

# Understanding Shipper Performance

June 21, 2018, 2018





# Today's Discussion

- Overview of Resources for Shipper Performance
  - How SmartWay works
  - Resources in the Shipper Tool
    - ✓ "What-if" Scenarios at Shipper Strategies Tab
    - ✓ Reports
  - Resources in the Portal
    - ✓ Carrier Performance Ranking File
    - ✓ Shipper Performance Report

### Panel Discussion

- Adam Benkovich
  - Diageo
- o Ron Guzzi

The Home Depot



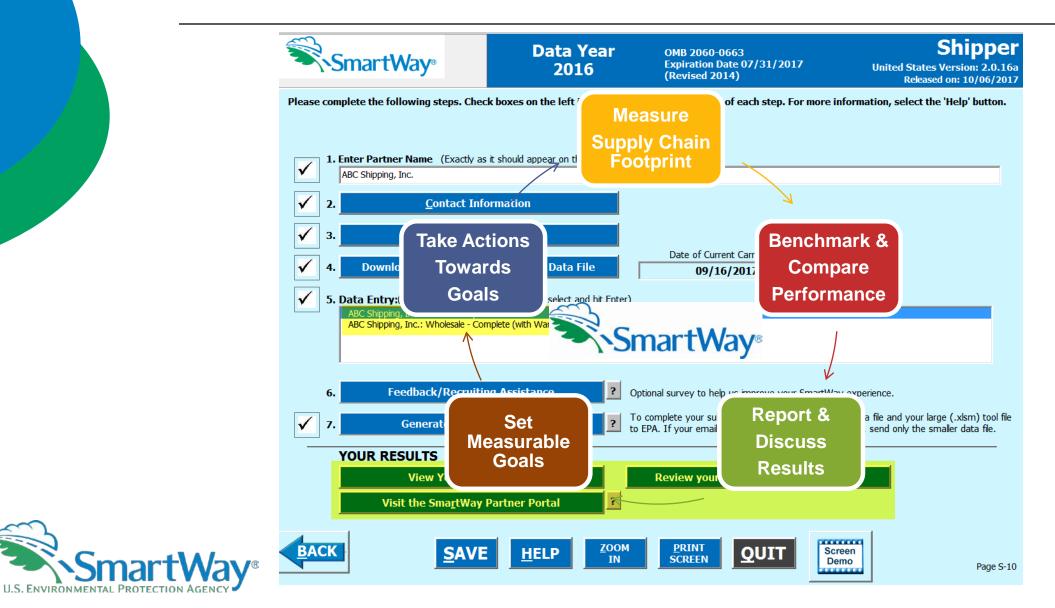


# Improving Your Supply Chain Performance





# **Resources in Your Tool**



# Shipper Strategies Tab: System Activity

Awards/Data Entry Selection			Input Carriers			Activity Data		% SmartWay	Data	a Display	Shipper Strategie		
Syst	em Activity	Modal S	Shift										
Previously pertaining the syster that your miles and	y to your company m. In other words company implem I ton-miles. The re	u calculated the e y's strategies to u s, this screen calc nented for the rep	emissions resu reduce emission culates the em porting year to	Ilting from yo ons BEFORE f issions that v o take miles o	our m freigh vould or wei	ovement of fr t is placed on have happen ight out of the	ed had you NC	strategies on thi DT implemented	s screen are b your efficiency ults are calcula Use the butt	ased on eliminat y improvements. ated assuming a on below to access	ecific information ing miles or weight . Please list all strate one-to-one reduction : information on on of your activities:		
Add Ac	tivity Select a category:	Miles removed	from system	-		1					·		
	Pick an activity:		Add			d Activity (% Improvement)			Basic (	Quantification and Documentation of System Activities			
		Distribution ce				(%)	. ,	(M )					
	Selected Activit	Retail sales loca Routing optimi			ıt	002	Results (To NOx	ons/Year) PM10	PM2.5	? Data Source	e / Methodology		
		🚽 Cube optimizat		trailers							,		
1.			Larger vehicles and/or multiple trailers Other (please specify)			0	0.0	0.00	0.00	Internal tracking how many miles	J systems that calculate s are removed.		
Name	Right turn on y		Rail Truck			0			0.00				
Categor	Miles removed from	n system	, Multimodal	6.7		24,970	66.2	1.46	1.46				
5			Logistics	3.2		282	3.4	0.09	0.09				
Activity	Routing optimizatio	n	Barge	1.1		388	2.5	0.09	0.09				
	1												
2.	Remove		Air D-1			0	0.0	0.00	0.00	Internal weight :	system metrics.		
Name	Container redesign		, Rail Truck	1.5		492	10.1	0.28	0.28				
Catagory	Weight removed fr	om system	Multimodal	3		10,754	28.5	0.63	0.63				
Category			Logistics	4.4		393	4.7	0.13	0.13				
Activity	Package weight red	luction	Barge	5.6		2,068	0.0	0.47	0.47				
		Total Emissio	n Reductions	(Tons/Year		39,347	129.0	3.16	3.16				
					_								
			LP	ZOOM		PRINT		VALIDATE	VIEW/ADI				



