merged in transit to arrive together at the designated DC.

8. **Use transloading to expedite delivery to final destination.** Transloading near the port of discharge provides the flexibility to bypass DCs and speed delivery to the end customer. The reduced DC handling charges and improved time in transit can help trim supply chain costs.

9. **Avoid costly containers.** Instead of shipping less-than-containerload, 20-foot, or light-loaded 40-foot containers from multiple overseas vendors to your inland DC, ship fully loaded/optimized containers to a single container freight station near the port of discharge. From there, they can be transloaded, merged in transit with other inbound cargo, and shipped to the final destination using the transport mode that best fits the importer’s needs.

10. **Set up transloading programs in advance.** Having your service provider involved in coordinating with the origin forwarder translates into better service levels and reliability.
The end of the tracks is just the beginning of our capabilities.

Every day, we coordinate rail, trucks and ocean carriers for thousands of companies – many without tracks to their doors. That would be a challenge if we were just a railroad, but we’re not. We’re logistics experts. When we coordinate your shipments, you may never see a train. But you’ll see a positive impact on your business. So let us manage your door-to-door shipping. After all, we’ve been hauling America’s goods for 150 years. Call (877) 883-1422 or visit UnionPacific.com

Wherever you find business, you’ll find us.
Michael Smyers: Molecular Logistics

When I joined Amyris in 2010, the company had just completed an initial public offering and was working toward commercializing its products. The logistics infrastructure needed to be built out, and my initial role was to develop and deploy a scalable solution.

Today, an ongoing challenge is striking the right balance between cost, speed, and flexibility as we bring new chemical and transportation fuel products to market. We work with many contract manufacturers, and we’re commissioning our own plant in Brazil. As new production sites come online and we enter new markets, it’s critical that our logistics capabilities enable us to execute the supply chain strategy.

Many of our products are brand new molecules, so determining Customs classifications and identifying requirements for importing the product into other countries are two major challenges. For example, we might need a Certificate of Free Sale and Good Manufacturing Practice to sell cosmetics into the Association of Southeast Asian Nations member countries. Complying with complex and changing requirements is one of my key responsibilities.

In 2013, we plan to search for a transportation management system (TMS). We need to consider many issues: Should we host internally, or opt for a cloud-based service? Do we pursue a best-of-breed model, or use the TMS that comes with our enterprise resource planning system?

Michael Smyers is associate director, logistics, at Amyris, a manufacturer of chemical products and transportation fuels made from renewable resources, based on an industrial synthetic biology platform. Smyers has worked at Amyris, in Emeryville, Calif., since 2010.

Responsibilities
Global logistics, trade compliance, and sourcing.

Experience
Internship, TranzAct Technologies; several operational and managerial positions culminating in vice president, Allyn International Services.

Education
Penn State University, B.S., business logistics. Certifications: Northwestern University’s Kellogg School of Management, Supply Chain Management and Lean Six Sigma; Georgia Tech, Logistics Professional Series; GE, Supplier Six Sigma; Institute for Supply Management, Certified Professional in Supply Management; Council of Supply Chain Management Professionals, SCPro.
What software best integrates our suppliers, logistics service providers, and carriers?

One of the scariest career decisions I’ve made was when I graduated from Penn State’s logistics program and accepted a position with Allyn International, a boutique professional services firm based in Fort Myers, Fla. When I joined the company, it employed fewer than 15 people. I didn’t know what opportunities I would find beyond the initial position, unless I made them for myself.

To help the company succeed, I put a lot of effort into continuing education, and upgraded my skills in areas that would have the biggest impact for our customers. As the company grew and prospered, several opportunities arose. Among them was the chance to develop some novel logistics solutions for the wind energy industry.

Using Design For Six Sigma principles, my team worked with a customer to develop a reusable fixture for shipping turbine blades and tower sections from overseas suppliers. The fixture reduced logistics unit costs by stacking cargo on the vessels we chartered.

The design also enabled us to efficiently transfer the cargo from a vessel to a truck or railcar, minimizing handling. To reduce reverse logistics costs, the fixtures were made to be easily disassembled at wind farm sites, then loaded into standard 40-foot containers for shipment back to the overseas blade and tower factories.

After working for 15 years as a logistics practitioner, I still get excited about my job. I’m looking forward to tackling new challenges at Amyris as we continue to innovate and provide renewable alternatives to petroleum-sourced transport fuels and chemicals.

National

Experienced teams. Expedited service. Excellence for the long haul.

If you ship freight that needs to get there sooner rather than later, C.R. England is the ideal carrier! The C.R. England National division has the capacity and experience to serve your needs, from routine truck load shipments to timely surge response requiring expedited transport. One of our hallmarks is the quality of our drivers and support staff—professionals who are experienced, accountable and devoted to customer satisfaction. The National team will ensure that your freight arrives when you need it to be there while providing competitive rates to help control your costs.

We are C.R. England.

888-725-3737 | nationalsales@crengland.com
www.crengland.com

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

Ryder

Execution is Everything
Launch Precisely.

Add Value to each Step.

Control at Every Turn.

Outsmart the Track.

Execution Is Everything.

SUPPLY CHAIN • DISTRIBUTION • TRANSPORTATION • CONTROL TOWER

©2012 Ryder System, Inc. All rights reserved.

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE

1-888-887-9337 www.ryderscs.com
J.B. Hunt Transport Services chose PeopleNet for its fleet-wide electronic on-board recorders and computers, and installed BLU.2 onboard computers in more than 2,300 J.B. Hunt trucks to date. All new trucks purchased by J.B. Hunt are fully equipped for their PeopleNet installation through factory pre-wiring and are activated prior to deployment to J.B. Hunt’s service network.

Geodis Wilson, the freight forwarding and heavy lift division of the Geodis Group, was awarded a $50-million contract by steel manufacturer Cimolai. Geodis Wilson will manage the transport of 16 lock gates, each weighing more than 4,000 tons, for the Panama Canal expansion.

Ipsy, an online beauty site based in San Mateo, Calif., selected Saddle Creek Logistics Services to manage order fulfillment for its subscription program, which involves monthly continuity shipments of health and beauty sample products to subscribers. The 3PL assembles curated bags containing product samples, and provides packaging services such as rainbow-pack assembly and labeling from its facility in Charlotte, N.C.

Automotive manufacturer BMW selected Panalpina to manage its spare parts logistics operations in Brazil, including running a new distribution center there. Apart from services such as goods receiving, storage, order picking, and return goods handling, Panalpina is responsible for order management and spare parts deliveries within Brazil, as well as customs clearance for inbound shipments.

GREEN SEEDS

Customized Distribution Services, a provider of advanced logistics capabilities, processes, and solutions via distribution centers, implemented an energy monitoring system from Noveda Technologies at its Henkel facility in Breinigsville, Pa. The system provides immediate visibility into the energy the facility is expending by measuring minute-to-minute consumption patterns of natural gas and electricity. The system can also monitor water usage.

UPS deployed 40 new hydraulic hybrid vehicles – 20 in Baltimore and 20 in Atlanta. Developed by Freightliner Custom Chassis Corporation and Parker Hannifin, the package cars can achieve up to 35 percent improved fuel economy, and up to 30 percent CO₂ emissions reduction over traditional diesel-powered vehicles that use automatic transmissions in stop-and-go applications.

November 2012 • Inbound Logistics 13
UP THE CHAIN

James Orr was named to the new position of senior vice president, supply chain, and chief supply chain officer at Save Mart Supermarkets. His experience covers logistics and supply chain functions – transportation and inventory management, warehouse operations, forecasting, and customs compliance – during a career that includes stints at JCPenney Transportation, Cost Plus World Markets, Signature Fruit, Tri-Valley Growers, and Ryder Systems.

Sander Eth, a 24-year veteran of Staples, joined home furnishings and décor company Bambecco as senior vice president of supply chain. Eth heads the company’s supply chain management, and oversees warehouse operations, transportation, vendor compliance, and inventory management and replenishment.

Freight brokerage firm and third-party logistics company England Logistics purchased certain assets of Portland, Ore.-based Kampstra Transportation and Logistics. The acquisition enables England Logistics to enhance service to brokerage customers in the Northwest and throughout the United States.

Third-party logistics provider LeSaint Logistics acquired Chemical Logistics Inc., a specialist in chemicals warehousing and distribution. The acquisition gives LeSaint deeper penetration into the chemical markets, and increases the quality service offerings available to LeSaint and Chemical Logistics customers.

recognition

Home improvement specialty retailer The Home Depot recently gave two Estes entities 2012 Carrier of the Year awards in their respective categories. Estes’ Specialized division was recognized as the 2012 Direct to Customer Carrier of the Year, and Estes Forwarding Worldwide (EFW), was named the 2012 LTL Carrier of the Year. Specialized and The Home Depot piloted several programs last year that enhanced performance and provided a wider range of customer delivery options. EFW earned the award for its outstanding commitment to customer service and dedication to the alliance between the two companies.

Con-way Truckload received the 2011 Lowe’s Gold Carrier Award for excellent operating performance, on-time service and reliability, and EDI shipment status compliance. Con-way Truckload achieved a compliance record of 99.5 percent last year.

Marcia G. Taylor, president and CEO of Bennett International Group, was named The National Defense Transportation Association’s 2012 National Transportation Award winner. The award recognizes senior logistics and transportation executives who have made exemplary contributions to the industry.

Bell Carter Foods, the largest table olive producer in the United States, honored Star Distribution Systems as its Service Provider of the Year for the fourth consecutive year. Star Distribution provides Bell Carter Foods ambient warehousing, order fulfillment, and consolidated LTL transportation throughout the southeastern United States.
Imagine There’s No Limit

There’s more to what we do than simply transporting goods worldwide. We provide integrated global logistics solutions. We coordinate all the people involved all the way along the chain and ensure true visibility of operations. Needless to say, we take an environmentally friendly approach. And last but not least, we know how to be creative at a planning stage, and flexible through execution. In meeting these challenges, our imagination creates a world without limits.

sdv.com
If you use us you know. The name means performance without exception – accountability without excuse. It’s an understood promise, backed by 87 years and billions of miles of LTL experience; the most comprehensive guarantee in the industry; and an unparalleled proactive customer service program. There are 8,000 of us ready to go the distance for you. If integrity means anything, then the name on my truck means everything. No matter how you say it.

Unusual name. Extraordinary carrier.
The 2012 Council of Supply Chain Management Professionals (CSCMP) conference in Atlanta was awash with new ideas and strategies, discussions of recurring economic and regulatory challenges, and examples of supply chain best practices.

Logisticians and supply chain practitioners on both sides of the supply/demand coin mingled within the expansive Georgia World Conference Center. Playing host to both CSCMP and the 26th annual International Air Cargo Forum & Exposition, this year’s gathering provided a true intermodal experience that touched on many issues shippers and service providers are grappling with in a challenging global economy.

Based on insights gathered from educational sessions, one-on-one meetings, and hearsay in the hallway, Inbound Logistics offers a man-on-the-ground perspective from this year’s conference.

Supply Chain Labor Pains

While many conference attendees were attuned to the looming truck driver shortage, some also noted a talent gap in supply chain middle management. Some shippers are raising concerns with their service providers about the lack of experienced operations professionals.

Dr. Robert Lieb, professor of supply chain management at Northeastern University and
Joe Gallick, senior vice president of sales for Penske Logistics, addressed this challenge in their annual 3PL research study, summarizing data gathered over the past several years that speaks to issues of recruiting, training, and retention.

“From the C-level to distribution center workers, a tremendous amount of turnover is occurring in the business,” said Lieb. “We’re challenged to determine the root cause.”

The seemingly simple problem is actually quite complex, explained Gallick. Third-party outsourcing was typically a matter of divesting tactical functions involving transportation and warehousing. The evolution of supply chain management in terms of technology and engineering requires more sophisticated skills. Universities have introduced supply chain programs that are producing future talent.

“I liken it to a manufacturing company,” he continues. “What we produce and sell is an outsourced service, and the raw material we bring in is logistics talent.”

Some of the perceived human resources shortfall may simply be a matter of education catching up with the swift pace of change in the industry. The past decade has been a revolution of sorts in that regard.

“3PLs now realize we can’t wait until we have a customer, then source talent,” added Gallick. “We have to invest in people up front.

Many 3PLs are working with universities to attract talent, and provide training, mentorship, and rotational work assignments—tools they need and a career ladder where they can rise within the organization. The talent gap may be more overt among smaller service providers that don’t have the clout or connections to nurture and retain rising talent. Still, opportunities are emerging for companies to help young logisticians cut their teeth in the real world and add value to their organizations.

“Coming through school is a generation of professionals who have set their sights on the logistics sector, versus being pulled into it via other channels,” said Lieb.

**Predictive Analytics for Changing Times**

Among the hot technology trends discussed at the conference was predictive analytics. Several companies mentioned the increasing importance of squeezing actionable information out of raw data, then using it to model or predict future supply chain events or actions. While demand forecasting is by no means a novel concept, shippers today possess infinitely more sources and information channels from which they can collect, digest, analyze, and disseminate data. Cloud
networking is predicated on this type of open sourcing that derives value from myriad inputs.

Technology companies are pioneering a path toward greater innovation in this area. LLamasoft, for example, has developed modeling software that allows shippers to envision how their global supply chains might look and operate given different scenarios, distribution and sourcing inputs, or total landed cost filters.

IBM is similarly looking at how to inspire “smarter commerce” by identifying data patterns and optimizing processes. This capability is especially relevant as companies look to mine more intelligence about their supplier networks, and identify problems before they occur.

3PLs, too, are playing the predictive analytics game. Take Coyote Logistics, for example. Its technology is sophisticated enough that it can aggregate data across customers to identify lane pricing shifts, find capacity in a customer’s private fleet and broker it out, and provide value beyond transactional brokerage operations.

With more accurate and objective data coming from myriad internal and external sources, companies can plan and strategize better, which directly feeds their ability to respond to demand and execute more efficiently and economically.

**Air Freight Meets Oktoberfest**

As media briefings go, sitting around a large oak table with German beer flowing in tune with a Bavarian polka band is as original as it gets. Joining a dozen or so nattily dressed European airfreight executives and journalists offsite at Der Biergarten restaurant presented an up-close and personal perspective of where the global air freight industry is trending from a continental perspective. Lufthansa Cargo Chairman Karl Ulrich Garnadt and Oliver Evans, chief cargo officer for SwissWorld Cargo, demonstrated the collaborative spirit and effort that is enabling carriers to withstand unsettled market conditions.

Global markets are soft, and there is exposure to pure freighters that don’t have the capacity to shift and scale cargo with passenger aircraft, but industry has not yet hit crisis mode, explained Garnadt. Security remains a foremost challenge, and while the industry as a whole has made great strides synchronizing standards and regulations, gaps remain—notably U.S. efforts to apply passenger security measures to cargo.

The airline industry also faces the task of upgrading “stone-age IT systems in parts of the network”—a foremost objective of the global e-freight initiative, in which Lufthansa has taken a leadership role. Garnadt sees regular seasonality coming...
back at lower volumes, largely driven by Asia-Europe trade. But in terms of managing variability, “we have to plan and forecast month to month, reduce freighter capacity 20 percent certain weeks, for example, and work three to four weeks out,” he added.

Carriers in the Lufthansa Cargo Group—which includes SwissWorld Cargo, Brussels Airlines Cargo, and AeroLogic—are actively managing capacity to maintain load factors and react to changing markets and demand patterns.

Targeting new markets to grow into, where pure freight volumes are steady, has been a point of emphasis for the group. Brussels Airlines, for example, has seen steady progress in its services to Africa, where load factors are consistently greater than 90 percent. Lufthansa has also added to its Americas network with services to Detroit and Montevideo, Uruguay, and has benefitted from vertical-specific lanes such as Houston to Manchester, England, where oil field and engineering equipment is Scotland-bound.

Commenting on North American growth efforts and a struggling euro, SwissWorld Cargo’s Evans commented, “We are happy when they are performing well, because that translates to dollars.”

Conference Takeaways
Here are a few more observations from the conference floor:

- **This year’s attendees were noticeably younger**, indicating a generational transition in the logistics sector. With many universities now offering undergraduate and postgraduate curricula in myriad supply chain disciplines, there has been an expected swell in the number of students and industry newcomers attending the conference. This can only be seen as a positive.

- **The green movement may be losing its buzz.** Many shippers and service providers remain committed to sustainability initiatives and investments. An abundance of case studies and testimonials attest to that fact. Nonetheless, sustainability presents challenges in creating standards and measuring performance beyond the corporation, within the extended supply chain, between verticals, and, most importantly, across borders.

- While industry at large has demonstrated a business value proposition for reducing waste and becoming more fuel efficient, what’s the next step? Until companies can tie ROI value to green efforts upstream and downstream in the supply chain, the movement will remain muddled in “green tape.” Only when sustainability becomes a mark of supply chain excellence—and companies across the supply and demand divide are measured accordingly—will we see a true revolution.

- **Mobile technology is radically changing how people network**, for better and worse. Between sessions, nearly everyone had their head bent over a laptop or smartphone—either communicating with the office, reading and responding to emails, or filling the idle ennui that inevitably passes during breaks. An obvious upside exists to communicating remotely in real time, but there is also a disadvantage: the art of communication and networking lags. As one peer noted, gone are the days of chatting with fellow attendees while waiting in line for the pay phone.

- **The term 3PL is blurring beyond recognition.** The industry is flooded by companies that now tout third-party logistics-type capabilities—whether they fit the traditional mold or not. IT companies, freight brokers, consultants, and freight bill audit providers fill execution needs to different degrees. Mining data—and having talented logisticians to analyze that intelligence—is key to demonstrating value as part of continuous improvement-driven partnerships.

The ability to capture, interpret, and act on this information is what enables others to play in the 3PL space. Soon enough, if not already, companies with proprietary technology and a skilled team of “executioners” will be touting themselves as asset-based 3PLs.
Lifting your business to the next level requires the strength on demand you get from a commercial vehicle fleet that sweats the details as closely as you do. And this year, the Freightliner Sprinter’s often overlooked details are finally getting noticed with the Vincentric Best Fleet Value in America award and the Lowest Fleet Lifecycle Cost*. Unbiased evidence that the Sprinter matches the intensity you bring to the job every day.

freightlinersprinterusa.com

*Based on Vincentric Best Fleet Value in America 2012 Award analysis, 3/4 ton cargo van segment and the Standard Roof, 144 inch wheelbase trim level.
Overcoming obstacles and making the right decisions for your future demands the confidence and tools essential to achieve success . . .

Empower yourself . . . by having a knowledgeable, experienced partner you can trust to safely implement the appropriate strategy designed specifically for your unique supply chain needs.

This is WERNER.
800.228.2240
www.werner.com | www.wernercares.com

Find out more at WernerStory.com

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
Sometimes shared pain, or even altruism, can create unlikely allies. U.S. and Chinese officials plan to discuss the possibility of combining logistics resources during counter-piracy, humanitarian assistance, and disaster response missions. The United States officially extended an invitation for a team of senior Chinese logisticians to visit Washington in early 2013 to explore a first-ever logistics cooperation agreement between the two countries, according to Air Force Brig. Gen. Mark M. McLeod.

If adopted, the arrangement would enable the United States and China to share fuel, food, supplies, and even vessel parts to support their joint operations. Such an arrangement has been floated in the past, but didn’t gain traction because of strained U.S.-China relations. Now the timing may be right as both countries look for ways to strengthen their military-to-military relationship.

These developments are important building blocks toward closer logistics collaboration that enables regional nations to partner together and respond more effectively to natural disasters and other contingencies, says McLeod.

“As China transitions from an internal defense-focused military and begins to push off its shores and take on more regional security roles, it is finding its logistics chains strained,” he adds.

A potential military logistics agreement with the United States presents a major upside for China. The country stands to acquire expertise and developing infrastructure that may prove helpful elsewhere in the commercial sector as the country manages some of the growing pains in its rapidly expanding economy. And it offers another platform for China and the United States to come together and consider new opportunities beyond humanitarian aid and counter-piracy activities.
Canadian Carriers Call for More Transportation Infrastructure Spending

The United States isn’t alone in dealing with major transportation infrastructure gaps that sap the vitality of over-the-road commerce. The Canadian Trucking Alliance (CTA), a Toronto-based federation of provincial trucking associations, recently sent its federal government a yearly infrastructure improvement wishlist it hopes will promote a safer and more efficient trade flow.

