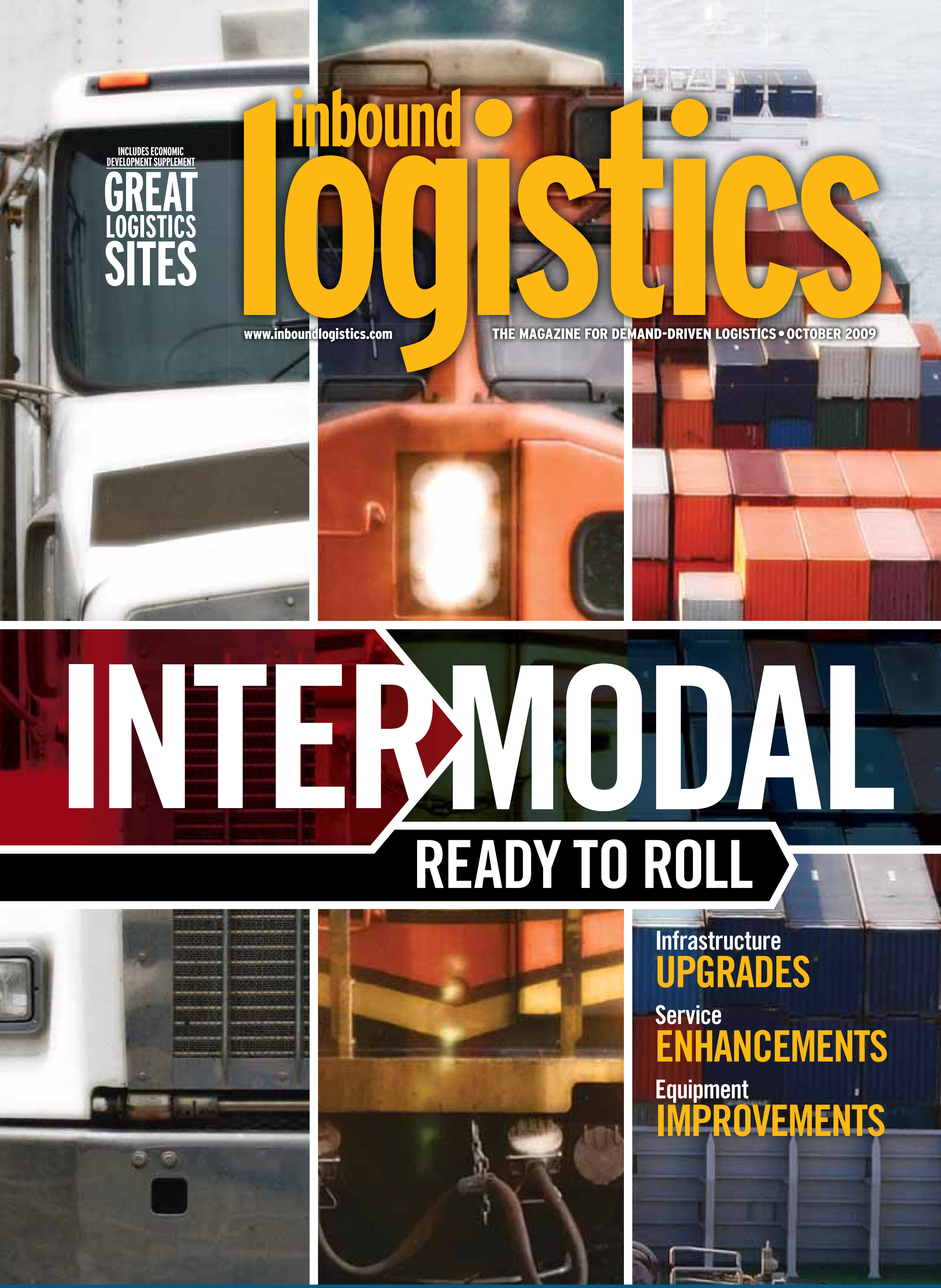

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INSIGHT

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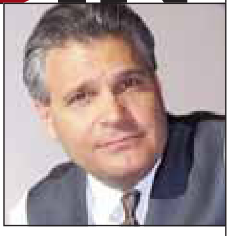
CHECKING IN



Keith Biondo

by Keith Biondo | **Publisher**

A Lesson From Ghana

"Ghana will not become a middle-income status country without a coherent supply chain strategy." So says leading African academic Dr. Douglas Boateng in an open letter to Ghana's government (http://snipurl.com/ilghana). Dr. Boateng takes the government to task on its lack of supply chain vision, pointing out that despite the abundance of natural resources–gold, cocoa, diamonds, bauxite, manganese, oil, fertile soil–the nation still struggles with high unemployment rates and a lack of economic progress.

What puzzles Dr. Boateng is why Ghanese leaders refuse to accept that a healthy transportation/logistics infrastructure, along with government policies or initiatives that add value to raw materials, will raise the standard of living. Throughout history, countries that depended solely on the export of raw materials and commodities have failed to achieve long-term socio-economic growth. This shortsightedness in economic and strategic supply chain vision will continue to impede economic growth in Ghana, just as it has around the world over time, Dr. Boateng notes.

By developing supply chain and value-added initiatives, coupled with a strategic transportation/logistics strategy, Ghana's government would lay a solid foundation for future generations, he adds.

He's right. In the September issue of *Inbound Logistics*, we referenced a point in American history not unlike where Ghana is today. *Celebrating 90 Years of Ship by Truck* described the early days of over-the-road transportation, where hard backs and tough minds mastered conditions comparable to those in Ghana today.

But it wasn't just that. Back then, and until just after World War II, we had a national transportation strategy, a national manufacturing vision, and an energy strategy. If our leaders hadn't made those hard choices and investments back then, we wouldn't have achieved the level of supply chain excellence and manufacturing prowess that created the economic prosperity we enjoy today.

Do we currently have national logistics and supply chain leadership, or is it one that bubbles up from the private sector in partnership with state and local governments? Do we have a "value-added" manufacturing strategy, or are we acquiescent as our manufacturing prowess moves to China and elsewhere? Energy policy? Some might say we have an anti-energy policy.

In the past, we learned our lessons the hard way. And we recognized the importance of supply chain and manufacturing in building the dreams of the people who work in those industries.

We made the tough calls and the investments. We had a vision and we acted. Yes, we are prosperous. We have wealth, but nothing is forever. The actions we should be taking today will drive tomorrow's prosperity. Let's learn a lesson from Ghana. ■

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10TIPS

STEP-BY-STEP SOLUTIONS

Outsourced Logistics: Gaining Management Buy-in

What company doesn't want to achieve greater product availability rates, more flexible work processes, fewer customer complaints, and improved order accuracy? If you can't seem to reach these goals on your own, it might be time to outsource some of your company's logistics functions to a third-party logistics (3PL) provider. Steve Dean, senior vice president, supply chain solutions, sales and marketing, for Ryder System Inc., offers the following advice for convincing management it's time to call for help.

1 **Promise improved metrics.** A 3PL can help your company develop quantitative, data-driven key performance indicators in areas such as inventory turns, stockouts, and on-time delivery.

2 **Emphasize the potential to reduce costs.** Taking advantage of a 3PL's expertise and infrastructure can help shippers reduce excess carrying costs, returned goods costs, and lost sales. They can also move more material with fewer assets, and realize savings by using shared facilities.

3 **Describe the 3PL's buying power.** Because 3PLs manage billions of freight movement dollars, they have industry buying power and can pass along transportation savings to shippers.

4 **Explain the improved global capabilities.** Many 3PLs can facilitate moving goods through an international supply chain with their on-ground knowledge of local markets, regulations, and government agencies.

5 **Outline the technology benefits.** 3PLs often make substantial investments in the technology used to manage supply chain efficiency. These tools provide shippers with end-to-end visibility of their supply chain networks, ranging from track and trace for day-to-day management to detailed reporting for long-term strategic planning.

6 **Communicate the environmental impact.** 3PLs can help shippers optimize distribution networks and consolidate routes, train drivers to incorporate fuel-efficient behaviors, specify equipment to reduce emissions, and leverage technology to streamline inventory and enhance vehicle performance.

7 **Talk up the security enhancements.** A 3PL partner can assist in navigating new regulations and provide counsel on best practices to improve security policy and procedures. Some service providers manage supply chain security program implementation, from facility and asset security to security monitoring services and training.

8 **Predict efficient process changes.** It's easier to make process changes with an outside provider, especially when you can tap into another company's existing infrastructure, technology, and people. This is critical for shippers who need to grow at an accelerated pace.

9 **Anticipate improved accountability.** Shippers can benefit from synergies by engaging 3PLs in adjacent processes that take place "before" or "after" what is considered a traditional supply chain activity. Eliminating hand-offs improves accountability, increases speed to market, and reduces costs.

10 **Elaborate on your vision.** Logistics is a complex process that requires planning, technology, competencies, and integration. There is no one-size-fits-all solution. Clearly communicate not only the strategic advantage of outsourcing, but also the process for getting there, the time line involved, and what the selected 3PL brings to the operation. ■

Go

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by Merrill Douglas

START YOUR ENGINES

NAME: **Bill Harlow**

TITLE: Plant manager, Menomonee Falls, Wisc., distribution center, since 2006

COMPANY: Briggs & Stratton

PREVIOUS EXPERIENCE: 31 years at Briggs & Stratton, starting in manufacturing and later moving to packaging and distribution: stock chaser, storekeeper/supervisor, foreman, team facilitator, distribution center manager.

EDUCATION: AAS, industrial engineering, Waukesha County Technical College, 1995; BS, industrial management, University of Wisconsin, Stout, 2005.

Power Play

While racing stock cars at the Hales Corners Speedway in Wisconsin, Bill Harlow took a job at the local Briggs & Stratton factory. "Racing was a very expensive hobby," he says. To support it, he needed a day job.

Harlow still works at Briggs & Stratton, but in the 31 years since he joined the firm, he has transformed his just-for-the-money job into an engaging career. As plant manager at the company's Menomonee Falls, Wisc., distribution center, Harlow is responsible for receiving, storing, and shipping service parts for the lawn mowers, snow blowers, power washers, and other equipment that makes up Briggs & Stratton's outdoor power products line.

"This is the most exciting, challenging, and rewarding job I have had," says Harlow. And that's saying a lot. Not only has he enjoyed the thrills of auto racing, but he turned down a chance to work in a second field he once aspired to, law enforcement, because he so enjoyed his job at Briggs & Stratton.

In his current role, Harlow oversees 500,000 square feet in two buildings. His team receives roughly 120,000 components made by Briggs & Stratton and third-party vendors, kits them, and packages them into about 80,000 sellable parts. Harlow's organization also fills orders from central distributors, dealers, retail stores, original equipment manufacturers, and consumers in the United States and around the globe.

One of the biggest challenges Harlow, who reports to the vice president of distribution operations, has tackled occurred when Briggs & Stratton acquired

The Big Questions

What do you do when you're not at work?
I enjoy running and riding my bike, and last year I began competing in duathlons and bicycle races. I travel with my wife and like reading a good mystery. I also enjoy spending time with my grandchildren, watching the Green Bay Packers, managing my fish pond, and landscaping.

Ideal dinner companion?
Franklin Delano Roosevelt. He accepted his disability and led America through the Great Depression with great leadership and wisdom. I would enjoy hearing about his personal triumphs, his approach to leadership, his wisdom, and how he dealt with opposition.

What's in your briefcase?
Very basic things: a notepad and pen, business cards, a jump drive, and two energy bars. I keep everything else on my laptop.

First Web site you look at in the morning?
The national weather service. Our business grows with the grass and when the snow is deep.

If you didn't work in logistics, what would be your dream job?
General contractor for commercial and residential construction projects.

power equipment maker Simplicity Manufacturing in 2004. At the time, Briggs & Stratton did little direct store fulfillment. It shipped to 2,400 Home Depot locations, but the DC had plenty of time to fill those orders. Simplicity's dealers, however, required faster turnaround.

"The dealer orders came in hourly, and we had to ship the same day," Harlow says. To streamline the process, Briggs & Stratton spent several months interfacing its SAP warehouse management system with UPS's *ConnectShip* software.

Another tough transition came when the Menomonee Falls DC moved into a new building, a process that stretched from October 2005 to June 2006. "We moved 300,000 square feet of product, $46 million worth of inventory, and the packaging department–all without a single service failure," Harlow says.

As if that weren't challenge enough, during the move Briggs & Stratton acquired most of the assets of lawnmower manufacturer Murray, and Harlow and his team had to integrate that service parts operation as well. They made both transitions without any hiccups.

One key to a trouble-free move was assigning small chunks of responsibility to numerous people. Daily recaps and weekly status meetings also proved important. "Keeping that line of communication open so everybody knew what everyone else was doing really helped," Harlow says.

Harlow loves steering a big project to the finish line, just as he once loved steering a fast car around a dirt track. "I enjoy project planning, implementation, and the successful result," he says.

He also relishes seeing his organization pull together toward a common goal. "We do whatever it takes to make our business a success," says Harlow. ■

TRENDS

Man vs. Freight

by Joseph O'Reilly

Shippers and service providers have enough difficulty meeting customer demand despite encroaching time, service, and cost constraints without political bureaucracy getting in the way. But it does. Pitched battles over quality of life and the goods that bring quality to life are frequent and fervent—and serve as yet another reminder that domestic transportation policy and oversight is lacking and necessary.

Last year's brouhaha between Canadian National Railway and Chicago suburbs over the railroad's acquisition of the Elgin, Joliet & Eastern Railway line, and plans to reroute traffic around the city, frames ongoing efforts elsewhere to curtail infrastructure development and freight movement.

In New York state, Governor Paterson is pushing through a policy, introduced last year with U.S. Senator Chuck Schumer, that allows the New York State Department of Transportation to restrict large trucks from using seven highways as short cuts and to avoid tolls in the Finger Lakes region. The initiative, similar to a plan enforced in New Jersey, seeks to maximize large truck use of New York's interstate highways amid community concerns that freight haulage

CONTINUED FROM PAGE 10

is hazardous to the environment and the region's quality of life. Longer routings, however, will contribute to more carbon emissions, time, costs, and congestion moving product in, out, and through the area.

New York's state of mind reflects a growing trend–local communities struggling to remain viable and competitive as both thriving economies and places to live. Proponents of the mandate argue that greater use of the interstate highway system for large trucks will relieve stress on less-traveled highways, and bring myriad other environmental and social benefits. Others see the mandate as yet another example of public sector interests trying to deliver a surface solution to fix entrenched infrastructure and policy problems.

New York's state of mind reflects a growing trend–**local communities struggling to remain viable and competitive** as both thriving economies and places to live.

The Finger Lakes region is one of the state's primary economic engines because of its agricultural and wine industries and tourism draw. So the conflicts between the travel patterns of large trucks and local/regional economic development, environmental, and safety concerns are especially transparent.

In the upscale environs of Burbank, Calif., a similar controversy is stirring. The International Air Cargo Association (TIACA) recently aired its grievances with the Burbank Glendale Pasadena Airport Authority's (BGPAA) proposed plans to ground all night flights at Bob Hope Airport. The air cargo trade association is calling on the U.S. Federal Aviation Administration (FAA) to reject the airport's application, which intends to curb flights between 10 p.m. and 7 a.m.

