



SmartWay Awardee Webinar

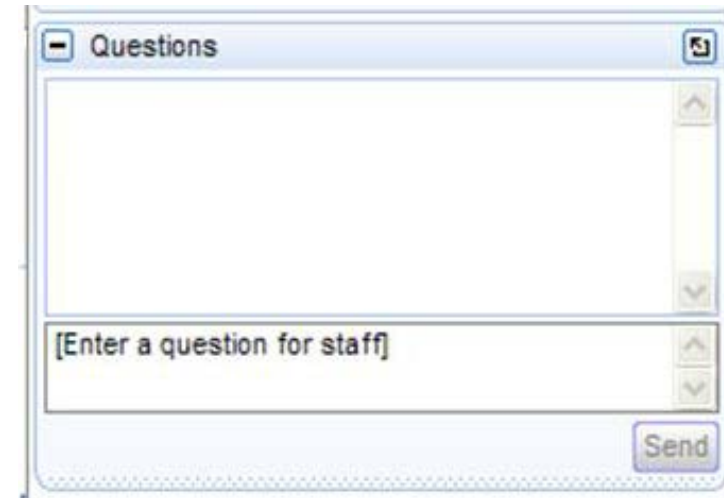
Best Practices of SmartWay Excellence Award Recipients

December 7, 2016



Webinar Housekeeping

- Submit a question via the Questions box on your GoTo control panel.



- After the presentation, as time permits, our EPA presenter will answer questions submitted via the Questions box.

Webinar Housekeeping



The presentation slides and recording will be available at:

<http://www.epa.gov/smartway/smartway-webinars-events>

(select the “Past Webinars/Events” tab)

Congratulations to the 2016 SmartWay Excellence Awardees

EPA recognizes the exceptional environmental performance of the 53 shippers, logistics companies, and carriers.

[Learn more](#)



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SmartWay Latest News

October 3, 2016: EPA releases list of 2016 SmartWay Excellence Awards recipients. [Learn more.](#)

[More SmartWay News](#)

Learn about SmartWay



- [Overview of SmartWay](#)
- [Why Freight Matters](#)
- [How SmartWay Advances Sustainable Transportation Supply Chains](#)
- [Carbon Accounting & Reporting](#)
- [SmartWay Program Successes](#)
- [Trends, Indicators & Partner Statistics \(TIPS\)](#)

Meet our Partners & Affiliates



Participate in SmartWay



- [How to Participate in SmartWay](#)
- [How the SmartWay Partnership Works](#)
- Become a SmartWay:
 - [Shipper](#)
 - [Logistics Company](#)
 - [Carrier](#)
 - [Affiliate](#)
- [Tools & Resources for Partners & Affiliates](#)

Use the SmartWay Brand



Upcoming Webinars & Events

- Freight Matters Webinar: [Efficiency Begins at Home, but Then There Are the Neighbors: Getting to Know Your SmartWay Carriers!](#) November 16, 2016
- Education Webinar: [Unlocking SmartWay Data for Shippers: Optimize Supply Chain Decision Making and Enhance CSR Reporting](#) November 30, 2016

[More SmartWay webinars & events](#)





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SmartWay Webinars & Events

EPA hosts events and webinars to help you learn how to get the most out of the SmartWay Program.

Upcoming Webinars: To participate in an upcoming SmartWay webinar, you must pre-register. Registration links are provided below in webinar descriptions. After registering, you will receive a confirmation email containing information about joining the webinar.

Past Webinars: Selecting the "Past Webinar Resources" tab shows you previous training topics and may include additional resources such as slides, recordings, and transcripts.

Freight Matters! Webinar Series: Hear from leaders in the industry about freight-related trends and issues that matter to your business.

[Upcoming Webinars/Events](#)

[Past Webinars/Events](#)

Suggest a Webinar Topic: If you would like to see a webinar about a particular topic, [email your idea](#) (smartway_transport@epa.gov) with the subject line "SmartWay Webinar Suggestion."

[Event Type Legend](#)

↕ Type	↕ Date	↕ Event Name
Education Webinar	November 30, 2016	Unlocking SmartWay Data for Shippers: Optimize Supply Chain Decision Making and Enhance CSR Reporting
Education Webinar	December 7, 2016	2016 SmartWay Awardee Best Practices Webinar Exit

Webinars are free: Please register promptly because registration may be closed to new attendees after 12:00 noon on the day of the webinar.

SmartWay Webinar Host



Joann Jackson Stephens has worked at the US EPA since 1992. She has worked on SmartWay Transport Partnership program since 2001, and currently acts as the program Brand Manager. Joann graduated with a bachelors degree in Political Science from Spelman College and earned a masters degree in Public Policy from the University of Michigan.

2016 Excellence Award Goals

- Recognize top partners
- Screen partners based on environmental performance
 - Using the most recent, completed annual reporting cycle from all Partner categories
 - Use semi-finalist process to select awardees in some categories
- Aim for a mix of large/small partners
 - Using total annual miles traveled as indicator

<https://www.epa.gov/smartway/smartway-2016-excellence-award-epa-criteria>



2016 SmartWay Excellence Award – EPA Criteria

What are the SmartWay Excellence Awards?

The SmartWay Excellence Awards are EPA's means to recognize Partners that have optimized the environmental performance and efficiency of their freight management operations.

The SmartWay Excellence Award program recognizes approximately the top two percent of partners with superior environmental performance.

- To be eligible for consideration, qualified companies must be partners in good standing (i.e., timely and accurate submittal of required data in the 2015 reporting cycle for all partner categories and also a timely 2016 reporting cycle for carriers).
- EPA makes a full review each year of every partner's SmartWay Tool submission to assess qualifications for award consideration.
- Semi-finalists in selected partner categories will be contacted to submit an application.
- All Excellence Award finalists will be screened for any adverse environmental actions which may prohibit public recognition for their SmartWay achievements.
- EPA will notify those partners that are selected as Awardees.

