Shippers: Resources For Aligning Win Win Relationships With Your Carriers

March 15, 2017 2:00 ET









- 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.

 Questions 	5
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[Enter a question for staff]	< >





The presentation slides and recording will be available at:

http://www.epa.gov/smartway/smartwaywebinars-events (select the "Past Webinars/Events" tab)





Environmental Topics Laws & Regulations

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SmartWay

Attention Truck Carrier Partners:

The <u>2017 SmartWay Truck Carrier Tool</u> is now available, with supporting documents.



SmartWay Latest News

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Watch our new <u>About</u> <u>SmartWay</u> video to learn how efficient freight improves supply chain performance!

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)

Participate in SmartWay



- How to Participate in SmartWay
- How the SmartWay Partnership Works
- Become a SmartWay:
 - <u>Shipper</u>
- Logistics Company
- <u>Carrier</u>
- Affiliate
- Tools & Resources for Partners & Affiliates

Upcoming Webinars & Events

- Education Webinar, March
 15, 2017: <u>Shippers: Learn</u>
 About Resources For
 Aligning Win-Win
 Relationships With Your
 Carriers
- Freight Matters! Webinar, March 29, 2017: Key Trends Shaping the Future of Freight

More SmartWay webinars & events





Environmental Topics Laws & Regulations

SmartWay Home

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Use the SmartWay Brand

Global Collaboration

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Newsroom

Webinars/Events

SmartWay Webinars & Events

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

About EPA

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

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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, <u>email your idea</u> (smartway_transport@epa.gov) with the subject line "SmartWay Webinar Suggestion."

Event Type Legend

≑ Туре	≎ Date	
Education Webinar	March 15, 2017	Shippers: Learn About Resources For Aligning Win-Win Relationships With Your Carriers
Freight Matters Webinar	March 29, 2017	Key Trends Shaping the Future of Freight



Today's Speakers

Irene Queen EPA SmartWay/ORISE

Bradley Pierce Tyson Foods, Inc

Kara Hegg Whirlpool Corporation

Patrice Thornton EPA SmartWay











Webinar Outline

- Overview, Purpose and Goal
- Guest Speakers
- Tying it all together



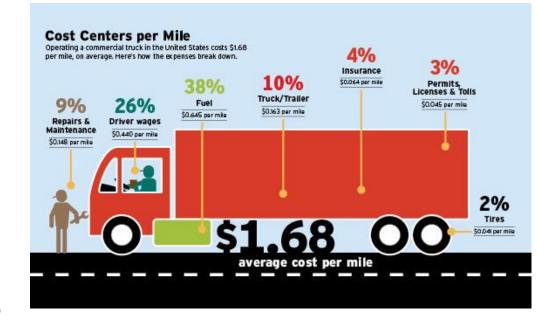
Focus of Today's Webinar

- Your transportation function (and spend) is an important but often hidden part of your business
- Shippers depend on carriers to get the job done
- Most successful relationships are collaborative
- Today's webinar will help shippers understand how SmartWay can assist you in better assessing your transportation function to:
 - get the most from your transportation spend
 - help you and your carriers work together to improve performance



What Carriers See

- Thin profit margins fuel and wages 64% of operating costs
- Shippers (pre-SmartWay) weren't able to "see" carrier efficiency
- New technologies and strategies risky





What Shippers See

- Freight isn't your main business
- You want to strengthen your brand by highlighting positive sustainability efforts – can include:
 - Reporting carbon footprint
 - Improving environmental performance
- Freight affects your business and environmental footprint
 - But how can you improve what you can't see?





Leveraging Your Assets

 SmartWay helps leverage your transportation spend by assessing then working with your carriers to improve their (and your) sustainability







Brad Pierce has been working the Distribution Group for Tyson Foods for 23 years—and has served as a manager in Warehousing, a Fleet Manager and Operations Manager for their Private Fleet, and for the last 11 years as their Corporate Transportation Manager for their Contract Carrier Division. Brad grew up in Springdale, AR and has lived in Springdale his entire life, except for three years serving his country in the US Army in Schofield Barracks, Hawaii (tough duty, I know!).

After serving his country Brad graduated with a degree from the University of Arkansas and began work for Tyson Foods in April of 1993. His current position entails making sure Tyson Foods is doing business with above-average carriers while making sure Tyson Foods has the capacity they need to provide industry-leading transportation solutions which make a difference.