Submitted by 4,500 motor freight carriers and compiled by the CTA, the list includes roads, bridges, and border crossings that Canada’s trucking companies consider in dire need of improvement.

“No one better understands the state of Canada’s aging infrastructure than the people who use the highways, bridges, and border crossings every day,” says David Bradley, CEO of CTA.

Increased transportation infrastructure spending could help ease traffic delays on Canada’s highways.

Though Canadian carriers hope the listed improvements will be considered, the uncertainty of current economic times means there is no guarantee they will come to fruition. Judging by the fact that the majority of last year’s suggested projects have now been reinstated on the 2012 list, Canadian carriers and shippers may see their needs go wanting absent new funding sources.

Bradley says the list is simply a guide to aid the government in its strategic framework and deciding where to make infrastructure investments.

“It would be wise to consider the suggestions of those who see firsthand where possible improvements make the most sense and provide Canadians the biggest bang for their buck,” he concludes.
U.S. Imports, by End Use

U.S. demand for imported goods has nearly regained pre-recessionary levels after dropping across the board between 2008 and 2009.

Source: Zepol Corporation, www.zepol.com

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

Not a weak link in the chain

Meet some of the thousands of contract logistics and distribution professionals at UTi who can integrate our value-added warehousing and distribution solutions to your business. Our single-source solutions enable you to deliver to your customers while we deliver savings to your bottom line.

To find out more about which UTi solution best suits your needs and to enter for a chance to win the new iPad, visit us at go2uti.com/promo.
International Shipping: Moving at the Speed of Technology

New technologies for planning, managing, tracking, and securing shipments are continually evolving. With new digital options always just around the corner, organizations of all sizes must stay informed of the latest advances.

When it comes to international shipping, technology is especially important – not only because tremendous growth is expected, but also because the processes involved are more complex, and therefore demand more elaborate solutions.

For example, because the United States has established free trade agreements (FTAs) with Colombia, Panama, and South Korea, removing high tariffs and regulatory barriers, U.S. businesses now have a powerful opportunity to buy and sell products with new partners.

Ready, Willing, and Able

Taking advantage of FTAs and other global trade opportunities requires organizations to move efficiently; understand country of origin requirements, classifications, and regulatory and security issues; and ensure they have logistics partners in place to guarantee end-to-end support. Technology is critical, and companies should evaluate the solutions they and their logistics partners employ.

As companies prepare to expand their global supply chain operations, focusing on the following four areas is key:

1. Automation. Many carriers offer automation services designed to make international shipping fast and efficient. These online tools help organizations understand and plan for Customs requirements and costs. They may provide country-by-country cost comparisons, detailed cost estimates, shipment documentation forms, information about trade regulations, and applicable licensing requirements. General automation preparation tools are also useful, including city and ZIP code matching tools and address validation. Businesses looking to grow their international footprint should ensure their carriers stay ahead of the automation curve, prioritizing data quality and interface functionality.

2. Security. Keeping shipments secure and safe, and prioritizing compliance with international airport and port security requirements, demands best-in-class technology and processes. Organizations need to understand how their carriers approach security processes, including the types of screening technology they use, how they monitor shipments in transit and in service centers, and how they train their staff to manage security processes and technology.

3. Sustainability. Shippers should examine every aspect of the logistics process for eco-friendly options, including their carriers’ paper-saving and recycling practices.

4. Transportation. While the latest Web-based tools can launch international businesses on the path to success, companies will not get far without old-fashioned transportation know-how and infrastructure. When evaluating carriers, organizations must understand the scope of their international reach, including the specific areas where they ship, and the routes they can take in case a natural disaster or political crisis causes shipments to be diverted.

Ultimately, as technologies are improved and refined, international logistics will adapt and thrive. Making sure your business is adapting as fast as possible means that your organization and logistics partners must constantly move at the speed of technology.
Here Are Only a Few Improvements We Would Deliver.

**Mode Planning.**
We drive better ocean/air mode selection based on lead times and accurate unit costs, and reduce decision cycle times while enforcing internal control policies.

**Better Routing Execution.**
Our dynamic routing selects from multiple modes, service levels and providers and is based on specific transit needs. Shipment details are electronically tendered to providers and enable SKU level visibility of up to 11 days before cargo receipt.

**Better Spend Tracking Based on Decisions.**
We track approved spend decisions from the moment they are made and accrue them to the applicable budget.

**Rate Management.**
Our global solution captures and maintains all critical rates/fees/details. Querying and analysis is quickly done by point and click.

**Freight Bill Audit.**
Our automated prepayment solution audits 100% of all freight bills and requires carrier self-correction prior to payment. We eliminate short/over payment claims with shipper discrepancy involvement in less than one-half of one per cent of all invoices.

Hosted portal solutions from Acuitive reduce international ocean and air transportation spend for leading, global companies in the home center, premium fashion, specialty and direct retail, home and office décor and apparel markets. For more information contact our President and Chief Logistician Phil Marlowe at 704-847-4997 or visit AcuitiveSolutions.com.
4 Steps to Reducing Emissions in the Supply Chain

Businesses around the world have increased efforts to manage and reduce their carbon footprint. These companies also realize that carbon management in the supply chain is an essential capability—the next great step in reducing greenhouse gas (GHG) emissions.

By collaboratively engaging with their supplier networks, companies can mitigate GHG emissions and improve supplier relationships, while boosting efficiency and reducing costs. Here are four essential steps for achieving this goal:

1. **Build on communications to deliver performance.** Communications are important to convey a company’s intentions, as well as its commitment to sustainability. Companies that openly and transparently report significant emissions reductions and quantifiable savings are far more likely to not only meet their sustainability targets, but also get credit from stakeholders for doing so.

2. **Set the right targets.** Companies and their suppliers should distinguish between absolute emission reduction targets—those based on a year-over-year decline in overall emissions—and intensity reduction targets—those reflecting emissions per unit of product or sales.

Absolute emission reduction targets may initially appear to be more desirable because climate change will continue even if emissions per unit of product sold declines and a company just manufactures more product. But companies can meet absolute targets by selling emissions-intensive operations or through outsourcing. Intensity targets, on the other hand, factor in real growth and emissions performance.

3. **Integrate information management into sustainability initiatives.** Companies should link existing IT systems to carbon management and other sustainability initiatives—not only to monitor their own progress, but also to help suppliers meet stated objectives. Integrated information management guides risk assessment, and helps ensure sustainability performance within required tolerance levels.

This becomes especially important as the level of knowledge about GHG emissions—and the opportunities for improvement—increase each year.

4. **Focus on performance improvement, not compliance.** Companies that move beyond compliance and risk mitigation to identify opportunities for improvement are far more likely to engage and collaborate with suppliers. Companies that succeed in this area will invest in partnerships with suppliers; explore new business models with them, including the important and growing eco-friendly consumer niche; and work in concert with suppliers to build a business case centered on sustainability.

**Steps in the Right Direction**

By using the right metrics for carbon management, making better use of information, and improving communications with suppliers, companies can help make carbon emission reductions a key element of competitive differentiation for themselves and their suppliers.

Companies are under tremendous pressure to improve the effectiveness of carbon management in the supply chain, and those that move forward with a comprehensive plan can seize a valuable opportunity for leadership and profitable growth.
With shipping costs on the rise it only makes sense to match your time requirements to the mode. Lynden’s exclusive Dynamic Routing™ makes it easy to change routing between modes to meet your delivery requirements. If your vendor is behind schedule we can make up time and keep your business running smoothly. If your vendor is early we can save you money and hassle by slowing down the delivery to arrive just as it is needed. Call a Lynden professional and let us design a Dynamic Routing™ plan to meet your supply chain needs.

www.lynden.com

1-888-596-3361

The Lynden Family of Companies

Innovative Transportation Solutions

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE
Holiday Rush Planning: How to Mitigate Risk in a Volatile Market

In today’s globalized supply chain, extended manufacturing and transportation lead times dictate that retailers complete most holiday season planning in June and July. These plans are based on the best available intelligence at the time, including consumer forecasts, retailer promotions, and the competitive landscape.

Within the build window for seasonal holiday demand, the industry is particularly sensitive to potential demand shocks in the system. A prime example occurred in September 2008, when original equipment manufacturers (OEMs) and retailers were preparing for another busy retail season.

Although there had been signs of a slowdown in growth, nobody was prepared for the dramatic drop in consumer confidence that followed the Lehman Brothers collapse. Supply was essentially fixed for the season, but consumer demand diminished in the new environment of economic uncertainty. The only response to this imbalance was deep discounting at OEMs and retail stores in an effort to move the excess inventory.

Lessons Learned

From that experience, businesses learned a number of lessons about mitigating supply chain risk, including:

- **Increase collaboration between retailers and OEMs.** Both parties now realize the benefits of closely aligning forecasts and promotional plans with key suppliers and channel customers. Following the 2008 fallout, some retailers looked to reduce their in-store brand range, allowing them to work more collaboratively with fewer, larger suppliers.

- **Migrate from point estimates to range forecasts.** While planning systems thrive on the detail associated with an absolute forecast, such estimates are often wrong or just plain lucky. Working with frequently updated range estimates provides more intelligence on the expected minimum demand levels, and the flexibility levels required to meet potential peaks in demand.

- **Postpone final assembly.** Many companies have seized upon the benefits associated with postponed final product assembly and packaging. This has the effect of reducing planning process complexity—as well as overall inventory levels required—and improving supply chain response time to changes in the channel mix.

- **Tackle product proliferation.** When companies create many product variations, they often seek innovative ways to support them through postponement and managing inventories across multiple channels, frequently supporting additional variations and accessories through complementary online channels.

- **Address value-recovery channels proactively.** At the end of a product’s lifecycle, it is too late to attempt to find a home for excess inventory. Many brands now embrace the concept of a controlled secondary market for their excess or refurbished products, and proactively move excess product into these channels as soon as it becomes evident that initial forecasts are unlikely to materialize.

**Diligence and Agility**

These practices do not eliminate the need for diligence in the planning cycle. But they do increase the level of agility with which businesses can adapt to changing forecasts—and every company can benefit from that.
You know the industry.

You know the people.

You’re ready to take your business to the next level. You’re ready for Landstar.

Landstar understands what it’s like to be a small business owner. We are 100% small business focused. You need access to safe, reliable transportation capacity and logistics solutions for your customers. Landstar has that.

You want to design your own business plan, set your own goals and rely on yourself for the same growth you’ve helped others achieve. Landstar gets that.

You want name recognition, financial strength, industry respect, and most of all, a team of people who understand you and your needs. Landstar is that.
Sorting Out Savings Opportunities in Your E-Commerce Warehouse

The continuing growth of e-commerce has created challenges for distribution centers (DCs). Parcels are smaller, lighter, and harder to handle on the same conveyors and sorters. And shipping and logistics firms have amped up the pressure, adding dimensional charges as a penalty to those that ship lightweight goods.

But from the shipper’s perspective, the less efficient the package utilization, and higher the void fill content, the greater the impact of additional, non-value-added costs such as increased labor, delayed shipments, chargebacks and assessorial charges, and additional space required in the DC—resulting in higher infrastructure costs and increased carbon footprint.

E-commerce customers typically want faster deliveries; environmentally conscious, appealing, and undamaged packaging; the occasional added-value or gift packaging; and free shipping. More than half of customers abandon shopping carts when faced with high shipping costs.

Taking control of your sortation, packaging, and shipping processes can help achieve the following goals:

- **Increase customer satisfaction.** Right-size your packages. Reassessing and re-engineering your packaging process may allow you to select smaller cartons, standardize packaging, and leverage automated scanning to ensure customers receive the right package—on time, every time. Don’t overlook the growing importance of using attractive, environmentally responsible packaging materials.

- **Reduce packaging costs.** Use cartonization strategies and software to create smaller boxes and more sustainable packaging. Integrate the software with your packaging process and order and inventory management so you’re able to take advantage of smaller cartons and cubes, and reduce parcel size.

- **Decrease labor and increase throughput.** By optimizing its sortation system, one retailer cut per-package labor from 62 cents per package to three cents. And a food manufacturer was able to double throughput and reduce shrinkage in its warehouse while eliminating outbound shipping errors entirely.

- **Reduce freight, sortation, and shipping costs.** Take advantage of reduced carton dimensional charges. A single sheet of paper can change the shipment’s freight class. The actual weight registered by in-motion scales and validated by in-motion scanners eliminates chargebacks for incorrect weight, and can substantially reduce the direct and indirect costs of resolving excess weight charges.

  Keep in mind that eliminating package surcharges and assessorial charges can yield a 30 percent or greater savings on annual shipping spend. One retailer combined these savings with an innovative new shipping alliance to reduce the cost of shipping each package by more than two dollars. Not bad when you consider the retailer was shipping up to 10,000 packages every hour.

  Consider rate-shopping carriers with real-time transportation management system integration. Automate hard-to-handle products with new sortation technologies to reduce labor. And by changing package size (carton to parcel), evaluating carriers and shipping methods, and lowering weight, your products can qualify for drastically reduced rates. In a higher volume operation, the impact can amount to millions in expenses avoided and profits recaptured.

By Jay Moris
Co-president, Invata Intralogistics
jay.moris@invata.com | 860-819-3200
Financial expertise now and down the road.

At Regions, we understand that the transportation and logistics industry has a unique set of financial needs. With more than 50 years of transportation banking experience, our relationship managers have the specialized industry expertise and the commitment to help your company achieve its financial goals. Our bankers provide a single point of contact, streamlining each and every transaction, whether it’s arranging special equipment financing, loan facilities, risk mitigation services or access to capital markets. Find out what other transportation organizations already know: Banking with Regions means banking with more financial control.

404.888.5111 | regions.com/transportation
Embarking On an IT Modernization Journey

Planes, trains, and automobiles represent just a few possibilities to consider when moving an object from Point A to Point B. To secure a competitive advantage, shippers must ensure the transportation services they buy are safe, modern, reliable, and competitively priced.

Many transportation providers have realized these goals by investing in an information technology (IT) infrastructure that optimizes core systems workloads, and homes in on an application mix for business efficiency, ultimately ensuring that value and reliability are passed along to shippers.

Maintaining a mainframe environment creates significant ongoing costs to support the necessary hardware, third-party software, maintenance, and facilities. Modernizing these critical mainframe systems can seem like a scary endeavor involving a lot of time, cost, and risk. But when approached in the right way, updating them can prove manageable, and bring great business benefits.

Assess First, Act Later

Before committing to a mainframe modernization project, it is imperative to first assess the IT portfolio. This provides a comprehensive view of the IT environment, making it easier to determine not only what is already fit for purpose today, but what areas are ripe for optimization. When evaluating existing applications, IT and business analysts must review metrics such as value, cost, strategic fit, redundancies, and dependencies.

Once these factors are evaluated, companies can consider modernizing application development, testing, capabilities, and underlying platform.

Taking the Leap

Class I railroad Kansas City Southern Railway (KCS), for example, elected to re-host its five core applications on a Linux platform to ensure the best application and platform mix was in place. In addition to saving $1 million in the first year, KCS reaped the benefits of its architectural strategy, and was able to improve its disaster recovery system, increase operational efficiency, and derive more value from its core system. This has allowed KCS to deliver great results to shippers.

Motor carrier USA Truck Inc. also wanted to retain a competitive advantage by offering shippers an effective way to optimize internal IT operations. Having recently implemented new technologies such as satellite equipment tracking and close integration through third-party partners, USA Truck needed a quicker way to report and assess critical business data. By moving a substantial amount of the mainframe workload to a virtualized server, USA Truck realized significant cost savings and improved its reporting and business intelligence capabilities.

This modernization project also made USA Truck less dependent on already sparse mainframe skills, which, in turn, made it easier to recruit IT talent.

In the transportation industry, delivering customer satisfaction is key. This means providers need to be flexible and reliable—providing unfettered access to core business services and adapting to deliver what end users need. As KCS and USA Truck illustrate, the IT modernization process can help transportation providers serve shippers with unparalleled speed and cost efficiency.
RETAIN SUPPLY CHAIN CONFERENCE: LOGISTICS 2013

Achieving Seamless Integration

FEBRUARY 17–20 • GAYLORD PALMS RESORT & CONVENTION CENTER • ORLANDO, FL

Opening Keynote
Laura Sen
CEO, BJ’s Warehouse

Register Today for Retail’s Supply Chain Conference!

Retail is becoming more and more multichannel. It’s imperative that your supply chain provide seamless transitions whether purchasing online, in the store or over the phone. Retail Supply Chain Conference—Logistics 2013 brings you the content, the people and the solutions to make that happen.

New this Year—Inventory Management Track

Having the right goods in the right stores and the right time is imperative. That’s why Inventory Management joins International Logistics & Sourcing, Transportation, Distribution and Multichannel as this year’s tracks. Topics will include:

- Multichannel commerce—delivering great consumer experiences and driving profitability with redefined operations
- Leveraging your brick and mortar DCs and stores to win in the future
- The future of Amazon & its impact on multichannel retailers
- Multichannel trends across Europe & Asia
- Roundtable discussions on multichannel research—consumer trends and shipping expectations, outsourcing vs. insourcing of operations, order management and fulfillment systems and more

Check the out the latest program updates at www.retailsupplychain.org

Register & Save! Early Bird Deadline November 16

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE
Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE
Expedited Transport: It’s All in the Timing

Once cost-prohibitive for all but the most time-sensitive rush deliveries, today’s expedited services help shippers balance their need for speed with cost-effective solutions.

by Lisa Terry

Delivery windows may vary, but expedited transportation providers serve a host of shippers whose need for speed renders regular, scheduled services inadequate. While the word expedited may bring to mind urgent, last-minute transportation, shippers often are turning to expedited service as part of their supply chain strategy, and not just because of their products’ properties.

Expedited service is increasingly acting as a supply chain problem-solver. Its ability to deliver benefits such as lowering inventory carrying costs and adding flexibility to production planning can sometimes negate the higher cost. Logistics service providers are enabling this trend by creating a range of new options, from expedited ocean to two-driver ground services. "Any solution that cuts the transit time from origin to destination is an expedited business model," says Cameron Holzer, president of team-driver truckload carrier CRST Expedited, based in Cedar Rapids, Iowa.
Traditionally, certain industries were established users of expedited services because they ship perishable items such as fresh fish, pharmaceuticals, and medical tissue samples. Critical documents and parts are also sometimes considered urgent.

Today, however, the list of products routinely shipped via expedited transportation has expanded considerably. Expedited services are now being used for e-commerce, seasonal and fashion goods; high-tech products; laboratory specimens; produce; energy; and manufacturing materials.

More shippers are using expedited because it has evolved from its days as a super-premium service. Expedited air and ground carriers have discovered opportunities to offer services that help shippers balance speed and cost. For example, in early 2011 UPS began offering a Preferred Less-Than-Containerload (LCL) service from Asia to the United States. The service currently includes 26 Asian ports, and can be faster than traditional ocean service, and less expensive than air freight.

UPS collects cargo from shippers’ suppliers in Asia, then consolidates it with regular LCL shipments for sailing. After arriving at a West Coast port, Preferred LCL shipments move through the same expedited UPS North American ground network used for airfreight shipments, trimming eight to 16 days from typical transit times for East Coast deliveries. The service, which uses a simplified zone pricing matrix, has experienced a 40-percent increase in shipments over the course of one year, and may expand to Mexico.

Right on Schedule

Another example is AirNet Cargo Charter Services’ Scheduled Package Delivery, which allows shippers to book expedited, scheduled charter service at about 60 percent less than the cost of a standard charter. Columbus, Ohio-based AirNet finds other shippers to share the flight, and the anchor shipper gets a share of the revenue.

Less-than-truckload (LTL) service providers are also stepping up their expedited game. YRC Freight, an LTL carrier based in Overland Park, Kansas, recently optimized its network to require fewer touches and cut at least one day of transit time in hundreds of lanes. New load plans and distribution center guides ensure its expedited, time-critical cargo is tail-loaded and processed quickly. The company also facilitates expediting by enabling shippers to simply indicate the service desired on the shipment’s bill of lading, as an alternative to regular booking processes.

These services give shippers new options amidst a general trend toward mode shifting, driven by issues such as high costs and fuel surcharges, heightened security requirements, reduced capacity, and delays and congestion.