Timeline and Notification

- **January:** The SmartWay Award process and data review commences. EPA identifies candidates using data submitted via the 2015 SmartWay Tool, from all Partner categories.
- **February:** Shipper, logistics and multi-modal carrier semi-finalists are identified and invited to submit supplemental information. (Other carriers do not submit supplemental information).
- **April 1, 2016:** Submission deadline for shipper, logistics and multi-modal carrier semi-finalists supplemental information.
- **May:** Final reviews and adverse environmental actions screening.
- **July:** Awardees notification (no public announcement until fall).
- **September/October:** Announcement of Award recipients.

Carrier Criteria

Carrier (barge, rail and most truck sub-category) awardees will be selected based entirely on environmental performance criteria. Finalists who demonstrate top environmental performance based on a 50% CO₂ + 25% NO_x + 25% PM weighting of g/ton-mile fleet level result from the SmartWay Carrier Tool. Exceptions for truck carriers are noted below.

Barge

- Barge carriers are assessed on 50% CO₂ + 25% NO_x + 25% PM g/ton-mile result.

Rail

- Rail carriers are assessed on 50% CO₂ + 25% NO_x + 25% PM g/gross ton-mile result.

Truck

- Drayage carriers are assessed on 25% CO₂ + 25% NO_x + 50% PM g/mile result.
- Package and Less-than-Truckload carriers are assessed on 50% CO₂ + 25% NO_x + 25% PM g/mile result.

Multi-modal (applies to companies with an actual Multi-modal classified fleet)

- Package and Less-than-Truckload carriers are assessed on 50% CO₂ + 25% NO_x + 25% PM g/mile result. Eligible Multi-modal partners will be invited to submit a semi-finalist application.

Continued

U.S. EPA SmartWay | EPA-420-F-16-004 | www.epa.gov/smartway



2016 Shipper & Logistics Excellence Award Leadership Highlights

The 2016 SmartWay Excellence Awards program for shippers, logistics companies and freight carriers is a recognition program of the U.S. Environmental Protection Agency's (EPA) SmartWay Transport Partnership. SmartWay is a voluntary program that aims to reduce emissions and foster the development of a clean and efficient freight supply chain.

Through the SmartWay Excellence Awards program, EPA recognizes leading shippers, logistics companies and freight carriers that are optimizing the environmental performance and efficiency of their freight operations, while serving as role models for other businesses to follow. This year we are recognizing 53 companies (seven shippers, two logistics companies, one barge carrier and 43 truck carriers) with a 2016 SmartWay Excellence Award. This represents about the top 1 to 2 percent of all SmartWay Partners.

The 2016 SmartWay awards recognition is based on partners demonstrating superior performance using SmartWay's second generation environmental assessment system for transportation supply chains. This enhanced system includes a full suite of performance-based SmartWay tools and benchmarking software that enable each SmartWay partner to complete a thorough assessment of its goods movement and freight activity. Partners also receive a comprehensive and detailed report on their company's environmental performance and operational efficiency.

EPA identified the top 2016 SmartWay Excellence Award winners from among all shippers, logistics and carrier businesses that participate in SmartWay, are partners in good standing and that provided prior-year performance data to EPA using SmartWay tools.

Candidates in SmartWay's shipper and logistics management categories were evaluated based on their impact, size and commitment to using high-performing SmartWay freight carriers. In 2016, eligible shippers and logistics companies were partners in good standing and used real world data to complete their SmartWay shipper and logistics management tools. The selected candidates achieved a superior level of environmental performance and the highest level of efficiency within SmartWay by demonstrating that they ship more goods per mile, more efficiently, using higher performing SmartWay carrier partners.

Candidates in SmartWay's freight carrier category were evaluated based on their efficiency and environmental performance in moving products and merchandise. In 2016, eligible carriers included large and medium-to-small companies that are partners in good standing within key business sectors, including: truckload, less-than-truckload, refrigerated, package, specialized, expedited, tanker, flatbed, mixed, dray, heavy haul, auto-carrier, moving, barge and multimodal freight operations. Within these respective fleet characterizations and based on their size, these carriers achieved a superior level of environmental performance and the highest level of efficiency within SmartWay by demonstrating that they carry more goods per ton-mile, using less fuel and emitting fewer greenhouse gas and air pollutant emissions.



Congratulations to Our Multiple Award Winners!

EPA has recognized SmartWay Excellence Award winners nine times between 2006 and 2016. Seventy-two companies have been recognized as SmartWay Excellence Awardees multiple times.

Two-Time Awardees

APL Logistics
Bacardi USA, Inc.
Container Connection
Contrans Group Inc.
Cowan Systems, LLC
Dedicated Transport LLC
Edwards Distribution Services, Inc.
Heartland Express, Inc. of Iowa
Heritage Transport, LLC
IKEA Distribution Services Inc.
JBS Carriers, Inc.
JC Penney
John Christner Trucking, LLC
Kohl's Department Stores
L Brands, Inc.
Lake Enterprises Ltd.
Langford Inc.
Lone Star Transportation, LLC
Maverick Transportation LLC
McElroy Truck Lines, Inc.
New Century Transportation, Inc.
Old Dominion Freight Line, Inc.
Orlicks Inc.
PAM Transport, Inc.
Polaris Transport Carriers Inc.
Ryder Supply Chain Solutions
Stan Koch and Sons Trucking
Thorsons Marketing Associates
Canada Inc.
Transport TFI 15, S.E.C., Gregoire
U.S. Xpress Enterprises, Inc.
Walmart Transportation, LLC
Whirlpool Corporation
White Arrow LLC
XPO Logistics Freight, Inc.

