Inside:

- Frequently Misunderstood Contract Clauses
- Raising the Bar of Sales Management in Organic Sales of Air Freight, Logistics and Supply Chain
- Six Trends That Will Define China's Future
- Do You Really Own Your Own Data?
- C-TPAT: What is it and should my company participate
- ACE: Are You Ready?
- Shipping Dangerous Goods
- Working Smarter and Faster with Automation in Logistics
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A decade may seem to be a long period to many people, but in any case, the past ten years serving as the Airforwarders Association’s executive director has gone by in a flash. Our industry has changed so much during this time, and our association has seen its share of changes as well while continuing to keep pace with a seemingly never ending stream of developments as we meet the future. Ten years ago, freight forwarders were developing and forwarders if a trucker was safe to hire, this was not included but we are still thankful for the significant changes.

Brandon Fried
AFA Executive Director

Our involvement in the past decade in Washington serves as the foundation of our advocacy efforts with AFA Government relations director Clint Fisher working tirelessly on our behalf. Most recently, our efforts focused on the Fixing America’s Surface Transportation Act recently signed into law by Pres. Obama. In addition to a national freight plan, the new law finally provides a $300 billion long-term solution to addressing our nation’s road infrastructure needs while removing the flawed CSA scores from our never ending engagement with the Transportation Security Administration in crafting the Certified Cargo Screening Program, enabling off airport screening of cargo. Today, several of our members are responsible for the task at their facilities, resulting in more efficient handling and security of shipments. Unfortunately, recent terrorist attacks throughout the world remind us of the importance of cargo security is more than ever. We know that those intent on doing harm to our country focus on transportation as a spectacular method of delivering such terror. As a result, we continue to focus on working with regulators and lawmakers in crafting smart policies that keep goods efficiently moving while maintaining a secure transportation infrastructure.

In addition to the Airforwarders Association tripling in size during the last decade, our members have increased their activity as well. A prime example of this involvement included providing testimony before Congressional Committees several times. This activity continues through our Regulatory Compliance Committee in which Chairman Glen Hall and several experienced members continue to monitor and analyze the impact of existing and proposed regulations on our industry. The current slate includes watching for the infamous TSA Indirect Air Carrier Standard Security Program Change 6, now slated for release shortly after Christmas, proposed changes in export manifesting requirements, pre-loading advanced data initiatives, lithium battery regulations, trucker coercion rules, patent trolling reform and transportation regulations expected soon from the FDA.

This issue of our magazine contains several insightful articles for you and your business. Don Cesar of ICAT Logistics identifies six trends that will define China’s future and could change volumes of cargo coming out of the land of inexpensive manufacturing. Dave Hockersmith of Trans-Soft discusses ownership of your company’s data and how you can protect it, an issue that is growing in importance as our industry looks to the cloud for data storage. Also, AFA Board Director Sandy Gregory has contributed several informative articles including a discussion about the Automated Commercial Environment or “ACE” and what forwarders need to know as implementation deadlines near. Sandy’s articles on C-TPAT and dangerous goods regulations are quite informative.

The upcoming year promises many opportunities and challenges for our Association and its membership. As a member, you can benefit from our upcoming annual event, AirCargo 2016 takes place in Phoenix, June 8-10 and promises to be one of the most interesting agendas ever. Our upcoming annual event, AirCargo 2016 takes place in Phoenix, June 8-10 and promises to be one of the most interesting agendas ever. This conference will focus on the future in cargo, from cyber security to driverless cars to delivery drones and much more. Of course, high ranking government officials from the TSA and CBP will be present as well as a team of legal experts to answer your questions. Registration is now open so make plans today to join us in Phoenix in the Spring. Looking back on my first ten years as executive director, I have been privileged to work on a variety of important issues with the most knowledgeable and experienced transportation professionals in the industry. These people are constantly working to make our industry secure while keeping the flow of goods moving in vital support of our economy. Our success depends on your support so if not already serving on one of our many committees, please consider joining one today. There is strength numbers and by working together as a group we can make the next decade an even more exciting and successful one for our industry.

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Brandon Fried
AFA Executive Director
Chairperson’s Corner

As I try to gain a better understanding of this trend in our economy, a John Kenneth Galbraith quote comes to mind, “Economics is extremely useful, as a form of employment for economists”.

Change for sure is a new reality. E-Retailers such as Best Buy and Amazon are up in volume while traditional mainstream retailers such as JC Penney, Toys R Us, and many others have shown a softness on in store revenue, altering the traditionally familiar logistics channel. Times are changing, and forwarders need to be contemplating the need to understand complex issues.

Could drones and driverless trucks be the future of freight transportation? Will shipping cargo be as easy as the customer finding the right app on their smartphone? Is cyber security a requirement for all business in our new interconnected world? These questions and yes, even an “economist”, are on the slate at Air Cargo 2016 – where our theme will be “Navigating THE Critical Changes” on June 8th – 10th at the JW Marriott Desert Ridge in Phoenix Arizona. Registration and sponsorship opportunities are open for our collaborative event that will blend new school opportunities are open for our collaborative event that will blend new school education with back to basics networking in warm, but air conditioned Arizona.

Your AIA will continue to strive to provide the most up to date and accurate information we can to help you run your company. Last week, Congressional Conferences reached an agreement on a $300 billion 5-year Highway Bill renamed Fixing America’s Surface Transportation or the “FAST” Act. This important legislation establishes a national multimodal freight network as well as language to reform the Compliance, Safety and Accountability Initiative. The bill includes $252 Billion over five years allowing for more coordinated highway and bridge infrastructure planning with state governments in addition to 48 billion for programs addressing motor carrier safety, rail programs, and various safety initiatives.

Many thanks to AIA’s Government Affairs Director Clint Fisher and Executive Director Brandon Fried for keeping the pressure on the Hill. Regulatory compliance for new and existing laws will continue to be a major focus for our association as will advocating for sensible changes within the system. Our Association continues its work with new leadership at TSA while contemplating improved cargo screening options and proposed export manifesting requirements that include more forwarder participation through the Automated Commercial Environment and Food Safety Modernization Act transportation regulations. These and many more issues keep our Regulatory Compliance Committee and Washington staff extremely busy.