“Every transportation and supply chain manager is trying to mode-shift,” says John Hill, executive vice president of sales for freight forwarder Pilot Freight Services, Lima, Pa. “If they’re using two-day service, they want three-to-five-day. If they’re using...
Speeding Cell Phones to Market

Cell phone sales are all about the latest technology. Even when a particular model fails to catch on with the customers of major carriers such as AT&T and Verizon, distributors snatch up leftover lots from the manufacturer or carrier and sell the phones to others—typically smaller carriers serving rural regions. But before they can re-enter the market, the phones need new software, branding, and packaging.

That’s where Conversa Solutions comes in. The four-year-old Auburn Hills, Mich., company performs those services on the distributor’s behalf, then ships the phones directly to the distributor’s customers, such as rural carriers. Time is of the essence. “Rural carriers are eager to get the latest Verizon technology, even if it is six months old,” says Robert Reed, Conversa CEO and president.

Conversa plans its operations to perform much of the work early in the week, then turns shipments over to YRC Freight’s Time-Critical Service. Because the service moves on weekends, it can pick up shipments on Friday, then deliver them on Monday to many of Conversa’s customers. For those farther away, Conversa aims to ship on Thursday for Monday delivery. “Our customers are often surprised when they receive shipments the next business day,” Reed says. The cost is comparable to regular LTL service, and much less than the second-day air otherwise required to meet those parameters.

Because the shipments are high-value, Conversa works with YRC to meet customers’ security requests, from palletizing and black shrink-wrapping, to dividing out trailers and locking down shipments until the customer breaks the seal.

November 2012 • Inbound Logistics 39
as analyzing the latest demand signals to shape production, or take extra care with quality control, knowing they can expedite delivery.

“Shippers may pay more, but the savings from the larger supply chain window exceed the cost,” he adds.

Another factor is inventory carrying costs. The faster a product gets to the marketplace, the less time it spends on the books. “Shippers need to evaluate slower transit times and their impact on inventory carrying costs,” advises Huckbody.

He cites one recent expedited move that makes the math quite clear. A 250,000-pound part from a nuclear reactor in Portland, Ore., needed to be delivered to Charlotte, N.C., for service. It cost $1 million each day the reactor was down waiting for the part. The time saved offset the $400,000 cost to charter a plane for the move instead of going over the road.

In addition to bolstering just-in-time inventory strategies, expedited service helps support replenishment strategies when goods prove to be big sellers. CRST Expedited has seen increased demand for shipments moving directly from ports to customer locations, although most of its full truckload shipments still move through distribution centers.

“Some shippers use UPS Preferred LCL service to feed their supply chains weekly,” says Huckbody. “They have multiple preferred LCL shipments from various origins, and suppliers that are not big enough for full containers but need expedited shipping.”

That arrangement works particularly well when shippers have new suppliers or locations to support. Shippers embracing the service include those in the industrial, automotive, consumer products, and high-tech industries.

Regulation is also driving increased use of expedited. In the past, shippers could recognize revenue from a sale by shipping it, but the Sarbanes-Oxley Act of 2002 requires that a shipment be received and signed for by the customer. Pilot has experienced an uptick in expedited shipments at quarter- and year-end, as a result.

(continued on page 42)
Kencoil Counts on Next Flight Out

Productivity takes a huge hit when machinery goes down. That’s why industries such as electric power generation, petrochemical refining, and paper and pulp depend on Kencoil, Belle Chasse, La., to quickly manufacture custom electric motor coils that get equipment back in action. And that’s why Kencoil relies on expedited shipping — typically air — to move those coils to customers as fast as possible.

“We run 24/7,” says Derrick Gervais, Kencoil’s materials supervisor. “If a shipment is ready at 3 a.m., we take it to the airport.”

Kencoil, which serves manufacturing and repair facilities across the United States, as well as in Central and South America, includes in its fees the cost of shipping to the closest major airport, where customers either meet the flight or arrange courier service to their facilities. That makes it critical that customers have full visibility to their shipments; no one wants to wait at the airport for hours.

“Customer expectations about shipment tracking have increased;” Gervais says. “They need to know their shipment status so they can line up a crew, even late at night.”

Speed, reliability, and careful handling are also essential to deliver the heavy, but delicate, copper coils to their destinations. Kencoil typically relies on passenger airlines, primarily Southwest Airlines Cargo. To accommodate the carrier’s 200-pound-per-carton weight limit, Kencoil breaks orders into multiple packages, and surrounds the coils with spray foam and tubes to protect them during transit.

That protective packaging makes shipment tracking all the more challenging. Because a single order may comprise as many as six cartons, a shipment could be divided among routes.

Gervais credits Southwest with adapting quickly to meet these types of shipping challenges. “Build relationships with the expedited carriers you use,” he advises. “Know their processes and limitations. The more your carrier understands, the better it can meet your needs.”

When you’re ready to further develop your top talent
When you’re ready to invest in your organization’s future
You are ready for American Public University

American Public University is ready to help your team succeed.

We’re a nationally recognized university with bachelor’s and master’s degrees for transportation and logistics professionals — completely online. So your employees can take classes on their own time. And people are taking notice: 99% of employers surveyed would hire one of our graduates again.*

When you’re ready, visit StudyatAPU.com/IL

*APUS Alumni Employer Survey, January 2011–December 2011

We want you to make an informed decision about the university that’s right for you. For more detailed graduation rates, the median debt of graduates within six months of graduation, average loan debt, graduation rate, and other important information, visit www.apus.edu/disclosure.
Celebrating Expediency

Creating excitement around its product line lies at the core of direct-seller Celebrating Home’s business model. The company unveils a new catalog two to three times each year. When its 40,000 independent agents’ sales events begin, it is critical to get products to customers as quickly as possible. The company promises to deliver products within nine days of ordering.

Each catalog issued by Marshall, Texas-based Celebrating Home features about 750 products, from small furniture to in-home décor items, sourced from a variety of suppliers throughout Asia. The company primarily ships full containerloads of new products to its 600,000-square-foot distribution center in Marshall two to three months before a new catalog launches. It then ships all products directly to customers.

As it was preparing for a recent sales rally in Dallas, Celebrating Home needed 10 samples of about 50 new products, coming from 15 to 20 different manufacturers in Asia. The company decided to try the new UPS Preferred LCL service.

“In the past, we were forced to ship these products via air freight to receive them in time,” says Tom Walburgh, former director of supply chain management for Celebrating Home. “In this case, UPS Preferred LCL fit our needs because we were shipping smaller quantities, not full containers. Additionally, we were working under a tighter timeframe than usual—but not so tight that we needed to use air freight.”

UPS collected the shipments directly from vendors, transported them to the port, and ultimately delivered them to Celebrating Home’s corporate office. The items arrived in three weeks, versus the four it would have taken via standard service, at an estimated 50- to 75-percent savings over air freight.

“Going forward, we are examining the continual use of Preferred LCL for items that need to be expedited, but do not require the speed of air freight,” Wallburgh says. “This could prove particularly useful for products that sell better than anticipated and require restocking in a hurry.”

Celebrating Home ships products direct to customers from its distribution center in Texas. It is exploring the use of UPS’ Preferred LCL service for items that need to be expedited, but don’t require the speed of air freight.

Location tracking has also been a draw for the new service. “Some shippers have not been able to use any commercial passenger carrier because robust tracking data was not available,” says Wally Devereaux, director of sales and marketing for Southwest Airlines Cargo. “The devices allow us to provide that capability.”

On the ground, shippers are asking for more frequent shipment location and delivery updates to accommodate just-in-time inventory strategies, prompting carriers to build in additional checkpoints.

Unfortunately, shipper expectations about technology sometimes exceed their own capabilities. “Service providers are willing to offer extensive IT resources,” says Hill. “The challenge is getting shippers to dedicate resources to logistics and transportation, so they can receive and act on information such as tracking alerts.”

AirNet is considering RFID to perform functions such as tracking location, performance, and execution; creating manifests; and controlling routing.

“When you add an RFID tag in the package, and readers to the network, you can achieve impressive results,” says Frank DiMaria, senior vice president of sales and marketing at AirNet. For example, a pilot can instantly confirm that the loaded cargo agrees with the manifest, and ensure routing errors are corrected before they occur.

Expedited Enhances Security

Expedited freight equates to urgency, and some shippers view security processes as an obstacle to speed, particularly for air cargo. While some air carriers have devoted considerable effort to streamlining security processes, other expedited modes often tout their ability to move goods without the known shipper lists, screenings, and associated earlier cutoffs required for passenger airlines accepting cargo since the terrorist attacks of Sept. 11. Cargo-only modes also have more latitude to move certain sensitive goods. AirNet, for example, is authorized to handle radiopharmaceuticals.

Shippers are growing increasingly sensitive to the processes and conditions their expedited shipments will experience.
as they move through the supply chain. Shipments may require features such as cameras, access control, and cleanliness and handling process guidelines. Pilot is investing in equipment so it can perform security screening, build its own containerloads, and co-mingle freight before tendering it to air carriers.

In fact, the transit speed, reduced touchpoints, controlled networks, and extra personnel often associated with expedited services inherently enhance security. CRST Expedited adds to those benefits by putting two drivers in its trucks. This not only enables faster delivery times because the vehicle can always be moving, but also allows someone to be in the truck even when it is stopped, reducing theft risk. The company added an expedited Temperature-Controlled Team Service to extend the same parameters to perishable goods.

Getting the Best of Expedited

Carriers are crafting niche expedited services when they see an opportunity to fill unmet shipper needs. For shippers, it pays to carefully examine providers’ offerings to ensure a fit — and speak up when it’s not quite right. Here are some strategies to find the right expedited solution:

- **Collaborate with carriers.** “Shippers who allow full transparency receive the best results from expedited services,” says Hill. “They need to tell providers about their business, customers, and locations, so they can develop the best solution.”

- **Make your own assessment of expedited services.** Marketing materials, industry ratings, and checklists are not enough. More shippers are making the effort to evaluate expedited carriers’ facilities and operations firsthand to ensure proper conditions for their critical goods.

Be aware that industry data can sometimes be deceiving. For example, the U.S. Department of Transportation’s Compliance, Safety, Accountability scoring evaluates CRST Expedited’s two-driver model by the same method as solo-driver carriers, giving potential users a false impression of the drivers’ efficiencies.

- **Base vendor selection on your specific lanes and needs.** Overall performance is immaterial if the expedited carrier doesn’t demonstrate a strong track record in the lanes or services your company uses. Know your key performance indicators, and build them into contracts.

By using new technical capabilities, meeting evolving market conditions, and taking a creative approach to combining services, expedited transportation providers are continually developing new solutions to meet shippers’ need for efficient and cost-effective expedited services.
¡Vamonos!
(Let's Go!)

We make shipping to Mexico simple.

Expedited shipping in and out of Mexico doesn’t have to be a chore. With an experienced bilingual staff on hand 24/7, and relationships with customs brokers at all major border crossings, Continental has the resources, web tracking, and experience to make cross-border shipping easy. Whether you need to move a pallet from Toronto to Hermosillo, or 40,000 lbs from Mexico City to Boston, our Border South Team can move it for you.

With total visibility along the route via our web tracking or EDI capabilities, and through-trailer service available for minimal cargo handling, Continental is your single-source solution for all your time-critical needs on the North American Continent.

www.shipces.com

GROUND - AIR - LOGISTICS - INTERNATIONAL
US/Canada: 855-SHIPCES Mexico: (52) 442-161-16-19 border.south@shipces.com

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE
By the time Santa starts loading his sleigh, retailers have already spent months getting ready for the holiday season. The goods that turn into gifts have been pouring into distribution centers (DCs) since at least August. And smart retailers started long before then to lay plans for the 2012 holiday rush.

Pulling in the right products in the right numbers to satisfy customer demand is a fine art at any time of year — especially when unpredictable events such as Hurricane Sandy can create both supply chain disruptions and dramatic shifts in consumer spending.

Preparing for the shopping frenzy that occurs between Thanksgiving and New Year’s requires particular talent. “Retailers need to capture as many sales as possible without leaving themselves...
overburdened with stock at the end of the season,” says Greg Wilson, vice president of field strategy at Quantum Retail Technology, a Minneapolis-based vendor of supply chain solutions for retail companies.

To this end, retailers are learning to better balance their holiday merchandise flow. “Companies have gotten more sophisticated in how, where, and how much they buy,” says David Vernon, senior analyst at Sanford Bernstein and Company in New York.

They’ve also used technology to gain a better view of inbound inventory, reducing the need for costly expedited transportation.

And they’ve made more flexible agreements with the shipping lines that carry their merchandise from overseas.

“Seven or eight years ago, contracts with steamship lines might have been for volume over a specific routing,” Vernon says. Today, a U.S. company might negotiate separate contracts for deliveries to the East and West Coasts, and then balance its volume between the two, as demand requires.

Retailers also use many other strategies to turn the holiday rush into a season of rewards. Here’s a look at how they ensure a shopping experience that lands them on customers’ “nice” list.

**How Much of What, Where?**

For brick-and-mortar chains, one key to getting the holidays right is predicting as precisely as possible how many of each item the company will need in each retail location. It is a complex calculation.

“The right answer varies so much by location and product that it presents a challenge for retailers operating more than a handful of stores,” Wilson says.

Working out the math for the holiday peak is especially tough. “The window is short, so retailers don’t have much selling activity to determine how the window behaves,” Wilson says. “And they are
selling a ton of volume, so they have to throw a bunch of inventory at it.” If they throw too much, though, January could find them sitting on a pile of unsold goods.

Quantum Retail’s software solution, Q, addresses this problem by tracking sales of certain products at specific locations over time, then using the accumulated knowledge to predict demand during various periods. The software also considers the retailer’s strategy for each product—whether it’s meant to drive traffic into the store, produce a high margin, or burnish the company’s image.

Some conclusions Q reaches are surprising. One user called Quantum Retail in a panic a few summers ago because Q had suggested buying $90 million less in inventory for the coming holiday season than the company had bought the year before. The user feared the software had miscalculated.

Reviewing the data, Quantum Retail’s experts assured the customer that Q was correct.

“With a bit of skepticism — but having faith in the results Q had provided in the past — they bought about $70 million less inventory,” Wilson says. “It turns out that it was the holiday season when the economy first tanked. Q had identified the buying trends that were occurring, and the likely impact they would have on holiday shopping, months in advance — before any of us who were being impacted recognized it.”

**Squeaky Wheel**

Whatever a retailer decides about its inventory strategy, the company must manage suppliers to ensure they deliver on time. “If you take your eye off the purchase order, there’s a good possibility shipments will fall behind,” says Ro Sharma, retail fashion vertical head at third-party logistics (3PL) provider DB Schenker.

The squeaky wheel principle grows more important than ever during the holiday crunch, when a single overseas manufacturer might have thousands of workers churning out products for several retailers. “Companies will come out ahead if they maintain well-built supply chains with controls and measures, and use 3PL partners to ensure vendor compliance,” Sharma says.

Even with the best controls, however, production delays are a harsh fact of life. During the critical holiday peak, late production might force a retailer to shift some volume from ocean to air, sparking a search for air cargo capacity.

Thanks to the relationships they maintain with carriers, and their clout in the marketplace, 3PLs can help retail clients secure a share of scarce cargo space and keep shipments moving.

While expedited service via air is more expensive than ocean transportation, the...
costs needn’t be onerous. Recently, for example, a large West Coast-based clothing retailer found that, due to a factory delay in Indonesia, it had to expedite a trendy new product to its stores. The company was testing the product in order to plan for the upcoming holidays. The shipment had to reach the retailer’s midwestern DC three days after the factory released it. But company officials didn’t want to pay top dollar for expedited transport. “We were able to provide an express-like service using the regular airfreight methodology,” Sharma says. “The product left Indonesia, and arrived in Chicago within 48 hours.” As soon as the shipment cleared customs, Schenker loaded it onto waiting trucks. The goods arrived at the DC the next morning.

Fashion retailers usually find enough ocean and air capacity to meet their needs. But soft goods compete with electronics for space, and when a hot new smart phone or tablet hits the market, it can leave fashion retailers scrambling.

Luckily, that wasn’t the case when Apple introduced its iPhone 5 in September 2012. “A small air cargo backlog occurred through the north Asian hubs,” Sharma says. “But the shipment planning was adequate. The phones are making it to the marketplace, and other goods are moving just fine.” The surge in demand for air capacity did, however, cause a slight increase in air cargo rates.

**Domestic Discussions**

In addition to providing for import shipments, retailers also need to lock in enough domestic transportation capacity to handle spiking volume in the lead-up to the holidays. At Unyson Logistics, the 3PL arm of Downers Grove, Ill.-based The Hub Group, company reps and their customers start that work in March or April.

Early discussions focus on projected requirements and any changes to the retailer’s footprint—for example, new or closed stores, or relocated DCs.

“Then we set up a strategy: what do we need to do, and what milestones do we need to have, to accomplish a successful retail season?” says Donald Maltby, Unyson’s chief supply chain officer.

Next come meetings with intermodal, truckload, and less-than-truckload carriers to talk about aligning customer needs with carrier services and pricing. Unyson and the customer also review changes in each carrier’s network since the year before.

“The company may have needed to move equipment out of southern California last year, for example,” Maltby says. “But this year it lost a customer, so it
doesn’t have that need. We need to know that in advance so we can plan accordingly.”

Retailers should form strong relationships with their transportation suppliers, making themselves important enough to the carrier’s success to ensure the carrier will provide capacity when space grows tight. The retailer might negotiate incremental pricing, for example, agreeing to pay higher rates during the holiday peak.

Of course, retailers must find ways to cut transportation costs as well. “As peak season approaches and velocity picks up across multiple retailers, they can consolidate freight and build multistop truckloads,” Maltby says. Working with a 3PL provides opportunities to gain those economies of scale by collaborating with other shippers.

Seasonal Capacity

While securing space with their carriers, retailers also need to boost capacity in their distribution centers for the holidays. In part, that means bringing in seasonal workers. “Recruiting and training additional labor presents a challenge during the holidays,” says Kunal Thakkar, vice president of operations at Newegg, a leading online electronics vendor. “Our order volume grows rapidly every day, spiking on Black Friday, Cyber Monday, and the week before Christmas. It’s critical that we have the appropriate skilled labor in place to fulfill these orders.”

High-demand, high-value electronics such as Apple’s iPhone 5 create competition for peak-season capacity.

Newegg receives product from domestic and overseas vendors at six distribution centers, spread among City of Industry, Calif.; Edison, N.J.; Memphis; and Mississauga, Ontario. Employees in each facility pick, pack, and ship product to customers via a variety of carriers.

Newegg’s supply chain team starts planning for the holidays one calendar quarter before holiday logistics activities begin. Preparations include creating sales forecasts, coordinating with the marketing team to support promotions, renting equipment, recruiting and training temporary staff, stocking supplies, and managing facility needs.

Although the company maintains an efficient supply chain year-round, preparing for the holidays differs from managing day-to-day operations in several ways. “For example, in advance of the holiday season, we need to plan inbound shipments so we bring in the right amount of inventory at the right time, as well as make sure our warehouse supplies and transportation needs are met,” Thakkar says. “It is also important that we bring in new hires early enough to be properly trained, but at a rate that does not negatively impact production and add to our cost.”

Recent investments in new picking and packing technologies have proven especially helpful. “We have modified and enhanced our in-house warehouse management system (WMS) to support the operations with a pick-to-light system and an automated outbound sortation system,” Thakkar says. “We have also adapted new scanners for higher accuracy and efficiency, as well as invested in new packaging technologies.”

Holiday Handling

Like Newegg, other companies also find that systems used to store, move, and direct the flow of goods inside a logistics facility provide opportunities to better manage the year-end rush.

Long before holiday merchandise starts flowing into DCs, the supply chain team should ensure existing inventory is stored in the right locations, and there is plenty of room for new arrivals. Then it’s time to
start preparing for the outbound flow.

“If a facility has scanning or lift equipment, it must ensure it has the materials needed to operate it, such as batteries and holsters,” says Chris Arnold, vice president, operations and solutions development at Intelligrated, a Cincinnati-based vendor of materials handling and automation solutions. “It takes tremendous planning and orchestration to make sure it all fits nicely together.”

Automated equipment that runs at variable speeds can be a big help at holiday time. Take a sortation system, for example. “During the peak season, when the company needs to push more cartons through the facility, it can set the equipment to a faster speed and create a higher ship rate,” Arnold notes.