Three-Time Awardees

Best Buy Co., Inc.
Bison Transport, Inc.
Celadon Group, Inc.
Challenger Motor Freight Inc.
C.R. England, Inc.
CRST Expedited, Inc.
D. P. Curtis Trucking, Inc.
Frito-Lay
Gordon Trucking, Inc.
H-E-B

Johnson & Johnson
LTI, Inc.
Modern Transportation Services, LLC
New World Van Lines
NFI
Ruan Transportation Management Systems, Inc.
SC Johnson and Son, Inc.
Smithfield Transportation Co., Inc.
Transplace
Werner Enterprises

Four-Time Awardees

Arlo G Lott Trucking Inc
DHL Express USA
Doug Andrus Distributing LLC
Hub Group
May Trucking Company
Prime, Inc.
Quad Graphics / Duplaineville Transport
RPM Harbor Services, Inc.
UPS Small Package
XPO Logistics Truckload, Inc.
XPO Logistics Worldwide, Inc.

Five-Time Awardees

Covenant Transport
HP Inc.
Mesilla Valley Transportation
Sharp Electronics Corporation
The Home Depot U.S.A., Inc

Six-Time Awardees

Knight Transportation, Inc.

Seven-Time Awardees

J.B. Hunt Transport, Inc.
Kimberly-Clark Corporation
Roehl Transport, Inc.
Schneider
Swift Transportation Co.

Eight-Time Awardees

Lowe's Companies, Inc.



SmartWay Shipper: Bacardi USA, Inc.



Carlos Bravo is a Transportation Specialist within the Logistics team at Bacardi North America Corporation, based in Miami, Florida. Carlos is a graduate from Florida International University's School of Business. He has been with Bacardi for ten years, contributing to the organization in a number of roles, which include, but are not limited to, Brand Planning and Operations Analyst, and Master Data Specialist. Currently, he is a member of the Logistics team, within the Operations Department.

His emphasis lies on the efficient and cost effective transportation of Bacardi finished goods into North America and the Caribbean. As member of Logistics, he, along with his team, collaborates with 3rd party Logistics partner, Ryder, to manage domestic US transportation, while emphasizing the importance of reducing Bacardi's supply chain carbon footprint.

SmartWay Logistics Company: Transportation Insight, LLC



Don Craig has more than 20 years of deep consulting experience in strategic and tactical supply chain disciplines. Don's strategic proficiencies include supply chain assessment, distribution network optimization, fleet optimization, forecasting, KPI/metric design and development, procurement planning and sourcing strategies. He has worked extensively with Fortune 500 companies to implement process improvement, daily planning and execution of efficiency improvements and cross-functional and collaborative project planning across the supply chain. With a broad knowledge of industry trends and methodologies, he is a recognized resource and mentor for Transportation Insight's MBA-level team of supply chain analysts and engineers.

Combining LEAN methodology with supply chain analytics, Don and the Transportation Insight team of continuous process engineers employ a suite of industry-leading tools and technology - including value-stream mapping, process assessment, data analysis – to help clients streamline their supply chains and align their supply chain to their business goals.



Bacardi USA, Inc.

Using Freight Sustainability as a Competitive Advantage

Carlos Bravo



GLOBAL OPERATIONS
INDUSTRY LEADING DELIVERY OF PREMIUM BRANDS

Using Freight Sustainability as a Competitive Advantage

Bacardi – Smartway Initiatives



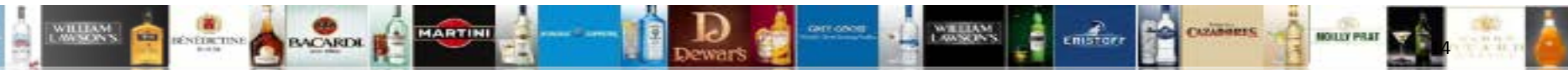
'Good Spirited' Initiative

- Bacardi's "**Good Spirited**" environmental initiative is dedicated to building a sustainable future.
- **Freight Sustainability** fits into the **Good Spirited** Campaign which is based on the three principles:
 - Responsible Sourcing -> Obtain all raw materials and packaging from sustainably sourced, renewable or recycled materials
 - Global Packaging -> Use eco-design in its brand packaging and point-of-sale materials.
 - Operational Efficiencies -> Focus on reducing water use and greenhouse gas (GHG) emissions with a 2017 goal to cut water use by 55% and GHG emissions by 50%.



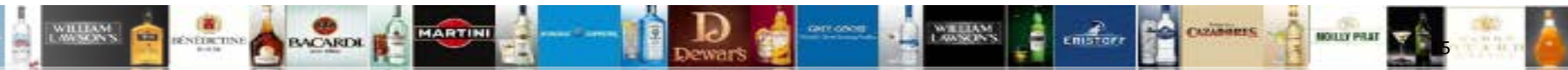
Freight Sustainability in Domestic Transportation

- With a national distribution network shipping over 8,300 loads per year, we have a social responsibility to minimize our carbon footprint.
- Our **Freight Sustainability** directly supports our “**Good Spirited**” program with:
 - On the Packaging end ... with a 7% reduction in packaging weight since 2006, which is the equivalent of 580 loads per year
 - More significantly on Operational side... since 2009 we have converted 65% of our FTL’s into InterModal loads lowering our carbon footprint over 20%
- On top of this baseline win, we have built additional efficiencies in supporting supply chain systems including...
 - Order Management:
(i.e.: Loading on average one less pallet per shipment would require 274 additional shipments)
 - *Examples of Order management include:*
 - Full loads of Single Skus
 - Load Optimization
 - Balance of Loads
 - Collaborative Calls with Distributors
 - Transportation & Yard Management-> With Ryder, seamlessly tender, load, and ship to optimize “drop & pick” while minimizing truck idle time.