Brad has two children who are both currently enrolled at University of Arkansas. He enjoys golf, running and riding motorcycles during his time off.



Tyson Foods, Inc. Fact Sheet



TEAM MEMBERS

******* 113,000

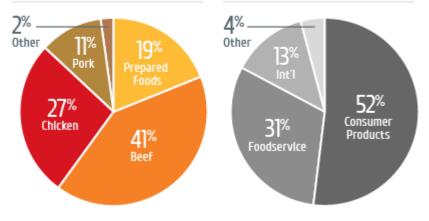
SALES (FISCAL YEAR 2015)

\$40.6 Billion*

*Based on 52 weeks.

SALES BY SEGMENT

SALES BY DISTRIBUTION CHANNEL



AVERAGE WEEKLY PRODUCTION (FISCAL YEAR 2015)

35,000,000 Head per Week
 128,000 Head per Week
 401,000 Head per Week
 68,000,000 Pounds per Week

Tyson Transportation Facts



Annual Shipments:

- Total Shipments: 858,000
- Total Drops: 1,135,000

Certified Contract Carriers:

- Contract Carriers Haul 64% of all Tyson Shipments
- Private Fleet hauls 36% of all Tyson Shipments

Contract Carriers and our Private Fleet will log over 479,700,000 miles annually



Please join Tyson Foods, Inc. for a SmartWay Informational Webinar on December 4th @ 1:30 – 2:30 CST

We are very excited to offer our Carriers an opportunity to learn directly from SmartWay experts on how to improve performance levels

Experts will provide insight into the SmartWay Carrier Model including:

- An EPA overview of SmartWay program and the role of the Shipper / Carrier collaboration
- Why Tyson Foods is anxious about Carrier Emission Scores
- What Tyson carriers can do to improve their Scores
- A review of the Carrier Model and how each input drives a Carrier's Performance Score

We do have constraints on the number of participating lines, so please Accept or Decline promptly!



98.0% of our Carriers answered they now have a better understanding of how their Carrier Performance is tied to or affects a Shipper's Performance in SmartWay

86.3% of our Carriers believe the SmartWay Program is beneficial to their Business

84.4% of our Carriers found the information in the presentation informative and useful

78.4% of our Carriers answered they now have a better understanding of how their SmartWay Performance is assessed and their rating is calculated

74.5% of our Carriers have a better understanding of what they can do to improve their performance in SmartWay

70.6% of our Carriers believe the Webinar adds value to their Company and will help them play a more effective role in the SmartWav Program







SmartWay Reminders

Is it on YOUR calendar?

2015

RUCK

TOOL

It is a Tyson Foods requirement to be SmartWay registered

We would like to remind you to make sure that you have accurately completed your SmartWay Truck Tool for 2015 Certification. If you haven't completed your Tool, please click on the link below for the SmartWay Website:

http://epa.gov/smartway/forpartners/index.htm#trucks



If you have any questions about the Tool contact your SmartWay Representative or email me at Ashley.Ferguson@tyson.com.



Page 4

Tyson Foods' Transportation Value Index

There are two designation-levels for trailers in the SmartWay program:

CARRIER DEVELOPMENT CONTACTS

Contact: Rhonds Mallard Phone: (479) 290-4908 Email: rhonds.mallard@tyson.com

Contact: Judy Thome Phone: (479) 290-8203 Emsil: judith thome@tyson.com

Tyson Foods Online www.tyson.com

Excellence

martWa

Transport Partner

 An EPA-designated "SmartWay" trailer is a 53-foot box trailer (dry van or refrigerated) used in long-haul operation, equipped with SmartWay-verified low-rolling resistance tires and SmartWay-verified aerodynamic devices. A SmartWay trailer can sove a total of 6% or more fuel over traditional trailers. At least 5% of the fuel savings result from reducing wind drag with one or more EPA-verified aerodynamic devices. An additional 1% or greater fuel savings come from reducing rolling resistance with EPA-verified tires. A typical Class 8 tractor-trailer combination truck in long-haul operation using a SmartWay trailer could save about 1,000 gallons of diesel annually.