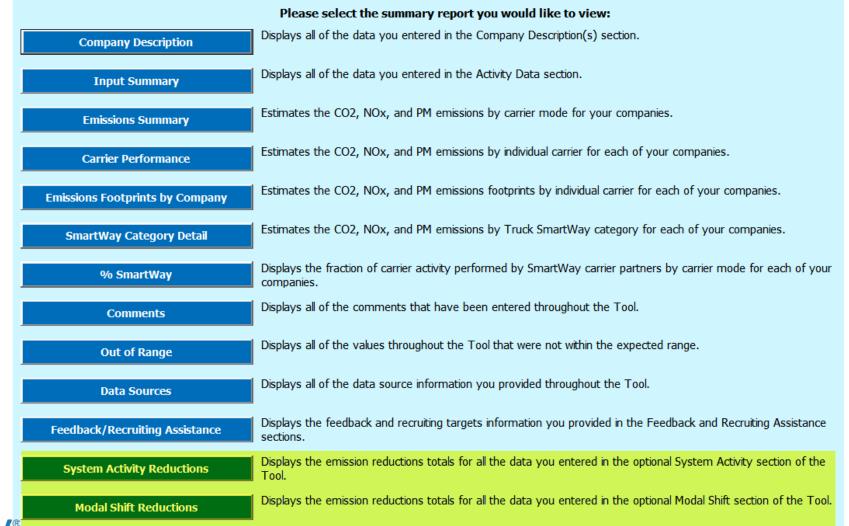
# Shipper Strategies Tab: Modal Shift

Add N	1odal Shift		_			?	(unite	?	
	1. Carrier Mode	2. Emission ? Factor Source	3 Amo		urce and	Efficiency Specified in Before		Total Emissions Reductions (tons/yr)	
	Houe		Units: Miles 🗲	User Input D	0	2,260	1,546	94	
rom:	Logistics 🔻	Shipper's Carrier Average	▼ 45,811	- Oser Input D	NOx	18.50	8.45	0.83	
	Truck 💌	Modal Average	<ul> <li>11,557</li> </ul>	<u>Optional</u>	PM10	0.650	0.345	0.028	
Delete				Inbound/Occoound: Domestic/International:	Al   PM2.5	0.650	0.335	0.029	
			Units: Miles 🗲	User Input D	Data Source CO2	1,232	1,072	216	
rom:	Multimodal 💌	Shipper's Carrier Average	256,667		NOx	17.23	18.60	2.57	
To:	Rail 💌	Modal Average	<ul> <li>112,455</li> </ul>	<u>Optional</u> Inbound/Outbound:	PM10	0.492	0.519	0.075	
Delete				Domestic/International:	DM2.5	0.492	0.503	0.077	



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### Find Results in Your Data Reports Screen





# Look in Your SmartWay Portal

### The SmartWay Portal

The SmartWay Portal is a resource for SmartWay Partners and eligible companies that are interested in partnering up with SmartWay. The portal options that are listed below reflect what type of partner/prospect you are (e.g., a Truck Carrier), as well as whether you are working with the US Environment Protection Agency or Natural Resources Canada. For example, partners can use this portal to obtain their SmartWay Registration document and SmartWay Logo files. Partners and prospects who are either Logistics Carriers or Shippers can use the Carrier Matching function to assist them in filling out their tools. If you have any questions, please contact your SmartWay Partner Account Manager or SmartWay recruiter.