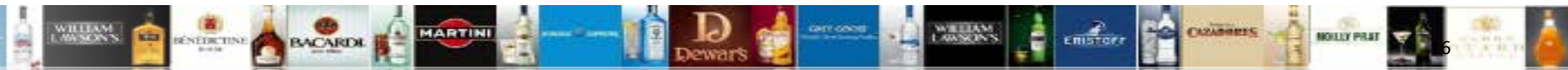
The Bacardi – Ryder Partnership

- Since 2008, the Bacardi partnership with Ryder has reduced green house gas emissions by more than 20% in the U.S
- Since 2009, Bacardi increased its intermodal shipments from 35% of total shipments to 65%.
- Bacardi's close partnership with Ryders SCS, also a SmartWay partner, immediately places us on the same "eco program" to continuously search and uncover new transportation network efficiencies. We partner with Ryder to leverage their core competency in transportation management to...
 - Network Design - Design the most efficient distribution network resulting in our strong shift to intermodal rail.
 - OTR Carrier Portfolio - With their expertise, select only vetted, regionally strong, SmartWay certified carriers providing efficient...
 - 98% tender acceptance rate
 - On-time pick-up & deliveries
 - Inbound/Outbound trailer synergies for Bacardi's raw material and finished goods
- CSX Rail & SmartWay -> In collaboration with Ryder, Bacardi also works closely CSX's assets, also a SmartWay award recipient.
 - To leverage their carbon friendly footprint, CSX appreciates that Bacardi requires a consistent, reliable and time sensitive service to meet their own customer needs.
- Bacardi / Ryder / CSX / OTR Transportation Metrics -> In partnering with our carefully selected Smartway carriers, with Ryder - via customized transportation metrics – we "measure and manage" our order, load and mode compliance across the distribution network to ensure we track and meet our ambitious efficiency targets resulting in
 1. A +20% carbon footprint reduction via Intermodal Rail
 2. Improved efficiencies using quality SmartWay carriers to tender, drop & pick and ship full loads



Freight Sustainability as a Competitive Advantage

- En lieu of direct “cost-cutting” programs to simply cut cost often at the expense of supply chain performance, a SmartWay-based Freight Sustainability program directs shippers to address the precursory elements that ultimately deliver sustainable cost efficiencies.
- Through integrated forecasting, shipment planning and order lead times, Bacardi’s logistics team wins the operating space to schedule carriers, optimize loads and efficiently ship via intermodal or FTL. This not only lowers our carbon footprint, but ultimately achieves a sustainable, market competitive landed cost.
- Freight Sustainability and Transportation Cost are not in conflict with each other. Using a SmartWay platform, they in fact form a virtuous circle.
- SmartWay provides Bacardi the needed baseline platform to measure and manage its Freight Sustainability to help meet their “Good Spirit” stretch goals.
- Bacardi has to be in line with what the consumer thinking is, and be one step ahead of the competition.
- Sustainability flows through the entire life cycle of our products. Once the finished product reaches the retail shelf, we want the consumer to know that we go to great lengths to ensure sustainability, and our goal of reducing our carbon footprint, domestically and around the globe.





Transportation Insight, LLC

Integrated Analytics: A Case for Sustainable Improvement

Don Craig

Integrated Analytics: A Case for Sustainable Improvement



Don Craig
Senior Supply
Chain Manager
December 7, 2016





Introduction

- Headquartered in Hickory, NC
- Operating Centers and Client Support Offices across North America
- End-to-end, Multi-modal Solutions (LTL, TL, Parcel)
- Supply Chain Reporting and Analytics
- Technology, Financial Settlement and Data Science
- Continuous Business Process Improvement