> An ERA-designated "SmartWay Eth" trailer is a 53-foot box trailer (dry van or refrigerated) used in long-haul operation, equipped with SmartWay-verified low-rolling resistance tires and a higher level of SmartWay-verified oerodynamic devices. A SmartWay Ethe trailer can save a total of 10% or more fuel over traditional trailers. At least 9% of the fuel savings result from reducing wind drag with a combination of 2 or more ERA-verified aerodynamic devices. An additional 1% or greater fuel savings result from reducing rolling resistance with ERA-verified tres. A typical Class 8 tractor trailer combination truck in long-haul operation using a SmartWay Ethe trailer could save about 1,700 gallons of diesel annually.

http://www.epa.gov/smartway/forpartners/technology.htm





Breaking News Now Available At Our Tyson

SmartWay Learning Center

Now added to our Carrier Workbench Website

Forms & Document Library

Document Category		
Contracts (Show Documents)		8
CustomersMemos (Show Documen	B)	(\$)
Misc. (Show Documents)		8
Policies (Show Documents)		
SmartWayInfo ()dde Cocumenta)	 SW_Driver_Training SW_Idle_Reduction SW_Improved_Aerodynamics SW_Low_Rolling_Resistance_Tires SW_Low-Viscosity_Lubricants SW_Low-Viscosity_Lubricants SW_Maint_Proper_Tire_Inflation_Pressure SW_Reducing_Hwy_Speed SW_Weight_Reduction 	(R

We are excited to announce the launch of our <u>eTyson SmartWay Learning Center</u>! The Learning Center is part of our continuing effort to share the SmartWay message!

We have combined important Tyson and SmartWay information into one convenient location consisting of the latest SmartWay messages detailing ways to save fuel and money!

The eTyson SmartWay information is accessed using the following link: https://www.etyson.com/Login/Login.aspx, then clicking on the Forms and Document Library Tab located on the home screen of our Carrier Workbench Site, and finally clicking the SmartWay Info Category!

SmartWay Marks Ten-Year Anniversary: EPA SmartWay is marking its 10th anniversary supporting the goods movement industry. Since 2004, more than 3,000 organizations have joined the partnership and working together!



Environmental Stewardship





Carrier is a SmartWay Excellence Award Winner within the last 36 months and is in the upper 1/3 of the SmartWay Performance Rankings



Carrier is SmartWay Logo Qualified



Carrier is in the Top 75% of the SmartWay Performance Rankings





8





Summary of Ways to engage and collaborate with your carriers for Top SmartWay Performances which make a Difference!

- Hold Carrier Webinars discussing the importance of a Carriers Performance and what activities can drive better scores! (Your SmartWay score if made up of the Carrier decisions you make!)
- Make SmartWay participation a part of your KPI scoring of your Carriers
- Celebrate publically when a Carrier has success with SmartWay
- Track and Remind carriers each year when their Carrier model is due
- Provide Monthly or Quarterly articles linking to SmartWay website where technologies have been tested to save Fuel

*Remember SmartWay is about saving Fuel which saves money in your supply chain as well as improve our environment

** Today many companies have Sustainability reporting they document for investors. SmartWay participation provides your company with credibility with commitment to the environment!



SHIPPER-CARRIER RELATIONSHIP

Whirlpool Corporation's SmartWay partnership and carrier management







Agenda

- Overview of Whirlpool Corporation
- Overview of the Integrated Supply Chain
- Approach to reducing fuel consumption
- Benefits of SmartWay partnership

KARA HEGG

Transportation Carrier Management



ABOUT WHIRLPOOL CORPORATION

IMPROVING LIVES ... ONE HOME, ONE FAMILY AT A TIME



World's leading major appliance company

\$21 billion in revenue in 2016

Manufactures products in 11 countries and markets products in nearly every country around the world



Product & Brand Innovation





* Whirlpool, KitchenAid, Embraco, Consul, Maytag, Hotpoint** and Indesit brands

** Whirlpool Corporation ownership of the Hotpoint brand in EMEA and Asia Pacific regions is not affiliated with the Hotpoint brand sold in the Americas.