The AIA invites you to let us know about your concerns because chances are, other members of our Association and our industry share them. I urge your organization to take advantage of the educational opportunities through our webinars and forward the AIRMAIL blast to others within your organizations whenever possible.

I just want to remember that strength is in our membership numbers!! Forward Thinking!! Global Focus!!

Getting back to basics?

US Employment is on the rise, at least statistically. Our economy is expanding. The New York Stock Exchange is up 165% since 2009, and the NASDAQ is up 275%. The S&P, long considered one the best indexes for gauging the US Economy is up 12% year over year and 210% since 2009. I see this locally when visiting crowded sporting events and restaurants, where discretionary income produced by this growth keeps such places full.

The passenger sides of many airlines are experiencing record growth indicating that people are getting out and about. Brick-and-mortar retail sales are slightly down for Black Friday, offset by increasing double digit online internet sales. Overall, retail saw a drop of 1.5 percent in customer traffic or 1.4 percent drop in spend per shopper over that traditional weekend but considering the whole month of November as well as Cyber Monday; sales were up 2.4 per shopper. That said, why are the numbers not reflective in increased shipments?

Will shipping cargo be as easy as the customer finding the right app on their smartphone?

Despite the relatively good economic news, cargo volumes and rates are stagnant or in decline over many segments, particularly in the air and ocean modes.
Welcome to the newest edition of Forward Magazine. As we enter December and 2015 draw to a close, it is natural to reflect on the last eleven months and to try and see patterns. We reflect on our successes, and wrangle with unmet challenges and try to ascertain what direction the coming year will take; we also take action to adjust our plans and have a positive impact on our future. For us at EMO Trans, who regularly support specific AFA efforts, whether through committee membership or membership in local working groups partnering with the AFA. Encouraging our employees to use time at their desks to help the AFA is one additional way to support the efforts of this national organization.

As I mentioned in my last article, my colleague Darren Walton in ORD continues to work with the Chicago Air Cargo Congestion Working Group, meant to assess the congestion issues at O’Hare airport. The key to their success will be that many stakeholders who touch cargo including airlines, truckers, forwarders and cargo handling agents are coming together to find more efficient ways to use the available infrastructure.

Both my colleague Andy Richardson in MIA and I are on the e-commerce committee, and we are enjoying the ongoing discussions to articulate and address the changes coming down the pipe for air cargo. Aside from constant updates to the electronic demands on forwarders by governmental agencies and now the airlines as well, as an industry we need to start thinking about the nexus between conservation, efficiency and higher customer demands for both technology and customized solutions. The e-commerce related business tends to shorten the supply chain with near-shoring and other methods designed to increase efficiency and at the same time, customers get their goods piece by piece via courier and expect an overhaul of the power infrastructure to run ever more demanding personal electronic devices. This is not just an airfreight problem; it’s a human problem. Also, long-used solutions like EDI, developed in the 1960’s, are due for an overhaul.

Another colleague of ours on the Regulatory Compliance Committee is Dianna Garren in Atlanta, this committee we offer easy to attend monthly webinar and also if you have someone with such a breadth of knowledge and look forward to the good work and contributions he will make. Our yearly Air Cargo convention has been a wonderful networking opportunity for a lot of years, and we are excited to rwork some aspects of the show to bring the experience into the future, and make it even more rewarding for those attending.

I continue to be incredibly proud of the members of our team here at EMO Trans, who dedicate their time and efforts to support the AFA, and we are pleased that we have a few people for a lot of years, and we are excited to rework some aspects of the show to bring the experience into the future, and make it even more rewarding for those attending.

These are my preoccupations as I look back at 2015 and think forward about the coming year. The AFA board has been very busy as well, as you likely know we have a new board member. John Peery joins us from Mercury Air, he is a 30 year veteran of the air cargo industry and worked his way up starting in the warehouse. We truly appreciate someone with such a breadth of knowledge and look forward to the good work and contributions he will make. Our yearly Air Cargo convention has been a wonderful networking opportunity

Encouraging our employees to use time at their desks to help the AFA, is one additional way to support the efforts of this national organization.

Dianna is a customs broker, and as an import specialist it is an exciting time for involvement with this committee. Programs like ACAS and the FDA Drug Safety Act and Food Safety Modernization Act are keeping import experts on their toes. At the same time, expansions of the Automated Commercial Environment to export services and the famous TSA IACSSP Change 6 have export personnel equally busy. All of this against a backdrop of renewed concerns over airplane safety as political tensions rise in the Middle East. It is as important as ever that we stay engaged in our ongoing discussions with policymakers in Washington to protect our interests in assuring a smooth supply chain.

Of course, the Educational Committee continues our webinar series having just done an FCPA webinar in early December. Please look out for announcements of future webinars as they become available. Thanks to the hard work of the committee we offer easy to attend webinars complimentary to members almost every month. If you would like to sponsor a webinar or have a topic, you would like to see covered, please contact the AFA right away.

As you plan for 2016, I hope you will keep the AFA’s important work in mind, and hopefully, you will find a way to support the work of our dedicated members. Whether you or a team member attends a local event featuring AFA staff or board members, or if your company sponsors large national events or a monthly webinar and also if you have people on our committees, all types of support are greatly appreciated.

I wish you all a wonderful holiday season, and a peaceful and prosperous New Year!
Thanks its Platinum Members!

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Otto Von Bismarck, a German Prussian politician, stated that “Laws are like sausages. It is better to see them being made.” As of this writing, the highway bill is being conferenced between the House and Senate with the goal to get a bill to the President by December 4, when the current highway authorization expires.

continued next page

Sausage Making Time
For AFA interests, the House and Senate highway bills differed in two important areas. Under the House-passed highway bill, the Federal Motor Carrier Safety Administration would be required to make "corrective changes" to its Compliance, Safety, Accountability Program (CSA). During a review of CSA, certain CSA scores would be removed from the public view. Secondly, the House-passed bill includes an interim national hiring standard. While the Senate dropped the national hiring standard language at the last moment before passing its bill, the House opted to include language with a few important caveats. The House language includes an interim hiring standard tied to the review and potential reform of CSA and more importantly only included satisfactorily rated drivers as excluded from potential litigation. AFA has weighed in with key staff that it is critical that unrated drivers also be excluded from the potential legislation. The two sides are also still trying to decide the length of the bill -- either a five or six-year bill.