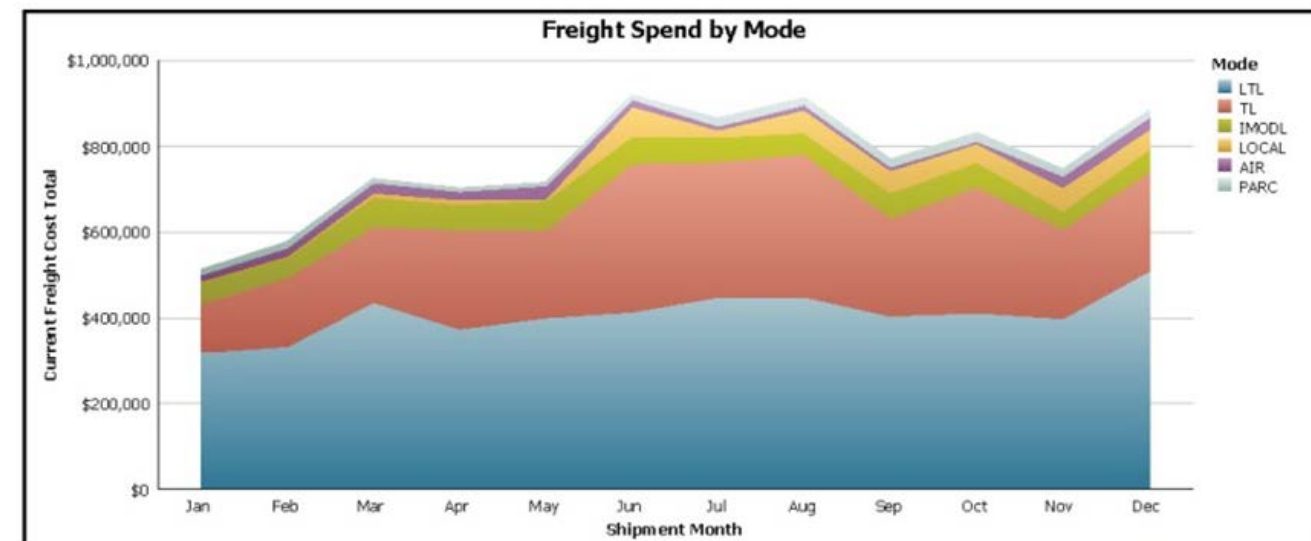
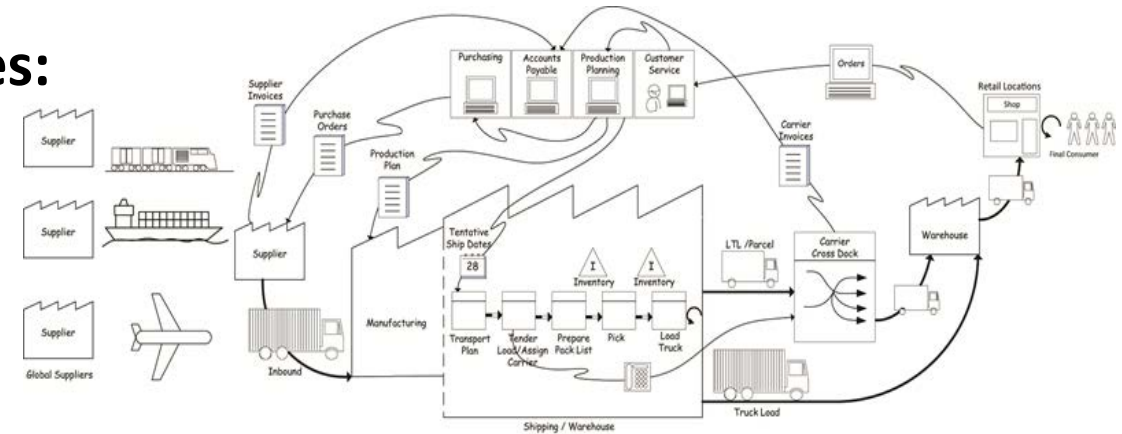


Why Integrated Analytics?

- **Traditional approach to identify opportunities:**

- Start with “Pain Points”
- Initiate a Lean event
 - Conduct kaizen
 - Create value stream map (VSM)
 - Measure identified activity
 - Make adjustments
- Analyze data to identify opportunities
 - Test those opportunities
 - Apply modifications

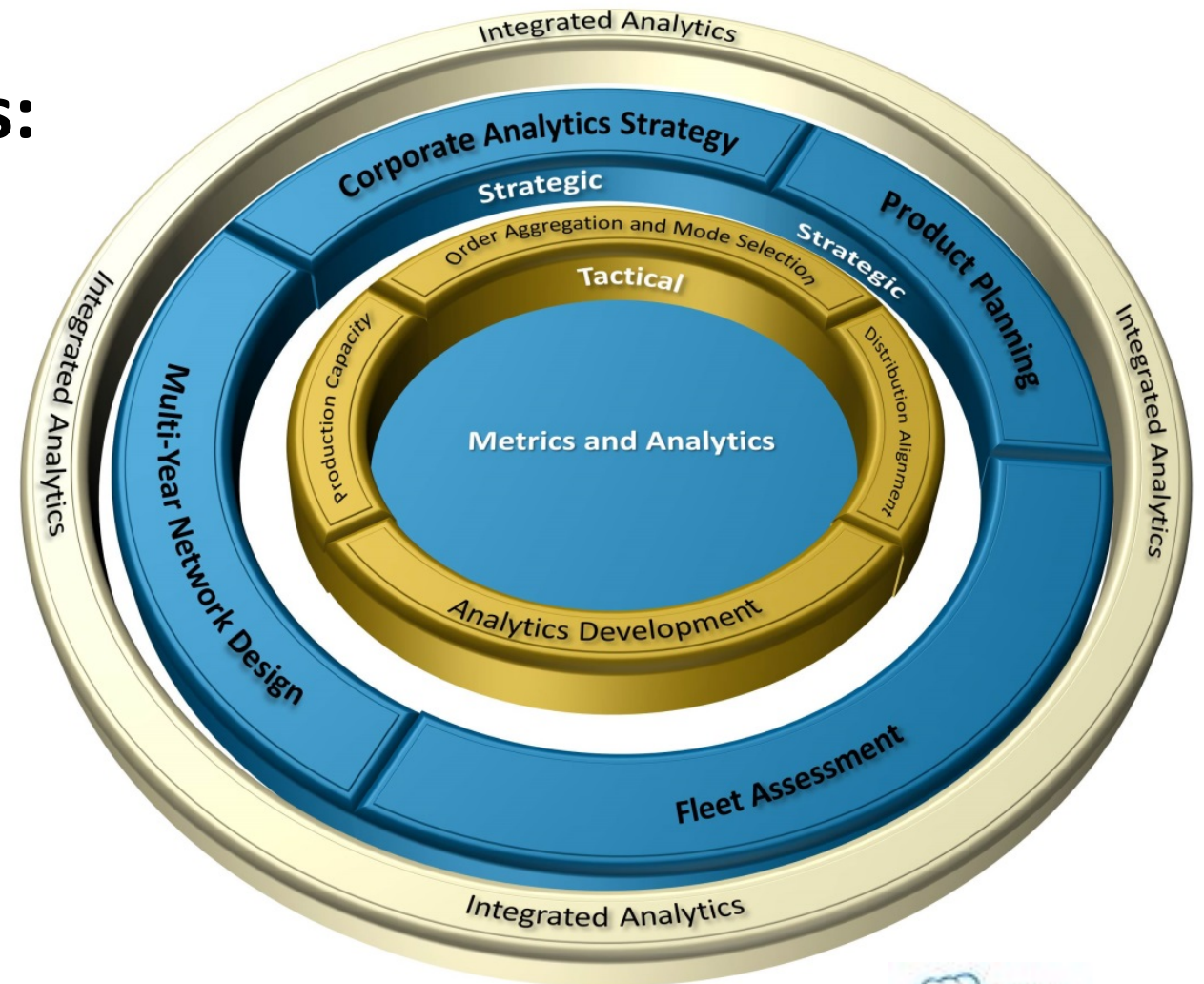
- **One or all – most likely conducted independently of one another**