BGPAA states that its goal is to "eliminate or significantly reduce nighttime aviation-related noise at the airport, now and in the future, to provide meaningful noise relief to the communities it serves."

All-cargo carriers are the only aircraft currently operating at Burbank during the proposed curfew period. TIACA argues that imposing such a ban would have a discriminatory effect on these operations and preclude the benefits of operating

CONTINUED FROM PAGE 12

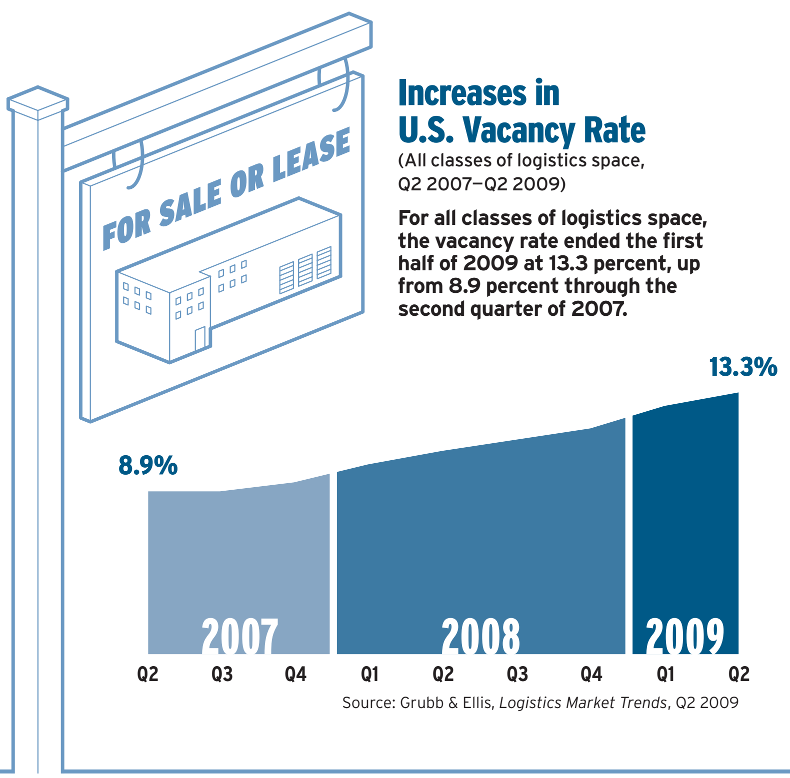
A Real Estate Offer You Can't Refuse

Now's a good time to go shopping for a cozy new multi-use manufacturing and warehouse facility—one with convenient highway access, a private rail spur, scenic multiple-rack views, durable epoxy floor coatings, and airy skylight ambiance. If you're less particular about amenities, bargains abound.

Declines in retail sales, manufacturing activity, and international trade—combined with the delivery of new speculative space to the market—have pushed up vacancy rates in the logistics sector for the ninth consecutive quarter, according to Grubb & Ellis' *Logistics Market Trends* report for the second quarter of 2009. For all classes of logistics space, the vacancy rate ended the first half of 2009 at 13.3 percent, a steep increase of 260 basis points from mid 2008.

The Santa Ana, Calif.-based commercial real estate advisory firm expects demand to pick back up in the second half of 2009 as new orders rise and inventories remain low, which indicates manufacturers will need to boost hiring and production in the near term. "Not only does this bode well for manufacturing space, but it also will bring relief to the logistics sector as these products begin to move through the supply chain and logistics users absorb some of the excess space to satisfy the increase in activity," says Bob Bach, senior vice president and chief economist of Grubb & Ellis.

The pipeline of new development has dried up to just 9.2 million square feet of space, down sharply from the 60.4 million square feet under construction in mid 2008, the report states. The decline in new construction and the demand in anticipated near-term expansion are critical components of the logistics market's return to health, according to Grubb & Ellis.



Increases in U.S. Vacancy Rate

(All classes of logistics space, Q2 2007–Q2 2009)

For all classes of logistics space, the vacancy rate ended the first half of 2009 at 13.3 percent, up from 8.9 percent through the second quarter of 2007.

Source: Grubb & Ellis, *Logistics Market Trends*, Q2 2009

aircraft during overnight hours. These include overall fleet and flight structure; infrastructure constraints; timing efficiencies; and customer drop-off and delivery needs.

The potential backlash of green lighting this plan and stopping overnight cargo flights could have considerable impact on job growth and economic development for the area, as well as set a negative precedent for other curfew applications pending with the FAA.

In addition, TIACA cautions that such a ruling will substantially impact businesses that rely on air freight for their shipments, leading to inefficiencies in airspace usage and undue burdens on the airports that accept displaced flights.

UP THE CHAIN

PEOPLE ON THE MOVE

7-Eleven, the Dallas-based convenience retailer, has appointed **Bill Merrigan** ▶ to serve as vice president of logistics for its 6,200 store chain in the United States and Canada. Merrigan will lead 7-Eleven stores' logistics operations, which includes managing wholesaler relationships, direct-store product deliveries, and the company's exclusive combined distribution center network. With more than 32 years of logistics and transportation experience, he was most recently vice president of global supply chain for International Paper.

Enzyme manufacturer **Novozymes** recently named **Adam Monroe** president of its North American region, based in Franklinton, N.C. Monroe, who was director of supply chain operations in the Americas for the Danish company, joined Novozymes in 1991 and has held several management and executive positions with the company, overseeing operations in Mexico, Brazil, and the United States.

Changing Port Complexion

A receding global economy and downturn in import volumes is recasting U.S. port dynamics.

Ports are undertaking massive capital investment plans to remain competitive once trade rebounds, according to Jones Lang LaSalle's *Ports, Airports, and Global Infrastructure* report. Key findings in the study, which examines real estate surrounding U.S. transportation hubs, are that weak global trade flows have destabilized U.S. port growth and supply is outpacing demand in many markets.

"Fueled by years of growth in containerized import/export traffic, many U.S. gateway markets expanded their inventory of logistics space at a frenetic pace," says Craig Meyer, managing director and head of the Chicago-based global real estate services firm. "Once cargo volumes collapsed in 2007 and 2008, property fundamentals quickly deteriorated."

During the boom 1990s into 2000, many U.S. ports played catch-up as container volumes ran rampant and double-digit percentage growth was the norm. In the last few years, and despite a global economic slump, ports have continued investing in infrastructure to meet future demands–and for good reason.

The $5.25-billion Panama Canal expansion will fundamentally alter global shipping patterns, allowing larger ships to pass through its locks. With larger shipments on the move, goods can reach the East Coast easily and economically, sparking East Coast ports to compete for a permanent share of waterborne transpacific container traffic.

East Coast port markets with deepdraft channels and sufficient intermodal networks are poised to capture the greatest market share, which will rock the West Coast ports' historical dominance.

"Although West Coast ports have experienced the most severe declines in cargo volumes, they have not fallen victim to high vacancy rates due to over-development seen in other U.S. ports," adds John Carver, executive vice president, Jones Lang LaSalle. "The Los Angeles/Long Beach market has remained buoyant compared to the national average, but in Houston, Savannah, and Jacksonville, supply has surpassed demand. A market correction will begin in 2011, and ports will regain their importance as major regional economic drivers."

Even so, Jones Lang LaSalle expects the West Coast's share of cargo traffic to eventually decline as shifting global trade patterns and competition from other U.S. ports create more market parity. ■

As West Coast ports face the repercussions of a global economic slump and latent congestion concerns, East Coast ports such as the Port of New York/New Jersey *(above)* are competing for greater market share.

GLOBAL LOGISTICS

by Joseph O'Reilly

Rotterdam Rules Inch Forward

Most trade conventions come and go. Others linger. When 15 countries, including the United States, ratified the Rotterdam Rules recently in the Dutch port city, the new UN maritime convention updated global standards for transporting ocean cargo initially laid out in The Hague Rules (1924), the Hague-Visby Rules (1968), and the Hamburg Rules (1978).

The convention provides more clarity about who is responsible for what, when, and where in maritime transport and how far responsibilities extend. Changes in global trade; the proliferation of technology, containerization, and third-party intermediaries; and countless other innovations have largely rendered the old treaties obsolete, necessitating new rules for engagement.

The Rotterdam Rules, recently ratified by 15 countries in the Dutch port city, standardize and update obsolete rules for engagement among different parties in the maritime supply chain.

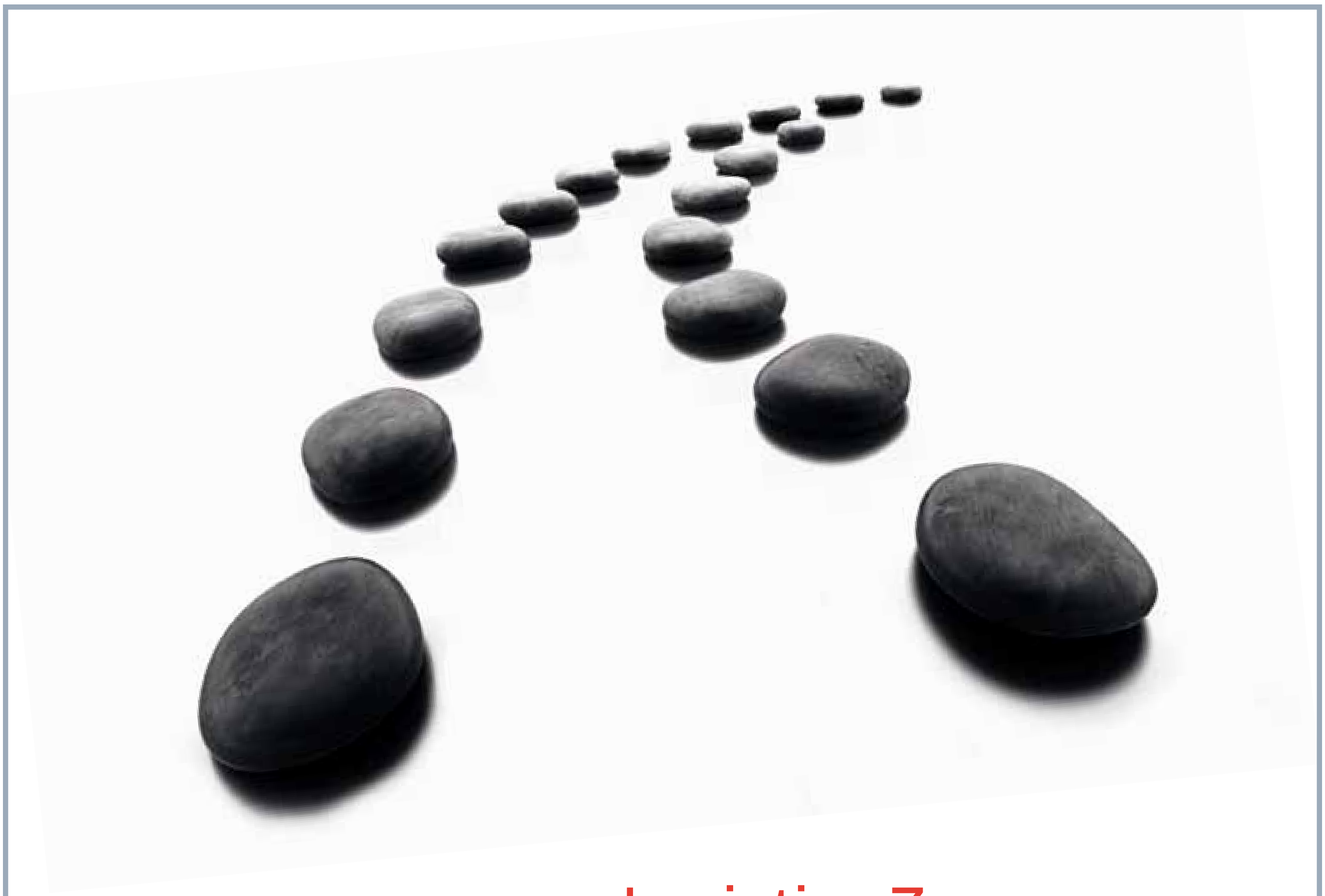
The Rotterdam convention specifically delineates responsibility and liability for stolen containers, stranded ships, and shipment damages. Unlike the old rules, other parties in the supply chain may now jointly be held accountable, along with the carrier. The carrier's liability for damage to cargo has been increased and the shipper's obligations–such as having goods ready and secured for transport in a safe and timely manner–are also more clearly defined.

Among other changes, the Rotterdam Rules address:

■ **Intermodal transport:** The new convention applies to contracts for waterborne transit, as well as prior or subsequent transport over land. In this way, multimodal transport can be carried out under a single contract with one statutory regime.

■ **E-commerce:** The Rules establish legal infrastructure for the development of e-commerce–including electronic documentation–in maritime transport. This will help increase the flow of goods and reduce processing costs and errors.

■ **Cargo flow:** When a consignee fails to collect cargo within a predetermined



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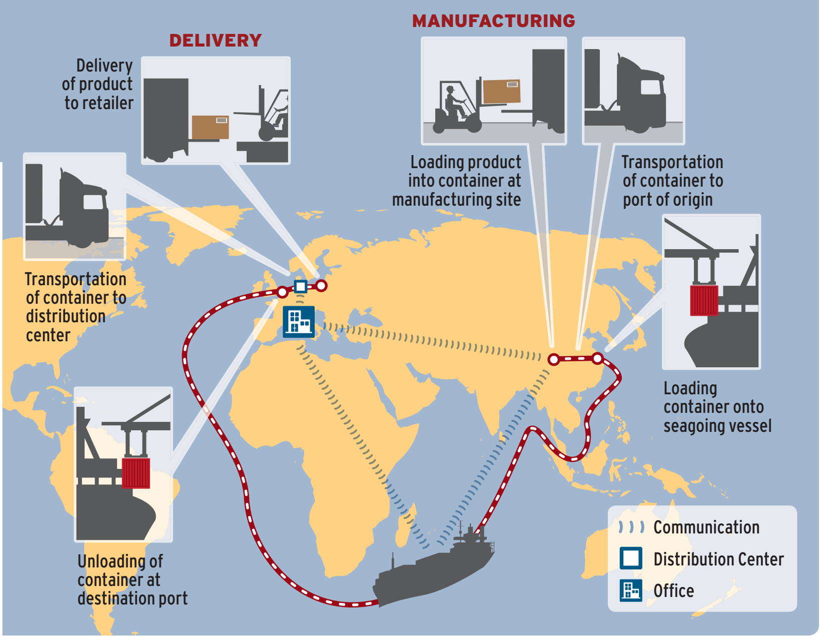
time period, carriers and terminals have more options for storing cargo outside port areas, which can prevent port congestion and reduce supply chain costs.

Following initial ratification on Sept. 23, 2009, charter members now have to complete their own national procedures for activating the convention. The Rotterdam Rules will enter into force one year after the 20th country signs on.