A staff augmented with temporary workers can easily handle the large number of cartons rolling off the conveyors.

**Take Your Pick**

A WMS combined with a pick-to-light system can boost efficiency during the holiday rush by directing workers to pick several orders at once.

“The software allows orders to be released in a sequence that optimizes the worker’s walk path,” Arnold says.

Rather than visit several areas to pick one order, then return to some of those locations to pick another, the picker fills several orders at once, moving aisle by aisle like a supermarket shopper. Reducing travel time by consolidating trips increases throughput in the warehouse.

A retailer might also move goods out of...
the DC faster during the holiday rush by layering one technology on top of another.

One example is a DC that uses a pick-to-light system. The time might come when pickers are using all the available lights to direct their work, yet plenty of orders remain to be filled from that section of the warehouse. The solution is to supplement the lights with radio-frequency scanners.

“The scanners may come from the receiving area, if the business has additional scanning equipment there,” says Arnold. “It can repurpose the devices during peak season for outbound processing, putting them on top of what’s already there, to log into the application and the location workers are picking.”

**Game On**

Close partnerships with vendors have been helping video game retailer GameStop—which operates more than 6,600 stores worldwide—increase its supply chain network’s efficiency in recent years. “Our automation is already state-of-the-art in most of our facilities,” says Bob MacDougall, GameStop’s vice president of logistics and purchasing.

To gain further improvement, the company has focused on sharing as much information as possible with hardware manufacturers, game publishers, and transportation partners.

Most of the hardware systems GameStop sells are made overseas and imported by the brand owners. Game software is generally published in the United States. Both kinds of product flow into GameStop’s two DCs—in Louisville, Ky., and at its headquarters in Grapevine, Texas—and through several 3PL-operated facilities.

GameStop also manages a second merchandise stream: pre-owned games and hardware—such as wireless phones, tablets, and game systems—that customers trade in for credit or cash. GameStop’s stores ship those products to the company’s 1,000-person refurbishment center in Grapevine, where employees restore them...
“Our order volume grows rapidly every day, and spikes on Black Friday, Cyber Monday, and the week before Christmas. It’s critical that we have the appropriate skilled labor in place to fulfill these orders.”

— Kunal Thakkar, vice president of operations, Newegg

to like-new condition, then repackaging them for sale as pre-owned merchandise.

GameStop’s sales volume balloons in the last three months of the year because of holiday demand, and because game publishers release the greatest number of new titles in October and November. The company starts planning for the next holiday season early in the year, but the heavy work starts in late summer.

“Typically by August, we have enough information from our publishers about new games and various projects that will cause significant spikes in our supply chain,” says MacDougall.

Although it’s not always clear which products will become hot sellers, GameStop has developed a sort of crystal ball in its reservation system, through which customers pre-order games and consoles before they hit the market. “It’s an important predictor of demand,” says Bruce Kulp, senior vice president, supply chain and refurbishment, GameStop.

The publishers operate nimble, so GameStop doesn’t rely on buffer stock. “We can comfortably buy three or four weeks of supply, avoiding high risk on a game if we’re not sure how it will perform,” says MacDougall. If demand for a game suddenly soars, an order placed today will bring new copies into DCs by tomorrow.

Along with suppliers, GameStop also stays in close touch with FedEx and UPS, which deliver more than 90 percent of product to its stores. “As we move into key planning season, we meet with them weekly,” says MacDougall.

In its DCs, GameStop uses flexible space to match capacity to demand as the holiday season progresses. Outsourcing to 3PLs with facilities close to GameStop’s vendors also promotes efficiency. “We’re not moving heavy goods across the country just to move them back again,” Kulp says.

Such strategies have helped GameStop rack up outstanding scores in the game of Continuous Improvement. “In the past six years, our freight efficiency measured in cost has improved every year,” MacDougall notes.

Opening the Window

As retailers put their holiday plans into action, one bit of good news is that the shopping peak might not be as steep these days as in years past. Consumers looking to get a head start on their gift lists have added about 30 days to the front of the shopping period; consumers redeeming gift certificates have added another 30 days at the back.

“The traditional holiday peak has flattened out a bit,” says Sharma.

Whatever the season’s topography, however, retailers need to start early and plan well to capture a goodly share of the gifts of the holiday season.
For next-day delivery with a smooth finish.

Reliable next-day delivery from an industry leader. Reddaway is the full-bodied leader in LTL transportation services for quality handling, on-time performance, more next-day lanes and delivery options, and best-in-class customer care. So, when you want robust service to, from or within California, visit reddawayregional.com/smooth or call 888.420.8960. You and Reddaway – it’s the perfect pairing.

Scan the QR code above to learn more about our FREE SHIPMENT GUARANTEE, or visit our website at reddawayregional.com/smooth.

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE
RELENTLESSLY RELIABLE

With over 3,200 daily flights and our Next Flight Guaranteed (NFG) service, your shipment will arrive on time. Our service is so reliable, we guarantee it. Visit swacargo.com® to open an account today!

Next Flight Guaranteed℠
It’s that fast.

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

With over 3,200 daily flights and our Next Flight Guaranteed (NFG) service, your shipment will arrive at its destination on time. Our service is so reliable, we guarantee it. Visit swacargo.com® to open an account today!
Despite turbulent economic times, the global air cargo industry is emerging from the clouds with new direction. Faced with unprecedented regulatory and operational challenges, airfreight carriers have sought alliance partners to help mitigate the financial impacts of shrinking volumes and soaring fuel costs.

The International Air Transport Association’s global e-freight initiative has defined a path for industry to upgrade antiquated IT infrastructure. Elsewhere, carriers are optimizing asset utilization, assessing flight lanes and frequency, targeting new markets for growth, and expanding value-added logistics capabilities beyond their core.

No less important, airfreight forwarders are similarly leveraging their pivot in the supply chain to provide shippers and consignees with better options and services so they can make more informed decisions.

Whether it’s mixing ocean and air modes to match urgency and economy, navigating labyrinthine regulatory compliance requirements, chartering project cargo moves, or booking high-value freight for Next Flight Out, air cargo intermediaries perform an integral role in today’s changing global landscape. *Inbound Logistics*’ annual Who’s Who in Airfreight Forwarding provides a composite directory of leading intermediaries – from small, non-asset-based agents to global integrators – to help you assess and engage partners that can meet your unique shipping needs.
<table>
<thead>
<tr>
<th>Company</th>
<th>Website</th>
<th>Phone</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>A.N. Deringer</td>
<td><a href="http://www.anderinger.com">www.anderinger.com</a></td>
<td>(888) 612-6239</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Agility</td>
<td><a href="http://www.agilitylogistics.com">www.agilitylogistics.com</a></td>
<td>(714) 617-6300</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>AIT Worldwide Logistics</td>
<td><a href="http://www.aitworldwide.com">www.aitworldwide.com</a></td>
<td>(800) 323-6649</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Associated Global Systems</td>
<td><a href="http://www.agsystems.com">www.agsystems.com</a></td>
<td>(516) 627-8910</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>BDP International</td>
<td><a href="http://www.bdpinternational.com">www.bdpinternational.com</a></td>
<td>(215) 629-8900</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>C.H. Robinson</td>
<td><a href="http://www.chrobinson.com">www.chrobinson.com</a></td>
<td>(952) 683-3950</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>CEVA Logistics</td>
<td><a href="http://www.cevalogistics.com">www.cevalogistics.com</a></td>
<td>(800) 888-4949</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Concert Group Logistics</td>
<td><a href="http://www.cglship.com">www.cglship.com</a></td>
<td>(630) 795-1300</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Damco USA</td>
<td><a href="http://www.damco.com">www.damco.com</a></td>
<td>(678) 302-9111</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>DB Schenker</td>
<td><a href="http://www.dbschenerusa.com">www.dbschenerusa.com</a></td>
<td>(973) 514-5356</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>DHL Global Forwarding</td>
<td><a href="http://www.dhl-dgf.com">www.dhl-dgf.com</a></td>
<td>(800) 426-5962</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>EA Logistics</td>
<td><a href="http://www.ealogistics.com">www.ealogistics.com</a></td>
<td>(800) 863-5948</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Expeditors</td>
<td><a href="http://www.expeditors.com">www.expeditors.com</a></td>
<td>(206) 374-3400</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>FedEx</td>
<td><a href="http://www.fedex.com">www.fedex.com</a></td>
<td>(800) 463-3339</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Freight Solution Providers</td>
<td><a href="http://www.shipfsp.com">www.shipfsp.com</a></td>
<td>(916) 373-3353</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Geodis Wilson</td>
<td><a href="http://www.geodiswilson.com">www.geodiswilson.com</a></td>
<td>(877) 469-0510</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Hellmann Worldwide Logistics</td>
<td><a href="http://www.hellmann.net">www.hellmann.net</a></td>
<td>(305) 406-4500</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>IJS Global</td>
<td><a href="http://www.ijsglobal.com">www.ijsglobal.com</a></td>
<td>(203) 504-9760</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
<tr>
<td>Kuehne + Nagel</td>
<td><a href="http://www.kuehne-nagel.com">www.kuehne-nagel.com</a></td>
<td>(201) 413-5500</td>
<td>Asset- or Non-Asset-Based, Customs, Compliance +, Heavy Freight, Hazmat, Door-to-Door, Perishable, Overnight, Next Flight Out, High Value, Ocean, Logistics</td>
</tr>
</tbody>
</table>
**KEY:**

**Asset- or Non-Asset-Based:** A = Asset-based; N = Non-asset-based; B = Both

**Compliance:** Shipments comply with government, security, and trade regulations

**Documents:** Shippers can book/create customs or import/export documents online

<table>
<thead>
<tr>
<th>VALUE-ADDED SERVICES AND SPECIALTIES</th>
<th>CERTIFICATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase order management</td>
<td>C-TPAT</td>
</tr>
<tr>
<td>Chemicals, project logistics, fairs and events</td>
<td>ISO, IATA, C-TPAT, Lean, Six Sigma, Hazmat</td>
</tr>
<tr>
<td>In-home, pharmaceuticals, government, automotive, energy, oil and gas</td>
<td>IATA, SmartWay, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Customized logistics solutions</td>
<td>ISO, IATA, C-TPAT, Hazmat, TAPA</td>
</tr>
<tr>
<td>All services related to international air freight</td>
<td>ISO, IATA, C-TPAT, Six Sigma, Hazmat</td>
</tr>
<tr>
<td>Supply chain consulting, managed TMS</td>
<td>ISO, IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Contract logistics, end-to-end solutions, consulting, and solutions design</td>
<td>ISO, IATA, C-TPAT, Lean, Six Sigma, Hazmat</td>
</tr>
<tr>
<td>Time-critical, hotshot, LTL, TL, asset recovery, trade show services</td>
<td>ISO, IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Food logistics, chemical logistics, contract logistics</td>
<td>ISO, IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Supply chain development, consulting</td>
<td>ISO, IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Logistics management, warehousing, European rail, ground</td>
<td>ISO, IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Express services, warehouse management</td>
<td>ISO 9001:2000, TAPA</td>
</tr>
<tr>
<td>Oversized shipment logistics, trade show services, roll out, warehousing</td>
<td>ISO, IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Aircraft on Ground, project cargo, sea-air, distribution, insurance, order management</td>
<td>IATA, SmartWay, C-TPAT, Hazmat, PIP, ACE, AMS, PAPS</td>
</tr>
<tr>
<td>Time definite, expedited services</td>
<td>IATA, SmartWay, C-TPAT, Hazmat, PIP, ACE, AMS, PAPS</td>
</tr>
<tr>
<td>Asset tag and condition reporting, global white glove service</td>
<td>ISO, IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Sea-air, integrated supply chain solutions</td>
<td>ISO, IATA, C-TPAT, Hazmat, CCSF Facilities</td>
</tr>
<tr>
<td>Road freight, contract logistics, e-commerce</td>
<td>C-TPAT, TSA, AES, ISO 9001, ISO 14001</td>
</tr>
<tr>
<td>Trade consulting, project cargo and management</td>
<td>ISO 9000:2000</td>
</tr>
<tr>
<td>Temperature-sensitive cargo, insurance, just-in-time delivery, emergency and relief logistics</td>
<td>ISO, IATA, C-TPAT, Lean, Hazmat, Cargo 2000, Envirotrailer QEP</td>
</tr>
<tr>
<td>Company</td>
<td>Website</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td>Landstar</td>
<td><a href="http://www.landstar.com">www.landstar.com</a></td>
</tr>
<tr>
<td>Lynden International</td>
<td><a href="http://www.lynden.com/lnit">www.lynden.com/lnit</a></td>
</tr>
<tr>
<td>Mach 1 Global Services</td>
<td><a href="http://www.mach1global.com">www.mach1global.com</a></td>
</tr>
<tr>
<td>MIO Logistics</td>
<td><a href="http://www.miq.com">www.miq.com</a></td>
</tr>
<tr>
<td>OIA Global</td>
<td><a href="http://www.oiaiglobal.com">www.oiaiglobal.com</a></td>
</tr>
<tr>
<td>Panalpina</td>
<td><a href="http://www.panalpina.com">www.panalpina.com</a></td>
</tr>
<tr>
<td>Panther Expedited Services</td>
<td><a href="http://www.pantherexpedite.com">www.pantherexpedite.com</a></td>
</tr>
<tr>
<td>Pegasus Logistics Group</td>
<td><a href="http://www.pegasuslogistics.com">www.pegasuslogistics.com</a></td>
</tr>
<tr>
<td>Pilot Freight Services</td>
<td><a href="http://www.pilotfreightservices.com">www.pilotfreightservices.com</a></td>
</tr>
<tr>
<td>Priority Worldwide Services</td>
<td><a href="http://www.priorityworldwide.com">www.priorityworldwide.com</a></td>
</tr>
<tr>
<td>RCS Logistics</td>
<td><a href="http://www.rcslogistics.com">www.rcslogistics.com</a></td>
</tr>
<tr>
<td>SBA Global Logistic Services</td>
<td><a href="http://www.sbaglobal.com">www.sbaglobal.com</a></td>
</tr>
<tr>
<td>SDV</td>
<td><a href="http://www.sdv.com">www.sdv.com</a></td>
</tr>
<tr>
<td>SEKO Logistics</td>
<td><a href="http://www.sekologistics.com">www.sekologistics.com</a></td>
</tr>
<tr>
<td>Team Worldwide</td>
<td><a href="http://www.teamww.com">www.teamww.com</a></td>
</tr>
<tr>
<td>TransGroup Worldwide Logistics</td>
<td><a href="http://www.transgroup.com">www.transgroup.com</a></td>
</tr>
<tr>
<td>UniGroup Worldwide Logistics</td>
<td><a href="http://www.uspwwlogistics.com">www.uspwwlogistics.com</a></td>
</tr>
<tr>
<td>UPS</td>
<td><a href="http://www.ups.com">www.ups.com</a></td>
</tr>
<tr>
<td>US Express Freight Worldwide</td>
<td><a href="http://www.usexpressfreight.com">www.usexpressfreight.com</a></td>
</tr>
<tr>
<td>UTI Worldwide</td>
<td><a href="http://www.pyleden.com">www.pyleden.com</a></td>
</tr>
</tbody>
</table>

**Achieve unparalleled accuracy and efficiency with LEAN Distribution Management**

READ MORE

**Execution is Everything**
<table>
<thead>
<tr>
<th>VALUE-ADDED SERVICES AND SPECIALTIES</th>
<th>WEB SERVICES</th>
<th>CERTIFICATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight brokerage, project cargo, supply chain management, integrated solutions, warehousing</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Supply chain management, scheduled Alaska service, trade show services, home delivery</td>
<td></td>
<td>IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Warehousing, supply chain management, pool distribution, expedited services</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT, Women's Business Enterprise (WBE)</td>
</tr>
<tr>
<td>Project logistics, transportation management, truckload brokerage, contract logistics, warehousing, fulfillment, DC bypass</td>
<td></td>
<td>IATA, SmartWay, C-TPAT, Six Sigma, Hazmat, AEO, BASC</td>
</tr>
<tr>
<td>Packaging, warehousing and distribution support</td>
<td></td>
<td>ISO, IATA, C-TPAT</td>
</tr>
<tr>
<td>End-to-end supply chain management solutions, intercontinental air/ocean freight</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT, Lean, Six Sigma, Hazmat</td>
</tr>
<tr>
<td>Expedited ground, elite services</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Warehousing, white glove, time definite, global routing center</td>
<td></td>
<td>IATA, SmartWay, Hazmat</td>
</tr>
<tr>
<td>Government and automotive services, home delivery, inbound logistics, merge and deliver</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT, Hazmat, TAPA, ITAR</td>
</tr>
<tr>
<td>Project cargo, warehousing and inventory control, packing and crating</td>
<td></td>
<td>IATA, SmartWay, C-TPAT, Hazmat, CCSF</td>
</tr>
<tr>
<td>Supply chain management, apparel, footwear, accessories, home goods and electronics</td>
<td></td>
<td>IATA, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Ground shipping services, trade show services, healthcare, furniture, CPG, white glove</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT</td>
</tr>
<tr>
<td>Multi-modal transport, integrated logistics, supply chain management, aerospace, oil and gas, healthcare</td>
<td></td>
<td>ISO, IATA, C-TPAT, Hazmat, TRACE</td>
</tr>
<tr>
<td>Customized logistics solutions, global fulfillment, contract warehousing</td>
<td></td>
<td>ISO, IATA, C-TPAT, Hazmat, ACAS</td>
</tr>
<tr>
<td>Domestic surface transport, warehousing and distribution</td>
<td></td>
<td>IATA, SmartWay, Lean, Hazmat, TeamQ program based on Prior ISO certification</td>
</tr>
<tr>
<td>Project management, IT relocation</td>
<td></td>
<td>ISO, IATA, C-TPAT</td>
</tr>
<tr>
<td>Consolidation, transload/crossdock, DC bypass, hand carry, ground freight, rail intermodal</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT, Hazmat</td>
</tr>
<tr>
<td>Trade show and convention services, priority same-day service, dedicated trucking</td>
<td></td>
<td>IATA, Hazmat</td>
</tr>
<tr>
<td>Freight management, contract logistics</td>
<td></td>
<td>ISO, IATA, SmartWay, C-TPAT, Lean, Six Sigma, Hazmat</td>
</tr>
</tbody>
</table>

Information supplied by forwarders. Where data was not provided, historical and Web site information was used.

November 2012 • Inbound Logistics
When I was young I never thought about the supply chain. Now I'll travel across the country to hear experts talk about it.

Hear what they’re saying. www.smc3jumpstart.com
Matching supply to demand in today’s volatile global environment requires tactical collaboration and strategic partnership to execute in the most efficient and economic means possible. Inbound Logistics is here to help guide you in the right direction. Over the past six years, we have solicited reader input and industry expertise to provide practical and instructive “how-to” guides that address fundamental transportation and logistics challenges. We are incrementally building a library of industry best practices to help readers turn interrogatives into imperatives.

The next 10 installments appear on the following pages:

62 How to Find Savings Through Landed Cost Analysis
64 How to Manage the Supply Chain Following a Natural Disaster
66 How to Make Driver Recruitment a Competitive Differentiator
68 How to Move Freight in Volatile Locations
72 How to Reduce Costs by Integrating Packaging with Distribution Center Operations
74 How to Foster a Long-Term 3PL Partnership
76 How to Mitigate Supply Chain Disruptions
78 How to Select a Returns Management Partner
80 How to Drive Visibility Through A Supply Chain Network Control Tower
82 How to Measure Sustainability Program Performance

You’ll also find these articles on our Web site: inboundlogistics.com/how and in digital format: inboundlogistics.com/digital
How to Find Savings Through Landed Cost Analysis

As shippers adapt sourcing strategies to build redundancy, economy, and responsiveness into their supply chains, the complexity of drilling down total landed costs increases. Shippers often focus resources and attention on procurement, looking only at production and logistics spend. At a more granular level, a myriad of other factors can impact the total supply chain cost of moving a product.

For example, partnering with a contract manufacturer in China may be the cheapest alternative in terms of labor, but it doesn’t factor in the anti-dumping cost—a protectionist tariff that countries impose on foreign imports they believe are priced below fair market value. This added expense may ultimately negate any production economies.