Integrated Analytics Approach

- **Integrated Analytics combines:**
 - Lean Methodology
 - Kaizen/VSM
 - Measurement/Testing
 - Continuous Analytics
 - Network Analysis
 - Business Intelligence
 - Continued KPIs/Metrics

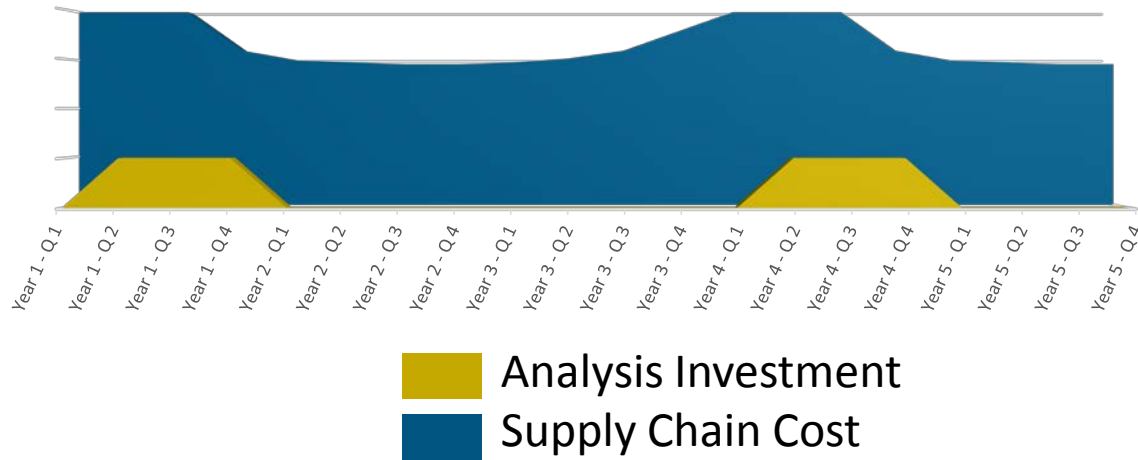




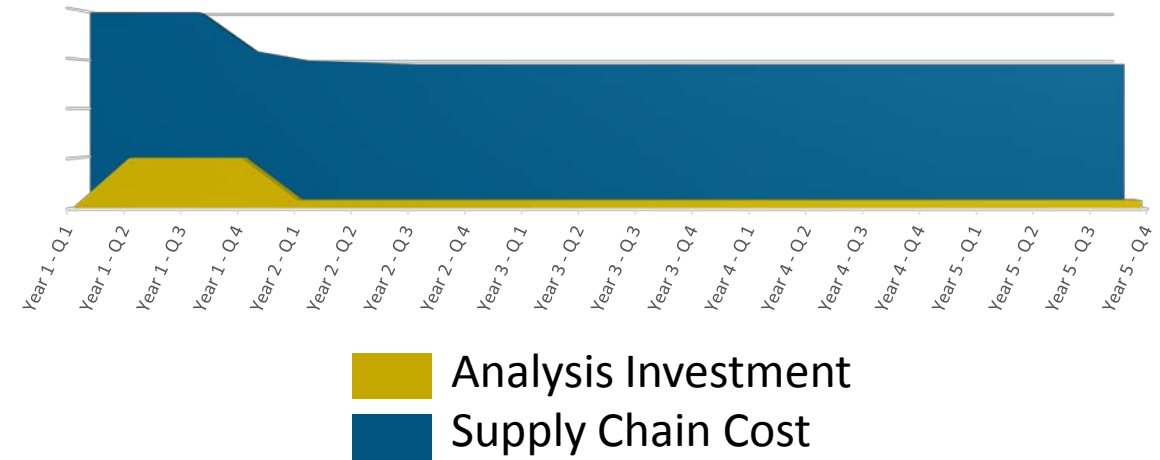
Continuous Analysis within Integrated Analytics

- Systemic improvement requires constant analysis.

Traditional Approach



Continuous Focus



Traditionally companies engage outside resource for strategic supply chain review every 2-3 years, resulting in a loss of value over time.

With continuous investment in analysis, supply chain cost savings are maintained over time.



Why Integrated Analytics?