- SmartWay Registration Document
- SmartWay Partner Logo Resources
- Sample SmartWay Partner Press Release (docx)
- SmartWay Shipper Performance Report
- Candidate Mentoring
- Enter Feedback

2017 Data Year SmartWay Carrier Performance Rankings Spreadsheet

• SmartWay Carrier Matching SmartWay<sup>®</sup> U.S. ENVIRONMENTAL PROTECTION AGENCY

### **Evaluate Your Carrier Choices by Rank**

# **Public Carrier Performance Data**

Performance Rankings		TL/Dry	Van								-		-						_
Click down arrows 👻 to filter data by column cate	gories. Se	lect one or mo	ore items i	n the dro	pdown chec	klists.			1		1	1	1				1		
Note: g/m=grams/mile and g/tm=g/ton-mile								Performance Rankings and Emission Factors											
								Grams per Mile					Grams per Ton-mile						
Carrier Fleet Name	- Mode	SmartWay Ranking	Fleet	SCAC	- MCN -	US DO -	Canadian NSC +	g/m CO2 Rank	g/m - CO2 -	g/m NOx Rank	g/m NOx	g/m PM - Rank	g/m PM +	g/tm CO2 Rank -	g/tm CO2 -	g/tm NOx Rank -		g/tm PM Rank -	g/tm
101 Transport, Inc.	Truck	TL/Dry Van			625894	1705392	N/A	3	1600	4		75	0.086	2	81.5	5	0.445	3	0.00
1527530 Ontario Inc./M&M Carriers	Truck	TL/Dry Van	For-Hire	MNMR		1159500	142970520	3	1600	4		72	0.026	3	90.5	4	0.355	2	0.003
1541335 Ontario Inc./Road Link Xpress	Truck	TL/Dry Van	For-Hire	ROAD	N/A	1063823	143440740	5	1800	3	1.1	52	0.026	4	99.5	3	0.265	1	0.0005
1628939 Ontario Ltd. o/a P&D Freightlines	Truck	TL/Dry Van	For-Hire	PDGH	521737	1360591	N/A	3	1600	2		32	0.026	2	81.5	2	0.175	1	0.000
1st Express Inc.	Truck	TL/Dry Van	For-Hire	FSEP	181440	284589	N/A	1	1400	2		3 4	0.066	3	90.5	3	0.265	2	0.00
2210310 Ontario Inc./Dynamic Freight Haulers	Truck	TL/Dry Van	For-Hire	DFHR	691346	1937937	N/A	4	1700	4		7 5	0.086	5	108.5	5	0.445	5	0.01
2241552 Ontario Inc / Skyway Carrier	Truck	TL/Dry Van	For-Hire	SWYC	N/A	230633	N/A	5	1800	1		11	0.006	5	108.5	1	0.085	1	0.000
2322819 Ontario Inc./Right Service Right Choice	Truck	TL/Dry Van	For-Hire	TTWT	N/A	N/A	173-333-054	3	1600	2	-	3 5	0.086	4	99.5	3	0.265	3	0.00
3NT, LLC.	Truck	TL/Dry Van	For-Hire	THLL	716290	2042543	N/A	3	1600	1		11	0.006	2	81.5	1	0.085	1	0.000
5/D Express, Inc	Truck	TL/Dry Van	For-Hire	FDRP	488737	1243083	N/A	3	1600	2		3 2	0.026	3	90.5	2	0.175	2	0.003
6233317 Canada Inc. DBA Rockwell Truck Line	Truck	TL/Dry Van	For-Hire	RKWT	797845	2333669	148783160	2	1500	3		5 5	0.086	1	72.5	3	0.265	4	0.01
6350658 Canada Inc.	Truck	TL/Dry Van	Private	STFW	852013	2465329	179734309	3	1600	1		11	0.006	3	90.5	1	0.085	1	0.000
9108-1950 Quebec inc dba Via Trans International	Truck	TL/Dry Van	Private	VTIL	471471	1175764	60331659	3	1600	1		11	0.006	1	72.5	1	0.085	1	0.000
A&M Transport, Inc.: Dry Van Fleet	Truck	TL/Dry Van	For-Hire	ALKM	217072	344894	N/A	3	1600	3		5 4	0.066	3	90.5	3	0.265	2	0.003
A&S Services Group, LLC	Truck	TL/Dry Van	For-Hire	ANSW,	AS 164166	1880751	N/A	5	1800	3		52	0.026	5	108.5	3	0.265	2	0.003
A.C. Trucking, Inc.: 12073707	Truck	TL/Dry Van	For-Hire	AKGM	196190	281881	N/A	3	1600	3		5 2	0.026	1	72.5	3	0.265	2	0.003
A.D. Transport Express, Inc.	Truck	TL/Dry Van	For-Hire	ADXR	195625	0269605	N/A	3	1600	2		3 2	0.026	5	108.5	3	0.265	2	0.003
A.N. Webber, Inc.	Truck	TL/Dry Van	For-Hire	WANQ	147008	76507	N/A	3	1600	2		3 2	0.026	2	81.5	2	0.175	2	0.003
A/T Transportation, LLC.	Truck	TL/Dry Van	For-Hire	AUCR	N/A	1486485	N/A	3	1600	2		3 5	0.086	4	99.5	2	0.175	3	0.007
A1 Trucking LLC	Truck	TL/Dry Van	For-Hire	AONA	874455	2519373	2519373	4	1700	2	-	3 2	0.026	2	81.5	2	0.175	2	0.003
AC Leasing Company Inc.	Truck	TL/Dry Van	For-Hire	ACWH	156691	264128	N/A	2	1500	5		95	0.086	1	72.5	5	0.445	5	0.015
ACS Logistics Transportation Inc.	Truck	TL/Dry Van	For-Hire	OFNS	548067	1450334	129295853	3	1600	5	1	9 5	0.086	2	81.5	5	0.445	5	0.015
AGI Transport Inc.	Truck	TL/Dry Van	For-Hire	AGTE	569163	1525204	153 767 479	2	1500	2		3 3	0.046	2	81.5	2	0.175	2	0.003
ALB Express Inc.	Truck	TL/Dry Van	For-Hire	ALBK	803750	2348464	N/A	5	1800	4		72	0.026	3	90.5	4	0.355	2	0.003
ALTL Inc	Truck	TL/Dry Van	For-Hire	ALLM	154127	169025	N/A	3	1600	2		3 3	0.046	3	90.5	2	0.175	2	0.00
AM International (TFI 11, S.E.C.): AM International	Truck	TL/Dry Van	Dedicate	OLMAD	s/o	1257162	61668976	4	1700	2		32	0.026	2	81.5	2	0.175	2	0.003
AMC Express, Inc.	Truck	TL/Dry Van	For-Hire	AMCM	789656	2313051	N/A	1	1400	5		9 5	0.086	1	72.5	5	0.445	5	0.015
ARD Express Inc.	Truck	TL/Dry Van	For-Hire	ARXK	588686	1590621	N/A	1	1400	5	1	9 5	0.086	1	72.5	5	0.445	3	0.007