OLD CONVENTIONS VS.	ROTTERDAM RULES
Separate contracts for each mode (ocean, rail, and trucking)	One contract of carriage for entire supply chain (at sea and on land)
No uniformity concerning liability in entire supply chain	Liability clear and uniform
Interpretation of various conventions differs country to country	Worldwide uniform rules drive growth in international trade
Old rules need modernization	New rules that address e-commerce, containerization, and rights and obligations of shipper, ship owner, and consignee.

Conventional Wisdom: Modernizing the Supply Chain

The Rotterdam Rules help clarify issues of responsibility and liability at all touchpoints along the ocean trade process, from manufacturing to end delivery. The Rules also facilitate communication among ocean carriers, shippers, and consignees.



Boeing, Damco: The Sum of Their Parts

Partnership has its privileges, especially when companies find complementary parts. Boeing and Danish logistics company Damco, part of the A.P. Moller-Maersk Group, recently signed a memorandum of understanding to leverage their respective resources and develop industrial and technological logistics tools for improving global supply chain management.

The arrangement marries competencies in freight forwarding and manufacturing that both interests hope will amplify their supply chain offerings.

Together they will explore opportunities to use Boeing's Joint Logistics Command and Control Environment (JLC2E) modeling and simulation tool to expand into commercial markets and incorporate Damco's expertise in supply chain management. Boeing's JLC2E tool allows defense customers to experiment and evaluate supply chain tactics, processes, and technologies to support current and future defense missions.

"We look forward to integrating Damco's optimization capabilities into Boeing's experimentation environment," says Torbjorn Sjogren, vice president of Boeing International Support Systems. "We will quickly seek opportunities to deliver more effective outcomes within both defense and commercial supply chains."

Boeing's innovative modeling and simulation tool, used by defense customers, will allow Damco to reevaluate its own supply chain tactics.

Beyond the development of supply chain solutions, Damco will likely benefit from Boeing's status as the largest exporter in the United States, as well as its global network of suppliers, by mining new freight forwarding opportunities. Boeing shipped more than $350 million in aerospace goods and services globally in 2008.

"Leveraging the logistics capabilities of the two companies creates a powerful platform for developing optimal supply chain solutions," adds Martin Thaysen, chief commercial officer, Damco.

"We are in the business of moving products, reducing costs, and improving service levels," he notes. "Working with Boeing's supply chain experience and technology allows us to develop new ways of reducing cost and freeing up cash for customers–which is particularly important in these economically challenging times."

North by Northeast Passage

It's amazing where a little fraternity and foresight can take global trade. For Beluga Shipping, the German project- and heavy-lift ocean carrier, they took shipments of power plant components from Ulsan, South Korea, to Yamburg, Siberia, through the Northern Sea Route.

The *Beluga Fraternity* and *Beluga Foresight* left Korea on July 23 and July 28, 2009, respectively, and entered the Northern Sea Route following inspections at Vladivostock. After transiting the Bering Strait, they met and convoyed with two Russian icebreakers before arriving in Siberia on Sept. 7, 2009. Components were then transshipped by barge farther inland to Surgut.

But the journey didn't end there. The ships delivered another 3,500 metric tons of cargo to Rotterdam, becoming the first non-Russian commercial vessels to make it through the Northeast Passage from Asia to Europe.

Transiting the Northeast Passage, which currently can only occur during a six- to eight-week window in summer when the route is mostly ice-free, offers considerable time and cost advantages. Sailing from Asia to Europe via the Suez Canal and the Gulf of Aden, the most common route, adds up to 11,000 nautical miles. By contrast, using the Northeast Passage is approximately 3,000 nautical miles and 10 days shorter.

"The savings in voyage costs amount to almost $500,000 for each multi-purpose heavy-lift project carrier of the F-class, and, in time, nearly $900,000 for each traveling vessel of the new Beluga P-class," says Niels Stolberg, president and CEO of Beluga Shipping.

By using the Northern Sea Route, shippers and carriers can reduce bunker consumption of low-sulphur fuel by about 200 tons per unit. This amounts to $300,000 in fuel savings, as well as the daily $20,000 expense of operating smaller Beluga F-class vessels.

While debate over climate change and its potential impact on global transportation remains muddled, one thing is clear–using the Northeast Passage would, to small degrees, reduce shipping's impact on global warming.

"Just by using the Northeast Passage, we can reduce bunker consumption of fuel, and, in turn, significantly cut down emissions," says Stolberg. ■

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RISKS & REWARDS

ISSUES AFFECTING LIABILITY MANAGEMENT

by C. Daniel Negron

Embargo Violations: Ignorance is No Excuse

Q: I recently read that DHL paid a $9.4-million fine to settle a claim by the United States for violations of sanctions against shipments to Iran. Can you discuss what happened and how I can avoid a case like this?

A: The case you refer to was an action taken by the U.S. Treasury Department regarding 309 shipments DHL, part of German global transport company Deutsche Post DHL, made from the United States to Iran and Sudan between 2002 and 2007. The government alleged that the shipments had been made in violation of U.S. embargoes.

The allegations also charged DHL with failure to maintain certain required records on approximately 9,000 shipments it made to Iran during the same period. Most of the shipments involved correspondence, personal items, and consumer goods, and it was not alleged that any of the shipments contained goods that compromised U.S. security.

DHL neither admitted nor denied the charges, but reportedly cooperated fully in the investigation, entering into the settlement agreement to resolve the matter amicably. The case is significant because it allegedly represents one of the largest penalties ever levied on a logistics operator for violations of U.S. embargoes against shipments to certain countries.

The case demonstrates the importance of logistics operators keeping abreast of federal regulations affecting the transport of goods from the United States to certain foreign countries. In addition to risking a government inquiry, the operator may have to address the inquiry without the aid of any insurance cover.

Although some insurers do provide coverage for fines and duties arising from the breach of import and export regulations, they will likely refuse to cover risks arising from illegal trade or from a breach of regulations about which the operator should reasonably have known. In a case such as DHL's, an insurer might argue that an operator could reasonably have known about the sanctions.

Regardless of the circumstances of this case, it serves as a reminder for the need to maintain good internal housekeeping procedures, including the following:

- **Keep apprised of government regulations** by meeting regularly with your legal department or outside regulatory counsel. Many companies have established internal compliance departments or have appointed compliance officers to monitor government regulations.
- **Know your customer.** If a customer ships goods of a particular nature, or transacts business in regions that may be subject to heightened scrutiny, it benefits you to understand this and to address those particular requirements.
- **Establish an internal system** to flag shipments that can potentially run afoul of regulatory prohibitions. Be alert for specific commodities that require additional documentary support, or for transactions to countries that are the potential targets of governmental action. Always ensure that you keep appropriate records for these shipments.

In this time of heightened security, it can prove costly, even burdensome, for a multinational company to remain cognizant of every law or regulation that can impact its operations. What is legal in one country may not be in another. But if we don't take reasonable steps to meet this challenge, we may find ourselves paying a far greater price. ■


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3PLLINE

by Brad Dechter

Choosing and Using a Freight Forwarder

Choosing the right freight forwarder to support your transportation efforts can mean the difference between satisfied customers or unhappy ones; efficient, cost-effective distribution of your products or careless, wasteful handling of them. The following are some suggestions for choosing and using a freight forwarder.

DO YOUR HOMEWORK

Before entering into negotiations with a logistics provider, analyze your own transportation procedures and determine your requirements. Consider factors such as the volume of shipments the new agent will be handling.

Will your shipments move primarily via ocean, air, or truck? Do your ocean shipments consist primarily of container loads or do they sail as breakbulk or heavyweight freight? If your product moves via air, will most of the cargo fit into the bellies of passenger aircraft or must it travel via more expensive main-deck configuration? If the freight moves by truck, is it a full truckload or less than truckload?

Be clear about what your company expects from a potential vendor. The better you define your logistics requirements, the better and more specific the forwarder's proposal will be.

READY, SET, NEGOTIATE

Don't leave negotiations solely in the hands of your company's traffic group, as competent as they may be. Draw upon the knowledge and expertise of other internal departments, such as finance, marketing, purchasing, and information technology. Also, involve senior management in the negotiations to determine their priorities.

In order to get the best bang for your transportation buck, know and understand your company's internal value equation–the best combination of rates and services. Then communicate these values to the potential service provider.

Learn as much as you can about the forwarder's resources and capabilities. Does it possess a network of domestic and international offices? How extensive are they? Does the logistics provider have a skilled, experienced workforce who can move not only routine shipments in an efficient, hassle-free manner but who have the ability to respond to emergencies with cool-headed judgment and decisive action?

Who are the forwarder's preferred carriers? Be wary of the forwarder who claims "cheapie" carriers save you money and are just as good as the leading carriers. That claim may be disingenuous, having more to do with fattening its bottom line than moving your freight.

On the other hand, using a large carrier does not necessarily ensure excellent service. Ask your forwarder why it uses potential service providers as opposed to no-name carriers. The more a shipper learns about a forwarder and its way of doing business, the more obvious it will be whether the relationship is a good fit.

AFTER THE DEAL IS SEALED

Your signature on a contract is only the start of a complex, yet hopefully satisfying, relationship with one of your key vendors. After signing the contract, meet with the forwarder's staff to discuss thoroughly the processes and procedures detailed in the new agreement. Develop a realistic implementation and work schedule that both parties can adhere to.

Choosing the right forwarder can help shippers focus on broad management strategies, and leave the nitty-gritty business of moving freight to the experts. ■


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Although volumes dipped in nearly all transport sectors this year, a small boost in domestic intermodal points to a better future for multi-mode transportation as the economy rebounds. In the meantime, intermodal facilities are taking advantage of the lull to upgrade so they'll be ready when business picks up again.

INTERMODAL

READY TO ROLL

by Merrill Douglas

Like all forms of commercial transportation, intermodal has taken a big hit since the start of the global recession in 2008. In the second quarter of 2009, total intermodal volumes for North America were 18.7 percent lower than they were during that same quarter in 2008, according to the Intermodal Association of North America (IANA), Calverton, Md. That's a big disappointment to an industry that has enjoyed steady growth for decades.

But the future for intermodal is bright, insists Thomas Mallory, IANA's vice president, member services and communications. More companies than ever plan to make intermodal a larger part of their logistics strategy, he says. So, as the economy recovers, more loads will make the transition from one mode to another as they move from origin to destination.

"Analysts are talking about intermodal more now than at any time during the past five years," Mallory says. "They're saying it's here to stay, it's a viable transport option and a solid offering, and if it's not in a shipper's mix of transportation options, then they're missing the boat on a few fronts."

By its classic definition, the term intermodal refers to any move that involves more than one mode–transferring freight from ship to truck, for example, or ship to rail, or rail to truck. Generally, these moves involve freight that is loaded into a container at its origin and doesn't leave the container until it arrives at its destination. Intermodal freight, however, may be "transloaded"–from 40-foot ocean containers to 53-foot domestic containers, for instance.

This "any two modes" definition is the one IANA uses; its members include carriers that provide transportation by truck, rail, and ship.

But many people use the term intermodal to refer only to moves in which rail plays a part. And, in fact, when IANA tracks intermodal volumes, it uses data supplied by six Class I North American railroads–Burlington Northern Santa Fe

Companies say they will move more freight via intermodal as the economy recovers if carriers can meet service expectations.

(BNSF), Union Pacific (UP), CSX, Norfolk Southern (NS), Canadian National (CN), and Canadian Pacific (CP). So while IANA's own definition of intermodal is broad, its statistics encompass only moves that include rail.

That intermodal volumes have fallen since 2008 is no surprise. "A large part of intermodal business is based on international trade," says Ted Prince, principal consultant at Ted Prince and Associates in Richmond, Va., and a member of IANA's board of directors.

A large volume of international trade is also based on consumers buying new homes. The mortgage crisis, combined with rising unemployment and falling consumer spending, has slashed demand for international transportation.

"Carriers moving coal, for example, are dealing with some issues," Prince says. "But those depending on people building, buying, and filling new houses are facing greater problems."

The drop in demand for automobiles is another key factor. "And it's not just automobiles themselves, it's the parts: engine blocks, tires, batteries," Mallory explains. With fewer people buying cars, fewer companies are shipping those components and the materials used to make them.

One Bright Spot

Although intermodal volume has been down overall, one sector of that market has seen an increase: domestic intermodal. As they try to cut costs, companies moving product within North America, especially between manufacturing plants and distribution centers, are more often choosing truck-plus-rail rather than making the entire move over the road. The gain in domestic container volumes has been modest–just 0.9 percent more in 2Q 2009, compared with 2Q 2008, according to IANA–but it's the only segment of the North American intermodal market that showed any gain at all.

When an intermodal service can get freight to its destination within an acceptable time frame, shippers choose that option to gain more favorable rates and lower fuel surcharges.

Shippers are also trying to reduce their carbon footprint by choosing more fuel-efficient rail services when they can.

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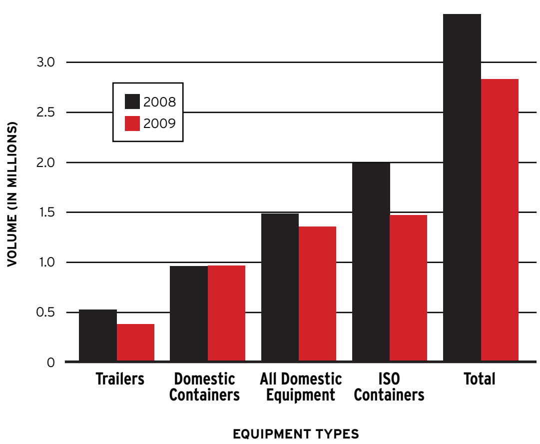
Intermodal Volumes Take a Hit

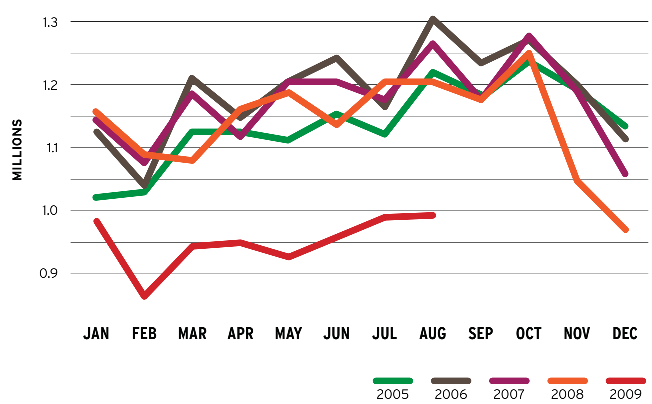
The intermodal segment continues to post disappointing numbers as the weak economy hampers usage. Domestic containers provided the only growth in intermodal volumes in the second quarter of 2009–up 0.9 percent from Q2 2008.

SOURCE: IANA Intermodal Market Trends and Statistics

Intermodal Volume Comparisons: Q2 2008 and Q2 2009



Yearly Traffic Totals by Month: 2005-2009

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INTERMODAL CASE STUDY:

Sunsweet Hits Sweet Spot with Truck and Rail

Intermodal transportation forms an essential part of the strategy Sunsweet Growers Inc. uses to deliver prunes and other dried fruit from its processing plant in Yuba City, Calif., to an assortment of third-party distribution centers. Distance determines which lanes Sunsweet services via intermodal and which by over-the-road truckload, says Melanie Foster, distribution and transportation manager at the 400-member growers' co-op.