Maintain an Optimal Supply Chain

- Create and execute a sustainable supply chain network for current and future states in the most efficient manner possible

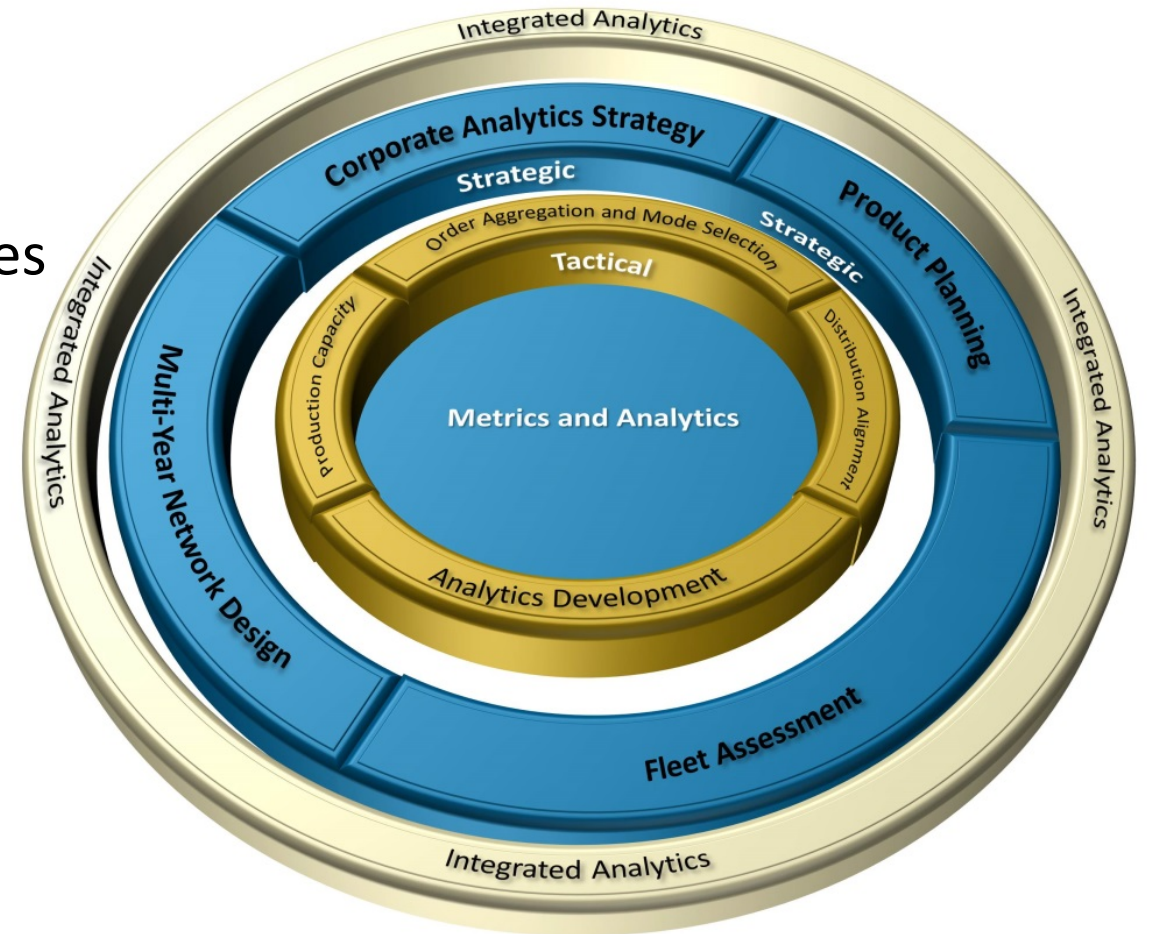
Monitor Effectiveness

- Maintain metrics to ensure execution of implemented solutions

Gather Business Intelligence

- Identify new strategic opportunities for improvements

Ongoing support for long-term projects, processes and development of supply chain initiatives

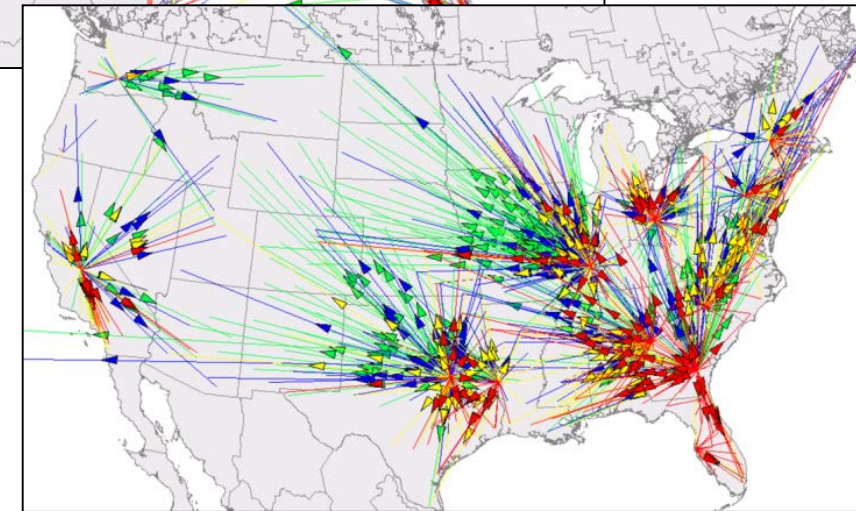
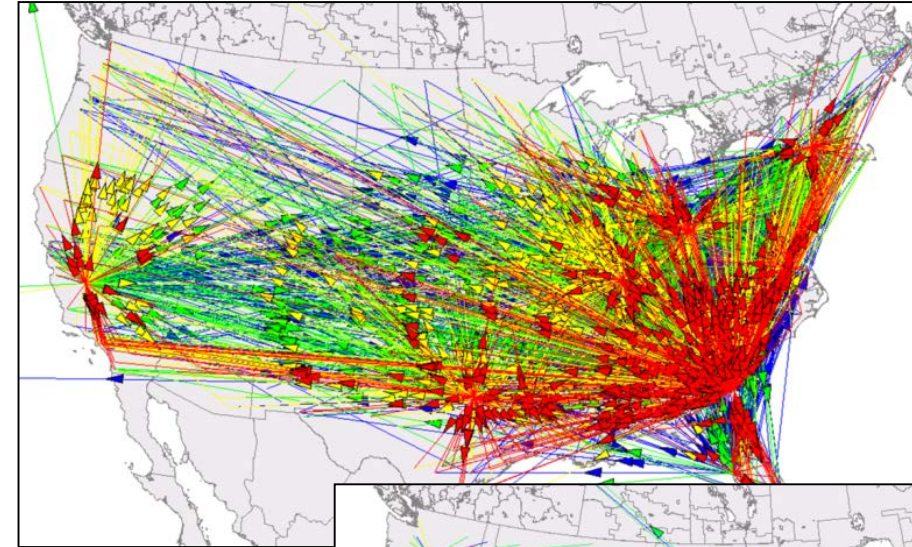