# **Review and Share Your Shipper Performance Report**



#### SmartWay Shipper Performance Report

Based on 2017 Tool Submission Using NAICS 44 PREPARED FOR: ABC Shipping, Inc.

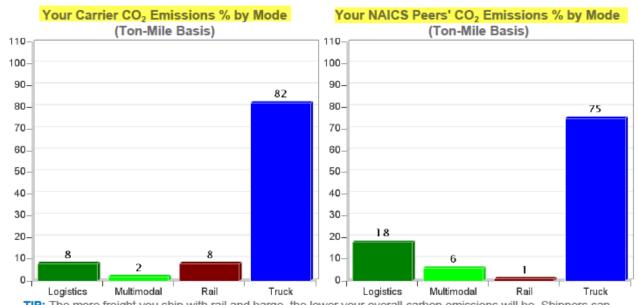
This executive report provides important information on ABC Shipping, Inc.'s participation in the U.S. EPA's SmartWay Transport Partnership. This confidential report is based on data reported in 2017, for the prior year's activity. THE BASICS

Member Sin Company: R Your Compa Lemming Your Compa

> SmartWay F Phone: 703-(

ABC Shipping, Inc.'s SmartWay performance is a reflection of the products and supplies, and the internal steps taken to improve the products and supplies.

This report provides various measures to evaluate the efficiency Inc.'s freight operations.

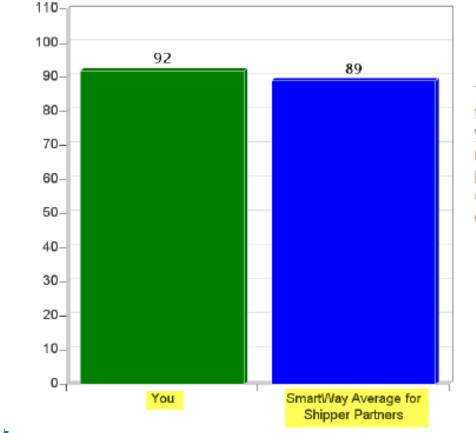


**TIP:** The more freight you ship with rail and barge, the lower your overall carbon emissions will be. Shippers can reduce their carbon footprints by shipping with less carbon-intensive modes.