Customs Reauthorization
The White House is now pushing Congress to pass the Trade Facilitation and Trade Enforcement Act (TFTEA) (customs reauthorization) this year, and the two sides are very close. This legislation will simplify and streamline the customs entry process and offer significant benefits for both trade and the Government.

Patent Reform Update
It is unlikely that Congress will enact patent litigation reform this year. In June, the Senate Judiciary Committee approved the bipartisan Protecting American Talent and Entrepreneurship ("Patent") Act (S. 1137) with the House Judiciary Committee approving its bill, the Innovation Act (H.R. 9) the following week. Both the House and Senate bills address AFA’s key desire for more transparency by requiring plaintiffs to assert the particular patents and claims at issue, the specific accused products, and information on how the accused products allegedly infringe each asserted claim. The House bill additionally requires details about the principal business of the party alleging infringement. PhRMA is a particularly powerful player in Washington and has expressed various concerns with the bill. Although some negotiations are taking place, this year’s legislative calendar is quickly running out of time.

We know that some of you have had to deal with these patent trolls with dubious charges and threats, we also know that they do not go away and often return with further claims. We believe that patent reform will help drive many of the patent trolls away.

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At the Bar
Forward Magazine Q Winter 2016 Airforwarders Association

Frequently Misunderstood Contract Clauses

“The forwarder agrees to maintain a comprehensive general liability insurance policy and to name shipper as an additional insured thereunder.”

Such provisions are frequently found in shipper forms and are alarmingly accepted by forwarders without consultation with their insurance providers. The troublesome nature of this simple clause is well demonstrated by an opinion by the federal Court for the Eastern District of Pennsylvania in 2008 in the case of General Motors v. Schneider Logistics. The forwarder in that case hired a trucker whose driver slipped and fell on an oily spot in the trailer of the truck while hauling the shipper’s cargo. Under the shipper’s Master Services Agreement, the forwarder was required to name the shipper as an additional insured under its comprehensive general liability insurance policy. Alleging the oily spot was the fault of the cargo, the injured driver filed suit against the shipper for personal injuries. The shipper settled the claim, paying the driver $1.3 million and incurring attorneys’ fees of $54,000 in the defense. The shipper then sued the forwarder alleging the forwarder breached its contractual duties under the Master Services Agreement in failing to name the shipper as an additional insured under its general liability policy. Forwarders should make certain they are complying with the insurance requirements accepted under any contract. Alternatively, freight forwarders should revise the additional insured requirement of shipper contracts so that the shipper be included as an additional insured only as to claims or suits arising out of negligence of the forwarder, its employees and anyone for whom the forwarder is legally liable for while acting in the course of forwarding. Insurance companies do undertake such conditions for additional insured.

“Notice of loss or damage should be provided to the carrier within five (5) business days from the date of delivery.”

Liable truckers are frequently asserting this language of NMFC Item 300135-A (je) in denying valid forwarder claims not submitted within five days. Yet, the U.S. Carmack Amendment, 49 U.S.C. §14706 et seq., prohibits interstate motor carriers from limiting time for claim to anything less than nine months. Even the Montreal Convention governing international air carriage mandates 14 days for damage. Is the NMFC language then invalid? The answer is that the language is valid, however the language does not serve to prevent claims submitted after five days as truckers so often argue. When read in conjunction with section (f) of the same NMFC item, there is no doubt or ambiguity that this often cited item is not a five day notice-of-claim requirement. Rather, after five days in which the claim “should” be reported, the consignee has the burden of proving damages were not incurred after delivery. The consignee already has the burden to prove damages were not incurred after time of delivery for any concealed damage claim. Ironically then, the clause that is being cited to decline a claim actually extends liability from the standpoint that a concealed damage claim made after delivery but within 5 days will now result in an assumption of damage in the course of transit.

“In the event that the cargo is insured, Carrier shall have the benefit of such insurance and no claim shall lie against Carrier.”

For decades, truckers have been declining claims under a “benefit of insurance” provision appearing in their tariff or bill of lading. They determine in the course of a claim that the cargo was insured, and cite this language to decline liability. However, longstanding federal case law establishes such a provision only provides the carrier with the benefit of insurance, if extension of the benefits to the carriers is actually permissible pursuant to the insurance policy terms. If the insurance policy terms do not permit extension of benefits to engage carriers, then the tariff or bill of lading provision is ineffective and provides the carrier no benefit. See Century Insurance Co. v. Transcon Lines, 1989 U.S. Dist. LEXIS 7690, 1989 WL 76011, holding “the benefit of the insurance clause (in the bill of lading) by its own terms does not apply if the application would void the insurance policy.” Other transportation regimes also do not enforce such a provision. For example, considering the following provision in the Carriage of Goods by Sea Act (COGSA), 46 U.S.C. section 3071: “Any clause, covenant or agreement in a contract of carriage releasing the carrier or the ship from liability or loss or damage to or in connection with the goods, arising from negligence, fault, or failure in the duties and obligations provided in this section, or lessening such liability otherwise and as provided in this chapter, shall be null and void and of no effect. A benefit of insurance in favor of the carrier or similar clause, shall be deemed to be a clause releasing the carrier from liability.” In fact, most cargo insurance policies have an express provision, often labeled a “Carrier Clause,” which provides something to the effect of, “Warranted that this insurance shall not inure, directly or indirectly, to the benefit of any carrier or bailee.” These three clauses are merely three examples of why forwarders must exercise caution in negotiating shipper contracts and vigilance in pursuing recovery of legitimate claims paid to their customer.