An Integrated Analytics Case Study

Large U.S. small engine parts supplier

- Acquired several smaller companies
- Faced strategic planning questions:
“What facilities should we keep, expand, consolidate and close?”
 - Created a supply chain model with all facets of each supply chain
 - Incorporated the forecasted sales plan for next 5 years
 - Determined facility plan for next 5 years



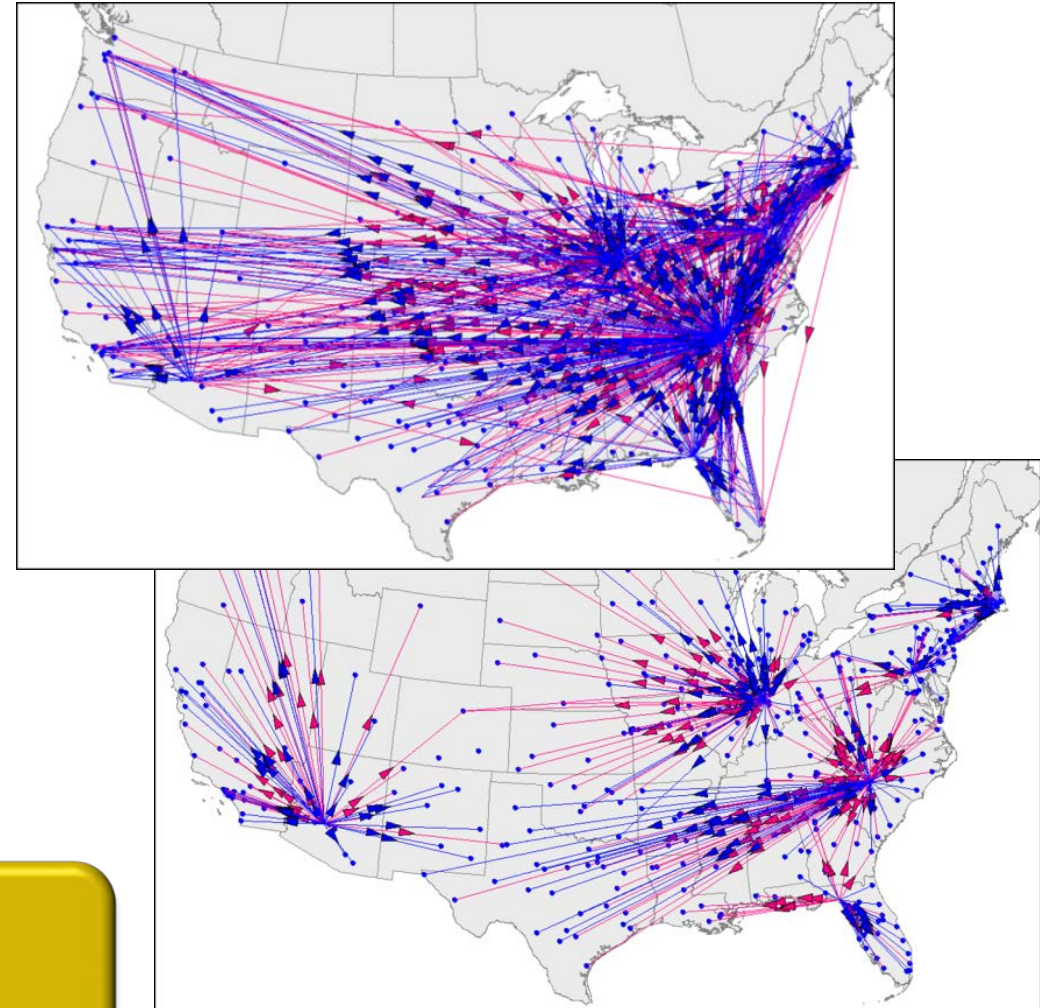
More than \$6 million in projected savings
7.5% reduction in network-wide mileage and fuel usage
ROI for project – 60x greater than investment



An Integrated Analytics Case Study

Fortune 500 CPG MFG

- Acquired 4 large, name brand companies in 3 years
- Faced strategic planning questions: *“How do we incorporate/consolidate supply chains?”*
 - Created MFG/Distribution Model that replicates the disparate SC’s
 - Conducted “what-if” scenarios with desired criteria to determine optimal/feasible network and timing
 - Initiated 4-5 separate supply chain network design projects that are currently ongoing
- Engaged in preliminary research on prospective acquisitions



Recognized >\$10M savings via network design projects
Combination of facility, transportation, manufacturing
and inventory savings

The background of the slide is a composite image. It features a view of the Earth from space, showing the blue atmosphere and white clouds. Overlaid on this is a complex network of glowing yellow and green lines that represent orbital paths or a global network. The lines are most concentrated over the Americas and Europe, with many lines radiating from these areas. The overall color palette is dark blue, yellow, and green.

Questions?

www.transportationinsight.com
877.226.9950