A combination of truck and rail delivers containers full of product to five warehouses located in Dallas and points east. But for the short hops to three West Coast facilities, truckload is the most economical choice.

To pick up a load, one of Sunsweet's intermodal marketing companies (IMCs) sends a container to the Yuba City plant. "We load the container just like we would load a truck," Foster says. "The container then moves to the rail yard, where it's lifted off the chassis and put into a train." At the destination city, the container is transferred to a truck for the last leg of the trip to the warehouse.

This pattern holds for nearly all Sunsweet products. "We use over-the-road transport for some specialty products – for example, refrigerated products that we ship via reefer carrier," Foster says. It's not as easy to get refrigerated service from the railroads as it is from trucking companies. Sunsweet also might send a load over-the-road if it needs to move fast and can't get onto an express rail service.

Besides putting containers on rail to position products for delivery to domestic customers, Sunsweet uses container ships to serve its markets overseas. The heaviest volume moves to the United Kingdom, the Mediterranean region, and Asia, but the company also ships to Australia, New Zealand, and many other locations around the globe.

The procedure for moving those loads is similar to the procedure for a rail move. "The empty container is picked up at the port, brought to our processing plant, and loaded. Then it is drayed back to the port and put on the ocean vessel," Foster says. Generally, customers take possession of the cargo at the destination port; otherwise, the steamship line arranges for drayage to the customer.

In the domestic arena, lower cost is the biggest incentive for choosing intermodal over truckload services. "Intermodal takes longer than over-the-road," Foster says. But if a company can align its replenishment cycle with available intermodal transit times, the choice works well.

And in lanes where express train service is available, the shipper doesn't necessarily have to accept longer transit times. The railroads and intermodal carriers tout these services as a way to move freight at speeds comparable to a truckload move.

Sunsweet Growers delivers its dried fruit products via a combination of rail intermodal for full containers and truckload for specialty products or those moving short distances.

Companies can take advantage of express train service if their goods are moving to a major metropolitan area. "Customers outside metro areas have to truck shipments farther beyond the rail terminal, which adds to the transit time," Foster says. But for companies such as Sunsweet, which ship to third-party warehouses that regularly receive intermodal shipments from numerous customers, the service works well.

While Sunsweet's intermodal strategy remains consistent from year to year, the challenges of using that mode vary, depending on equipment availability. Domestic rail transportation is subject to the same container imbalances that plague ocean shipping. Some years, for example, many container loads move over the rails from California to Chicago, but few loads make the reverse trip.

Sunsweet competes especially hard for capacity during the pre-holiday season, as containers stuffed with consumer goods come pouring across the Pacific and onto the rails. "During peak season, it's sometimes harder to get equipment and gate appointments," Foster says.

It's up to Sunsweet's IMCs to secure the capacity. Sunsweet awards individual lanes to IMCs, but it generally has a backup provider for each lane. "If one provider can't supply us with equipment, we go to another one," Foster says. That doesn't work 100 percent of the time, however. In those instances, "we get the containers a few days later, and it throws us off schedule a bit," she says. "But for the most part, the IMCs try to keep us supplied."

Remaining flexible about the modes and providers it uses gives Sunsweet a delicious advantage.

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"The Environmental Protection Agency and local jurisdictions are flexing their environmental control muscles," Mallory says, "and that has captured the attention of shippers."

Whether companies will start moving more of their freight via intermodal services as the economy recovers and transportation volumes rebound will depend in part on whether carriers can meet service expectations. Congestion has caused service delays in the past.

"Prior to the recent business downturn, some key railroad corridors were running at or over fluid maximum capacity as railroad tonnage had increased around 50 percent in just the last 10 years," write Randy Garber and Peter Appel, logistics analysts with consulting firm A.T. Kearney, in a 2009 whitepaper on infrastructure investment for intermodal transportation.

Railroads are ready to meet increasing demand because they've been investing in improving their infrastructure, according to Steve Branscum, group vice president for consumer products at BNSF. During the economic good times starting in 2002, when intermodal rail business was growing by double digits year over year, BNSF, like many other carriers, built a lot of capacity.

"Now that there has been a downturn in business, we finally have that capacity in place, making it easier to operate the

Continues on page 31

International vs. Domestic Intermodal

While domestic intermodal is the only segment of the market seeing a rise in volumes this year, international movements still represent the larger chunk of intermodal business in North America. According to the Intermodal Association of North America (IANA), 52.6 percent of intermodal traffic currently is international; 47.3 percent is domestic.

The domestic portion, however, has been climbing. In 2006, international represented 60 percent of overall intermodal volume, the highest level in history, according to Thomas Mallory, IANA's vice president, member services and communications.

Could the domestic part of the business overtake the international portion? "It's highly unlikely," Mallory says. As long as North American companies continue to outsource a large portion of their manufacturing, international volumes will continue to dominate.

That is, unless the market undergoes one crucial change. "All bets are off if fuel costs rise to $7 a gallon," Mallory says. "Then domestic volumes would increase dramatically." For now, however, although it's still a smaller piece of the pie, domestic traffic—specifically goods moving in domestic containers and 53-foot containers—remains the one bright spot in the intermodal market.

INTERMODAL CASE STUDY:

Electrolux Sweeps Up Savings

If you use IANA's classic definition, intermodal transportation is how everything that Electrolux Home Care Products North America imports from overseas gets here. Like any freight that crosses via ocean carrier, Electrolux's floor cleaners need a second mode to get them from the port to the distribution center.

Even if you use the term "intermodal" only to describe a rail-plus-another-mode move, Electrolux is a significant player in that transportation market. The company brings 4,500 to 5,000 containers to the United States annually, and slightly more than 90 percent of them travel to the company's El Paso, Texas, distribution center via rail, says Jennifer Hughey, Electrolux's vice president, supply chain.

Electrolux contracts with several ocean carriers to move products from ports in Asia to the DC door. "Typically, the carriers provide an all-in quote," Hughey says. But it's easy enough to break out the ocean and inland components of that quote, and Electrolux continually weighs its mode choices to make sure it's moving freight as efficiently and cost effectively as possible.

In 2008, when rail prices were on the rise, Electrolux considered a variety of inland transportation options. But ultimately, the company stuck with rail. "It's still the least expensive and most sustainable transportation mode," Hughey says.

Most of Electrolux's inbound freight enters the United States through the Port of Los Angeles/Long Beach. One exception is products made in Europe, which land in Houston then travel to El Paso by truck. Some imports also go to Savannah, where they're cross-docked for direct delivery to customers.

A container that's trucked from Los Angeles to El Paso typically gets to the DC three to five days faster than a container that travels by rail. Still, when the company weighs speed against cost for the lane, cost usually wins.

Although Electrolux contracts directly with its ocean carriers, it uses freight forwarder DHL to coordinate with suppliers in China and book loads onto the vessels. Electrolux taps DHL's Log-Net technology to track shipments as they move from location to location.

"We receive constant feeds about product location, when shipments arrive at the port, when they leave the yard, and when they've been loaded on the rail," Hughey says. "If an issue arises, we'll see it. But DHL will see it before we do."

Electrolux relies on rail intermodal to move its floor cleaners inbound from port to DC. When warranted, the company will choose intermodal more often for outbound shipments.

One challenge Electrolux faces in managing intermodal freight is generated by the ocean carriers. Like all companies these days, they are struggling to bring in more revenue. Some carriers have taken vessels off line, or rearranged their routes, making it harder for Electrolux to get the capacity it needs at a price it is willing to pay.

Although higher prices recently forced Electrolux to cut one carrier out of the mix, the company generally tries to nurture its partnerships with steamship companies, even through difficult times. "Obviously, we don't want to see any company go out of business," Hughey says. "It's a matter of working together to create a win-win for all parties."

Among the rail carriers, revenue problems have settled down. "We don't see as much turmoil in our rates from the rail side," Hughey says. Sometimes, getting enough drayage equipment to move containers from the rail yard in El Paso to the DC is challenging, but usually the land side component of the trip runs smoothly.

Although Electrolux mainly uses rail intermodal for inbound freight, the company also is starting to use that strategy for some shipments to customers. "We send a few containers a week to Canada via intermodal," Hughey says. "We also use intermodal for some of our shipments to Walmart, if we have long enough lead times."

Few customers build enough lead time into their orders to make rail a feasible option, but in the future, to the extent that it can, Electrolux probably will choose intermodal more often for outbound shipments. "We're always looking for more affordable, efficient, and sustainable ways to move product. And so are our trade partners," Hughey notes.

In fact, intermodal makes a good selling point with customers. "It's beneficial to tell customers we're moving our product in as green a manner as we can," she says. "Most of our trade partners are doing what they can do to reduce their carbon footprint."

Intermodal is a safe, reliable way to ship, Hughey says, and "the loss or damage of product is minimal." Add in the cost savings and the chance to reduce diesel emissions, and it all adds up to a compelling argument for using intermodal on the outbound side. "It makes sense for us to use intermodal the way we are," she says. "In the future, we'll likely continue to increase our use."

Continued from page 29

network," Branscum says. The improvements also will make it easier to handle more freight when volumes increase.

Some improvements have involved upgrading rail corridors to double or triple track, which allows the railroad to handle more traffic. BNSF also has been working to operate more efficiently.

"In simple terms, that means running more freight on fewer trains," Branscum explains. For example, while three or four years ago the railroad rarely ran a train longer than 8,000 feet, capacity improvements now allow for 10,000-foot trains. Greater capacity and improved productivity allow the rail to run faster and provide more consistent service.

As volumes sagged, railroads stayed busy by investing in new equipment and technology to help them handle more capacity in the future.

Railroads also have been using the recent lull in demand to make rail yard improvements that will help them handle more volume in the future.

"Rail carriers are automating gates and being more prepared to maintain terminal velocity–making sure trains arrive and depart as quickly as possible," Mallory says. They're also adding wide-span cranes that can reach across eight to 10 rows to lift containers, with computerized systems to help operators find and retrieve containers efficiently.

"All these improvements are taking place behind the scenes, so when we return to more stable volumes, the system will have additional capacity without increasing its physical plant," Mallory notes.

As long as carriers can meet service expectations, shippers are likely to keep turning to intermodal as a cost-effective alternative for longer trips. Mallory recalls a recent conversation with a supply chain executive at a consumer goods company, who planned to raise the portion of his freight that moved via intermodal from less than 12 percent to 25 percent. The executive's message was: "It will be better for the company and for the environment," Mallory says. "Intermodal can now meet our high standards of transportation demand."

It looks like intermodal really is ready to roll and here to stay. ■

Inbound Logistics'

2009 OCEAN CARRIER GUIDE

ANCHORS AWEIGH

The ocean cargo industry is awash in various market-driven flotsam and jetsam – the scattered consequences of a global recession and purposefully jettisoned assets meant to encourage greater efficiency.

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

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

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

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

ANCHORS AWEIGH

Atlantic Container Line (ACL)

800-ACL-1235
www.aclcargo.com

PARENT COMPANY: Grimaldi Group

Since 1967, ACL has been a specialized carrier of containers, project and oversized cargo, heavy equipment, and vehicles, with the world's largest combination RORO/containerships. ACL is headquartered in Iselin, N.J., with offices throughout Europe and North America. ACL's main weekly service calls Baltimore, Norfolk, New York, Halifax, Liverpool, Antwerp, Hamburg, and Gothenburg. The carrier offers five transatlantic sailings each week, container and RORO services between North America and West Africa, and oversized service to the Mediterranean and South America.

WEB TOOLS: Booking and rate requests, express documentation.

FLEET SIZE: 5 G-3 vessels operate in the core North Atlantic service and various vessels are time-chartered to the Grimaldi Group.

CUSTOMER AWARDS: Recognized by Lloyd's List for superior schedule reliability.

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

China Shipping

888-712-7811
www.chinashippingna.com

PARENT COMPANY: China Shipping Group Company

China Shipping offers container transportation and related services including storage, transshipment, customs arrival manifest filing, and intermodal on-carriage. Its 483,737-TEU fleet calls 12 China base ports plus most river ports along the Yangtze River, the Pearl River, and their branches, providing fast, safe, and economical transportation of all containerized freight. A total of more than 40 international routes round out the line's current service profile.

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

FLEET SIZE: 147 vessels

CUSTOMER AWARDS: Michael's Stores "Carrier of the Year" award.

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

COSCO Container Lines Americas, Inc.

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

PARENT COMPANY: China Ocean Shipping Company (COSCO)

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

WEB TOOLS: Automated 24/7 cargo tracking service, Cargo Smart.

FLEET SIZE: 120 vessels

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

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

Crowley

800-CROWLEY
www.crowley.com

PARENT COMPANY: Crowley Maritime Corporation
LOGISTICS DIVISION: Crowley Logistics

Jacksonville, Fla.-based Crowley Maritime Corporation, founded in San Francisco in 1892, is a privately held family and employee-owned company that provides diversified transportation, logistics, and marine services in domestic and international markets through six operating lines of business: Puerto Rico/Caribbean Liner Services, Latin America Liner Services, Logistics Services, Petroleum

Services, Marine Services, and Technical Services. Offered within these operating lines of business are the following services: liner container shipping, logistics, contract towing, and transportation; ship assist and escort; energy support; salvage and emergency response; vessel management; vessel construction and naval architecture; government services; and petroleum and chemical transportation, distribution, and sales.

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

FLEET SIZE: 210 vessels

CUSTOMER AWARDS: Toyota Logistics Service Awards for Outstanding Customer Service and Quality; Sears Partner in Progress; Payless ShoeSource International Partnership Award.

WHAT'S NEW: Crowley's Speed-to-Market program leverages the proximity of Central America and the Caribbean with frequent, direct vessel services for apparel and reefer shippers and others seeking to get products to market faster. Crowley has acquired Customized Brokers, a Miami-based company specializing in the clearance of fresh produce imports into the United States. The carrier offers warehousing, trucking, and other logistics services throughout Central America.

Evergreen Line

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

PARENT COMPANY: Evergreen Group

LOGISTICS DIVISION: Evergreen Shipping Agency (America) Corp.

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

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

FLEET SIZE: 190+ vessels

CUSTOMER AWARDS: 2008 Best Shipping Line–Intra Asia, Asian Freight and Supply Chain Awards; 2007-2008 International Ocean Carrier of the Year, Walmart Stores.

WHAT'S NEW: Evergreen Line is collaborating with Cambridge University in the United Kingdom and the National Central University in Taiwan on the Pacific Greenhouse Gases Measurement project. It will deploy a number of ships to measure hydrocarbon and halocarbon emission levels throughout the Pacific region.

Hamburg Süd

973-775-5300
www.hamburgsud.com

PARENT COMPANY: The Oetker Group

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

WEB TOOLS: Cargo booking, tracking, and tracing.

FLEET SIZE: 174 vessels

CUSTOMER AWARDS: Top Ocean Carrier, CIFFA Eastern Region Forwarder's Choice Awards; Top Ocean Carrier, CIFFA Central Region Forwarder's Choice Awards.

WHAT'S NEW: Hamburg Süd upgraded its South America East Coast–Caribbean/Central America/U.S. Gulf service to a

You'll save a lot more green if you cover a lot less blue.