Air forwarders are by nature constantly negotiating, defending and subrogating under complex and often misunderstood contractual clauses. Our industry members are under pressure by aggressive commercial shippers and are too often underwhelmed by the responsibility accepted by the responsible vendors engaged. Today’s air forwarders are increasingly expanding into multiple modes and ancillary services. In this article, we examine three contractual clauses from our recent files which we find merit the attention of our membership based on their frequent appearance and troublesome nature.
In 2016, companies looking to expand and grow have two primary options. One is to become involved with M&A activity where opportunities are purchased. The other option and central to this article is the expansion by building your company and developing your growth “organically”.

Most companies that are successful in freight, logistics and supply chain that are aggressively looking to expand and grow their business will work both options simultaneously with a focus on one or the other. This article will focus on growth organically.

The challenges in organic sales management are numerous, such as but not limited to:

- This author boldly states that in the service provider sector of the transportation vertical and particularly in the air freight business … quality sales personnel are one of the hardest hires to make?
- To discern who really is the prospect is difficult as not every company has freight or air freight needs?
- Price is a very significant factor in decision making process of many corporate supply chain executives?
- No one likes to spend their freight dollars on air freight when other less expensive modes of transit are a less expensive option?
- Many sales personnel are great at selling freight business. What really makes one a “great” sales person is one that protects the necessary margins to make decent profits?
- Organic growth, and particularly when compared to M&A growth strategies is a slower process to mature and the ROI may take longer to make senior management happy?

All of these challenges can be successfully managed through the proper management of sales, business development and opportunity leveraging.

The author has been involved in sales management for over 30 years. He has tried a number of ways, methods and sales processes to grow the businesses he has been involved with. Some initiatives have worked, some have failed and both to certain degrees. But in the past 15 years he has been very successful at helping companies grow their business models organically being guided by following this outlined formula.

The formula has five primary areas of engagement. These areas of engagement are the focus and platform for a successful organic growth model to be utilized by and sector of the freight, logistics or supply chain business.

The Five Cornerstones are:
- Creating a Viable Sales Strategy
- Hiring Quality Personnel
- Building a Sales Pipeline of Opportunity
- Creating an Inventory of Prospects
- Closing More Deals

The author says … learn these cornerstones, master them and organic sales can be very successful.

Creating a Viable Sales Strategy

The sales strategy becomes the blueprint for a plan of attack. The quality and realistic approach of that plan will determine the success of the organic sales initiative.

The steps in the planning process are:
- Where do we want to be? How big do we want to grow? How realistic are these goals?
- Do these goals pass the SMART Test? Are the goals specific, measurable, attainable, realistic and trackable?
- Do a SWOT Analysis … Strengths, Weaknesses, Opportunities and Threats
What you are doing here is an assessment of your current operations. You are asking questions like …

- What types and size clients are in our portfolio? Is there a "trend" or reason we have these clients?
- What verticals are we in and why? What verticals should we be in?
- What are the strengths and weaknesses of our existing sales staff? Do they need to be trained further? In what skill sets? Will they ever be successful sales personnel?

The sales strategy once ready to establish will include:

- Growth Goals
- Specific Action Plan to Achieve the Goals
- Accountability Structure from Stakeholders to Senior Management
- Timing and Milestones
- Contingency Plans

Once the strategy is in place we move to the personnel who will make it happen.

Hiring Quality Personnel

The first hire, promotion or internal designation to be made is who is in charge of sales.

A major mistake many companies make is to take their top sales person and make him or her the sales manager. Believing that the skill sets to sell well … equate to managing well? This is very often a big misnomer.

The head of the sales snake … has to be a very valuable business process.

Some companies look internally to operations personnel. Another potential mistake. You need a person who can sell. I would agree that an operations person, with all that experience, if they also have sales skills, could be a great option … but finding that combination is extremely rare.

When we look outside our company we are met with primarily two choices … the seasoned candidate or the newbie. The seasoned candidate may bring some baggage and will more likely cost more. But they often can bring books of business, so their ROI is more immediate. The newbie has the advantage of no baggage or preconceived notions. But they may require more attention, training and time for that ROI.

In either case, your choice needs to mirror what your strategy requires.

Attributes of quality sales personnel include some of the following traits:
- High Energy, Persistent, Flexible, Good Negotiator, Excepts Rejection Well, Likes Socialization and People in General
- Understands the Importance of Compromise, Won’t allow objections, challenges and wins interfere with finding a way to move forward. Is Likeable, Is Able to Motivate Others, Learns the Technical Side of What They are Selling (In Freight this means Understanding Freight Operations), Knows How to Create Opportunity/Deliver Compelling Arguments/Close Deals, Protocols Company Margin Requirements, Continually Learns and Has a Boilad Emotional Intelligence and Street Smarts!

Additionally:

- Making sure you have a robust sales compensation strategy that is not only contemporary but offers value add to the sales team which attracts more and better sales talent.
- Spend money to create the initial pipeline of opportunities. Invest in information, marketing, branding, memberships and T&E … to allow the interface to start the building of prospects and relationships.
- Go after low hanging fruit. Assess where you can obtain easier and quicker results.
- You can never replace experience … seasoned sales talent are always a great option and typically provide faster and better results.
- Moving your company and your sales initiatives into global and international business opportunities will enhance your business profile and increase the number of serious prospects and a door to differentiation.
- The utilization of CRM Systems and technology should be a serious consideration where and when sales becomes robust and cumbersome to manage manually.

Building a Sales Pipeline of Opportunity

The sales pipeline begins with establishing a flow of opportunities of companies to engage in a dialogue with you.

Sales at the end of the day … is sometimes considered a "numbers" game. Meaning that there has to be a certain number of opportunities that will lead into sales.

In my sales management strategy … I believe there are three stages of the sales process as outlined in the pictorial.

The first stage is … Opportunities

The second stage is … Prospects

The third stage is Closing Deals Stage 2 and 3 are covered below in more detail.