Other landed costs that often go unnoticed are commissions and royalties. If a shipper pays a commission to an agent, for example, and that agent then kicks back a certain percentage to a supplier as a referral, Customs may argue that the value of the shipped goods is more than what was declared on the commercial invoice. With import value adjustments such as this one, shippers often don’t have the internal mechanisms to control or capture the necessary information.

The same problem occurs with the concept of assists. When high-tech or private label companies have a specialized or trademarked tool necessary to manufacture a product—i.e., a mold for a baking pan—or provide engineering assistance to manufacturers or suppliers, they must account for it when they declare their customs valuation. Shippers have to structure assists so that when they make a declaration, they’re telling Customs, “my product costs $100, with one dollar’s worth of assists, so I’m paying duties on $101.”

Whether it’s a matter of understanding global customs compliance standards such as assists, royalties, and commissions or country-specific anti-dumping and excise taxes, shippers should have a system in place that aggregates this data so they have a more accurate valuation or estimate of their landed costs. A global trade management (GTM) solution can automate the process of comparing total landed costs, providing shippers with full visibility into all associated costs and regulations. This enables shippers to make faster, better-informed sourcing decisions.
Blanket the World.

Amber Road automates global trade for over 120 countries, covering over 95% of the world’s trade.

MANAGE GLOBAL TRANSPORTATION  AUTOMATE IMPORT & EXPORT COMPLIANCE  TRACK & MANAGE SHIPMENTS, INVENTORIES AND TRADING PARTNERS

Amber Road
POWERING GLOBAL TRADE

For more information, please visit www.AmberRoad.com
How to Manage the Supply Chain Following a Natural Disaster

Planning for supply chain exceptions is increasingly an expectation for risk-sensitive shippers. The last decade has unleashed a flood of global weather disasters, from Hurricanes Sandy and Katrina to the eruption of Iceland’s Eyjafjallajökull volcano to the earthquake and tsunami in Japan. Each has impacted business operations in different ways.

Failing to properly react to supply chain disasters can have long-term implications to the bottom line. That’s why it is compulsory for companies to regularly assess inherent risks within their supply chains, build redundancies into their operations, weigh economy versus resiliency, and engage in collaborative partnerships to offset sudden variations in supply and demand.

4 Ways to Execute in an Emergency

1. Ensure Total Visibility. If there is ever a time to grow transparency, it is during a crisis. Shippers can explore solutions and expedite responses by opening lines of communication and sharing data with their partners. Having real-time access to tracking information similarly allows retailers, carriers, and suppliers to easily and seamlessly reroute shipments or re-position inventory. Because supply and demand patterns will fluctuate considerably in the aftermath of a natural disaster, it is equally important to capture and communicate these variances so you can re-allocate labor resources and appropriate assets to need. In lieu of managing forecasts from disparate sources, it is prudent to establish one source of accurate data so that all supply chain parties can act in unison.

2. Designate a Point Person. Following a natural disaster, a lack of organization and coordination can easily infiltrate a vulnerable supply chain. Establish a chain of command that engages all functions and planning teams, and is directly responsible for creating a business continuity plan. This person or group can identify all possible disruptions to the company’s operations, and determine how to quickly address these concerns. When operating on the fly, costs such as expedited shipping can spin out of control. Maintaining a central command in charge of the response can help control and mitigate unnecessary spend.

3. Look to Partners. One advantage of developing strong supply chain partnerships is the latitude they provide when times get tough. In a true gain-sharing environment, business partners have a vested interest in providing assistance when you need it. You, in turn, reciprocate that trust by committing your business to them. Transportation and logistics service providers have experience managing exceptions, and are capable of finding the right solution in a pinch. They can help you ramp up production and find capacity elsewhere, or explore how to reroute shipments, mix modes, access capacity, and expedite transportation to meet demand.

4. Remain Flexible. Companies often face the greatest difficulties when they rigidly adhere to predetermined plans. That’s why opening lines of communication between internal departments and extended supply chain partners is critical. Keep planning fluid so you can respond to new challenges as they arise. For example, it may be necessary to consider alternate routings, ports of call, and intermodal options to keep shipments moving. Trucks may have to be dynamically routed if roads are closed. You may have to adapt facility operating hours, and bring in additional labor resources to ensure they are accessible at a moment’s notice. Companies can often uncover new strategies for execution in the face of adversity.
From the Pacific Rim to the Atlantic basin and all of the oceans in between, COSCO uses a half century of experience sailing the world to help you move containerized cargo quickly, securely and cost effectively.

With one of the world’s largest fleets and equally vast resources for simplifying the logistics challenge, COSCO has advanced the science of supply chain efficiency far beyond the port, customizing and streamlining the process exactly to your requirements. Find the value in a relationship with COSCO. Call our North American headquarters or one of the hundreds of local COSCO representatives worldwide today.

Ship with Confidence. Ship with COSCO.

New for 2012

‘Cosco Comprehensive’ Range of Value-Added Services

COSCO Container Lines Americas, Inc. • 100 Lighting Way • Secaucus, NJ 07094
www.cosco-usa.com
800 242 7354

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
How to Make Driver Recruitment a Competitive Differentiator

One challenge the logistics sector faces is, well, finding new faces. While the U.S. recession largely suppressed a dormant truck driver shortage, the prospects of economic recovery are stirring old concerns. Adding to the problem, recent government mandates including the Federal Motor Carrier Safety Administration’s Hours of Service and Compliance, Safety, Accountability rules threaten to shrink the available pool of qualified drivers, and complicate recruiting, training, and retaining valued employees.

Creating a proactive corporate-wide program for recruiting drivers brings a number of benefits. It demonstrates a company’s commitment to human resources, as well as customer service. Service providers and private fleet owners can use such investment as part of their value proposition to customers. Increasingly, the human asset is becoming just as important as the physical ones.

Whether a company is looking to reduce driver turnover costs or vet a business partner to make sure it has the necessary resources to deliver acceptable customer service, maintaining a dedicated recruitment and retention strategy communicates a strong message both internally and within the extended value chain.

1. **Highlight Driver Job Benefits.** It is important to highlight and celebrate the corporate culture, values, and benefits that make working for your company great. Managers need to be aware of everything the company has to offer, and communicate those advantages to existing drivers and prospective hires.

2. **Talk About Compensation.** Two-way communication must exist between management and drivers so all parties understand performance expectations, and share in both successes and failures. Silence breeds speculation and unease.

   Have managers regularly review location pay studies and current monthly pay averages for drivers to help set goals and provide incentive. Know your drivers’ weekly and annual gross pay—and ensure they are aware of how well they are compensated for providing great service to your customers.

   For new employees, set expected weekly hours and annual pay range for their first year of employment. Design your pay packages to make sure drivers make enough money, so they won’t be lured by competitor claims of better compensation.

3. **Know the Competition.** Drivers won’t know how good their job is if you don’t. Evaluate how industry at large compares in terms of hours, benefits, and pay. Develop a target list of competitors in the local market, organize by priority—whether it’s vertical, services, or individual company—then narrow your research focus.

   Once you know who you’re competing against for drivers, develop a plan for acquiring competitive pay/benefits data—i.e., managers surveying drivers to gather information about past employment, and talking with business partners and customers.

   With this level of local market analysis, you can better understand where capacity stands and whether you are positioned to stay ahead of the curve.

4. **Invest in Recruiting.** It is difficult for companies to simply rely on newspaper ads and word-of-mouth referrals to fill their driver needs. You have to become more creative and resourceful in how you target new hires. Consider circulating around truck stops referral flyers and cards that detail the benefits your company provides versus the competition. Also educate your drivers on how they can screen potential applicants and increase their chances of earning a referral bonus. Drivers can often be the best recruiters.
Dupré Logistics is a full-service logistics provider, committed to keeping your company moving forward—by cutting invisible costs and optimizing your business structure:

- We will assess your current logistics plan and maximize your business in the most cost-effective and efficient way possible.
- Our technology-driven programs troubleshoot issues, monitor drivers, plot faster routes and track driving patterns. We provide the data to establish measurement and track success!
- Our exclusive, nationally-recognized safety program gives proven results that will positively impact your bottom line.

>>> Visit http://blog.duprelogistics.com now for FREE, INSTANT TIPS to streamline and stay ahead of your competition!
Despite geopolitical upheaval, natural disasters, labor strife, war, and countless other disturbances that threaten supply chain efficiency and economy, freight still needs to move. From delivering humanitarian aid in hurricane-ravaged locations to managing mission-critical parts replenishment in remote areas and delivering heavy equipment in support of government operations, shippers need to be flexible and responsive to demand to make sure product moves quickly and safely.

Successfully moving freight into challenging areas requires an abundance of preparation and due diligence, test runs, and contingency plans to make sure moves happen without a hitch. Working with transportation and logistics providers that have demonstrated success moving project cargo and mission-critical shipments—and who have operatives and affiliated agents on the ground in different parts of the world—is always a first step when entering the unknown.

More than anything else, communication and partnership are paramount as companies work with customers and service providers to strategize appropriate solutions, remedy costly exceptions, and execute successful moves.
Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE

Middle East and Asia, for example, offices may level that can stop freight in its tracks. In the creative in routing freight.

are flying into trouble areas, and be flexible and contact with various airlines to see which ones trucks may still be able to operate. Keep in close

If airports close because of inclement conditions, impact mode selection at pickup or destination.

situations around the world that might compromise the timeliness of a delivery, and how that might impact mode selection at pickup or destination. If airports close because of inclement conditions, trucks may still be able to operate. Keep in close contact with various airlines to see which ones are flying into trouble areas, and be flexible and creative in routing freight.

Also bear in mind possible delays at the local level that can stop freight in its tracks. In the Middle East and Asia, for example, offices may close due to holidays or religious observances. Always have contingencies in place to circumvent possible work stoppages.

Finally, as part of your total landed time and cost analysis and preparation, consider how and where you are moving freight across borders. Different continents and countries have cross-border variables that can impede even the best-laid plans. The fastest way from Point A to Point B is not always a straight line. Relationships between countries can cause complications. For example, to move a shipment from Kenya to the Congo, you must route it through Europe, because no carrier flies between those two countries. Similar circumstances exist in parts of South America, where it is easier to airfreight product from one country to the United States, then back to another country in lieu of trucking it across borders. Don’t assume that just because borders touch, you can ship across them.

3. FIND A TRUSTY LOCAL AGENT AND SPEC OUT REQUIREMENTS UP FRONT. Having an operative on the ground who can act as a proxy to your best interests is important, especially when local regulations, customs, and language present possible obstacles. You have to rely on these agents to handle and transport your shipment and manage any exceptions, so make sure they are properly insured and recognized by the local government. Also, detail and discuss all requirements and agree to pricing up front. Legitimate agents will be open about costs, fees, and taxes, which can vary greatly between companies and countries, and therefore need to be spelled out without any uncertainty.

Screening agents is another way you can ensure your freight remains secure when it’s out of your custody. Limit yourself to using approved agents who have been vetted for stability and reliability. Get written confirmation that they will abide by Foreign Corrupt Practices Act standards, which are intended to prevent bribery and other forms of corruption. If you are working with a freight forwarder, make sure its agents comply with these requirements as well.

4. MAINTAIN CONSTANT AND REDUNDANT MEANS OF COMMUNICATION. Communicating frequently with trading partners is always important. But when freight moves across oceans, through several countries, and via multiple transport modes, there is more room for error, and a long period between freight acceptance and delivery. Make sure to keep all involved parties updated on any issues or problems that arise.

Also, while person-to-person contact via telephone is preferred, it is not always an option for a number of different reasons. Email communication is therefore equally important, because it provides redundancy and a paper trail if issues arise. If there is a language barrier, email lends itself to easier translation than a phone call.

5. CHARTER IF NECESSARY. Sometimes you need to sacrifice economy for need. Commercial flights aren’t always an option when shipping certain project cargo or into sensitive areas. For example, most freight moving to Iraq and Afghanistan is flown commercially to the United Arab Emirates, then moved via charter operators that fly to the necessary airports.
Your blue-sky dreams of business success probably don’t involve crates and freight and bills of lading. You dream about increased efficiency and meeting deadlines. Things like enhanced productivity, free-flowing supply chains, and coming in under budget. That’s where we come in – with a comprehensive range of air and ground services. So wherever your wildest dreams may lead, we can show you how to get there.

After all, we’re not just shipping experts; we’ve cornered the market on LEAN Distribution Management.
Your blue-sky dreams of business success probably don’t involve crates and freight and bills of lading. You dream about increased efficiency and met deadlines. Things like enhanced productivity, free-flowing supply chains and coming in under budget. That’s where we come in – with a comprehensive range of air and ground services. So wherever your wildest dreams may lead, we can show you how to get there.

After all, we’re not just shipping experts, we’ve cornered the market on \textit{Piloting Business}™
How to Reduce Costs by Integrating Packaging with Distribution Center Operations

Product packaging is often handled as a discrete supply chain function, separate from warehousing and distribution. But companies can capitalize on considerable efficiency and economy gains by driving toward greater integration of these functions. In fact, performing final packaging in the distribution center can reduce combined warehousing, logistics, and freight costs by 30 percent and order-to-delivery cycle times by seven days.

Instead of outsourcing packaging to contract packagers, shippers that bring the process in-house or partner with capable 3PLs can better control raw material use and resource allocation at different touchpoints within the supply chain—while eliminating costly transportation legs.

Many retailers are pushing the need for more strategic packaging solutions that take advantage of niche e-commerce channels or marketing opportunities. For example, greater control over packaging operations at the DC level allows companies to specify customization closer to demand, thereby accruing economies of scale transporting and storing goods with the least amount of value-add farther up the supply chain.

Partnering with 3PLs often allows shippers to align packaging needs with transportation and logistics operations to find places and opportunities where they can optimize the process. Packaging can be a burning platform for strategic change—lean best practices, sustainability efforts, labor utilization, even DC design. 3PLs that have the right resources and expertise can help shippers make this aspect of their business a competitive differentiator.

UN-BUNDLING BENEFITS

Companies that pay close attention to packaging operations can uncover myriad economies upstream and downstream in the supply chain. Among the benefits:

LOWER FREIGHT COSTS. In a traditional scenario, products ship out to the contract packager, then back to the DC for final distribution. These additional runs hike freight costs an estimated 38 percent. Eliminating these legs on an $8-million spend saves $3 million, not to mention the added environmental benefit of taking trucks off the road and reducing carbon emissions.

LOWER INVENTORY CARRYING COSTS. Using an outside contract packager can add seven days to the distribution cycle. Worse, companies typically lose visibility of their product, creating uncertainty about the amount of product available for sale. Manufacturers deal with this uncertainty by adding inventory, which, in turn, adds warehousing, labor, and financing costs.

REDUCED LABOR AND EQUIPMENT. In a combined packaging/distribution operation, labor and rolling stock are deployed where they’re most needed at any given time, across multiple functions. Cross-trained workers can address peak demands in the DC or the co-pack area. Management costs are also reduced, and the functions can share security, clerical, maintenance, and other facility staff.

REDUCED DAMAGE. The more product is moved, the greater the potential for damage. If it’s a liquid product, the chance of shrinkage is even higher because damage to one bottle can destroy multiple cases.

REDUCED MATERIAL COSTS. Companies can streamline material spend—for example, purchasing bulk corrugate at a commodity price—by bringing packaging in-house and integrating it with DC operations. Those that have pursued a Lean path can operate in a more just-in-time fashion, making smarter decisions about procurement, storing less packaging materials, and avoiding packaging obsolescence when lines switch over.
We specialize in integrated CPG logistics.

As the CPG logistics specialists, we know the importance of synchronizing warehousing, packaging and delivery to keep your retail customers happy – and your costs in check. That’s why we offer each of these critical services as part of a complete, integrated solution for retail distribution. Integrating distribution functions with a single logistics partner means fewer touch points and freight runs, faster cycle times, and cost reductions up to 35%. So if you want better ways to get your goods from factory floor to store shelf, remember: Kane Is Able.

888-356-KANE (5263) • info@kaneisable.com • www.kaneisable.com
When companies begin working with a third-party logistics provider (3PL), they are generally looking to address a functional pain point. The partnership is transactional and fills an operational gap. But the true value of 3PL partnerships can grow infinitely greater when shippers take a long-term approach that focuses on sustainable gains rather than short-term savings. In these circumstances, the contractual relationship often moves beyond simply procurement to more strategic leanings that benefit both parties.

In the 3PL industry, true partnership is demonstrated by the presence of two primary factors: a mutual understanding of goals and objectives; and the development of trust between shipper and service provider, allowing information, ideas, and innovation to flow freely back and forth.

1. **BE HONEST.** When shippers enter a partnership, they should be willing and able to admit their shortcomings. Whether it’s a matter of acknowledging pain points and limitations, or recognizing that bid data may be inaccurate, being upfront with service providers from the beginning is an important step toward building a collaborative relationship. Conversely, 3PLs should be equally candid about their capabilities. Such reciprocity builds trust.

2. **ASK FOR HELP.** Shippers should solicity ideas on the best ways to address a problem or optimize a network. Acknowledging areas that need improvement sets the table for developing attainable goals and expectations. This can begin in the bid process by providing accurate information regarding key performance indicators (KPIs). Sharing strategies, ideas, or concerns, and demonstrating a willingness to invest in the process and solution creates trust. Taking that first step establishes a team approach, rather than an adversarial one.

3. **FOCUS ON OPERATIONAL EXCELLENCE INSTEAD OF THE PROCUREMENT PROCESS.** When companies put out 3PL bids, they often focus time and attention on the bid itself, instead of assessing whether a new logistics service provider can perform to the level of operational excellence it needs. Shippers need to consider what the optimal scenario should look like once the implementation is complete, and how they can work with their 3PL partner to improve upon it.

   Often a shipper will include KPIs that may not exist in order to complete a bid. The 3PL bids to those KPIs, wins the business, implements a solution, then realizes that the data included in the bid process doesn’t match the customer’s operational profile. There is a huge disconnect. Immediately, the shipper doesn’t meet the expectations of the 3PL, and very soon the 3PL will likely fail to meet the expectations of the shipper.

4. **RECOGNIZE WHAT’S IN AND OUT OF SCOPE.** Many procurement-driven companies will push for more from their service providers. The danger of scope creep is that it can slowly erode the relationship. With the understanding that customers have leverage, 3PLs may build walls and become less willing to give more when customers are taking instead of asking. On the other hand, shippers that recognize when they are asking for out-of-scope solutions, and acknowledge it upfront, are likely to find 3PLs more amenable to help out and invest in the relationship. That recognition and honesty builds trust.
We focus on your customers.

Kenco’s supply chain solutions go beyond the shipping dock to satisfy your customers—during their coffee break or any time. How? We combine common sense customer service with unparalleled execution, driving continuous value to you—and your customers. Kenco provides *distribution and fulfillment, comprehensive transportation services* and *intelligent information technology*, all engineered for operational excellence.

For common sense solutions that deliver uncommon value, turn to Kenco.
As supply chains trend toward demand-driven, lean inventory models to eliminate waste, reduce costs, and increase responsiveness, their exposure to risk grows. When natural disasters, political upheaval, labor strife, supplier failures, and countless other types of supply chain events arise, shippers need to react quickly—without incurring undue costs—to keep production in line with demand.

Companies often become vulnerable to supply chain disruptions when they don’t have a holistic view of their operations. It may be a matter of poor visibility among offshore suppliers, or not having adequate transportation flexibility to re-route shipments on the demand side—and countless areas in between. When exceptions occur and manufacturers are left without critical parts or retailers face stockouts, the risk of tarnishing brand value—or, even worse, losing customers—increases exponentially. A short-term supply chain glitch can have long-term repercussions to the bottom line if not handled quickly and effectively.

5 RISK MITIGATION CONSIDERATIONS

Shippers should regularly evaluate their risk exposure and perform a cost/benefit analysis to ensure they have a resilient and responsive supply chain.

1. RECOGNIZE RISK FACTORS. Prior knowledge about potential environmental, social, and political conditions can help companies prepare contingency plans. Having total supply chain visibility, whether it’s through an internal control tower approach or via a 3PL partner, can also help screen problems before they surface.

2. EVALUATE GEOGRAPHIC COVERAGE. Sourcing strategies are largely dictated by the complexity of a company’s supply chain. When critical parts are involved, a single-source strategy presents obvious problems when a manufacturing facility shuts down and the supply chain grinds to a halt. Companies need to assess their vulnerability if they cannot acquire certain components or parts. Do you have scalability to ramp up production in other locations to meet demand? Can you justify using a secondary or tertiary sourcing strategy, perhaps near-shoring closer to demand? Does it make sense to partner with a 3PL that can provide cover in case of a disruption?