*** KitchenAid small domestic appliances



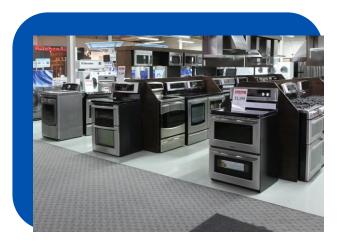
INTEGRATED SUPPLY CHAIN

WHIRLPOOL INTEGRATED SUPPLY CHAIN



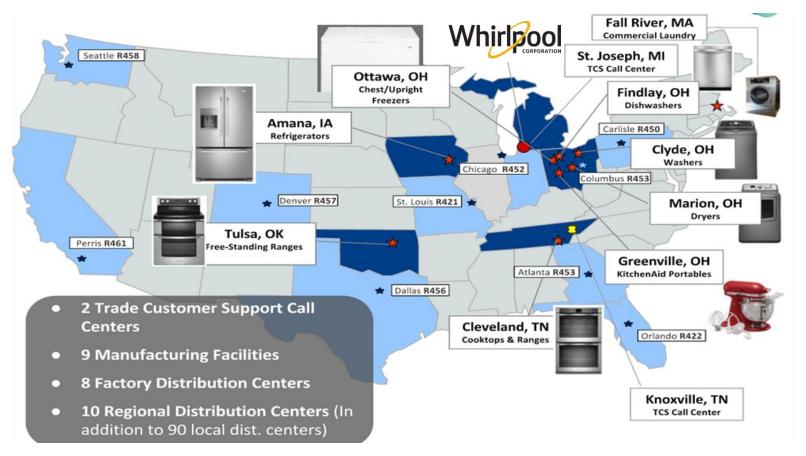
Our History

- 2004: Started with SmartWay
- 2006: Maytag acquisition network overhaul
- 2007: SmartWay partner with goal of moving 50% of volume on Smartway carriers
- 2011: Whirlpool combined its traditional supply chain functions and manufacturing operations to form the Integrated Supply Chain



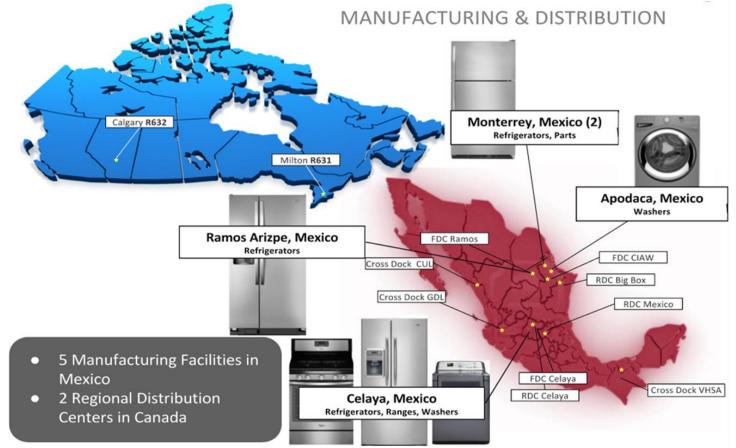


INTEGRATED SUPPLY CHAIN: U.S. MFG, DIST & TCS CALL CENTERS



Whirlpool

INTEGRATED SUPPLY CHAIN: CANADA AND MEXICO



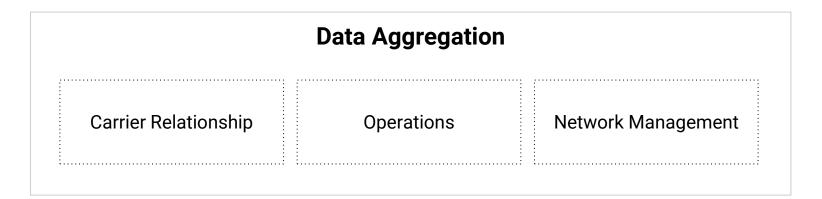
Whirlpool



REDUCING FUEL CONSUMPTION

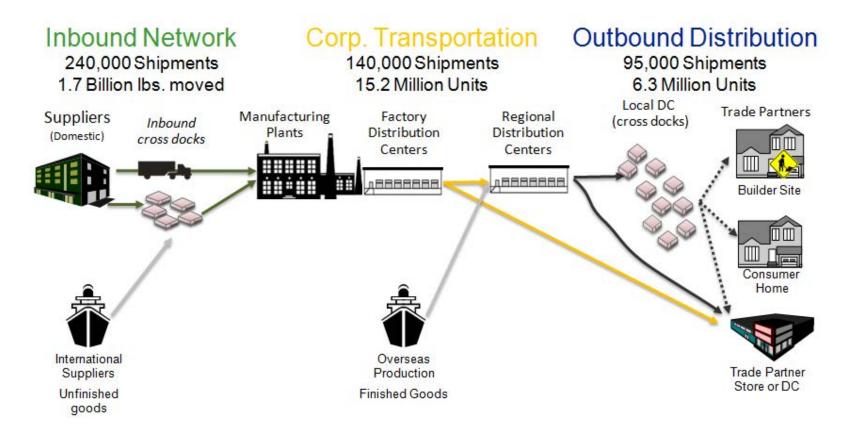
Whirlpool Corporation approach and Smartway partnership