The first stage of creating opportunities can be an infinitum number of companies. You can never have too many opportunities but an opportunity may not also be a "Prospect". Because "opportunities" need to go through a vetting process to determine whether or not:

- You have something to specifically sell them
- Is the effort going to pay off
- Is what they need and what you can deliver … compatible?
- Are there values aligned with yours?
- How do they pay?
- Can you make your margin?
- Do you have the internal expertise necessary to handle the account well? (Side note … you do not want a new client come in, that you cannot service well. You will lose it horribly and the opportunity will be lost forever)

The Vetting process of Opportunities will pay back in spades and in a quality sales management structure will prove to be a very valuable business process.

Creating a robust supply of opportunities can come in many forms. Cold calling is a common method, but a lot of time is wasted here. Telemarketing, networking, attendance at industry events, buying vetted lists and with certain verticals and their associations are better methods.

In our next edition we will conclude his article and focus on areas of how to …

Create an Inventory of Prospects, Close More Deals, Manage Customer Service as an extension of sales management and Developing a Specific Sales Management Strategy.

About the Author:

Thomas Cook

Tom is a seasoned veteran of the supply chain business model and has succeeded in sales management and sales training for over three decades. He has held positions at CEO, COO and Managing Director at both medium sized and large transportation companies.

He has now authored more than 15 books on Global Supply Chain and Business Development. His one book on Mastering Sales Management is a must read for all our members engaged in the sales process.

He is a frequent speaker at AFA Events and Conferences.

His consulting company Blue Tiger International and his recently acquired venture with the National Institute of World Trade (NIWT.org) places him and his colleagues in a very significant and serious position in supply chain management services, training and business development.

Tom can be reached at tomcook@bluetigerinternational.com or 516-359-6232.
China isn’t going anywhere! Since 1993, my logistics company has specialized in shipments to and from China and over that time, I have seen plenty of changes in the China market and I have learned that when it comes to China you need to focus on the long run.

The stock market crisis in China is getting headlines, but it will not prevent China from having a prosperous future.

Stock Market Implosion
Everybody knows that China’s stock market is crashing. In the short run, the Chinese stock market meltdown will have major implications for China, Asia and the rest of the world.

China’s stocks were (are) very overvalued and there will probably be further losses. The China economic bloodbath is huge. To put it in perspective, the GDP of Greece is $237 billion and China’s stock market lost $3.25 trillion in value between June 12 and July 12. If the Greek economic crisis is a beer, the Chinese economic crisis is a week-long bender.

The crisis will cause some short term suffering and some painful adjustments. Those of us in the United States know the feeling – big losses followed by a slow recovery.

China will recover and while the short term blips get the headlines, we need to focus on the trends that will define the future of China.

Trend 1
Political and Economic Reform
The recent stock market crisis is only the latest hiccup to highlight that the socialist market economy model is a difficult blend to manage.

Since China opened for business in 1978, China’s political leaders have done a masterful job of transitioning China from a poor inward looking country into an economic and exporting powerhouse. As China takes its’ place as a world leader, its political leaders will need to continue the reforms, but the job has become trickier due to the recent stock market crisis.

The new freedoms and wealth that China’s reforms have yielded also make it harder to govern the Chinese people.

While the reforms will be difficult, given China’s track record, I think they will continue to find the right balance.

Trend 2
Largest Economy in the World
Depending on the projection you believe, China will have the world’s largest economy sometime in the next 15-30 years. While the economists argue about GDP projections, business people just need to know that China has a huge economy and in the long run it will be even bigger.

Regardless of stock market activity, China will continue to develop high quality, inexpensive goods for export. Additionally, selling to China’s 1.3 billion people is a pretty good business too. Companies like GM, Nike, Wal-Mart and Apple are doing very well selling products to the massive Chinese consumer market.

China is graduating 6 million college graduates every year so they will have
the educated workforce required to make the transition to high value added products and services. China is also interested in producing their own consumer brands that will enable them to continue being a big exporter.

Trend 4 Cleaning up & Going Green
China’s pollution problem has moved to the forefront of the country’s consciousness. In China’s drive to become an economic power, environmental concerns took a back seat. Those problems have come home to roost. Policymakers are making cleaning up and going green a priority even if it reduces GDP growth.

China has a smog problem and the country has imposed rules that will help wean them off coal which is one of the main causes of air pollution in China. Even though China is limiting coal usage, it still represents two thirds of their energy mix.

China’s leaders have set aggressive goals for the environmental clean up and safeguards. While the environmental projects will slow down production from certain polluting industries, it does provide an opportunity for companies looking to export green technologies to China.

Trend 5 Industry consolidation
One of the causes of the current stock market crash is the Chinese monetary policy that made money very easy to borrow. While it works, easy money is great. The easy money means there is cheap money available for low interest loans. The lower interest loans lead to increased investments in both existing businesses and startups. Predictably the economy gets a boost from easy money. The low interest loans often leads investors into riskier investments. When the easy money dries up, the weak players are exposed. The weaker and smaller players once starved of easy money will falter opening the way to industry consolidations. The consolidation will be more prevalent in capital intensive industries like industrial and automotive. Overall, industry consolidation will be helpful to outsiders doing business with China because the companies left after consolidation will be stronger business partners.

Trend 6 Next Generation Chinese
As the Chinese economy has transformed, the people of China have too. The Chinese people are wealthier, better educated and increasingly connected to the outside world. As always, the younger generation will have their own impact on the country and the economy. Chinese people in their 30’s and 40’s probably don't remember China before the government opened up trade with the rest of the world. Many people in their 20’s and 30’s grew up in "six pocket" families meaning they were the only child in the house (only child) and so were their parents due to China’s one child rule. These six pocket children grew up with their parents and both sets of grandparents focused on their needs and development. As a result, many people in the younger generation received great educations, lots of adult guidance and abundant development opportunities. Given their upbringing, I believe the next generation is going to expect more from life including consumer goods, travel, entertainment and access to the rest of the world. I also expect that they will seek more meaningful experiences including charity work and social entrepreneurship.

As China continues to grow economically, there will be more consumers available to buy goods and services imported from the United States. These trends and not stock market bubbles will define China’s future.