3. BUILD IN TRANSPORT FLEXIBILITY. Shippers need flexibility to change routings, modes, and carriers, and stage/stockpile inventory. Proper risk management strategy favors redundancy—for example, having infrastructure and/or partnerships in place to pull shipments through different ports.

Companies should also consider how they structure transportation contracts. It may be economical to negotiate directly with carriers and lock up capacity, but that approach also limits shippers’ flexibility to shift capacity when problems arise. Some freight buyers will split their volumes among different carriers and third-party logistics intermediaries as a means to avert risk.

4. LEVERAGE TECHNOLOGY AND SOCIAL MEDIA. One benefit of social media is the ability to capture and vet critical information in real time. Some supply chains are using social networking in the cloud as a predictive analysis tool to identify problem suppliers before shortages are felt downstream in the supply chain. Cloud networking also provides a platform for facilities isolated or impacted by supply chain disruptions to more quickly get back on line; and for companies to on-board new business partners as need dictates.

5. LEAN ON THIRD-PARTY LOGISTICS PROVIDERS. Transportation and logistics outsourcing used to be a matter of divesting non-core need for economy purposes. Now risk aversion is also a primary driver. 3PLs have on-the-ground resources, local knowledge, and experience to execute contingencies and minimize risk.
Do you know if your freight is well covered?

Half of all cargo in transit worldwide is insufficiently insured. If your concern is whether your freight is well covered or not, you can have total peace of mind by taking out insurance with Geodis Wilson. We will find the best policy that suits your companies’ specific needs anytime, anywhere. Request information on this service next time you book your shipment with Geodis Wilson.

Contact us now to request more information: info@us.geodiswilson.com
As retailers turn over stones looking for ways to reduce costs, eliminate waste, become greener, and raise the bottom line, returns management is an area ripe for picking. What was once written off as a lost cost has now become a can’t-miss opportunity—and for good reason. In 2011, U.S. consumers returned more than eight percent of their purchases. That number climbs to as much as 20 percent in certain product categories such as consumer electronics. Despite this, and the fact that 80 percent of returned items are not defective, many retailers have yet to implement a comprehensive returns management policy.

It may be a matter of dealing with buyer’s remorse and repositioning un-opened items into the forward logistics stream, or repairing and refurbishing defective merchandise for resale in secondary markets. The evolution of e-commerce channels for overstock and pre-owned goods, as well as popular brick-and-mortar outlets and value retailers, has created a new revenue stream for companies to tap in lieu of sending items to the scrap for recycling. The quicker they can process these returns and determine where value can be extracted without too much investment in time and resources, the more they stand to gain from resale opportunities—especially for fast-moving, high-value merchandise.

The cost of bringing returns management in-house is often prohibitive. So, many companies turn to third-party logistics providers to facilitate the process. Here are some capabilities to keep in mind when selecting a returns management partner:

- Consolidation to help meet peak returns volume.
- Tracking and reporting so that customers are constantly aware of a return’s status.
- Distribution that provides returns to designated warehouse or refurbishment locations.
- Returns/replacement so that customers are provided with required replacement merchandise or account credit on a timely basis.
- Established distribution network that allows returns to avoid unnecessary route detours and warehouse layovers.
- Returns Management Authorization (RMA) so that customers can better track returned items and receive “early warning” with regard to any potential defects or product malfunctions.
- For international transactions, carrier must have the ability to seamlessly transport goods across borders, and to comply with all regulatory Customs and security mandates.
- Ability to integrate forward and reverse logistics into overall supply chain strategies.

Companies should take a closer look at how they are managing returns for myriad reasons. Among them:

- 58 percent of consumers report that a company’s returns policy is a factor in their decision whether or not to shop with that retailer, according to KPMG, a financial advisory company.
- The estimated cost of generating a new customer is five times more than the cost of keeping an existing customer happy.
- The secondary market is a rapidly growing sector of the economy—accounting for 2.3 percent of U.S. GDP during 2010, according to research conducted by Dr. Dale Rogers, professor of logistics and supply chain management and the co-director of the Center for Supply Chain Management at Rutgers University.
- Consumers returned almost $2.2 billion worth of merchandise during 2011, a figure that accounts for more than eight percent of all sales, according to the National Retail Federation.
- Only five percent of returned merchandise actually has defects—with “defect” defined as something as minor as torn packaging, according to Accenture consultants. While those returned products cannot be resold as new, they can be resold on the secondary market.
Although the U.S./Canada border is the largest border in the world, getting shipments through it is no easy task. As the largest delivery company in Canada, we also happen to be the fastest to Canada. Even though most companies and citizens live within 100 miles of the border, proximity doesn’t mean speed. Experience and logistics do.

At Purolator, we have an understanding of the ever-changing cross border shipping regulations that’s second to none. It allows us to avoid unforeseen delays. We have a proven history of minimizing the complexities of inspection and classification of duty. Contact Purolator International today and increase the speed of your shipments to Canada.

Express Services
Next Flight Out / Overnight / Second Day

Parcel Services

Freight Services
Air / Ground / Ocean / Rail

Supply Chain Solutions
Assembly & Distribution / Customs Brokerage / Technology Integration / Returns Management / Supply Chain Management / Vendorship

To see how Purolator International can efficiently expedite your north bound shipments call 1-888-511-4811 or visit www.purolatorinternational.com/HOW

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
READ MORE

We deliver Canada
How to Drive Visibility Through A Supply Chain Network Control Tower

As supply chains become increasingly stretched geographically and functionally, the challenge of driving visibility through layered and disparate networks becomes infinitely greater. When it comes to managing compliance among third-tier suppliers in Asia, speeding asset turns at a domestic distribution yard, or keeping track of carrier partners and shipments on the ground, at sea, and in the air, there is no substitute for visibility and the control it provides.

Companies often outsource portions of their business to third-party logistics providers (3PLs) to aggregate control over, and bring transparency to, supply chain activities. In some cases where networks are decentralized or overly complex, fourth-party logistics providers (4PLs) or lead logistics providers offer comparable oversight with a single point of interface.

In a similar way, shippers can invert the 4PL approach to provide a “control tower” view within their own supply chains—a common platform for aggregating, cleansing, and communicating real-time data. The idea is that internal supply chain functions and external partners—3PLs, suppliers, carriers, customers—can tap this shared information stream to collaborate and perform in a much more efficient and economical way.

A network control tower provides flexibility so new partners can plug into new systems or interfaces. Apart from the economies of executing with standardized data, companies can use this platform to engage strategic change across the supply chain by identifying root problems and fixes, and optimizing systemic processes.

A Model Approach

Consider this example of a shipper that worked collaboratively with both an IT and 3PL partner to engineer a supply chain control tower. The objective was to drive greater visibility by creating one single, fact-based source of truth across its entire global network, eventually integrating most of its provider spend into one central source.

The company devised a control tower platform with two foundations: a cloud-based information architecture supported by an IT partner, and network analytics anchored by a 3PL. Transportation and logistics partners across the network individually plug into the platform. The two service providers are the virtual information layer that interacts collaboratively with strategic logistics partners to drive network excellence.

The technology company contributes three interlocking IT components that include: a collection of B2B software applications for automating global trade and logistics processes across business networks; a network controller for creating and managing dynamic business relationships, permissions, and roles of multiple organizations working together in business communities; and a global data grid to connect to the systems of thousands of partners and providers, and to standardize the data from the systems of those partners.

The 3PL provides front-end analytics to this information layer, aggregating and managing data from multiple cloud and proprietary customer sources, creating cross-database associations that enable common reporting to drive customer KPIs, and visualizing the data via a Web-delivered, highly configurable dashboard software suite.

Qualify and Measure

By filtering and integrating supply chain information through a network control tower, the shipper is able to qualify data, then measure performance throughout the extended network. The information is indisputable. Having anytime visibility to one source of truth enables the shipper to manage and audit rates; identify, prioritize, and realize additional cost savings via real-time optimization; standardize business processes holistically; and respond faster to supply and demand shifts while presenting a flexible platform for engaging more strategic business process changes.
Unyson Logistics is an award-winning 3PL that specializes in customizing solutions to fit our clients’ needs. We offer multi-modal capabilities that guarantee supply chain savings through our services, technology and expertise.

Simply put, our logistics managers are the best at what they do. Unyson deploys dedicated account management, continuous improvement programs and business intelligence that combines innovative reporting with cutting-edge technology.

1-866-409-9759
UNYSONLOGISTICS.COM
For many companies, sustainability has become a burning platform for exploring smarter ways to move product through the supply chain. Sustainability principles dovetail with transportation and logistics best practices to rationalize natural resource and raw material consumption, and ultimately reduce operating expenses.

In addition to the economics of eliminating environmental waste, an element of risk mitigation and competitive differentiation also exists in green matters. Given the global landscape, and steps progressive countries and companies around the world have taken to reduce their environmental footprint, regulations will inevitably become more demanding. If companies are not in a position to react to changing legislation, they will inevitably fall below the curve—especially in terms of being able to differentiate brand image and awareness among a more socially conscious consumer base.

On the service side, companies are now specifying that prospective supply chain partners demonstrate sustainability and corporate social responsibility initiative before bidding on their business. In effect, they are creating a baseline expectation at the outset of contractual relationships.

Many companies are considering ways to improve fleet fuel efficiency, and exploring more intelligent and efficient ways to manage freight—as, i.e., modal shifts and collaborative distribution models—as they look to establish sustainability standards they can measure, then improve upon. But there is always room for improvement. Here are three steps companies can take as they establish or adapt their corporate sustainability programs:

STEP 1. Strategic planning and alignment. Assess the internal and external sustainability landscape to define your company’s strengths, weaknesses, opportunities, and threats, as well as cultural values that may support your sustainability objectives. Recognize the voice of the customer, stakeholder priorities, and material issues that need improvement so you know where to focus your effort.

STEP 2. Solution engineering. Define the sustainability assessment boundary or scope, then establish a baseline for measuring and improving performance.

STEP 3. Operational excellence. Monitor performance. A lot of sustainability initiatives are driven by data capture, so make sure you talk about data compliance and communication, and identify pitfalls. Be specific about quantification and reporting—how to determine if sustainability has improved, and how to quantify, report, and communicate those results.
Menlo Worldwide Logistics.
Masters of supply chain sustainability.

When it comes to finding a partner to handle your logistics needs, choose someone with the strategic expertise and experience to streamline or transform your supply chain. Through lean methodologies and innovation, we have a proven track record of delivering sustainable supply chain solutions that improve your bottom line. When you need a competitive advantage, trust the master.

Visit www.menloworldwide.com for more information.

Transportation Services | Value-added Warehousing | Supply Chain Management | Multimodal
We’ve Turned This Place Upside Down to Produce Award-Winning Articles to Help You Manage Your Supply Chain!

IS U.S. MANUFACTURING COMING BACK?

www.inboundlogistics.com THE MAGAZINE FOR DEMAND-DRIVEN LOGISTICS • AUGUST 2011

ALSO IN THIS ISSUE:
- Temp-Controlled Food Transport
- Packaging Innovation
- Inside & Out

SPECIAL SUPPLEMENTS:
- UTILITIES & SITE SELECTION
- FORKLIFT BUYER’S GUIDE

3PL CHALLENGES?
FREE EXPERT SOLUTIONS
www.inboundlogistics.com/3pl

You can build an efficient, competitive, award-winning team by passing along an Inbound Logistics subscription.

Subscribe or renew online at http://bit.ly/il_sub

Upside Down Ad (REV).indd   1
11/13/12   2:07 PM
Kentucky

Racing Toward Logistics Leadership

Kentucky is building America’s future with its technological savvy, good jobs, hard work, and a government focused on making the most of the state’s logistics assets.
Across the nation and around the world, business leaders and logistics providers are increasingly looking to the Commonwealth of Kentucky as a strategic partner on the cutting edge.

With business costs among the lowest in the nation, the state is poised to be the next superstar of the automobile industry. Called the new “Auto Alley” for its strong vehicle-manufacturing presence, Kentucky boasts four major auto assembly plants, as well as more than 440 motor vehicle-related facilities. Since 2010, the Bluegrass State has announced more than 120 automotive-related projects, accounting for more than $2.4 billion in new investment and nearly 10,000 new jobs.

Earning national and international recognition for its hospitable business climate and profitable investment opportunities, Kentucky is home to thousands of domestic companies and more than 420 international operations representing 30 countries. More than 30 percent of all capital investment, and nearly 23 percent of new jobs announced in Kentucky in 2011, were a result of foreign-owned enterprises.

Factors luring new business to the state include industrial power costs nearly 22 percent lower than the national average, and logistics advantages such as two major air cargo hubs – UPS and DHL.

And Kentucky offers plenty of room for growth. The state offers three certified mega-sites ideal for large-scale manufacturing facilities, as well as more than 200 shovel-ready sites that are ripe for opportunity.

“Many of the world’s most successful companies have discovered that Kentucky is a great place to build their business,” says Gov. Steven L. Beshear. “The Commonwealth offers some of the most progressive financial incentive programs anywhere, a workforce with a can-do attitude, an unsurpassed quality of life, a burgeoning service sector, and a wealth of high-tech opportunities.”

Leading the list of Kentucky’s logistics benefits is its location. “Trucks can reach about two-thirds of the U.S. population from Kentucky within one day,” notes Erik Dunnigan, commissioner for Business Development for the Commonwealth of Kentucky. “For shippers, that accessibility is conducive to success.”

Taking flight

From this central site, business literally takes flight. Kentucky ranks third among U.S. states in air cargo volume. UPS maintains its international hub at the Louisville International Airport, where it has dramatically expanded its footprint in recent years. Meanwhile, DHL Worldwide Express operates headquarters in Erlanger, Ky., minutes from the Cincinnati/Northern Kentucky International Airport in Florence, Ky.

Given Kentucky’s accessibility, it comes as no surprise that a long and growing list of specialized warehouse and third-party logistics (3PL) operations have made significant investments in the state. “Kentucky is at the center of a 34-state distribution area,” says Larry Hayes, secretary, Kentucky Cabinet for Economic Development.
ROGER, KENTUCKY LOBSTER, YOU ARE CLEARED FOR TAKEOFF.

If you dined on fresh lobster last night, chances are, it originated in Kentucky. That's because Clearwater Fine Foods chose to locate its seafood distribution center just a few miles down the road from the UPS world air hub at Louisville International Airport. Turns out, shipping out of Kentucky is actually quicker and more reliable than it is from the coasts. So claw your way to greater competitiveness. Let Kentucky add value to your supply chain.

For more information visit ThinkKentucky.com or call 800-626-2930.
With all these assets, Kentucky offers enormous advantages to the global automotive community that maintains such a strong presence in the state. A sophisticated supply chain fuels each of the state’s auto assembly plants on a just-in-time basis. In fact, more than 300 auto subcontractors operate in Kentucky.

Among the examples of growth fueled by the automotive sector is the experience of the South Central Kentucky region.

“The General Motors Bowling Green Assembly Plant began a major refurbishment to its existing one-million-square-foot facility to add a new vehicle product program: the next-generation Chevy Corvette,” says Jessica M.L. Thompson, marketing and communications director for the Bowling Green Chamber of Commerce. “The project created 250 new jobs, and brought more than $131 million in capital investment to Warren County – the third-largest investment announced in Kentucky in 2011.”

Elsewhere in the region, Sequa Automotive Group’s attraction project in Morgantown was the fifth-largest job creation announcement in Kentucky during 2011. Sequa, which produces airbag safety system inflators, plans to create 280 new jobs by 2014, and invest more than $7.2 million in Butler County.

The catalog of recent automotive sector growth rolls on. “Akebono Brake Corporation’s expansion represented another large project for South Central Kentucky in 2011,” notes Thompson. “The company added 60,000 square feet to its existing Glasgow facility, and announced plans for 224 new jobs, with expected investment of $20.6 million. When complete, the expansion project brings employment at Akebono to more than 900 South Central Kentucky residents.”

The South Central Kentucky region offers its own unique logistics benefits. “Being located on I-65 makes this region an ideal location for business, because it offers easy access to ground transportation,” says Thompson.

“The region is also on the CSX main line, and its Kentucky Transpark has been recognized as one of only five Select Sites on the railway’s 23-state network,” she adds. “This designation marks South Central Kentucky as one of the premium locations for rail service. It is the only Select Site in Kentucky and Tennessee, and one of only two in the southeastern United States.”

**Setting the pace**

The result of all this investment and growth is a jobs report that pushes Kentucky to the front of the pack. In October 2012, the U.S. Bureau of Labor Statistics ranked the state second in the nation for job growth over the past year. The Regional and State Employment and Unemployment Summary found that Kentucky’s net job growth from September 2011 to September 2012 was 2.6 percent – second in the nation behind North Dakota’s 5.6-percent growth.

This figure represents more than double the 1.1-percent average job growth of Kentucky’s competitor states, which include Indiana, Ohio, South Carolina, Georgia, Virginia, Illinois, North Carolina, Tennessee, Alabama, Missouri, Mississippi, and West Virginia.

“The numbers show the Commonwealth is heading in the right direction,” says Hayes. “The data is encouraging, but the state is not resting on its laurels. The state cabinet will do everything in its power to grow jobs and show why Kentucky is a perfect location to do business.”

The state has reason to be proud of its job growth. From September 2011 to September 2012, businesses created more than 47,000 jobs in Kentucky. Some of these jobs stem from growth at companies such as General Electric, Ford, and CaféPress in Louisville; DHL and ZF Steering in northern Kentucky; Tempur-Pedic in Lexington; New York Blower in Leitchfield; Bruss North America in Russell Springs; Magna

Automotive manufacturers, including GM (right) and Ford (below), maintain a strong presence in Kentucky.
Racing Toward Logistics Leadership

Seating in Shepherdsville; Wild Turkey in Lawrenceburg; and Akebono Brake in Glasgow.

With all that job growth, state leaders are determined to quicken the pace. Gov. Beshear recently unveiled an expanded program, the Kentucky Innovation Network, designed to provide free business services to innovative start-up companies.

“The Kentucky Innovation Network represents a valuable resource for the state’s budding entrepreneurs, and is a leading reason the Commonwealth ranked fifth among all states in the rate of new company formation during the past decade,” Gov. Beshear says. “By expanding the capacity of several locations, the organization will be better able to provide service to the rapidly growing number of innovative thinkers and small businesses throughout Kentucky.”

Leading the Pack

The Kentucky Innovation Network helped create 198 new companies, and 811 new jobs paying an average annual salary of more than $50,000, according to the network’s most recent annual report. It also assisted client companies in raising $127 million in private investments in fiscal 2012.

To achieve such results, cooperation is key. One example of such cooperation is The South Central Kentucky region, a 10-county partnership in which agencies collectively market the region’s assets for economic growth.

“This partnership allows us to combine our resources and provide support to all counties’ existing businesses and potential attraction projects,” explains Thompson.

The Bowling Green Area Chamber of Commerce collaborates with the Commonwealth, Tennessee Valley Authority, and other agencies to market itself regionally while also maintaining its own county-level efforts.

“The regional partnership emphasizes that job growth in one county positively impacts the economy throughout all counties,” Thompson says.

Kentucky’s central U.S. location makes it a prime spot from which to distribute goods throughout the country by any transportation mode.

The companies these programs attract to the state can only help increase the resources available to Kentucky’s other manufacturing and distribution businesses. And as the state’s economy prospers, demand grows for more logistics and transportation providers to help distribute the products created there.

Kentucky has no intention of surrendering its lead in job growth and economic prosperity. “We are making progress, but we still have work to do,” adds Gov. Beshear. “We will never stop pushing for more jobs and a stronger economy for the Commonwealth.”

For information on featuring your region in an Economic Development Supplement, contact James O. Armstrong at 314-984-9007 or jim@inboundlogistics.com.
It’s more than a conference. It’s a game changer.

Connect with the people who move the industry at

GFTC 2013

February 3-5, 2013
The Cloister
Sea Island, Georgia

Want to make the connections that give you the knowledge needed to compete more efficiently and effectively worldwide?
As the number-one logistics forum on the East Coast, the Georgia Foreign Trade Conference is where you need to be.