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Nowadays shipping can be a significant part of your total cost. But, if you source in Central America, the Dominican Republic or Haiti instead of the Far East and ship with Crowley, there's much to be saved. Certainly time, since it can take from two to four weeks to ship from Asia compared to just three days from Central America. And money too, since you're saving thousands of ocean and inland transportation miles. Plus, the shorter transit helps to minimize carbon emissions, which is good for our planet. Crowley's *Speed to Market* combines proximity to market with the fastest transits, 10 or more weekly sailings between Central America, Haiti, the Dominican Republic and the U.S. Gulf and East Coasts, and a full suite of logistics services. Crowley can expertly handle your air freight, inland transportation, warehousing, customs clearance, freight forwarding and distribution needs in the U.S. and Central America. And we're one of the few companies fully validated by U.S. Customs for the C-TPAT security program, which means your cargo receives extra-quick clearance.

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www.crowley.com

ANCHORS AWEIGH

new main string with modern tonnage and full port coverage. The carrier also added a dedicated Intra-Caribbean service (Aztec Service) operating three 1,700-TEU vessels on a weekly frequency.

Hapag-Lloyd

800-834-6314
www.hapag-lloyd.com

PARENT COMPANY: The Albert Ballin consortium and TUI AG

For more than 160 years, Hapag-Lloyd has linked continents, countries, and cultures. A player in the global door-to-door container transport industry, the company handles complex logistics packages along the transportation chain, delivering a comprehensive range of shipping services. Hapag-Lloyd operates 320 sales offices in 130 countries.

WEB TOOLS: Track-and-trace, interactive scheduling, freight rates, downloadable sea waybills.

FLEET SIZE: 115 vessels

CUSTOMER AWARDS: 2008 Carrier of the Year, Hellmann Worldwide Logistics; 2008 Carrier of the Year, INTTRA; Best Container Shipping Alliance, Asian Freight and Supply Chain Awards; International Carrier of the Year, Whirlpool Corporation.

WHAT'S NEW: Hapag-Lloyd enhanced its North Europe and East Coast South America line, operating a two-loop service that provides a weekly, fixed-day call with comprehensive port coverage and competitive transit times.

Horizon Lines

877-678-SHIP
www.horizonlines.com

PARENT COMPANY: Horizon Lines Inc.

LOGISTICS DIVISION: Horizon Logistics LLC

Horizon Lines Inc. is a leading domestic ocean shipping and integrated logistics company, comprised of two primary operating subsidiaries. Horizon Lines LLC operates a fleet of 21 U.S.-flag containerships and five port terminals linking the continental United States with Alaska, Hawaii, Guam, Micronesia, and Puerto Rico. Horizon Logistics LLC offers customized logistics solutions to shippers from a suite of transportation and distribution management services, information technology developed by Horizon Services Group, and intermodal trucking and warehousing services provided by Sea-Logix. Horizon Lines Inc. is based in Charlotte, N.C.

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

FLEET SIZE: 21 vessels

CUSTOMER AWARDS: 2008 Platinum Carrier Award, Lowe's Home Improvement; 2008 Jones Act Carrier of the Year, Walmart.

WHAT'S NEW: Horizon Lines' new ReeferPlusGPS container tracking and shipment monitoring solution in the Puerto Rico trade is designed to track high-value perishable cargo through the entire transport chain from packing to delivery. Horizon Lines implemented Horizon Green to better understand and measure its impact on the environment, and to develop programs that incorporate environmental thinking and mitigation into the core operations, focusing on marine environment, emissions, sustainability, and carbon offsets. The company recently participated in two separate anti-piracy system trials in an effort to better protect the lives of merchant mariners. In Orange, Texas, the International Maritime Security Network LLC conducted safety drills and anti-piracy testing aboard the *Horizon Crusader*. In Bayonne, N.J., the vessel *Horizon Challenger* was the site of the SAFE Solutions LLC drill for Nemesis 5000 anti-piracy technology, a non-lethal, high-pressure water system that integrates with a vessel's existing fire-suppression system to prevent unauthorized boarding of the ship.

Intermarine

504-529-2100
www.intermarineusa.com

PARENT COMPANY: Intermarine, LLC

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

WEB TOOLS: Company information, weekly sailing schedules.

FLEET SIZE: 30 vessels

CUSTOMER AWARDS: Best Shipping Line–Project Cargo, 21st Asian Freight and Supply Chain Awards.

WHAT'S NEW: Intermarine's latest service offering comprises a route between China, Japan, and Korea and the Persian Gulf and India. Offering multiple sailings per month with vessels capable of 400- to 500-metric-ton self-sustained lifts, this new service is designed to meet the needs of new oil and gas facilities in the Middle East, as well as power generation plants in Southeast Asia, and various other global infrastructure development projects.

Maersk Line

973-514-5000
www.maerskline.com

PARENT COMPANY: A.P. Moller-Maersk Group
LOGISTICS DIVISION: Damco

Maersk Line, a leading global container shipping company and division of the A.P. Moller-Maersk Group, is dedicated to delivering the highest level of customer-focused, reliable global ocean transportation service. The Maersk Line network includes 1.9 million containers and 22,000 employees in offices in more than 125 countries. For the past five quarters, Drewery Shipping Consultants ranked Maersk Line first in schedule reliability against the world's 20 largest ocean carriers. Maersk Line adds bottom-line value through optimal schedule reliability, helping control costs and maintain the integrity of global supply chains.

WEB TOOLS: Sailing schedules, rates, booking, shipping instructions, bill of lading printing, track-and-trace, and reports. Customer support 24 hours a day, Monday-Friday.

FLEET SIZE: 470+ vessels

CUSTOMER AWARDS: 2009 Sustainable Shipping Operator of the Year, SustainableShipping.com.

WHAT'S NEW: Maersk Line has added more than 10,000 flat rack and open top containers to serve the breakbulk and out-of-gauge market.

MOL

800-OK-GATOR
www.molpower.com

PARENT COMPANY: MOL Ltd. (Mitsui O.S.K. Lines)
CONSOLIDATION DIVISION: MOL Consolidation Services, Ltd. (MCS)
LOGISTICS DIVISION: MOL Logistics (U.S.A.) Inc.

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

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

FLEET SIZE: 861 vessels, including 115 containerships

CUSTOMER AWARDS: 2007 Ocean Service Provider of the Year Award, Limited Brands Logistics Services.

WHAT'S NEW: In July 2008, MOL expanded its service to the growing South Atlantic region when it began calling on Jacksonville Port Authority's (JAXPORT) Blount Island Terminal. In January 2009, with the completion of its new TraPac Terminal at JAXPORT, MOL solidified its commitment to enhancing its East Coast global service. In May 2009, MOL began the only direct transpacific export service from JAXPORT, via the Panama Canal, to key Asian ports as part of its NYX service. The CNY service also calls the U.S. East Coast and Asia, while the APX service provides coverage to Europe. In June 2009, MOL began the first direct service from Vietnam to the U.S. West Coast. The Pacific Southwest

ANCHORS AWEIGH

Express (PSX) service began calling on Cai Mep in South Vietnam. MOL also serves Cai Mep with the PS1 connecting to the Pacific Northwest.

OOCL

888-388-OOCL
www.oocl.com

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

OOCL is among the world's largest integrated international container transportation, logistics, and terminal companies. As one of Hong Kong's most recognized global brands, OOCL provides customers with fully integrated logistics and containerized transportation services, with a network that encompasses Asia, Europe, North America, and Australasia. OOCL provides customer-focused solutions, a quality-through-excellence approach, and continual innovation. OOCL pioneered transportation coverage of China and is an industry leader in information technology.

WEB TOOLS: OOCL's Web site and My OOCL Center portal provide advanced visibility and exception management, enabling shippers, consignees, and logistics providers to keep cargo moving and delivered on time. By applying both online tools and integration services, OOCL enables shippers to plan, process, and monitor the critical path of multiple-carrier shipments and communicate in-depth, timely information to key parties in the supply chain.

FLEET SIZE: 74 vessels

CUSTOMER AWARDS: 2008 Best Supplier Award (OOCL Malaysia), Brother Industries Technology; Best Quality Service Provider and Canon Business Partnership awards (OOCL Logistics–China), Canon (China) Co. Ltd.; Best Logistics Service Provider–Sea Freight, Asian Freight and Supply Chain Awards; Best Liner Owner/Operator, Seatrade Asia Awards.

WHAT'S NEW: OOCL's Middle East Express Service (MEX) connects the Far East and the Middle East. Pacific North West Express (PNX) and North West Express (NWX) are jointly operated by members of the Grand Alliance: Hapag-Lloyd, NYK, and OOCL with ZIM. The scope of the two strings in the transpacific trade includes North China and Japan, South China, and South East Asia to Canada and the U.S. northwest coast.

United Arab Shipping Company (UASC)

908-272-0050
www.uasc.net

PARENT COMPANY: United Arab Shipping Company (UASC)

UASC is the largest ocean carrier of dry cargo to the Middle East. It has achieved this position by providing first-class service to its customers. Maintaining a steadfast commitment to serve the Arabian Gulf, UASC offers a wide scope of services to the Arabian Gulf/Red Sea and Indian Sub-Continent regions.

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

FLEET SIZE: 42+ vessels

WHAT'S NEW: In January 2009, UASC launched a new ISC-Middle East–Red Sea service covering Pakistan and India to Arabian Gulf and Red Sea destinations. The new offering deploys six 2,000-TEU vessels and similarly connects Arabian Gulf to Red Sea destinations.

Yang Ming

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

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

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

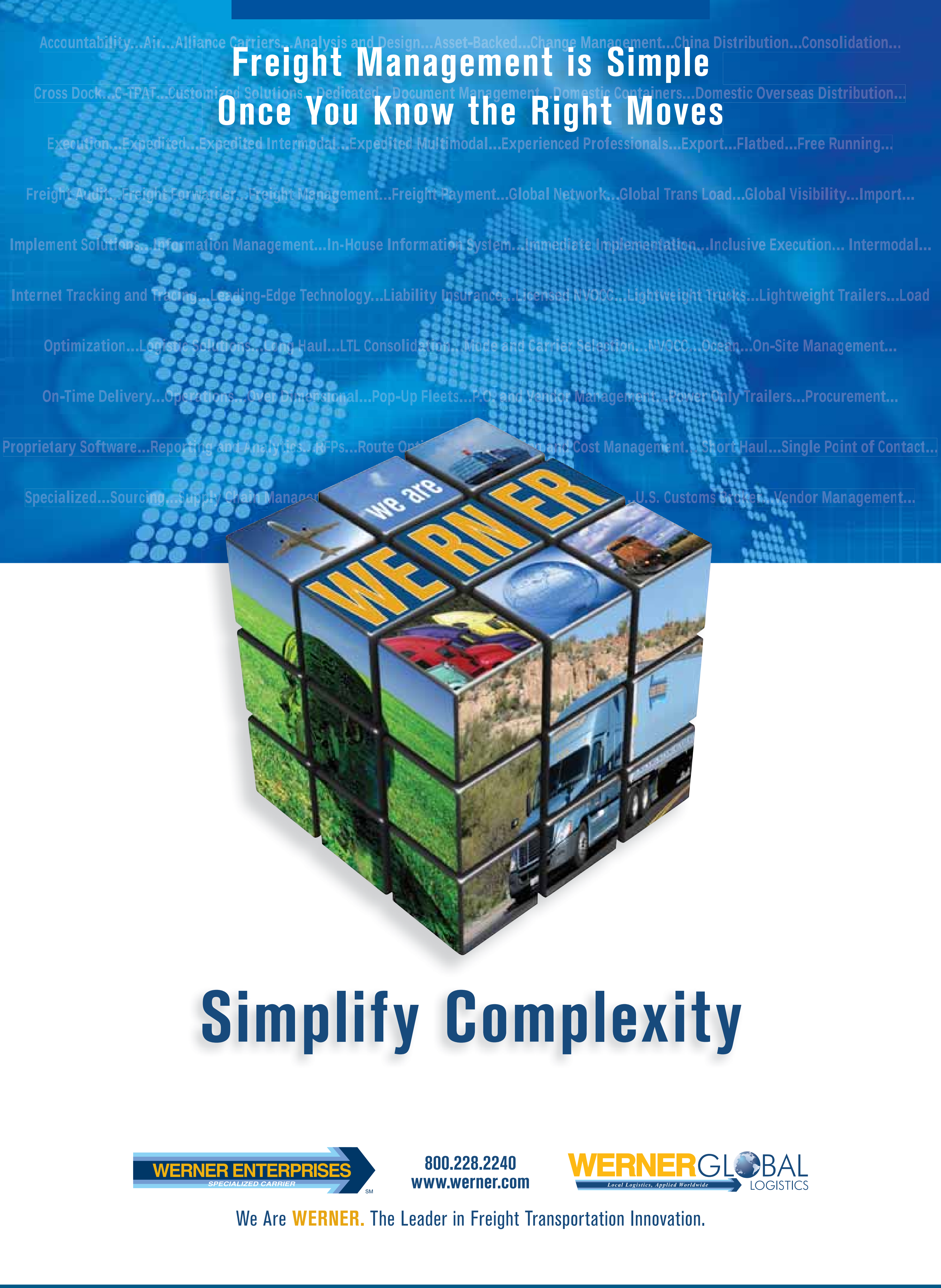
WEB TOOLS: Scheduling, vessel tracking, shipment track-and-trace, bill of lading processing, and booking.

FLEET SIZE: 91 vessels

CUSTOMER AWARDS: 2008 and 2009 LOG-NET Outstanding E-commerce Award; Ocean Carrier of the Year Award, Target.

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


Delivering Value
Offering Opportunities



FACING LOGISTICS CHALLENGES? USE IL'S 3PL EXPERTS AND

Great Logistics Sites: YOU'RE WELCOME

A visit to five U.S. locations that are creating inviting environments for companies striving to achieve logistics excellence.

Despite the tough economic climate, the logistics, distribution, and transportation sector remains an industrial bright spot for many U.S. regions. Goods still need to be imported, exported, stored, and distributed—and the business of doing that continues to be good business. As a result, local and regional governments and economic development organizations have rolled out the welcome mat for companies involved in logistics, distribution, and transportation.

Though each location offers different, distinct advantages, the building blocks of a great logistics site are often the same: prime location, an abundance of industrial facilities, easy access to multiple transportation modes, the right workforce, and tax credits and incentives. Here is a closer look at five regions that offer the right combination to help companies achieve logistics greatness.

ROCKINGHAM COUNTY, NORTH CAROLINA

Logistics Pulls Up a Chair

Though the collapse of North Carolina's textile and furniture industries left a hole in the state's economy, it also left behind an experienced workforce and a number of well-equipped buildings ripe for repositioning. In Rockingham County—a rural area north of Greensboro, N.C., and part of the Piedmont Triad region—many of those buildings now house transportation, logistics, and distribution companies. One example is Service Logistics, which successfully converted a former furniture factory in Stoneville, N.C., into a multi-purpose 3PL location.

The region's workforce, affordable wages, and status as a right-to-work state have also been a draw for large companies. "Companies in a variety of industries—including Miller Brewing, Ball Corporation, Bridgestone Aircraft Tire, and several tobacco companies—have found what they need in Rockingham County," says Graham Pervier, president of Rockingham County Partnership, the area's economic development group.