About the Author:
Daniel Cser, a Detroit Michigan Agency Owner with ICAT Logistics, Inc has over 30 years of experience in logistics and significant expertise as a China freight forwarder. Contact Dan at Daniel.Cser@icatlogistics.com. Established in 1993, ICAT Logistics has become one of the leading agency-based freight forwarders in the U.S. by providing customizable shipping and logistics solutions for its customers. For more information about ICAT Logistics, please visit www.icatlogistics.com.
Many, many years ago most shipment information was a variety of paperwork such as bills of lading, packing slips, alert manifests, etc. As fax machine and basic computer systems evolved, more and more companies moved into the electronic age with the first generation of Transportation Management System (TMS) platforms. Most systems were developed in-house since the software market had not yet penetrated the transportation and logistics industry. As a result, most companies maintained and hosted their servers and had a staff to manage the hardware and software.

During the early 2000’s many more companies realized the cost benefits of outsourcing the management of their software applications and data center. This allowed them to focus on their core business and rely on product experts to keep their systems online.

As every industry matures and involves there are often unforeseen issues that arise. There is no doubt that outsourcing your data management is often the best way to go. However, you must consider the risks involved when choosing a partner. When the data resides in your corporate office, you have a strong sense of security. You own it; you manage it. It is your database and software application to move and relocate as needed. It is your business decision to make.

Once you outsource the management of your TMS, you can quickly lose control without the proper safeguards. Consider the following options that are available to host and manage your systems.

- **In house** - Retain total control at your corporate facility (this may come with a high cost)
- **3rd party** - Outsource to a qualified data center
- **TMS provider** - Outsource to the same company that provides your software application

When each of the above options is valid if all business, financial and security considerations are properly met. Your company needs to have answers to the following questions: “Do we still own our data”? Can we move our software applications and data whenever we decide? Usually, the answer is yes, but not always. Many software providers and third party companies have written very complicated licensing agreements that restrict your ability to take your data back or move to a third party data center of our choice. The fees may be exorbitant; they may simply ignore your requests or require unrealistic server requirements to prevent you from leaving.

Protect your company and your future by consulting with legal counsel before making any move. There are tremendous advantages to using a third party data center, but before you make a move, get all questions asked and answered. After all, it’s your data! Make sure you always have access to it.

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By Dave Hockersmith, CEO, Trans-Soft, Inc.

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**Do You Really Own Your Own Data?**

*(How to protect your company)*

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**Say Ree-Gah as in Software.**

**Now say Scope.** The smarter, sharper, stronger software for Air, Ocean and Customs.
C-TPAT: What is it and should my company participate?

The Airforwarders Association believes in helping to secure the supply chain and works with C-TPAT partners globally to ensure the safe and secure transport of goods. But what is C-TPAT and how could it benefit your company?

C-TPAT Partners enjoy a variety of benefits, including taking an active role in working closer with the U.S. Government in its war against terrorism.

C-TPAT is a voluntary public-private sector partnership program that recognizes that U.S. Customs and Border Patrol (CBP) can provide the highest level of cargo security only through close cooperation with the principal stakeholders of the international supply chain such as importers, carriers, consolidators, licensed customs brokers, and manufacturers. The Security and Accountability for Every Port Act of 2006 provided a statutory framework for the C-TPAT program and imposed strict program oversight requirements.

C-TPAT Partners have worked cooperatively with CBP to protect their supply chains from the introduction of all types of contraband, and global supply chains are more secure today as a result of the program. In exchange, CBP provides Partners reduced inspections at the port of arrival, expedited processing at the border, and other significant benefits, such as “front of the line” inspections and penalty mitigation.

What are the benefits of joining this program?

C-TPAT Benefits

C-TPAT Partners enjoy a variety of benefits, including taking an active role in working closer with the U.S. Government in its war against terrorism. As they do this, Partners can better identify their security vulnerabilities and take corrective actions to mitigate risks. Some of the benefits of the program include:

- Reduced number of CBP examinations
- Front of the line inspections
- Possible exemption from Stratified Exams
- Shorter wait times at the border
- Assignment of a Supply Chain Security Specialist to the company
- Access to the Free and Secure Trade (FAST) Lanes at the land borders
- Access to the C-TPAT web-based Portal system and a library of training materials
- Possibility of enjoying additional benefits by being recognized as a trusted trade Partner by foreign Customs administrations that have signed Mutual Recognition with the United States
- Eligibility for other U.S. Government pilot programs, such as the Food and Drug Administration’s Secure Supply Chain program
- Business resumption priority following a natural disaster or terrorist attack
- Importer eligibility to participate in the Importer Self-Assessment Program (ISA)
- Priority consideration at CBP’s industry-focused Centers of Excellence and Expertise

How Do I Become a Partner?

Participation in C-TPAT is voluntary, and there are no costs associated with joining the actual program. There may be...
The second step is for the company to complete a supply chain security profile. The security profile explains how the company is meeting C-TPAT’s minimum security criteria. To do this, the company should have already conducted a risk assessment. Upon satisfactory completion of the application and supply chain security profile, the applicant company is assigned a C-TPAT Supply Chain Security Specialist to review the submitted materials and to provide program guidance on an on-going basis. The C-TPAT program will then have up to 90 days to certify the company into the program or to reject the application. If certified, the company will be validated within a year of certification. C-TPAT offers trade-related businesses an opportunity to play an active role in the war against terrorism. By participating, companies will ensure a more secure and expeditious supply chain for their employees, suppliers, and customers. So, while the decision remains with each company, whether an importer, carrier or broker, it is important to note that with today’s terrorist activities, it may be time to review this program again.

For detailed information regarding C-TPAT and the application process, please visit this link: www.cbp.gov/ctpat. *mandatory date for all filings. However, there are some Participating Government Agencies (PGAs) that have not completed the required programming and therefore some filing is not mandated until February 28, 2016. Note the dates published by CBP below. With these dates approaching quickly, it is critical for members throughout the trade community to understand how they will be impacted and to prepare accordingly. CBP is encouraging everyone affected to begin transitioning as early as possible to ensure readiness well in advance of the mandatory dates. If you haven’t signed up already, the time is passing quickly.*

**What is ACE?**

The Automated Commercial Environment (ACE) is the primary system for the international trade community to submit import and export data to communicate with U.S. Customs and Border Protection (CBP) and other participating government agencies. CBP and the partner government agencies utilize ACE to collect, track, and process required trade information. This is considered the “single window” automation that will bring all communications into one platform. This will include automated communication for Exports out of the U.S. as well as Imports.