Why should you attend?
The people – Attended by thought leaders shaping the logistics industry for today and tomorrow
The access – Opportunities to meet industry and non-industry leaders, share best practices and gain new perspectives
The quality – The best program and participants for more than 40 years, making this a must for the shipping professional

Don’t miss this opportunity to change your game. For more information or to register online, visit gaforeigntrade.com.

REGISTER NOW

for the 45th Annual
Georgia Foreign Trade Conference

© 2012-2013 Georgia Foreign Trade Conference and the Georgia Ports Authority. All rights reserved.

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management

READ MORE

Ryder
EXECUTION IS EVERYTHING
Inventory Tracking: Crunching the Numbers

Food shoppers can be fickle. Demand is immediate, but bad impressions last a lifetime. Brand awareness and affinity are intrinsically tied to inventory availability at the store shelf—in effect, how well manufacturers and retailers can sense demand shifts, push those signals to distribution facilities, and trigger replenishment. When buyers get what they want, when they want, they come back for more.

Golden Flake Snack Foods—a Birmingham, Ala.-based manufacturer and distributor founded in 1923—recognized that as its business grew, it couldn’t replenish inventory fast enough to ensure store shelves were fully stocked with its potato chips, pork skins, tortilla chips, cookies, and other products. Between 2009 and 2010, its sales more than doubled, in spite of the U.S. economic recession.

The company distributes its snack foods through retailers in 12 southern states, and sells direct to consumers in bulk quantities from its Web site. Golden Flake relies on a team of 600 sales representatives to visit customer stores, remove out-of-date product, issue credit checks when necessary, and restock shelves with inventory from their trucks.

Until recently, sales associates placed product orders by mailing forms to the company’s headquarters. Processing the forms often took up to two weeks. As reps fulfilled orders, they had no way of knowing if there was sufficient inventory to cover demand. If they accidentally sold more merchandise than they had on the truck, they had to void the order and file it again, contributing to a tedious and time-consuming process.

Golden Flake invested in mobile inventory tracking devices to make the process more efficient—but that, too,
failed, because bandwidth was so limited that only 10 reps could place orders at the same time. More problematic, the technology had limited effectiveness in maintaining accurate inventory counts, so Golden Flake still had to rely on its paper-based system as a backup.

**Making a Connection**

Golden Flake turned to telecommunications services provider AT&T, with whom it had an established relationship through its suite of voice and data services. The company learned that a small upgrade in the technology it was using—paired with AT&T’s mobile broadband network—would allow its 600 sales reps to upload all their data in real time.

“Golden Flake was looking for a more efficient way to handle order placement, improve inventory management, and decrease the time required to deliver products to grocery shelves,” says Walt Rivenbark, executive sales director, Advanced Mobility Solutions, AT&T Business Solutions. “It wanted to make key supply chain decisions in real time.”

Golden Flake made the switch, equipping its sales force with Intermec CN3e handheld computers as part of a mobility solution that runs on the AT&T wireless network. The mobile solution allows Golden Flake’s sales force to place orders in real time, eliminating the replenishment lag that existed before. Now they have an accurate count of available inventory in their trucks, and spend less time processing orders and more time engaging retail customers. Sales reps are also able to record cash or checks when they receive customer payments, expediting the cash-to-cash cycle.

More importantly, the snack food company has been able to engineer a better way to capture inventory data at the point of demand, sharing that information with customers, and increasing efficiencies and economies upstream in the supply chain.

**Facilitating Demand-Driven Processes**

While the consumer-facing benefit of having product consistently available is clear, access to real-time data has created a positive domino effect elsewhere within Golden Flake’s supply chain, contributing to a number of competitive advantages.

“Placing orders in real time makes it easier to schedule deliveries that will accurately meet customer demand,” says Patty Townsend, chief financial officer, Golden Flake Snack Foods. “This means we can order just the right amount of potatoes and other necessary ingredients, which enables us to keep fresh products on the shelves and in consumers’ hands.”

Golden Flake uses more than 100 million pounds of potatoes a year, sourcing product from as far afield as the Dakotas and Florida. Because starting production as soon as potatoes arrive results in the best-tasting chips, finding efficiencies in this process can really pay dividends in flavor—and take a bite out of production expenses.

Better demand visibility at the store shelf has similarly enabled the company to optimize its delivery schedules, which is critical given rising fuel costs.
Out in the field, customer service has also improved. Golden Flake can respond to order inquiries immediately, whereas in the past reps would have to search paper records, then fax or mail the customer a copy of the order. With better inventory visibility and responsiveness, stores have more confidence in their ability to replenish stock.

“Our sales reps never sell more product than we have in stock,” explains Townsend. “They also track the freshness of products in stores. This enables us to ensure customers are purchasing just the right amount of product for their needs. Our efficiency becomes our customers’ efficiency.”

**Raising the Bar on the Go**

For smaller food manufacturers such as Golden Flake, enterprise-wide technology deployments can be a challenging proposition. “Our network person also orders the potatoes,” Townsend notes. “We all wear many hats at this company.”

AT&T’s mobile solution provided a simple fix to a growing problem. But the benefits of having a better means to capture and communicate inventory demand, then align it with upstream manufacturing and sourcing processes, has profoundly impacted Golden Flake’s ability to efficiently meet customer expectations.

“Many businesses view mobility solutions as tools that can help increase efficiency and productivity,” says AT&T’s Rivenbark. “We see mobility differently. It’s a critical asset for driving new revenue generation and competitive advantage.

“Our solutions allow customers to connect supply and demand almost instantly,” he adds.

AT&T’s mobility solution has provided Golden Flake with economies and efficiencies far beyond what the company originally expected.

“This type of efficiency in the field has improved overall customer service, simplified the payroll process, saved $200,000 a year in paper costs, and allowed us to deploy a $6-million enterprise resource planning system to enhance our wireless inventory solution,” says Townsend.
Werner Enterprises Inc. • www.werner.com

Werner Enterprises Inc. is a premier transportation and logistics company, with coverage throughout the United States, Canada, Mexico, and China. Werner maintains its global headquarters in Omaha, Neb., offering 24/7 service 365 days a year. Werner is among the five largest truckload carriers in the United States, with a portfolio of services that includes long-haul, regional and local van capacity, temperature-controlled, flatbed, dedicated, and expedited. Werner's value-added services portfolio includes import and export freight management, PO and vendor management, truck brokerage, intermodal, load/mode and network optimization, and global visibility. Internationally Werner provides freight forwarding and customs brokerage services, and is a licensed NVOCC.

APL Logistics • www.apilogistics.com

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

SDV • www.sdv.com

Established in 1885, SDV has grown to be a global leader in supply chain management, with owned offices, established infrastructures, and equipment in 93 countries. SDV USA has 15 offices with 475 industry specialists. Our U.S. and international team members provide the most comprehensive range of services and developed specific expertise in aerospace, oil and gas, telecom, healthcare, consumer and retail, luxury goods, perfumes and cosmetics, and food and beverages. With the needs of our customers and the preservation of our environment at the forefront, we have developed the SAVE PROGRAM, which provides our global partners eco-friendly solutions. To learn more about SDV, the SAVE PROGRAM, and our industry expertise visit our Web site: www.sdv.com.

UTi Worldwide • www.go2uti.com

UTi Worldwide, Inc. is an international, non-asset-based, global integrated logistics company providing air and ocean freight forwarding, contract logistics, customs brokerage, and other supply chain management services including enhanced warehousing, transportation, manufacturing support, order management, and a host of other services. The benefit for your company is a totally integrated logistics solution that maximizes value along the supply chain from end to end.
Alaska Air Cargo • www.alaskacargo.com
Alaska Air Cargo provides reliable air cargo services to meet your shipping needs. Whether it be small packages, full ULD shipments, or chartered freighter service, Alaska Air Cargo offers a variety of options, including GoldStreak® Package Express, a next-available-flight service for items up to 100 pounds; Priority Air Freight for time-sensitive shipments that are larger than GoldStreak and need to be at a destination by a specific time; and Animal Express, a priority express service that ensures animals a safe and comfortable journey.

Continental Expedited Services, Inc. • www.shipces.com
Continental Expedited Services (CES) is one of the largest and fastest-growing providers of premium transportation services in North America, accommodating a full range of transportation solutions with one-call, door-to-door services to and from almost any location in the world. CES’s 24-hour service center can provide, within minutes, a competitive price and response time for your time-sensitive freight. When you have a critical shipping emergency, call CES for the most reliable expedited service throughout the United States, Mexico, Canada, and now around the world.

Geodis Wilson • www.geodiswilson.com
With 5,500 people and a global network, Geodis Wilson is one of the world’s largest freight management companies, serving customers with integrated supply chain solutions that deliver cargo by sea and air. The company’s expertise, value-added services, and e-services enable you to streamline the flow of goods. We also make your supply chain more transparent and easier to manage. A self-reliant network of offices, and air and ocean hubs in more than 50 countries, ensures that your cargo flows efficiently and consistently across the world.

NFI • www.nfiindustries.com
NFI is a fully integrated supply chain management provider offering logistics, distribution, warehousing, intermodal, global, commercial real estate, consulting, transportation brokerage, and solar services across the U.S. and Canada. NFI owns facilities nationwide and globally, more than 2,000 tractors, and more than 7,000 trailers. Privately held by one family since its inception in 1932, NFI operates more than 21 million square feet of contract and public warehouse and distribution space, and generates $1 billion in revenue annually. NFI is an EPA Smartway Transport and WasteWise Partner and is dedicated to increasing energy efficiency and reducing the impact of the freight industry upon the environment.
Pilot Freight Services • www.pilotdelivers.com

Pilot Freight Services is a full-service transportation and logistics company with more than 75 locations throughout North America and a worldwide network of overseas agents, offering global coverage in more than 190 countries. As your transportation and logistics experts, we equip you with everything you need to move your cargo, delivering your shipments by air, land, and sea, anywhere in the world. To learn more, contact our 24/7 Customer Service Center at 1-800-HI-PILOT.

McSource Technologies • www.mcsourcetech.com

McSource Technologies is a leader in freight payment and logistics. We implement global freight payment solutions by working with high-volume shippers to handle all aspects of freight payment and logistical reporting. We handle all forms of EDI, as well as custom manual entry. We will customize a solution to suit your needs. We have developed McRate, an easy-to-use solution to carrier and routing guides. Our carrier access allows you to see the status of payments and retrieval of check stub details. Also, we can provide various scanning functions with Web-based retrieval. No more looking through boxes of paper!

APL Logistics • www.apllogistics.com

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

NFI • www.nfiindustries.com

NFI is a fully integrated supply chain management provider offering logistics, distribution, warehousing, intermodal, global, commercial real estate, consulting, transportation brokerage, and solar services across the U.S. and Canada. NFI owns facilities nationwide and globally, more than 2,000 tractors, and more than 7,000 trailers. Privately held by one family since its inception in 1932, NFI operates more than 21 million square feet of contract and public warehouse and distribution space, and generates $1 billion in revenue annually. NFI is an EPA Smartway Transport and WasteWise Partner and is dedicated to increasing energy efficiency and reducing the impact of the freight industry upon the environment.
Logimax • www.e-logimax.com

Logimax provides our customers with affordable software solutions to meet the challenges of the distribution, manufacturing, 3PL, and fulfillment warehouse industries. We offer a browser-based solution that contains everything companies need to be successful out of the box: complete inventory control, integrated RF data collection, report writing, customer Web self-service, receiving, put away, order picking, assemble-to-order, yard management, multi-carrier transportation management (TMS), electronic data interchange (EDI) and much more.

YRC Freight • www.yrc.com

If you are looking for seamless transportation throughout Canada, Mexico, and the United States, look to YRC Freight. The carrier’s reliable two-day, three-day, and coast-to-coast service connects key markets with guaranteed delivery windows. YRC Freight also offers dedicated protective services for a single shipment or entire trailer; special project and logistics management; and transportation and logistics for import and export shipments. Find out more about YRC Freight by visiting the Web site.

APL Logistics • www.apllogistics.com

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

November 2012 • Inbound Logistics 97
Industry experts amass supply chain management best practices and skill sets, and invest in new research and evaluation tools. Now you can benefit. *Inbound Logistics* has selected this collection of whitepapers that will give you a jump on important supply chain issues. For more information on any of these whitepapers, visit the Web sites listed below.

**EnVista**

**Title:** Managing Inbound Freight Fuels Greater Efficiencies  
**Length:** 4 pages  
**Summary:** Need to reduce transportation costs? Inbound transportation is an area rich with opportunity. In this whitepaper, you will learn how transportation management systems have evolved to better address expanding inbound requirements and ways to reduce your transportation spend.

**RWI Transportation**

**Title:** 2012 Temperature-Controlled Transportation Report  
**Length:** 16 pages  
**Download:** [http://rwitrans.com/resources/whitepapers.asp](http://rwitrans.com/resources/whitepapers.asp)  
**Summary:** This study, based on a survey of North American shippers, examines the top challenges faced in temperature-controlled transportation. It provides interesting insights and information about best practices, common challenges, and emerging trends in today’s temperature-controlled market. The report is provided by RWI Transportation, an asset-based logistics company offering temperature-controlled transportation. RWI manages in excess of 100,000 shipments annually, including both temperature-controlled and dry freight.
C3 Solutions

**TITLE:** A Guide to Better Understanding the Value Of Automated Dock Scheduling

**LENGTH:** 15 pages

**DOWNLOAD:** http://bit.ly/dockscheduling

**SUMMARY:** This whitepaper’s objective is to help industry professionals understand the basics of dock scheduling, supported by real industry case studies. It will help you:

- Assess whether you need a dock scheduling system.
- Identify your potential cost savings.
- Determine where to start.
- Evaluate which solution is best for your business.

You will also find a table for an easy comparison among different types of dock scheduling systems in terms of their criteria and benefits.

Railserve

**TITLE:** Utilizing Genset Technology in Locomotive Power

**LENGTH:** 6 pages

**DOWNLOAD:** http://bit.ly/TAsA6s

**SUMMARY:** This whitepaper supports intermodal industry sustainability efforts to meet EPA emissions standards by replacing conventional locomotive engines with modern, low-emissions diesel engines. Findings presented in the whitepaper show significant emissions decreases through the use of genset technology, including NOx reductions of up to 84 percent. Some switching operations have realized fuel savings of up to 65 percent, and are experiencing greater pulling power with their genset locomotives.

TMW Systems

**TITLE:** Diversified Transportation Service Providers – Accelerating Performance

**LENGTH:** 12 pages

**DOWNLOAD:** http://bit.ly/W1kt7A

**SUMMARY:** Transportation service providers today are increasingly multi-faceted businesses. 3PLs run fleets to assure capacity, private fleets offer the same security for shippers, and for-hire carriers offer logistics services, dedicated carriage, and intermodal operations. A comprehensive transportation management system (TMS) technology platform from TMW Systems can uniquely support all the business and functional diversity of these mission-critical providers.

Share your whitepaper with IL readers!

WhitePaper Digest is designed to bring readers up-to-date information on all aspects of supply chain management. We’re building a database of SCM whitepapers, and you can help. E-mail us with whitepaper recommendations:

editorial@inboundlogistics.com

November 2012 • Inbound Logistics 99
Your New Destination for Logistics & Supply Chain News

Content you can’t get anywhere else—and the best content from everywhere else—served up in one place.

- The latest news...hand-picked daily. Our editorial staff combs the most valuable and trusted sources for logistics and supply chain news that impacts your business.

- Exclusive online commentary. For years, you’ve relied on Inbound Logistics’ lively and informed commentary articles in each issue. Now, get even more insight from some of the industry’s most knowledgeable and respected professionals. Our new Online Exclusives are available only at inboundlogistics.com/news

- One-click news sharing. Every news item and Online Exclusive can be e-mailed, shared, tweeted, or liked with a single click.

- And while you're there... you’ll also be one click away from the most recent Inbound Logistics articles, our coverage of key trends and global logistics events, and hourly postings from the @ILMagazine Twitter feed.

Spread the word! Scan this barcode with your mobile device to send a tweet about our news page.

Bookmark it now! inboundlogistics.com/news
IN BRIEF
NEW SERVICES & SOLUTIONS

November 2012 • Inbound Logistics 101

Updates to Intelligrated’s Alvey 950 series hybrid palletizers include an on-board stretch bander that increases load stability, and an integrated control system that allows the palletizer and its robotic arms to operate from the same control platform.

The National Private Truck Council introduced Private Fleet Management Online, an interactive e-book that provides best practices, strategies, and reference materials for private fleet managers. Topics addressed include equipment, maintenance, operations, safety and compliance, human resources, and finance.

Chapman Freeborn Airchartering’s new office in Hong Kong expands the company’s specialist On Board Courier service, which provides transportation solutions tailored to shippers’ specific requirements, with dedicated couriers accompanying each shipment from pickup to delivery direct to the recipient. The location acts as a hub between the United States, Europe, China, and other parts of Asia, particularly for shipping electronics and high-tech communications equipment, as well as deliveries for other time-sensitive industries such as automotive.

Columbia Machine’s FL3000-R high-speed, floor-level hybrid palletizer processes more than 80 cases per minute. The palletizer features a comprehensive safety package and fully integrated controls.

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
READ MORE

Execution is Everything
Atlas World Group launched a new subsidiary, AWG Logistics, a non-asset-based third-party logistics provider offering supply chain solutions that integrate transportation, warehousing, and technology.

Regal Logistics’ new 120,000-square-foot distribution center in Garden Grove, Calif., near Los Angeles, is designed for high-volume shipping, with 27-foot clear height for maximum storage capacity and technology infrastructure including a warehouse management system, full electronic data interchange capability, and real-time online shipment tracking.

Associated Global Systems opened a new 9,000-square-foot facility in Orlando, Fla., to offer warehousing, distribution, and parts logistics services to businesses in central Florida, including Melbourne, Tampa, and Jacksonville.

ChemLogix introduced a new freight brokerage service, CapAssureLx, which provides Web-based systems to coordinate, manage, and track shipments across modes including bulk (liquid and dry); dry van truckload (over-the-road, refrigerated, and intermodal); specialized (flatbeds, step downs, or double drops); and drayage. The service electronically broadcasts logistics requirements to the market and identifies available trucking assets in the network to match capacity to shipper needs in any lane.

Epson America introduced the ColorWorks C3400-LT Color Label Terminal, which prints durable color labels on demand for retail, logistics, and manufacturing applications. The printer features a rugged water- and dust-resistant design, Ethernet interface, and six USB ports for additional devices.

British Telecommunications’ BT Trace supply chain solutions portfolio now includes cloud services to provide a near real-time view of end-to-end supply chain operations.

AdvancePro Technologies released a new version of Advance Pro inventory management software, which includes enhancements to features such as resource management, sales tax per line item, batch invoice email, cycle counts and picking location functionality, landed cost freight management, SKU activity dashboard, and direct vendor billing.

Suitable for use in warehousing, transportation, and distribution environments, MobileDemand’s Windows 8 xTablet T1200 rugged tablet computer offers an integrated bar-code scanner, RFID reader, and GPS; built-in numeric keypad; high-resolution front- and rear-facing cameras; and two USB ports.

Motorola Solutions introduced the HC1 headset computer, suitable for use in harsh environments and remote locations. The headset provides hands-free mobile computing and access to business-critical documents.

Aldata’s Omni-Shopper Suite for retailers and consumer goods manufacturers captures and consolidates shopper interaction data across all channels and uses it to drive more effective supply and fulfillment. The Omni-Shopper Fulfillment module. New features include connectivity with leading ocean carriers and non-vessel-operating common carriers to facilitate booking management; product classification; import and export control checks; documentation determination; restricted party screening; and ocean freight settlement.
component provides real-time product availability, replenishment, and order commitment.

Freight bill processor and auditor Data2Logistics launched its Document Control Program, which ensures quality-critical documentation – including client specifications, carrier rates, and internal work instructions – is successfully and continually captured, maintained, and validated.

TempTRIP’s ultra-high-frequency radio identification tag provides cold chain time/temperature monitoring. When shipment handlers press a button on the tag, an LED light on the tag blinks red if the temperature is out of range, or displays a solid green if conditions meet the programmed parameters.

NYK Line added the 250,000-DWT class ore carrier Shagang Sunshine to its fleet. The vessel was built to carry the maximum loading capacity allowed at ports in western Australia, and will transport ore and coal from Australia to China.