Rockingham County's position near the newly opened FedEx hub at the Piedmont Triad International Airport is another key attraction for logistics-minded companies. The new facility adds to FedEx's existing ground hub at the airport and provides area businesses a key link to crucial freight transportation capabilities. Highway improvements currently underway will make it possible for businesses to get to the airport in less than one hour from many points in Rockingham County.

The county also offers the logistics sector an ideal Mid-Atlantic location close to the urban areas of Atlanta; Greenville-Spartanburg, S.C.; Raleigh-Durham, N.C.; and the Baltimore, Md./Washington, D.C./Richmond, Va., region, notes Pervier. Completing Rockingham County's full roster of transportation capabilities is rail access through Norfolk Southern, and an easy drive to the North Carolina ports of Wilmington and Morehead City, as well as the Port of Norfolk and the Port of Charleston.

A wealth of resources makes North Carolina's Rockingham County popular with bottling companies and logistics providers alike.

JOPLIN, MISSOURI

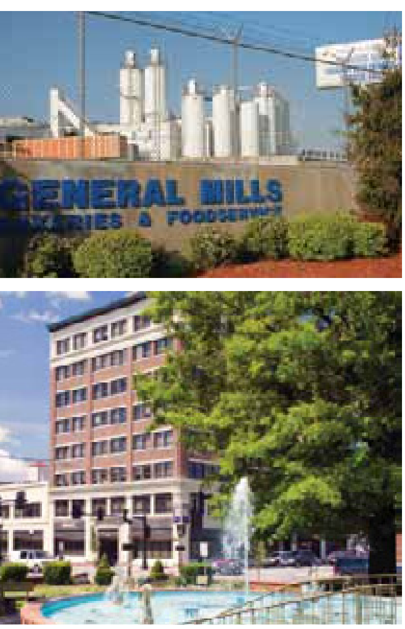
Midwestern Locale, National Reach

"Companies looking for regional reach and the ability to serve multiple metro areas from a single location are very well-positioned in Joplin," says Rob O'Brian, president of the Joplin Area Chamber of Commerce. The metro areas of Kansas City, Tulsa, Oklahoma City, Little Rock, and St. Louis, for instance, are all a half-day drive from Joplin; while Dallas, Memphis, Omaha, and Chicago are within a full day's drive.

These trips are made possible by Joplin's proximity to major highways including Interstates 40 and 44, and the abundance of trucking companies that maintain operations in the area. "The transportation industry in Joplin makes up about eight percent of total employment or about 6,400 people," O'Brian notes. One of the most well-known local trucking companies is Con-way Freight, which employs some 2,000 workers in the Joplin area.

Another draw for companies considering Joplin as a transportation/distribution hub is the 670-acre Crossroads Business and Distribution Park near the intersection of I-44 and U.S. Highway 71. The park offers full city utilities and an enhanced enterprise zone, and will soon undergo $5 million in road infrastructure improvements. Snack-food company Frito-Lay recently chose Crossroads as the site of a route service center for delivering products to stores.

Other large companies have also opted to locate distribution facilities in Joplin. Jarden Consumer Solutions, the parent company of Sunbeam and other appliance brands, maintains a 400,000-square-foot operation in Joplin; while cereal giant General Mills uses its Joplin facility as a dough processing, production, and distribution hub for midwestern customers.



General Mills reaps the benefits of operating a facility in centrally located Joplin.

More than 35,000 miles of highways and interstates are in

NEW JERSEY

National Retail Systems, Inc. Maher Terminals, LLC • Camden International Commodities Terminal

The company we keep, keeps getting better.

Port Jersey Logistics • New Century Transportation, Inc. • Port Newark Container Terminal

New Jersey's strategic location—halfway between Boston and Washington, D.C.—means overnight delivery to more than 100 million consumers who purchase $2 trillion in goods and services annually.

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Although companies locate in New Jersey for many reasons, the ability to ship goods to market quickly and efficiently is especially crucial. The state was recently ranked #1 in the country for transportation, warehousing and highway connectivity and #2 for railroad service.* New Jersey also has the largest port complex on the eastern seaboard with facilities in Newark and Elizabeth, supplemented by major ports on the Delaware River. These ports handle more than 620 million tons of freight, valued at over $850 billion annually. And, with two major airports—Newark Liberty and Atlantic City International—New Jersey serves as an intermodal gateway for trade across the country and around the world.

As the third largest industrial real estate market in the country (with nearly 800 million square feet of space), New Jersey offers a wide range of choices. The state has more than 23,000 establishments devoted to warehousing, logistics and distribution; 3,000 warehouse facilities have ceiling heights over 20 feet.

A number of major firms that store and move their products, as well as the thousands of logistics firms that serve them, are located in New Jersey. Contact us at 866-534-7789, we'll put you in touch with one of our Account Executives so you can learn more about why New Jersey is the right place for your business.

THE STATE OF NEW JERSEY
www.NewJerseyBusiness.gov • 866-534-7789

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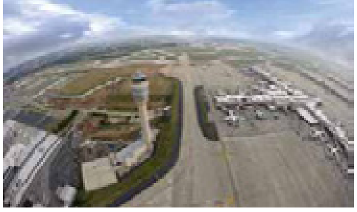
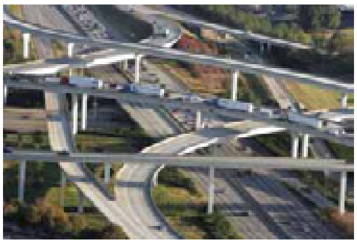




GEORGIA

Logistics Business is Just Peachy

With the world's busiest airport, the nation's fourth-largest seaport, and the third-best transportation infrastructure in the country, it is no surprise that Georgia considers logistics a strategic industry. The state formed the Center of Innovation for Logistics (COI) to help attract and expand businesses within the logistics, transportation, and distribution sector. The Center also helps companies connect to industry leaders and logistics technology providers, explains Page Siplon, COI Logistics' executive director.

"Georgia has one of the best stories to tell for logistics and transportation companies," adds Siplon. "Delta, UPS, Manhattan Associates, and Saia, for example, all decided to base their operations in Georgia."

In addition, the state's Mid-Atlantic location and top-notch transportation assets have attracted retailers such as Target, IKEA, and Home Depot, which maintain distribution facilities there. Small businesses have also found a home in The Peach State, with nearly 10,000 companies comprising the state's logistics sector.

Among Georgia's transportation assets is Hartsfield-Jackson Atlanta International Airport, which is the busiest passenger airport in the world and ranks 11th in the country for airfreight volume, handling more than 700,000 tons annually. The airport offers Georgia businesses access to 80 percent of the U.S. market within two hours' flight time. Georgia also boasts The Port of Savannah, which has emerged as the fastest-growing containerport in the United States.

Companies in the logistics sector are also attracted to Georgia because of its relatively low operating costs. "Land is reasonably priced, taxes are favorable, and incentives are abundant," notes Siplon.

Abundant transportation assets keep Georgia's businesses on the go.

NEW JERSEY

Top Transport Options, Top Workers

As home to more than 23,000 transportation, logistics, and distribution establishments, it is no surprise that *Expansion Magazine* recently ranked New Jersey first in the United States for transportation, warehousing, and highway connectivity. Backing up that ranking are the state's 35,000 miles of interconnected roadways; a three-airport network—Newark, John F. Kennedy International, and LaGuardia—that handles nearly 25 percent of all U.S. international air cargo; and the Port of New York and New Jersey, which is the largest port complex on the eastern seaboard and is responsible for more than $100 billion in trade.

In addition, New Jersey's ports and freight industry support approximately 500,000 jobs, helping more than 620 million tons of freight move into, through, and out of New Jersey each year, notes Glenn J. Phillips, public affairs officer for the New Jersey Economic Development Authority.

	2007	2008	% CHANGE vs. 2007
General Cargo Tonnage at Port of NY/NJ (Thousands of Metric Tons)			
Imports	22,045	22,091	0.2%
Exports	10,772	11,543	7.2%
Total	**32,817**	**33,634**	**2.5%**
Bulk Cargo Tonnage at Port of NY/NJ			
Imports	47,116	45,296	–3.9%
Exports	7,298	9,977	36.7%
Total	54,414	55,273	1.6%
Total Cargo Tonnage	**87,231**	**88,907**	**1.9%**

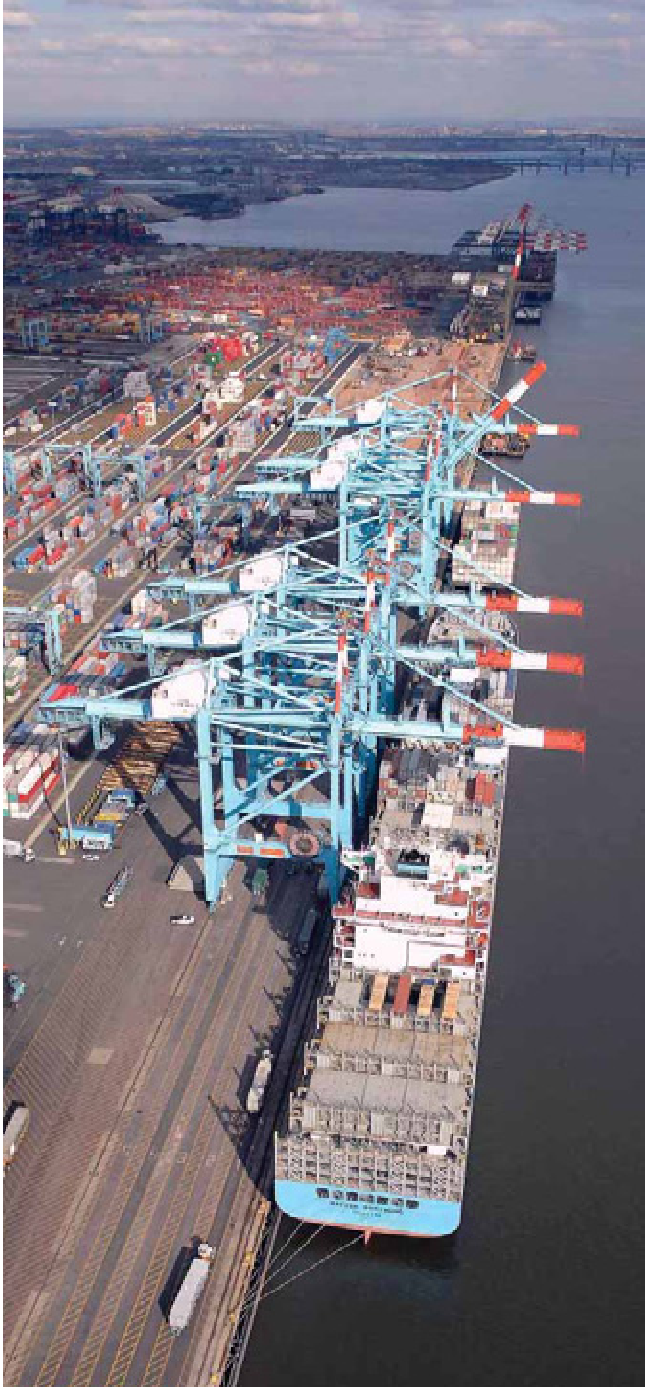
Source: U.S. Dept. of Commerce, Bureau of Census

Container Trade at Port of NY/NJ

	2007	2008	% CHANGE vs. 2007
Loaded Import TEUs	2,619,592	2,548,973	–2.7%
Loaded Export TEUs	1,477,903	1,616,238	9.4%
Total, Loaded TEUs	**4,097,495**	**4,165,211**	**1.7%**
Total TEUs (loads and empties)	**5,299,105**	**5,265,053**	**–0.6%**
Total Containers (loads and empties)	**3,099,644**	**3,068,935**	**–1.0%**

Source: PONYNJ Terminal Operator Data

"We also have a talented workforce that makes New Jersey a leader in innovation, research, and development, and a location in the heart of one of the world's largest workplaces between New York City and Philadelphia," Phillips adds. These attributes, along with the ability to reach some 60 million consumers within a four-hour drive, have lured major companies such as Barnes & Noble, Toys R Us, and Home Depot, which all maintain warehousing and distribution facilities in New Jersey.



The Port of New York and New Jersey is the third-largest seaport in North America and the largest maritime cargo center on the East Coast.

New Jersey also hosts a wide range of logistics companies including UPS, New Century Transportation, Port Jersey Logistics, and National Retail Systems. Its industries range from food processing and medical and pharmaceutical manufacturing to oil, chemical, and steel production.

New Jersey's educational institutions work closely with the business community to ensure that these industries are staffed with qualified workers, notes Phillips. Rutgers University and the New Jersey Institute of Technology both offer MBAs with a logistics concentration, while several community colleges provide programs to earn certificates in logistics and/or supply management, resulting in a broad pool of educated logistics workers.

TOLEDO, OHIO

Small-Town Vibe Meets Big-City Assets

Combining a small-community environment with access to major markets has helped Toledo, Ohio, land at the top of many site selectors' lists. The Toledo metro area—which encompasses 18 counties in northwest Ohio and three counties in southeast Michigan and comprises nearly one million people—boasts superior highway access thanks to its location near Interstates 80 and 90 and U.S. Highway 75.

It also offers shipping access on the Great Lakes Waterway and ample air cargo capabilities at Toledo Express Airport, which houses a Schenker/BAX Global hub with nightly service to major North American markets, plus twice-weekly service to Frankfurt, Germany and Dubai, UAE; and weekly service to Sydney, Australia.

"Toledo offers the infrastructure of a big metropolitan region without the political challenges," says Steve Weathers, CEO of Regional Growth Partnership (RGP), an area economic development company. "If a company wants to build a 500,000-square-foot facility here, we will bend over backwards to accommodate it. That might not happen in a larger city."

One way RGP bends over backwards is by operating its own venture capital (VC) fund, which allows it to invest in certain economic development deals. "The VC fund lets us put our money where our mouth is," notes Weathers.

Businesses are also drawn to the Toledo area's abundant open space for development. Available acreage exists for airfreight distribution centers at Toledo Express Airport; deepwater sites for heavy industry at the Port of Toledo; and manufacturing or distribution center sites at the intersection of I-80, I-90, and U.S. 75. This available land has helped attract the solar industry—Toledo is now one of the country's most active regions for photovoltaic research and solar panel manufacturing. The automotive industry has also found Toledo ideal for distribution activity, investing more there than in any other U.S. location since 2000.

Other companies making a logistics home in Toledo include Walgreen's, Home Depot, Cardinal Health, UPS, and FedEx.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D.C. Solutions

Lifetime Achievement: Green Materials Handling

When Lifetime Brands Inc. decided to build a new greenfield distribution center in Robbinsville, N.J., in 1999, the home goods manufacturer aimed high: It would consolidate its three manual distribution operations into a single, efficient and automated facility. But this was to be no ordinary DC.

Lifetime Brands' newly upgraded DC stands as a model of energy conservation.

In a staged approach spanning eight years, the company built out not only the facility's physical size–expanding the total space to 700,000 square feet to accommodate business growth–but chose conveying, picking, and sortation equipment from Dematic Corp., Grand Rapids, Mich., that optimizes energy usage while maintaining high uptime reliability.