NORTH AMERICA: SUPPLY CHAIN NETWORK

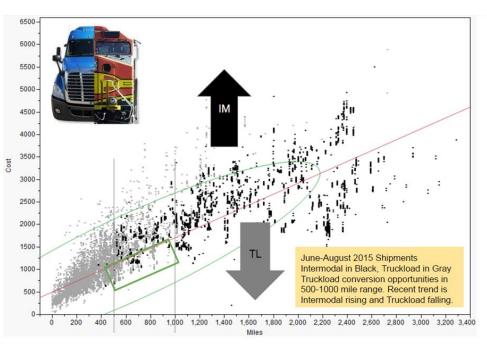




Whirlpool

CARRIER RELATIONSHIP

- RFI New carriers must be SmartWay Partners
- Work with incumbent carriers to join Smartway
- Aggressive fuel program
- Mode conversion



WAREHOUSING AND OPERATIONS



Physical Targets

- Loadability
- Packaging design
- KPIs set to drive trailer utilization

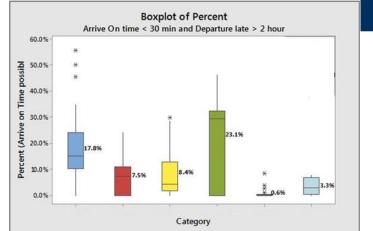
Operations Processes Drop & Hook

- Trailer turn time
- "Shipper of Choice" communication

<image><image>

Whirlpool Share what matters to you

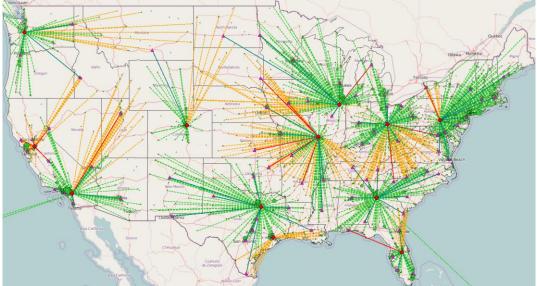






NETWORK MANAGEMENT

Supply Chain Optimization Inventory Planning and Deployment Reduce Out-of-Region moves Triangulating shipments





	Data Aggregation	
Carrier Relationship	Operations	Network Management

SmartWay benefits:

- Common approach across carriers
- Measurable results internally and carrier
- SmartWay participation beyond Whirlpool Corporation Suppliers, Trade Partners, etc





*Whirlpool Corporation ownership of the Hotpoint brand in EMEA and Asia Pacific regions is not affiliated with the Hotpoint brand sold in the Americas.



https://www.epa.gov/smartway/resourcesintroduce-your-carriers-smartway

SEPA United States Environmental Protection Agency

Agency				
Environmental Topics	Laws & Regulations	About EPA	Search EPA.gov	٩
SmartWay			Share	Contact Us
SmartWay Home	Recour	ces to Intr	oduce Your	
Learn about SmartWay				
Participate in SmartWay	Carrier	rs to Smart	Way	
Meet the SmartWay Partners and Affiliates	This page includes s	everal documents and templa	ates to help you introduce your carriers to	o the
Use the SmartWay Brand	benefits of registerin	ng with the SmartWay program	n.	
Global Collaboration	Template	es:		
SmartWay Latest News		etter (2 pp, 33 K, October, 2016) — o and introduce SmartWay.	customizable letter a shipper may use to	reach out
		Proposal Sample Language (3 hippers might consider to enc	3 pp, 124 K, October, 2016) —suggested option courage carrier participation.	ns for
	Education	nal Resources	:	
	You may need Ac more.	dobe Reader to view files on t	his page. See EPA's <u>About PDF page</u> to lea	arn
		iew (PDF) (1 pg, 1 MB, October, 201 nmary, suitable for introducin program.	·	
	(1 pg, 68 K, October 2	<u>r Business Case (PDF)</u> 2016, EPA 420-B-16-043) understand how SmartWay he	elps their bottom	
	 SmartWay Carrier 	r Strategies Summary (PDF)		

(3 pp, 107 K, October, 2016, EPA 420-B-16-049) Outlines key technologies and practices that carriers should consider to improve efficiency.