Discover the latest solutions to move your business forward as the industry’s leading innovators showcase their latest manufacturing, distribution and supply chain equipment and systems at ProMat 2013 held January 21-24 at Chicago’s McCormick Place. ProMat 2013 is the one show where you will see the best solutions and innovations the industry has to offer.

Connect with over 800 exhibiting companies featuring what's new and what's next in equipment and systems solutions. Choose from an enhanced conference program including keynotes and 100 educational seminars presented by manufacturing and supply chain leaders.

On Monday, January 21, keynote speaker Steve Forbes, Chairman and Editor-in-Chief of Forbes Media will assess the impact of the newly elected President and his administration on the future of the economy and business growth. Tuesday will feature a keynote by Henrik Christensen, KUKA Chair of Robotics & Director of Robotics at Georgia Tech on the new wave of robotics that is revolutionizing manufacturing and distribution operations. Wednesday, futurist Edie Weiner will lead a keynote panel discussion of industry leaders on the future of material handling, logistics and the supply chain.

Find detailed information go to www.ProMatShow.com
Yusen Logistics added a new less-than-containerload service from Taiwan to Los Angeles. The direct service sails from Keelung every Tuesday and arrives at Los Angeles 13 days later, and is supported by a domestic distribution network and intermodal service to all major inland U.S. destinations.

FedEx Freight Priority and Economy shipments to, from, and within Canada now offer a 10:30 a.m. delivery option, allowing shippers to better plan staffing and manufacturing schedules, and manage tighter inventory levels.

SynchroNet Intermodal Services launched a new service, DoorLogistics, which provides standard door-to-door pricing and support services for 20-, 40-, and 45-foot ISO containers. The service offers access to capacity from many inland and coastal origins to destinations across the United States and Canada.

San Antonio Central Railroad now operates within Port San Antonio’s East Kelly Railport. It also transfers railcars from nearby Union Pacific and BNSF Railway trains, and delivers the cargo to logistics, manufacturing, and warehousing businesses located at the port.

Old Dominion Freight Line expanded its Morristown, Tenn., service center to include 347 doors and capabilities for enhanced less-than-truckload shipment processing.

Virgin Atlantic Cargo added daily flights from Cape Town, South Africa, to London, New York, Chicago, and Miami. Served by 18.7-ton-capacity Airbus A340-300 aircraft, the flights carry general cargo and perishable exports such as fish and fresh fruit.

//Transportation//

Constructed of powder-coated 16-gauge steel, Akro-Mils’ Low Profile Louvered Floor Rack, which can hold up to 1,250 pounds, features options such as single- or double-sided racks, wall- or floor-mount, and three rack-and-bin configurations.
Choosing a 3PL Partner
Just Got Easier.

Create a database of prospective partners...prepare your Request for Proposal list...build your knowledge base...with Inbound Logistics' FREE online RFP service.

The 3PL RFP is your opportunity to have third-party logistics experts look at your specific outsourcing challenges and needs, and give you free, no-obligation advice, solutions, and information specific to your request.

Whether you need to outsource your entire logistics operation, or just one segment of it, choosing the right third-party logistics partner can be a complex challenge. In response to reader requests, Inbound Logistics offers an online 3PL RFP tool to help simplify your selection process.

Get started now at inboundlogistics.com/rfp
January 21-23, 2013, Jump Start 2013, Atlanta, Ga. Join shippers, carriers, and logistics service providers at this transportation conference, sponsored by SMC. Session topics include next steps in CSA compliance, capacity shifts, transportation technology innovations, cross-border trade, and cold chain loss prevention and claims. Best-selling author Daniel Pink delivers a keynote presentation on the science of motivation.
800-845-8090
www.smc3jumpstart.com

January 21-24, 2013, ProMat, Chicago, Ill. See the latest materials handling solutions and innovations the industry has to offer. At this event, sponsored by the Material Handling Industry of America, attendees learn to streamline transportation and logistics operations and improve visibility; maximize efficiency, flexibility, and supply chain security; cut costs; and reduce their carbon footprint.
800-345-1815
www.promatshow.com

February 3-5, 2013, Georgia Foreign Trade Conference, Sea Island, Ga. Hosted by the Georgia Ports Authority, this event offers business sessions to senior-level shippers and maritime executives from across North America. An elite panel of speakers addresses issues facing shippers, carriers, ports, terminals, and the maritime community into the next century, as well as the changing legislation and new technologies affecting business.
888-645-7304
qaforeigntrade.com

February 11-14, 2013, Reverse Logistics Association Conference and Expo, Las Vegas, Nev. Seminars cover reverse logistics-focused topics of interest to original equipment manufacturers, retailers, and third-party service providers. Learn the latest best practices, trends, and strategies for returns processing, Lean repair, service logistics, warranty support, and asset management.
801-331-8949
http://rltshows.com

February 17-20, 2013, Retail Supply Chain Conference – Logistics 2013, Orlando, Fla. Retail is becoming more and more multi-channel. It’s imperative that your supply chain provide seamless transitions whether customers purchase online, in the store, or over the phone. This RILA conference brings you the content, people, and solutions to make that happen.
801-331-8949
www.retailsupplychain.org

March 18-19, 2013, American Association of Port Authorities Spring Conference, Washington, DC. This event examines issues in the maritime industry relevant to all Western Hemisphere ports, including federal port security initiatives, new economic development opportunities, export initiatives, and infrastructure funding and policy reform efforts.
703-684-5700
www.aapa-ports.org

April 15-17, 2013, National Logistics & Distribution Conference (NLDC), Atlanta, Ga. Organized for senior-level supply chain executives by Georgia Tech’s Supply Chain & Logistics Institute, NLDC offers three educational tracks—Identifying Change: Supply Chain Tipping Points; Digital Change: Technology’s Impact on Customers and Commerce Within the Supply Chain; and Leading Change: Executive Leadership in Strategic Planning.
800-998-6517
www.nlcido.com

April 21-24, 2013, COSTHA Annual Forum and Expo, San Diego, Calif. The Council on Safe Transportation of Hazardous Articles presents expert guidance on navigating the continually evolving regulations for shipping dangerous goods. The program’s diverse offerings explore new technologies, regulatory requirements, legal trends, and strategies for protecting your corporate profits through enhanced compliance, risk management, and training.
703-451-4031
www.costha.com

April 21-24, 2013, NASSTRAC Logistics Conference & Expo, Orlando, Fla. Hosted by the National Shippers Strategic Transportation Council, this conference attracts transportation and supply chain executives from manufacturers, retailers, and distributors, as well as 3PLs and carriers. Educational sessions feature leading motor carrier and logistics service provider executives discussing issues facing the trucking industry and logistics sector, and shippers explaining best practices in their supply chain strategies. The event also features a full exhibition showcasing new transportation services and solutions.
952-442-8850 x208
www.nasstrac.org

May 1-2, 2013, IANA Intermodal Operations and Maintenance Seminar, Oak Brook, Ill. This Intermodal Association of North America event is designed for intermodal operations and maintenance specialists who want to learn about the latest trends and challenges in their segment of the industry.
301-982-3400
www.intermodal.org

May 5-12, 2013, Supply Chain Logistics Management, Lansing, Mich. Offered by Michigan State University’s Executive Programs, and co-sponsored by the Council of Supply Chain Management Professionals, this program emphasizes supply chain integration, performance measurement, technological application, organizational dynamics, and the lessons learned from global world-class logistics organizations.
800-356-5705
http://execed.broad.msu.edu

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
READ MORE

EXECUTION IS EVERYTHING

Inbound Logistics • November 2012
**Redefining Value-Added Logistics.**

NVC Logistics concentrates on meeting the demanding transportation requirements of oversized products, high-value items and residential deliveries.

Our expertise bridges the gap between transportation and customer satisfaction – with a focus on custom solutions, technology, transit time & personal service. Just a few of the reasons NVC is redefining this category.

Our best-in-class services also include:

- B2B Services
- Warranty Exchange
- Asset Recovery
- Strategic Warehousing

**NVC Logistics Group**

CALL: 1.877.526.3393
EMAIL: sales@nvclogistics.com
VISIT: www.nvclogistics.com

**NVC Logistics Group | Where Logistics Solutions are Found**

---

**Sustainable Design-Build Solutions**

**FINANCE SOLUTIONS**

TERMS UP TO 7 YEARS
RATES AS LOW AS 0%
LIMITED TIME OFFER. SUBJECT TO APPROVAL.

Buildings available up to 300’ wide.
Low in cost per square foot.
Natural daytime lighting.
Easy to relocate.
Expandable.
Little or no property taxes.

Call one of our ClearSpan specialists at 1.866.643.1010 or visit us at www.ClearSpan.com/ADIL.

---

**Camel Express**

**Time Sensitive and Temperature Sensitive loads** are our specialty with more than 75 years experience providing the service and expertise necessary in today’s economy.

Strategically located to serve the Northeast and Central Atlantic regions.

For more information on how we can accommodate your freight moves, contact:

Frank Campbell
(800) 233-7112 x111
www.camel-express.com

---

**Hanover Logistics**

Driven by Innovation

Hanover Logistics is equipped to expertly handle all your warehousing, distribution, fulfillment and transportation needs.

**Freight Brokerage & Northeastern LTL/TL service**

**Food/Grocery Storage & Distribution**

**Intermodal/Cross-Dock/CSX Rail Access**

**Full Service Warehousing, Transportation & Logistics Provider**

Contact us today!
341 Moulstown Road, Hanover, PA 17331
717-630-0016 • www.hanoverlogistics.com

---

**Achieve unparalleled accuracy and efficiency with LEAN Distribution Management**

READ MORE
They answered the call and are waiting for yours.

Hire leadership.

Hire a Vet.

Hire a Veteran.
**RESOURCE CENTER**

**INBOUND LOGISTICS WORKS FOR YOU!**

### 3PLs

<table>
<thead>
<tr>
<th>Company</th>
<th>Page</th>
<th>Website/Contact Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>C.H. Robinson</td>
<td>Cover</td>
<td><a href="http://www.chrobinson.com">www.chrobinson.com</a> 800-323-7587</td>
</tr>
<tr>
<td>Dimerco</td>
<td>5</td>
<td><a href="http://www.dimerco.com">www.dimerco.com</a></td>
</tr>
<tr>
<td>Dupré Logistics</td>
<td>67</td>
<td><a href="http://www.duprelogistics.com">www.duprelogistics.com</a></td>
</tr>
<tr>
<td>Geodis Wilson</td>
<td>77</td>
<td><a href="http://www.geodiswilson.com">www.geodiswilson.com</a></td>
</tr>
<tr>
<td>Givens</td>
<td>93</td>
<td><a href="http://www.givens.com">www.givens.com</a></td>
</tr>
<tr>
<td>Kane is Able</td>
<td>73</td>
<td><a href="http://www.kaneisable.com">www.kaneisable.com</a></td>
</tr>
<tr>
<td>Kenco Logistic Services</td>
<td>75</td>
<td><a href="http://www.kencogroup.com">www.kencogroup.com</a></td>
</tr>
<tr>
<td>Landstar</td>
<td>31</td>
<td><a href="http://www.landstar.com">www.landstar.com</a></td>
</tr>
<tr>
<td>Lynden</td>
<td>29</td>
<td><a href="http://www.lynden.com">www.lynden.com</a></td>
</tr>
<tr>
<td>Menlo Worldwide Logistics</td>
<td>83</td>
<td><a href="http://www.menloworldwide.com">www.menloworldwide.com</a></td>
</tr>
<tr>
<td>Ryder Supply Chain Solutions</td>
<td>12</td>
<td><a href="http://www.ryderscs.com">www.ryderscs.com</a></td>
</tr>
<tr>
<td>SDV</td>
<td>15</td>
<td><a href="http://www.sdv.com">www.sdv.com</a></td>
</tr>
<tr>
<td>Unyon Logistics</td>
<td>81</td>
<td><a href="http://www.unyonlogistics.com">www.unyonlogistics.com</a></td>
</tr>
<tr>
<td>UTI Worldwide</td>
<td>24-25</td>
<td><a href="http://www.go2uti.com">www.go2uti.com</a></td>
</tr>
<tr>
<td>Werner Enterprises</td>
<td>22</td>
<td><a href="http://www.werner.com">www.werner.com</a></td>
</tr>
<tr>
<td>Air/Expedited</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AirNet Systems</td>
<td>3</td>
<td><a href="http://www.airnet.com">www.airnet.com</a></td>
</tr>
<tr>
<td>Alaska Air Cargo</td>
<td>19</td>
<td><a href="http://www.alaskacargo.com">www.alaskacargo.com</a></td>
</tr>
</tbody>
</table>

### Continental Expedited Services

- **Website**: www.shipces.com
- **Phone**: 855-SHIP-CES

### Pilot Freight Services

- **Website**: www.pilotdelivers.com
- **Phone**: 800-HI-PILOT

### Purolator International

- **Website**: purolatorinternational.com/HOW
- **Phone**: 888-511-4811

### Southwest Cargo

- **Website**: www.swacargo.com
- **Phone**: 800-533-1222

### UPS

- **Contact Page**: 3
- **Website**: www.thenewlogistics.com/technology
- **Phone**: 800-PICK-UPS

### Career Development/Education

<table>
<thead>
<tr>
<th>Company</th>
<th>Page</th>
<th>Website/Contact Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Public University (APU)</td>
<td>41</td>
<td><a href="http://www.studyatapu.com/ii">www.studyatapu.com/ii</a> 877-777-9081</td>
</tr>
</tbody>
</table>

### Events

<table>
<thead>
<tr>
<th>Event</th>
<th>Pages</th>
<th>Website/Contact Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>ProMat: An MHIA International Expo</td>
<td>6-7</td>
<td><a href="http://www.promatshow.com">www.promatshow.com</a></td>
</tr>
<tr>
<td>SMC Jump Start 2013</td>
<td>60</td>
<td><a href="http://www.smc3jumpstart.com">www.smc3jumpstart.com</a></td>
</tr>
</tbody>
</table>

### Financial Services

<table>
<thead>
<tr>
<th>Region</th>
<th>Page</th>
<th>Website/Contact Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regions</td>
<td>33</td>
<td><a href="http://www.regions.com/transportation">www.regions.com/transportation</a> 404-888-5111</td>
</tr>
</tbody>
</table>

### Freight Payment Services

<table>
<thead>
<tr>
<th>Company</th>
<th>Page</th>
<th>Website/Contact Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acuitive Solutions</td>
<td>27</td>
<td><a href="http://www.acultivesolutions.com">www.acultivesolutions.com</a></td>
</tr>
</tbody>
</table>

### Inventory Liquidation

<table>
<thead>
<tr>
<th>Company</th>
<th>Page</th>
<th>Website/Contact Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>Silver Creek Trading</td>
<td>104</td>
<td><a href="http://www.silvercreektrading.net">www.silvercreektrading.net</a></td>
</tr>
</tbody>
</table>

### Logistics IT

<table>
<thead>
<tr>
<th>Company</th>
<th>Page</th>
<th>Website/Contact Info</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amber Road</td>
<td>63</td>
<td><a href="http://www.amberroad.com">www.amberroad.com</a></td>
</tr>
<tr>
<td>Magaya Logistics</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Software Solutions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For a specific response, contact these advertisers directly. Please tell them you saw their ad in *Inbound Logistics*.

For general questions about particular industry segments, use the form on page 111.

For faster service, go online: inboundlogistics.com/rfp

---

**Achieve unparalleled accuracy and efficiency with LEAN Distribution Management**

**READ MORE**

---

**EXECUTION IS EVERYTHING**

---

November 2012 • Inbound Logistics 109
Ocean
COSCO Americas Inc.  pg. 65
www.cosco-usa.com  800-242-7354

Rail
Union Pacific  pg. 9
www.unionpacific.com  877-883-1422

Real Estate Logistics/Site Selection
Kentucky Cabinet for Economic Development  pg. 87
www.thinkkentucky.com  800-626-2930
South Central Kentucky  pg. 89
www.southcentralky.com  866-330-2422

Trucking
C.R. England  pg. 11
www.crengland.com  888-725-3737
Holland  pg. 49
www.hollandregional.com/iknow  866-465-5263
New Penn  pg. 51
www.newpenn.com/iknow  800-285-5000
Reddaway  pg. 47, 53
www.reddawayregional.com  888-420-8960
Saia  pg. 16
www.saia.com  800-765-7242

Trucks
Mercedes-Benz USA LLC  pg. 21
www.mbsprinterusa.com  877-762-8267

For a specific response, contact these advertisers directly. Please tell them you saw their ad in Inbound Logistics.

For general questions about particular industry segments, use the form on page 111.

For faster service, go online: inboundlogistics.com/rfp

Achieve unparalleled accuracy and efficiency with LEAN Distribution Management
READ MORE

Inbound Logistics (ISSN 0888-8493, USPS 703990) is published on the 15th of the month for approximately 60,000 business professionals who buy, specify, or recommend logistics technology, transportation, and related services, by Thomas Publishing Company LLC, 5 Penn Plaza, NY, NY 10001. José E. Andrade, chairman; Carl T. Holst-Knudsen, president. Periodicals postage paid at New York, NY, and additional mailing offices. All rights reserved. The publisher accepts no responsibility for the validity of claims of any products or services described. No part of this publication may be reproduced or transmitted in any form or by any electronic means, or stored in any information retrieval system, without permission from the publisher.

POSTMASTER SEND ADDRESS CHANGES TO: Inbound Logistics, 5 Penn Plaza, New York, NY 10001

110 Inbound Logistics • November 2012
Please answer all questions, sign, and fax to 212-629-1565.
Coming to Terms: A Nod to the Nautical

Some common phrases and idioms derived from one of the oldest transportation trades: maritime shipping. Here’s the scuttlebutt.

“scuttlebutt”
A butt was a barrel, and scuttle meant to chop a hole in something. The scuttlebutt was a water barrel with a hole cut into it so that sailors could reach in and dip out drinking water. The scuttlebutt was where ship gossip was exchanged.

“leeway”
The weather side of a ship is the side from which the wind is blowing. The lee side is the side of the ship sheltered from the wind. A lee shore is a shore that is downwind of a ship. If a ship does not have enough “leeway”, it is in danger of being driven onto the shore.

“pipe down”
The Pipe Down was the last signal from the bosun’s pipe each day, which meant “lights out” and “silence.”

“rummage sale”
From the French “arrimage,” meaning ship’s cargo. Damaged cargo was sold at a rummage sale.

“skyscraper”
A small triangular sail set above the skysail in order to maximize effect in a light wind.

“buoyed up”
Using a buoy to raise the bight of an anchor cable to prevent it from chafing on a rough bottom.

“above board”
Anything on or above the open deck that is open and in plain view.

“pooped”
The poop is the stern section of a ship, and to be pooped is to be swamped by a high, following sea.

“slush fund”
Ships’ cooks would obtain a slurry of fat called “slush” by boiling or scraping empty salted meat storage barrels. The cooks often sold this slush ashore for their own benefit or for the crew. The money so derived became known as a slush fund.

“know the ropes”
There were miles of cordage on a square rigged ship. The only way of keeping track and knowing the function of these lines was to know where they were located. It took an experienced seaman to know the ropes.

“above board”
Anything on or above the open deck that is open and in plain view.
3 WAYS LOGISTICS CAN KEEP HIGH-TECH CUSTOMERS COMING BACK.

When UPS surveyed leaders in high-tech companies, we learned that a key challenge is maintaining the bottom line while improving the customer experience. This balancing act is not impossible. It just takes logistics, by UPS.

1) MOVE FASTER From international air freight to next-day air shipments, UPS can move critical parts or finished components quickly and reliably. And technology like UPS Paperless® Invoice can help reduce customs delays by up to 56%—enabling you to meet service agreements and satisfy customers.

2) RESPOND QUICKER With UPS technology like Quantum View®, you can see your supply chain and adjust to changing customer demands. With status updates for both package and freight shipments—incoming and outgoing—you supply chain is more visible, and, consequently your business is more responsive.

3) SIMPLIFY RETURNS When customers need to return, repair or replace a product, UPS has one of the largest portfolios of reverse logistics solutions to help streamline the process. And with millions of UPS access points worldwide, your customers can easily return their purchases to you.

For more high-tech industry insights, go to thenewlogistics.com/technology or snap the QR code.
Your customer’s signature is more than proof of delivery; it’s the culmination and confirmation of a job well done.

- Electronic signature capture
- Maps and driver directions
- Real time updates online

Integrates with all Magaya Software Products

www.magaya.com