GROWTH SPURS EXPANSION

Lifetime Brands is one of North America's leading designers, developers, and marketers of kitchenware, cutlery and cutting boards, bakeware, cookware, pantryware, tabletop, home decor, picture frames, and bath accessories. The company markets its products under some well-known brands, including KitchenAid, Farberware, Mikasa, Cuisinart, Calvin Klein, and Nautica, as well as the environmentally friendly EcoWorld.

Lifetime Brands distributes its products through almost every major retailer in the United States. In 2007, the Garden City, N.Y.-based company's net sales exceeded $493 million, a nearly eight-percent increase over the prior year. This growth has been influenced by the company's vigorous brand acquisitions, which in recent years have included Mikasa, Wallace, Towle, Syratech, and Pfaltzgraff.

The newly upgraded Robbinsville, N.J., facility handles Lifetime Brands' kitchenware lines, nationally distributing approximately 7,600 SKUs of food-prep items such as baking

CONTINUED FROM PAGE 53

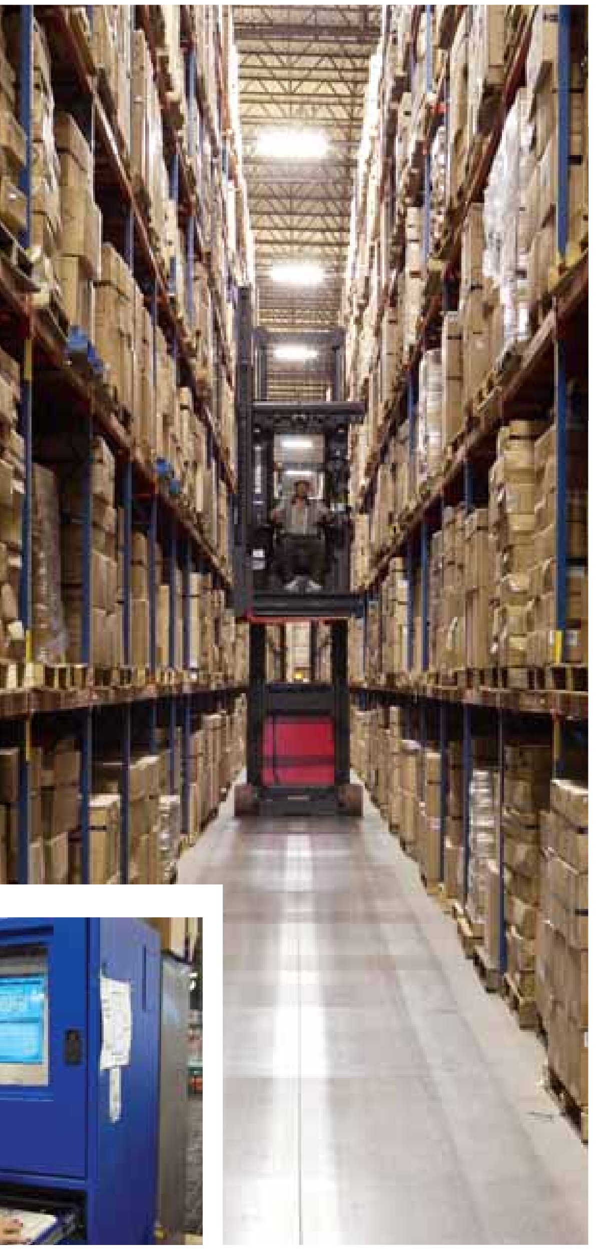
products, kitchen gadgets, dinnerware, barware, cutting boards, and cutlery.

In 2001, Lifetime Brands completed and made operational the original 550,000-square-foot Robbinsville building. In 2004, it added new pick tower equipment, and in 2006 it expanded the building by 150,000 square feet to accommodate additional conveying and high-speed sortation equipment, another pick tower, and more very narrow aisle (VNA) high-rise pallet racking to accommodate 100,000 pallets (the DC comprises 4.7 miles of VNA wire-guided aisles). In July 2007, Lifetime Brands put the finishing touches on its DC by adding a fifth pick tower, a third high-speed sorter, and more conveying equipment.

EVERYTHING IN ITS PLACE

Ninety-five percent of Lifetime Brands' 7,600 SKUs come into the DC in containers. The containers are opened and the products are palletized, then put away into storage or tapped to fill current orders using a cross-docking operation.

A warehouse management system (WMS) helps direct picking, as well as product replenishment, from the stored pallets. Batch waving is utilized through the picking and sortation process, and full cases make up the majority of products needed for orders. High-volume items are selected directly onto conveyors in five multi-level pick towers using pick labels.



Craig Phillips *(left)*, senior vice president for distribution, Lifetime Brands, credits new energy-efficient conveying and sortation equipment with cost and efficiency savings at the home goods manufacturer's greenfield distribution center in Robbinsville, N.J. Implementing these new systems enabled the facility to substantially reduce electrical power consumption while operating at 99-percent uptime reliability and handling an average monthly volume of 425,000 cartons.

About 20 percent of the DC's products, including kitchen gadgets and food preparation items, are split-case manually picked, and scanned to carts using radio frequency technology. Products are then fed into the sortation system at one of several induction points. The facility ships most of the products to a distribution center in bulk. But split-case items are pick-and-pack to a specific store, then shipped consolidated to a DC.

VOLUME CONTROL

The Robbinsville distribution center's hub, and the source of its most valuable efficiencies, is its sortation and conveying systems, which reduce manual labor.

"We built energy conservation throughout the entire materials handling system," notes Dematic's Bob Poth. "Lifetime Brands is able to determine when product is moving through any part of the facility. It can turn off a section of the system automatically when not in use, then turn each section back on when product volume returns."

Dematic's control system, which uses photo eyes strategically located throughout the conveyor equipment, is the source of this efficiency. The system operates in conjunction with selectable timers, so the equipment only runs at planned intervals. The result is a simple and effective energy conservation module.

Lifetime Brands' DC uses two Dematic RS Series high-speed sliding shoe sorters. Interleaving extruded aluminum slats in the sorters provide a wide, flat carrying surface that prevents jams and accommodates sorting a variety of product sizes and types.

The DC uses zero-pressure accumulation conveyors to temporarily stop, hold, and release material moving into and out of the sorters. The conveyors allow products to accumulate along a line without pressure buildup.

The facility's energy conservation module, conveyors, and sortation functions run under Dematic's *SortDirector* warehouse control system, which integrates with the Robbinsville WMS and coordinates all product movement inside the distribution center.

THE PAYOUT

By mid-2007, Lifetime Brands' Robbinsville distribution center was capable of handling 45,000 cartons per day, at an extremely high order accuracy rate.

"The energy efficiencies achieved at the New Jersey facility have helped cut our distribution operating costs," says Craig Phillips, senior vice president for distribution, Lifetime Brands. "We have reduced distribution expense, as a percentage of sales, by 3.75 percent over the past five years.

"Uptime reliability is also critical to running an efficient DC," continues Phillips. "A key operational metric we measure is the system's uptime, and at Robbinsville it is more than 99 percent. We also attribute much of our inventory and order accuracy to the systems we have in place." ■

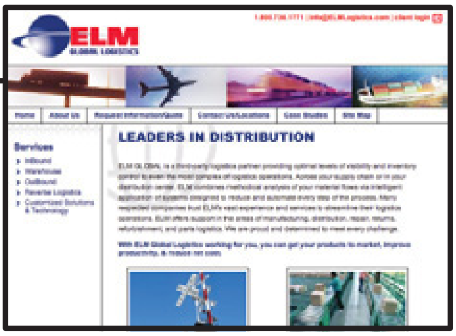
3PLs

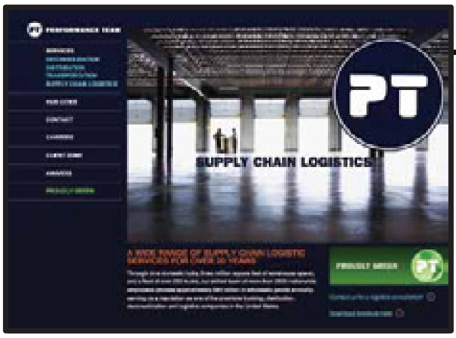
D+S Distribution, Inc. • www.dsdistribution.com

D+S Distribution provides 3PL solutions to customers primarily in Ohio and surrounding states, demonstrating tremendous creativity in responding to unique requirements. As an industry leader in import decontainerization with start-up companies, D+S offers a low-cost start-up, with built-in distribution channels. Service is in more than three million square feet of space, in 15-plus locations, providing value-added pick/pack/kitting across a variety of industry sectors including retail, fashion, automotive, and corrugated. From warehousing, transportation, and logistics to value-added kitting and support services, D+S Distribution does it all. For details, visit the Web site or call 800-752-5993.

ELM Global Logistics • www.elmlogistics.com

ELM Global Logistics is a rail-served third-party logistics provider of warehouse and distribution services with locations in New York and Pennsylvania operating from one million square feet. The range of services includes pick/pack, cross-docking, repackaging, kitting, assembly, reverse logistics, and Web access to inventory. All ELM facilities are supported with world-class supply chain management software solutions, which enable clients to readily engage in the e-commerce and business collaboration initiatives required today.





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Performance Team is the only thing that should come between your products and your customers. For 30 years, Performance Team has been offering its expertise to the retail and manufacturing industries with a broad range of supply chain services including: trucking, distribution, logistics, and fulfillment. Through five domestic hubs, three million square feet of warehouse space, and a fleet of more than 200 trucks, Performance Team's skilled team of 1,500 nationwide employees processes approximately $60 billion in wholesale goods. See why Performance Team annually earns a reputation as the premiere trucking, consolidation, and distribution company in the United States; log on to www.ptgt.net.

Regal Logistics • www.regallogistics.com

Regal Logistics has a proven track record of accuracy, speed, and service. With more than 40 years experience as a leading third-party logistics provider, Regal delivers innovative shipping solutions, state-of-the-art-systems, lower costs, and better results. When you choose Regal Logistics, you'll be in good company with many other successful businesses that have increased productivity and reduced costs by working with us. Doing third-party logistics more cost-efficiently and with better quality outcomes has made Regal Logistics an industry leader, and The Company You Turn to When You Want it Done Right the First Time.

IN THIS SECTION:
Duty Drawback – Rail/Intermodal

DUTY DRAWBACK

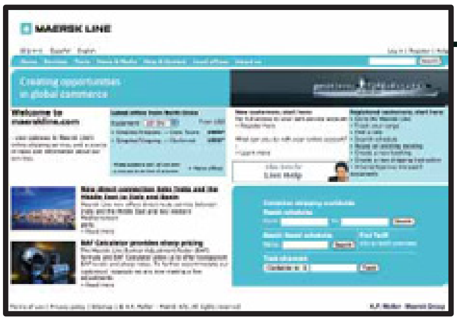
Dutycalc Data Systems • www.dutycalc.com

Drawback software and services from a drawback company makes good sense. Dutycalc's Drawback.NET software package is recognized as the number-one Drawback Management System nationally. Over 300 system users benefit from our 30-plus years of drawback expertise. Additional services offered include application prep, rulings, claims prep, ABI drawback claim filing, audit assistance, compliance assessment, and more. Whether your needs are software or services, Dutycalc is the logical choice. For a free online system demo, email info@dutycalc.com, or call 530-637-1006 (PST).

OCEAN/INTERMODAL

Crowley Maritime Corporation • www.crowley.com/logistics

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



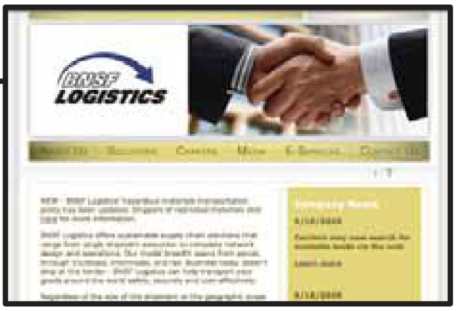
Maersk Line • www.maerskline.com

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

RAIL/INTERMODAL

BNSF Logistics • www.bnsflogistics.com

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



IN THIS SECTION:
Rail/Intermodal • Site Selection

CSX Intermodal • www.csxi.com

CSX Intermodal (CSXI) is an intermodal company with more than 1,000 employees serving customers from origin to destination with its own truck and terminal operations plus the assets of a dedicated domestic container fleet. CSXI, which is headquartered in Jacksonville, Fla., serves all major East Coast ports, operates more than 40 terminals across the United States, connects to all major Class 1 carriers, and provides transcon shipments from coast-to-coast in CSXU containers.

SITE SELECTION

Georgia • www.georgia.org/logistics

Engineering your supply chain is easier out of Georgia, thanks to its superior geographical location and extensive cargo transportation network. The Center of Innovation is the central source for accelerating business growth in Georgia, providing collaboration with leaders in university research, business, and access to intellectual capital. The state also provides outstanding air, ocean, and rail services. If logistics is your business, you'll be in good company in Georgia. Find out more at the Web site.

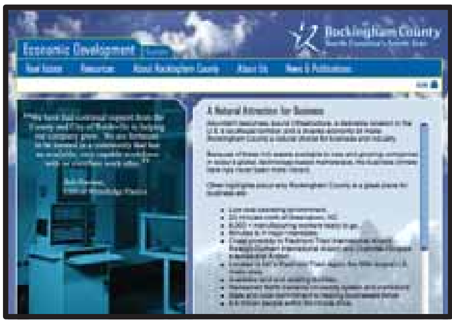
Joplin Chamber of Commerce • www.joplincc.com

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

Regional Growth Partnership • www.rgp.org

The Regional Growth Partnership is a private nonprofit corporation dedicated to fostering local, national, and international economic growth opportunities for Northwest Ohio and Southeast Michigan.

IN THIS SECTION:
Site Selection • Trucking



Rockingham County, North Carolina • http://ncnorthstar.com

Abundant resources, sound infrastructure, a desirable location in the U.S. Southeast corridor, and a diverse economy all make Rockingham County a natural choice for business and industry. Located 20 minutes north of Greensboro, N.C., Rockingham County is minutes from four major interstates and within close proximity to Piedmont Triad International Airport, Raleigh-Durham International Airport, and Charlotte-Douglas International Airport.

State of New Jersey • www.newjerseybusiness.gov

Whether you are a new business start-up, a growing company considering expanding in the state, a large corporation about to move or expand, or an international exporter seeking to increase distribution, New Jersey has key advantages to help your business grow: talented people, strategic location, quality of life, innovative businesses, and more. Situated at the epicenter of the nation's largest business corridor, New Jersey is where the world comes to do business. Find out more by visiting the Web site.

TRUCKING

OnTrac • www.ontrac.com

OnTrac, formerly California Overnight, is the premiere choice for regional, time-sensitive delivery within California, Arizona, Nevada, Oregon, Washington, and Utah. Founded in 1991, OnTrac has the expertise to provide superior service and value in overnight delivery, distribution, and logistics. OnTrac has a reputation for delivering service excellence throughout its six-state area with the most competitive rates available in the region. OnTrac's money-back guarantee assures you of its commitment to time-sensitive performance and its "can-do" attitude is the hallmark of its success.

