



LOGISTICS 2009

February 8-11, 2009 · Gaylord Texan · Dallas, Texas

International Logistics Roundtable

Title Sponsor :



RILA
***International
Roundtable***

February 10, 2009

International Roundtable

POINT  **COUNTERPOINT**

featuring

The Not Ready For Keynote Players

Matt Lindsey - Unilever

Dave Reiff – Wal-Mart

John Salt – Canadian Tire

Jeff Siewert – The Home Depot*

Dean Tracy – Lowe's

DISCLAIMER

- n This session is not a lecture – it is a discussion Roundtable. It only works if you participate
- n The exchanges you are about to hear are scripted
- n The speakers are acting as fictional characters
- n The points expressed in no way reflect the opinions or views of the individuals, the companies they represent, or of RILA
- n This format is meant to jumpstart fruitful discussion and to create some fun while we learn together

You don't want us to improv...speak up!

Port green initiatives

POINT: Ocean Liners & Terminals

- n Our businesses create environmental challenges
- n The local citizens are acting
- n There will be costs to be borne by parties responsible for freight
- n We did not make the laws, we are just carrying them out
- n It is the right thing to do

Port green initiatives

COUNTER POINT: BCOs

- n It IS the right thing to do
- n I would like to use clean trucks – this would avoid a fee
- n When you move container off-dock, you are deciding what truck to use so any fee is yours

Port Green Initiatives

POINT

- n Our businesses create environmental challenges
- n The local citizens are acting
- n There will be costs to be borne by parties responsible for freight
- n We did not make the laws, we are just carrying them out
- n It is the right thing to do

COUNTERPOINT

- n It IS the right thing to do
- n I would like to use clean trucks – this would avoid a fee
- n When you move containers off-dock, you are deciding what truck to use so any fee is yours

TSA: Working Group?

POINT: Ocean Lines

- n** Needed to make best use of capital investments by vessel sharing
- n** More effective to optimize industry capacity vs individual capacity
- n** Makes for a stronger, more successful industry
- n** It's just talking

TSA: Working Group?

COUNTER POINT: BCOs

- n I feel your pain
- n This is not just talking
- n Competition is a good thing – this is anti-competitive
- n At the very least it creates a negative view of the industry

TSA: Working Group?

POINT

- n Needed to make best use of capital investments
- n More effective to optimize industry vs individual capacity
- n Makes for a stronger, more successful industry
- n It's just talking

COUNTERPOINT

- n This is not just talking
- n Competition is a good thing – this is anti-competitive
- n At the very least it creates a negative view of the industry

How to manage capacity

POINT: Ocean Lines

- n Need to make best use of capital investments
- n Must continually assess and adapt the network to balance cost and profitability
- n Changing vessel sizes, taking out ports or changing strings is part of optimizing operations
- n Improve your forecasting

How to manage capacity

COUNTER POINT: BCOs

- n When we contract, I assume you will continue services
- n You need to proactively let me know of changes – months in advance
- n Negative view of the industry

How to manage capacity

POINT

- n Needed to make best use of capital investments
- n Must continually assess and adapt the network to balance cost and profitability
- n Changing vessel sizes, taking out ports or changing strings is part of optimizing operations
- n Improve your forecasting

COUNTERPOINT

- n When we contract, I assume you will continue services
- n You need to proactively let me know of changes – months in advance
- n Be creative
- n Negative view of the industry

Security & 10+2

POINT: Skeptical Importer

- n** C-TPAT is expensive to implement with no real benefit
- n** Highly unlikely supply chain will be used to conceal a WMD
- n** No benefit for exams, no favorable treatment
- n** 10+2 is intrusive; with CTPAT can disrupt supply chain flow

Security & 10+2

COUNTER POINT: Advocate Importer

- n** The right thing to do. Supply Chain Security is no longer an option - it must be done
- n** CTPAT has more benefits outside of just securing supply chain
- n** 10+2 is next iteration of CTPAT and the path to a greater more focused targeting program

Security & 10+2

POINT

- n C-TPAT is expensive to implement with no real benefit
- n Highly unlikely supply chain will be used to conceal a WMD
- n No benefit for exams, no favorable treatment
- n 10+2 is intrusive; with CTPAT can disrupt supply chain flow

COUNTERPOINT

- n The right thing to do. Supply Chain Security is no longer an option - it must be done
- n CTPAT has more benefits outside of just securing supply chain
- n 10+2 is next iteration of CTPAT and the path to a greater more focused targeting program

POINT  COUNTERPOINT

*Anything else we want to talk
about?*

Thank you!