**Who needs to utilize ACE?**

Not only is the ACE system being utilized by Customs Brokers, it is also utilized by freight forwarders, importers, exporters and more. So, if you are importing or exporting cargo, you should understand the ACE system and sign up as soon as possible in order to maintain compliance.

**When is ACE becoming Mandatory?**

Initially, November 01, 2015 was the mandatory date for all filings. However, there are some Participating Government Agencies (PGAs) that have not completed the required programming and therefore some filing is not mandated until February 28, 2016. Note the dates published by CBP below. With these dates approaching quickly, it is critical for members throughout the trade community to understand how they will be impacted and to prepare accordingly. CBP is encouraging everyone affected to begin transitioning as early as possible to ensure readiness well in advance of the mandatory dates. If you haven’t signed up already, the time is passing quickly.

**How to sign up for ACE**

Complete an online data portal account application and follow the steps. This application is available at the Customs & Border Protection website: http://www.cbp.gov/document/guidance/ace-secure-data-portal-account-application. Feel free to contact the Airforwarders Association with any questions or guidance.

**The ACE portal also allows users to access the reports tool, which can be used to compile data and perform national trend analysis.**

ACE: Are You Ready? Automated Commercial Environment

By Sandra Gregory

**What is ACE?**

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Are you shipping dangerous goods? What is considered a danger in transportation?

If anyone has traveled by air, you know the list of goods you cannot carry on an airplane. Some of this is due to the potential of hazard involved. But it isn’t just in airplanes, it includes goods moving in trucks, in ships and even through the postal system. While many freight forwarders are aware of these regulations, are the actual shippers?

Dangerous Goods are solids, liquids, or gasses that can harm people, other living organisms, property, or the environment. They are often subject to chemical regulations. In the United States and sometimes in Canada, dangerous goods are more commonly known as hazardous materials, (abbreviated as HAZMAT or HazMat).

A shipper may be thinking, my company doesn’t ship any Dangerous Goods, why would this apply to us?

There are many items that are not always taken under consideration when shipping. For example, a small list of dangerous goods may include:

- Batteries or products with batteries included (laptops, phones, etc.)
- Fire Extinguishers, lighters
- Adhesive or Glue
- Paint
- Alcohol
- Perfumes or dyes, ink
- Cleaning supplies (bleach, nail polish remover, etc.)
- Aerosols

If a company ships trade shows, do you ever include a can of paint or glue for minor repairs at the show? If a company ships apparel, would they potentially also ship any dye or ink? What about a bottle of bleach along with some equipment for cleaning purposes?

It is important that if you do ship any of these types of items that you know what is required of you. Any company “offering for transport” any item containing Dangerous goods must have a program in place. What do you need? A company that “offers for transport” (see 49 CFR part 173) includes the actual shipper of the goods and is responsible for the below. Freight forwarders should communicate this information to their client base to ensure they are aware of and in compliance with, these regulations. This will protect the client as well as the freight forwarder, trucker, and carriers involved in transporting these goods.

- Training for all persons preparing the documents for these shipments
- Training for all persons packaging these shipments
- Training for persons handling these shipments in the warehouse
- Proper Dangerous Goods Documents based on the mode of transport - air, ocean or ground
- Proper packaging of these goods based on the mode of transport - air, ocean or ground
- Proper labeling of the goods being shipped and the outer packing

The fines and penalties for shipping these items without being declared can be very hefty. The FAA regulations for shipping by air have penalties starting at $75,000 per occurrence - an occurrence could include every item listed above! That starts to get very expensive. So be sure to have a good program in place and communicate this to your employees, so that if someone says “just throw that can of spray paint in the box” your employees will know how to handle it properly and avoid any penalties or potential safety risks.

The regulations for transporting goods containing batteries is also becoming more confusing. There are air carriers that have more stringent requirements or have decided not even to handle shipments that contain specific battery types. If there are goods transported that contain batteries, it is important that the freight forwarder questions the shipper to ensure the shipments are compliant. Freight forwarders can be penalized for “offering for transport” of these goods, even if the ultimate responsibility lies on the shipper. Freight forwarders must perform their due diligence on all shipments containing Dangerous Goods and must inspect these shipments before tendering to a carrier. The Airforwarders Regulatory Compliance Committee continues to monitor any changes to the regulations and will communicate these changes as information becomes available.
Working Smarter and Faster with Automation in Logistics

Darren Matthews, Business Development Analyst for WiseTech Global, encourages you to investigate how today’s technology can help redefine and streamline your business.

Due to the rise of globalization and ever-changing regulations and security over the last decade, logistics providers have had to change how they do business. However, it is the shift in IT that has had the most profound effect on the logistics industry. Advancing technology in the past meant reducing staff, but the tech coming in the future may not necessarily lead to layoffs. While some companies may be able to survive without advanced technologies, they certainly can’t thrive without the productivity benefits new tech brings.

There are plenty of companies whose use of technology has changed, will change, or is changing their business. The Transport and Logistics sector is going through a rapid and unprecedented transformation. Take the online retailer Amazon as an example. In various areas, it can now promise its customers that their deliveries will arrive within an hour after being ordered online. It’s no secret; anyone can guess that this massive global giant is seriously investigating the use of drone technology to make that speed and efficiency really happen everywhere.

There is a long-standing joke that “teleportation” could replace “deliver,” but consumers can see that idea moving a step closer to reality with the advent of 3D printing. Rather than wait for a man in a van to bring your replacement part for the washing machine, you simply receive an electronic file and print the item yourself from the convenience of your own home. The world is also well on its way to true interconnectivity through ‘The Internet of Things’, which enables various devices all along the supply chain (and everywhere else) to communicate with one another without needing human activation. Imagine the office coffee maker automatically brewing your espresso because you just finalized the last task of a complex freight consolidation and the software told it to.