Ryder • www.ryder.com

Ryder provides a variety of leading-edge supply chain, warehousing, and transportation services including: 3PL, 4PL, fleet management, RFID operations, reverse logistics, supply chain management, third-party logistics, transportation management/freight management, truck rental, truck leasing, warehousing, lead logistics provider, lead logistics manager, service parts operations, and distribution center management.

TRUCKING

Schneider National Inc.

The company expanded its Regional Truckload service offering to 14 additional states in the Southeast and Midwest. The Midwest service operates from the company's facilities in Chicago, St. Louis, Milwaukee, Green Bay, Des Moines, and Columbus, Ohio. Schneider's facilities in Atlanta, Memphis, and Charlotte serve the Southeast region. Regional service was introduced to Western and South-Central portions of the United States last year. With the latest additions, Schneider Regional service is now available in 29 states.

www.schneider.com **800-558-6767**

YRC Inc.

YRC Inc. expanded its Expedited Precision services with the new Fastest Ground option, which eliminates the need to supply delivery dates every time expedited shipping is required. Shippers can write "YRC Time-Critical Fastest Ground" or "YRC Time-Advantage Fastest Ground" on their standard bill of lading, check the appropriate box on a bill of lading sticker, or select Fastest Ground on the my.yrc.com Online Bill of Lading. Their shipment then automatically moves at the fastest in-network YRC transit speed.

www.yrc.com **800-610-6500**

Clark Freight Lines

The carrier opened a new terminal in Birmingham, Ala., operating 13 trucks in long-haul and regional flatbed service, primarily moving steel and roofing products. Future expansion will include the addition of intermodal services and dry van capabilities.

www.clarkfreight.com **205-722-2348**

▲ Rite-Hite Doors Inc.

The SplitSecond series of bi-parting industrial doors was engineered to take up less wall space and provide immediate access through door openings–with a peak speed of 120 inches per second–for improved productivity and safety. The SplitSecond door features a variable-frequency drive and a spring tube design that opens a fabric curtain from the middle. Each half of the curtain, which features large windows for high visibility when the door is closed, collects into the side frames to minimize the amount of wall space needed.

www.ritehite.com **800-456-0600**

CONTINUED FROM PAGE 61

▲ **Kelley**

Kelley's Hulk Hydraulic Dock Lifts offer the capability to move heavy loads up to 50,000 pounds, bringing the dock to the trailer regardless of height. Hulk Dock Lifts can accommodate a variety of truck styles; from 20-inch step vans or pick-up trucks to high-cube vans, standard semi-trailers, and 60-inch high stake bed vehicles. The lift-mounted controls let the operator set the platform at the exact position for a level interface between the truck and dock.

www.kelleycompany.com 877-558-6960

Con-way Truckload

Designed to complement Con-way Truckload's existing long-haul, solo, and team services, the new Con-way Truckload Regional handles short-haul truckload shipments of less than 600 miles, including cartage service for truckload shipments of less than 100 miles. The company also plans to offer drayage services as part of Con-way Truckload Regional.

www.con-way.com 800-641-4747

MATERIALS HANDLING

Toyota Material Handling

The lift truck supplier expanded its line of large IC pneumatic lift trucks to include four new models: 33,000-, 40,000-, 44,000-, and 51,000-pound capacities at a 36-inch load center. Designed for challenging work environments, this expanded product line is built to handle applications such as ports, construction, lumber yards, metal fabricators, and concrete and masonry yards.

www.toyotaforklift.com 800-226-0009

Westfalia Technologies

Westfalia's new dual pallet handling Vertical Lift is capable of moving 360 pallets an hour. With a maximum vertical speed of 200 feet per minute, the lift has a 20-second cycle time for the 8-foot 9-inch travel distance, including the time for pallets to move on and off the lift, and for the lift to move back to its original position.

www.westfaliausa.com 800-673-2522

OCEAN

DHL

DHL's guaranteed weekly direct less-than-containerload (LCL) service connects Ho Chi Minh City to Hamburg, Germany; Genoa, Italy; and Los Angeles.

www.dhl-usa.com 800-CALL-DHL

CMA CGM and Maersk Line

CMA CGM and Maersk Line changed their respective Brazilian Express Service (Brazex) and North Coast Express (NCX), connecting the East Coast of South America to Central America and the Caribbean. The two carriers offer a single service operated with four vessels, each with an average net capacity of 2,800 TEUs. The new rotation is as follows: Buenos Aires-Zarate-Montevideo-Rio Grande-Itajai-Paranagua-Santos-Port of Spain-Cartagena-Manzanillo-Kingston-Puerto Cabello-Point Lisas-Vitoria-Santos-Buenos Aires.

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

www.maerskline.com 973-514-5000

APL

APL added a port call at Santo Tomas, Guatemala, to its Central America Express service. In addition, the carrier has moved one of the two weekly sailings' cutoff time to Friday at the Port of Miami, providing shippers an end-of-week cutoff in addition to the traditional Wednesday departure. The service connects to vessels on APL's Trans-Pacific and Trans-Atlantic trades.

www.apl.com 800-999-7733

SOFTWARE

ShipXpress

Designed to streamline the billing process for rail shippers, *ShipXpress EBOL* (Electronic Bill of Lading) allows shippers to create, transmit, and save bills of lading. It delivers critical data directly to the proper railroad through the industry-standard EDI 404 format and provides users with acknowledgement of receipt and acceptance.

www.shipxpress.com 904-241-5850

FastPic Systems

FastPic5 inventory management software provides tools for organizations to visually maximize space utilization while increasing accuracy and productivity in new or existing shelving, racks, or automated systems. The software's cube utilization feature creates a graphic representation of storage and retrieval system shelves and totes that allows users to visually rearrange them to achieve optimum storage density. With the color mapping feature, users can graphically see the location of free space in the storage and retrieval unit, and reconfigure shelves, totes, and containers to take advantage of unused space.

www.fastpicsystems.com **800-897-8379**

WEB

Trinity Transport Inc.

The freight brokerage firm's new Web site allows shippers to track loads, view shipping documents, request quotes, and arrange pick-ups.

www.trinitytransport.com **800-846-3400**

3PLs

FLS Transportation Services

FLS established a perishable logistics division based in its Toronto office. A control unit there handles communication and operations management throughout FLS's North American network, matching available capacity to shipper demand primarily across the produce regions of Canada and the United States.

www.flstransport.com **888-SHIP-FLS**

STT Logistics

STT Logistics, Holly Hill, S.C., a new division of Southern Tank and Transport, provides logistics, freight management, and brokerage services, including 24/7 dispatch coverage from point of origin to destination, full communication, and tracking. The company also provides freight services in all transport modes, including truck, air, rail, ocean, expedited, import/export, and intermodal.

www.sttlogistics.com **800-433-6713**

TechniPak

With the opening of its new facility in Sparks, Nev., TechniPak now boasts a one-day ground delivery transit time to all of California and two-day transit time to all West Coast states. It is strategically located close to the Port of Oakland and manages inbound cargo container traffic for importers. This location provides fulfillment services with business-to-consumer and business-to-business shipping.

www.technipak.com **877-807-0891**

HARDWARE

Metalcraft

The new Destructible RFID Windshield Tag is rendered unusable by attempts to remove an applied tag. Metalcraft's construction encapsulates an RFID inlay between layers of polypropylene, with a bar code and text on one side and a windshield-compatible adhesive on the other.

www.idplate.com **800-437-5283**

Tharo Systems Inc.

The EASYLABEL 5 Platinum printer offers a solution for printing bar-code and RFID labels using XML-enabled enterprise systems. The printer's XML Monitor receives XML data and automatically prints labels, while the XML Generator enables shippers to generate an XML file that can be used as a template for use with XML-enabled applications.

www.tharo.com **800-878-6833**

AIR

American Airlines Cargo

ExpediteTC express temperature-controlled service shipments receive specialized handling at both departure and arrival airports to ensure the desired temperature remains constant. Each shipment is tracked via AA Cargo's high-visibility monitoring system throughout transit.

www.aacargo.com **800-CARGO-AA**

Korean Air Cargo

The airline added a third weekly B747-400F flight to Toronto Pearson International Airport, bringing its frequency to Wednesday, Friday, and Saturday service. The additional flight offers shippers moving cargo to and from the Asian market more options and greater flexibility.

www.cargo.koreanair.com **905-672-7473**

November 9-10, 2009, Fundamentals of Supply Chain Management, Dallas, Texas. This two-day, interactive workshop, sponsored by the Council of Supply Chain Management Professionals (CSCMP), examines key supply chain concepts, such as procurement, warehousing, information systems, and reverse logistics, that contribute to profitability. Attendees learn time- and money-saving techniques from supply chain veterans, participate in group discussions about real-life scenarios, and network with professionals from other trades and industries. Instructors Art van Bodegraven and Kenneth B. Ackerman, founders of CSCMP's Fundamentals program, are among the world's leading supply chain experts and draw insights from their distinguished careers. This program is suitable for supply chain newcomers as well as seasoned professionals in need of a refresher course.

630-574-0989
www.cscmp.org

November 14-18, 2009, NITL Annual Meeting and TransComp Exhibition, Anaheim, Calif. In roundtable discussions, facility tours, business meetings, and educational sessions, attendees explore issues facing the supply chain and logistics sector. As a follow-up to last year's session, *Wall Street's View of Transportation*, this year's conference kicks off in an interactive town hall meeting, *Freight Transportation One Year Later: The New View from Wall Street*, with John L. Barnes III, managing director equity research, transportation, RBC Capital Markets; and Thomas R. Wadewitz, analyst–airfreight and surface transportation, J.P. Morgan.

703-524-5011
www.nitl.org

November 30-December 3, 2009, Developing World-Class Supply Chain Collaboration, State College, Pa. In this program, co-sponsored by Penn State's Smeal College of Business and CSCMP, participants enrich their understanding of leading practices and industry standards for world-class collaboration. The program prepares organizations to be effective partners by establishing bedrock principles of trust. Participants also learn how to incorporate best practice methodology in sales and operations planning to achieve optimal functional alignment when matching supply to demand.

814-865-3435
www.smeal.psu.edu/psep

December 9, 2009, Supply Chain Strategy and Management, Cambridge, Mass. MIT's Sloan School of Management presents this program to explore supply chain design's role in business strategy. Topics include how supply chain structures develop, overlap with industry structures, and are affected by the speed of industry change. Attendees learn guidelines for making strategic sourcing and make-buy decisions, methods for integrating e-business thinking into supply chain strategy, and "clockspeed benchmarking," a tool for deriving business insights and management lessons from industries with the highest obsolescence rates of products, process technologies, and organizational structures.

781-239-1111
www.mitsloan.mit.edu/execed

January 19-20, 2010, SMC³ Winter Conference, Atlanta, Ga. Presented by SMC³, this event presents the latest economic, political, and business trends affecting supply chain and logistics professionals, with actionable ideas for 2010. A sustainability panel highlights how businesses are blending environmental impact initiatives with corporate responsibility policies to green their operations and bottom line. Attendees can connect with key decision-makers and peers in various networking opportunities.

800-845-8090
www.smc3.com

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Career Development/Education

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  www.pilotdelivers.com 800-HI-PILOT

Intermodal

- **CSX Intermodal** pg. 11
  CSX Intermodal has the capabilities, the expertise, and the efficiency to make your supply chain stronger than ever. With ports and terminals throughout the Eastern United States, CSX Intermodal's network connects more than 66 percent of the U.S. population.
  www.csxi.com 800-288-8620

Mobile Communications

- **Verizon Wireless** pg. 3
  Verizon Wireless, owner of the nation's largest Push to Talk Network coverage area, offers America's most reliable voice network.
  www.verizonwireless.com/distribution 800-VZW-4BIZ

Ocean

- **APL** pg. 27
  APL provides customers around the world with container transportation services through a network combining high-quality intermodal operations with state-of-the-art information technology.
  www.apl.com 800-999-7733

- **COSCO Container Lines Americas** pg. 29
  COSCO boosts your ROI by expediting the transportation of goods in your supply chain.
  www.cosco-usa.com 800-242-7354

- **Crowley** pg. 37
  Crowley combines proximity to market with the fastest transits, 10 or more weekly sailings between Central America, Haiti, the Dominican Republic, and the U.S. Gulf and East Coasts, and a full suite of logistics services.
  www.crowley.com 800-CROWLEY

- **Maersk Line** pg. 35
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  www.maerskline.com 973-514-5000

Ports

- **Port of Houston** pg. 51
  The Port of Houston delivers the goods, including general cargo and containers, grain and other dry bulk materials, and project and heavy lift cargo. The Port also has expansion plans and ship channel upgrades in the works.
  www.portofhouston.com 800-688-DOCK

Real Estate Logistics/Site Selection

- **Georgia Department of Economic Development** pg. 49
  Discover Georgia, and find the premier location for logistics across sea, air, and land. Georgia: where logistics companies go to become global leaders.
  www.georgia.org/logistics 404-962-4122

- **Joplin Area Chamber of Commerce** pg. 46
  Wondering where to put that new warehouse, crossdock, manufacturing facility, or distribution center? Why not in the heart of America – Joplin, Mo. – where you'll find great road, rail, and air access, plus a business community eager to help you succeed.
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Trucking

- **Evans Network of Companies** pg. 15
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THE LAST MILE

A Walk on the Wild Side

Managing exceptions is part of the daily rat race for many shippers and carriers. When supply chain crises arise they are challenged with ferreting out problems, evading red herrings, and bird-dogging solutions that ensure supply meets demand as the crow flies. But sometimes circumventing mishaps can be a downright goose chase–literally.

The plight of US Airways Flight 1549 earlier this year over the Hudson River, and the heroics of Captain Sullenberger and his crew, bring to bear some of the seldom-seen spectators and occasional antagonists that can create quite a buzz. A few recent examples:

In Kenai, Alaska, trappers had to remove 10 beavers that were busy causing infrastructure problems–as if the United States doesn't have enough man-made ones to worry about. The industrious colony was creating dams by plugging up roadside culverts. Fearing damage to the road, drainage system failure, or an injury to motorists, the state Department of Transportation and Alaska Department of Fish and Game were forced to round up the critters.

Back at New York's John F. Kennedy Airport, Canada geese face some stiff competition. A runway was shut down briefly after a bale of spawning turtles emerged from a nearby bay and crawled onto the tarmac–at a snail's pace, naturally. The grounds crew rounded up the wayward turtles and deposited them elsewhere, but not before the airport's flight schedule was delayed 90 minutes. Note to honeymooning turtles: "You can't jump a jet plane like you can a freight train."

Armadillos are less particular about how they move, hitchhiking rides on barges, trucks, and railcars, according to speculative wildlife biologists. It's the only explanation for how a trucker in southern Illinois discovered a not-so-swift nine-banded outlaw on the side of the road, well north of its typical Southwestern habitat.

Still other wayward critters that take captivity for granted will seize fate when given the chance. In Arkansas, a tractor-trailer rig hauling pigs overturned on a major highway, liberating some of its 800-pound occupants. The wreck closed a stretch of Interstate 430 connecting Little Rock to North Little Rock as state police corralled the pigs.