Contact Us to ask a question, provide feedback, or report a problem.

SmartWay Resources to Engage Carriers



CONNECT WITH US Register for a

SmartWay webinar!



www.epa.gov/ smartway/smartway-webinars-events

ARE YOU A FREIGHT CARRIER?

Learn more about moving goods the SmartWay.



www.epa.gov/smartway/ become-smartway-carrier-partner



Template Shipper to Carrier Letter

[COMPANY LETTERHEAD]

First name, Last name Street Address City, State, Zip

Dear First name,

[Company Name] prides itself as an industry leader by numerous measures. We aim for innovation and operational efficiency which keeps us competitive while satisfying the needs of our customers and shareholders. The freight services you provide help us to achieve this success and we appreciate your commitment to operational efficiency. However, we are also driven by the principles of corporate citizenship and are determined to be good stewards of the shared environment upon which we all depend.

While essential to our economy, we know that freight transportation has environmental impacts which affect public health and climate. These impacts stem primarily from greenhouse gases and other pollutants generated in our freight supply chain. As a freight service provider for us [*Their Company Name*] is part of our Scope 3 carbon footprint. Your firm is incurring emissions to transport our products as part of our business arrangements and these emissions have impacts for our communities, our nation and our planet. We believe we can do something to lessen these impacts while also helping our businesses (yours and ours) to become even more competitive.

Consistent with our commitment to corporate social responsibility, [Company Name] has joined a voluntary effort with the Environmental Protection Agency (EPA), called the **SmartWay Transport Partnership®**. SmartWay works collaboratively with freight shippers and their carriers, transport providers and logistics partners to help reduce emissions associated with freight transport. We have committed our company to take a closer look at our freight operations and move to track and reduce those emissions. We



Date

Shipper RFP Sample Language

Option 1: SmartWay Registration Required

Carriers and/or logistics providers awarded this contract will be required to be a registered EPA SmartWay Transport Carrier, Logistics, or Multimodal Partner. Carriers and/or logistics providers must submit data to EPA on an annual basis to remain a partner in good standing and will be listed on the EPA SmartWay website as a partner. More information on registering in SmartWay is available at: www.epa.gov/smartway.

Option 2: SmartWay Performance Ranking Factored

Carriers and/or logistics providers that are awarded this contract will be required to be a registered EPA SmartWay Transport Carrier, Logistics, or Multimodal Partner AND listed in performance ranking categories 1, 2, or 3 or "performance ranking category 1 or 2" for grams of CO₂ per ton-mile or grams of CO₂ per mile in the SmartWay Performance Rankings listing at: <u>www.epa.gov/smartway/smartwaycarrier-performance-ranking</u>.

Carriers and/or logistics providers must submit data to EPA on an annual basis to remain a partner in good standing and be listed on the EPA SmartWay website. More information on registering for SmartWay is available at: www.epa.gov/smartway/participate-smartway.

Option 3: SmartWay Registration Preferred

Carriers and/or logistics providers that are registered as EPA SmartWay Transport Carrier, Logistics, or Multimodal Partners will be preferred over non-registered firms in awarding this contract. SmartWay registration will be a key factor in contract selection, in addition to pricing, availability, and level of service considerations. Carriers and/or logistics providers must submit data to EPA on an annual basis to



SmartWay Resources to Engage and Educate Carriers

- SmartWay Carrier Business Case
 - Helps carriers understand how SmartWay
 helps their bottom line
 - https://www.epa.gov/smartway/business-casebecoming-smartway-carrier
- SmartWay Carrier Strategies Summary
 - Outlines key technologies and practices that carriers should consider to improve efficiency



SmartWay Webinar for Carriers

Maximize your Efficiency with Fuel Saving Strategies and Technologies

Truck Carriers – are you maximizing your efficiency? Learn how you can lower fuel costs, shrink your emissions footprint, compete with the best and thrive while lowering your impact on the environment.

April 12, 2017 at 2:00 ET

Register at <u>https://attendee.gotowebinar.com/register/56307214729</u> 42949634

Presenters:

Mesilla Valley Transportation



Questions?

For more information:

- www.epa.gov/smartway
- <u>smartway_transport@epa.gov</u>
- SmartWay Helpline (734) -214-4767