# Your Shipper Performance Report (cont.)

### Percent of SmartWay Carriers (all modes) and Logistics Providers by Ton-Mile

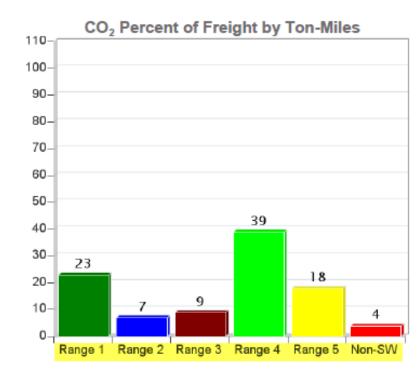


This graph indicates how your proportion of ton-miles of freight shipped with SmartWay carriers compares to your peers. Encouraging and incentivizing non-SmartWay carriers and logistics providers to participate in SmartWay enables you to get a more complete carbon footprint analyses. A shipper's footprint equals the sum of its carriers.

**TIP:** Work with your SmartWay Partner Account Manager (PAM) to reach out to any of your non-SmartWay carriers and logistics providers to help get them registered.

# Your Shipper Performance Report (cont.)

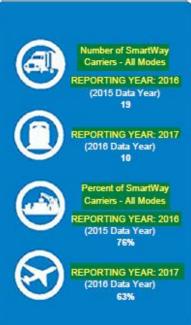
#### Proportion of Your Carriers by CO<sub>2</sub> Grams per Ton-Mile Performance Range (Truck Freight)





#### Your Percentage of SmartWay Usage

Use this information to identify what proportion of your freight is carried by the most efficient carriers (Performance Range 1) to the least efficient carriers (Performance Range 5), or non-SmartWay carriers.



Compared to the average of your peers, here is how you did in 2016 (reported in your 2017 Shipper Tool).



### Panel Discussion—Introducing:

# Adam Benkovich



- Adam Benkovich is a Transportation Analyst for North America at Diageo, a global leader in beverage alcohol with an outstanding collection of over 200 brands.
- North America is the company's largest region and contributes approximately 50% of he company's operating profit.
- Based in Norwalk, Connecticut at Diageo's North America headquarters, Adam is a member of the Supply North America Logistics team and handles transportation to control states, as well as logistics environmental reporting, domestic freight claims, and dedicated fleet operations.



DIAGEO

# DIAGEO

# Understanding SmartWay® Shipper Performance

ADAM BENKOVICH, DIAGEO NORTH AMERICA

# Who is Diageo?



# Our Purpose: Sustainability & Responsibility





# Reducing Our Environmental Impact: 2020 Targets DIAGEO

### Water:

- Improve water use efficiency by 50% improvement
- Return 100% of wastewater from our operations to the environment safely

### Carbon:

• Reduce absolute greenhouse gas emissions from direct operations by 50% and achieve a 30% reduction along the total supply chain

### Packaging:

- Reduce total packaging volume by 15%
- Make 100% of our packaging recyclable or reusable

### Waste:

• Achieve zero waste to landfill

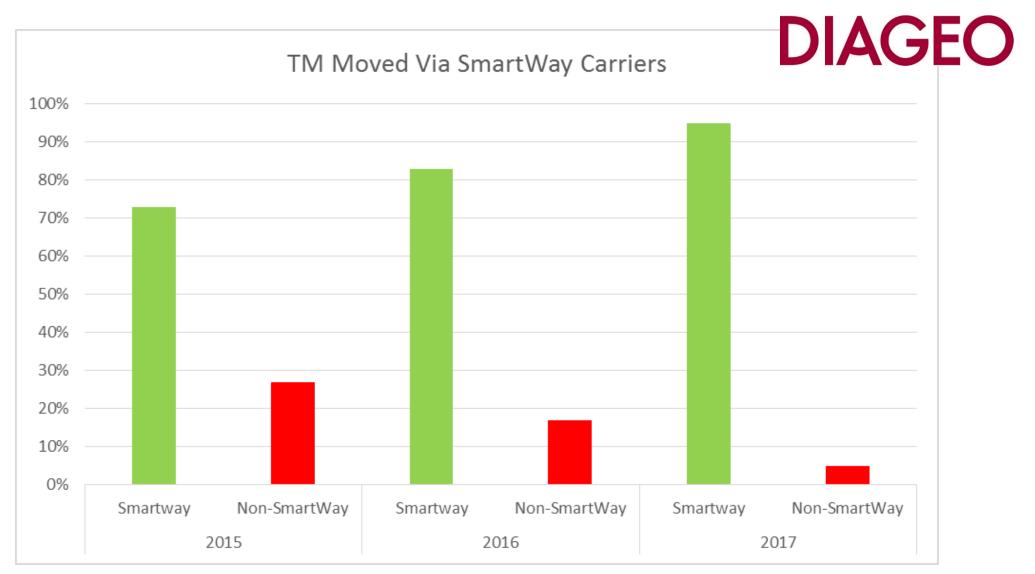
# Monthly Performance Tracking





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# Measurable Impact

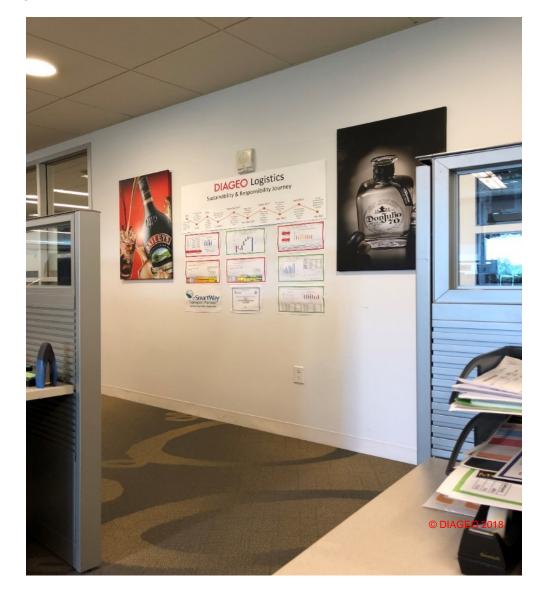




# Reducing our environmental impact: Recognition & Partnerships



# **Company-Wide Goals and Collaboration**



# DIAGEO

# CELEBRATING LIFE, **EVERY DAY, EVERYWHERE**

### Panel Discussion—Introducing:

# Ron Guzzi





- Home Depot last 21 years
- Last 7+ years Sr. Manager Carrier Relations and Sourcing
- Oversee Transportation Carrier Strategy within our Supply Chain
  - o Manage over 100 Domestic Carriers
  - ~\$2B in domestic Trans spend and 40 Million shipments/loads
  - All sourcing/bid activity associated with Domestic Trans (modes include – truckload, intermodal, rail, dedicated fleets, LTL, parcel, final miles)
  - Domestic carrier compliance around service levels
  - o Domestic Carrier contracts

# **Company Overview**

### Founded in 1978

- Atlanta, GA
- Largest Home Improvement Retailer
- 400,000 employees
- > FY2017 Sales: \$101.9 Billion USD
  - United States, Canada, Mexico
  - Stores: 2,275

≻75 DC's Across Our Supply Chain

- 75% of Merchandise Through DC's
- 100 Domestic Trans Carriers
- 40M shipments/loads per year



### **Home Depot – Sustainablity**



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### THD and SmartWay



- Business Policy: 100% of contracted carriers must be current SmartWay partners
  - Require certificate during carrier on-boarding
  - Monitor EPA/SmartWay site for carrier (data submission) compliance to program requirements
  - Carrier contracts terminated if determined to be non-compliant
- SmartWay Recognition: SmartWay logo required in Supply Chain email signatures

#### **SmartWay**



- Serving as a Mentor for the EPA to 'coach' new supplier on the SmartWay® Program
- > Pay for Performance: (Implemented in 2013)
  - Bid process allows for artificial rate adjustments prior to scenario analysis
    - CO2 (50%) + NOx (25%) + PM10 (25%) = THD SmartWay Score
    - Carrier scores grouped into 5 "SmartWay Buckets" for rate adjustments

# Home Depot – SmartWay

### THD, SmartWay, and our Carriers



#### **Carrier Reviews:**

- Conduct on-site carrier reviews annually with top 20-30 carriers for THD.
- Require carriers to present current SmartWay efforts and initiatives to improve
- Examples...





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Ron Guzzi ron\_guzzi@homedepot.com