Applications that can change the face of the logistics industry are closer to coming true every day, and there are more to watch out for.

Preparing for Market Demands

Considering there will be some areas where Amazon’s drones won’t reach, how far are we from having completely driverless delivery vehicles? Companies such as Google are already in advanced testing for driverless passenger vehicles, the day when all road-going vehicles are unmanned isn’t so far away. A recent study by EyeForTransport found that 42 percent of retailers and manufacturers would like 3PL companies to have some degree of knowledge about driverless vehicles. Counter to this enthusiasm, however, is the position of the 3PLs themselves, where only 0.75 percent of the providers said they had any knowledge of the technology, and only 12.78 percent said they were even aware it existed.

This is a clear sign of what the marketplace demands for the future, and it’s a resounding call to action for the world’s 3PLs to start investigating the opportunities.

Automation for Logistics and Freight Management

Technology has always surrounded us. Robots have been in manufacturing plants for half a century. Back in 1962, General Motors first used an industrial robot to just move items to and fro a little faster. A few decades later, the first robotic arm was introduced on the assembly line, designed to make businesses more efficient, productive, and reliable.

Today, even simple tech tools - such as POC signature capture devices, in-cab GPS, various vehicle telematics, and RF scanners - are reducing the workload of staff and speeding up processes. But when these devices are integrated across your global Transport Management System (TMS), you not only speed up the process for a single user, you do so for the whole business. Accurate, timely data is readily available to all, without a second thought.

Maximizing Staff Efficiency

Automation will, of course, have an impact on your staff. While that may at first signal a reduction in staff numbers, many in the industry are finding that by automating what can be automated, they have been able to quickly scale significantly and grow the business by finding the technology that puts the skillsets of their highly valuable teams to the greatest use.

From a technological point of view, a small change inside your business can allow you to completely restructure the roles of your staff, putting them right where a human face is best placed, rather than where capability limitations dictate them to be. Operating from a single, integrated TMS, they can be easily re-assigned to new or different areas of the business whenever the need arises.

Productivity on Full Display

TMS software is increasingly automating tasks to replace the manual processes historically managed by staff. Reducing the number of documents you need to produce alongside automating the creation and delivery of emails and various notifications to numerous trading parties can bring efficiency gains of between 30-50 percent. When you add other productivity tools, the further potential for automation can completely change the job role or workflow of your personnel. Technology can help you embrace the new era.

Driverless trucks may not happen for a decade yet, and your Amazon order might not be landing in your garden by drone for another couple of years, but technology does exist right now to completely change how you do business. Take advantage of what’s out there, and everyone will see how you work smarter and faster on the outside, all while reducing costs and scaling your business efficiently on the inside.
Commodity Forwarders Acquires Peninsula of Boston To Expand Seafood Logistics in the Northeast Corridor of the USA.

CFI-Commodity Forwarders has reached an agreement to acquire Boston-based perishable forwarder Peninsula of Boston. The acquisition of Peninsula gives Commodity Forwarders a presence in Boston to tap into the local market and strengthen its position in New York.

Peninsula of Boston has been in business for over 50 years serving the Boston Seafood marketplace since 1970 as the leading independent transfer point for cross docking and distribution in the northeast. With a cold storage facility of 15,000 square feet, 18 staff, two vehicles and great regional knowledge Peninsula will be a tremendous addition to the CFI network. Commodity Forwarders will invest in additional staff, the facility with additional cold storage and vehicles as they look to expand their presence in the northeast corridor.

Commodity Forwarders has been in business since 1974 and employs over 500 families in 13 locations as the premier perishable forwarder in the US specializing in the transportation of perishable products worldwide. Services including Air, Ground & Ocean freight as well as distribution and cross dock. Commodity is located in the major perishable markets including the corporate headquarters in Los Angeles in addition to locations in Miami, New York, Chicago, Seattle, Anchorage, San Francisco, Orlando and 5 offices in Hawaii with Honolulu, Kauai, Hilo, Kona and Maui.

Efficiency vs. Productivity

Gene Gander, WiseTech Global's VP Business Development, Americas - explains how finding one may not necessarily lead your business directly to the other.

Chicago, USA, September 22, 2015. I once thought efficiency was synonymous with productivity. It turns out it isn’t. For operators in our industry, from high-volume express couriers to white-glove freight forwarders - isolated gains in efficiency in one product or service area can actually harm overall productivity of the company in terms of profit margins, growth, and customer satisfaction.

Let’s start by defining productivity as the total throughput of your organization as a whole. Doing so gives us the true top and bottom numbers. However, if you break it down and look at subsets of people or processes individually, they can be efficient on their own even if their input is actually detrimental to the company’s overall results. Single metrics can look good while the business fails.

How is this possible? Remember the compelling story of a turnaround airline that set a quarterly objective to be #1 in on-time departures no matter what, and they did it. But in order to turn aircraft more quickly, they paid the cost of leaving freight on the ground. They were efficient in getting out on time, but were they productive? According to cargo operations and the airline’s overall revenue: absolutely not.

Efficiency impacts your other departments and the total supply chain.

I didn’t truly appreciate the difference between efficiency and productivity until I witnessed two managers disagree over a system review of their transportation software. The first manager was obsessed with how fast a single shipment entry could be completed. It was a margin of three vs. four minutes, and he was putting a stake in the ground based solely on a 25 percent efficiency gain. But because his drive did nothing to automate dispatch, eliminate rework, or accelerate rating and billing, his ‘efficient’ dream became the other manager’s nightmare.

The second manager histrionically admitted that at this rate they did not actually do 100+ files per person per day due to other manual and segmented tasks. His single-metric, ‘no care no responsibility’ approach actually ran counter to the company’s 1-100 quality initiative. This manager saw that the small amount of extra time it took to get things right from the very beginning far outweighed the multiplying factors of time and cost to rectify errors or failures later on.

Some in our industry have the mentality that their job is only to send the freight off the dock as quickly as possible, and what happens further along the supply chain isn’t their problem. But if we make the small, initial effort to correctly register a shipment - with all the validations at the point of data entry - integrity can be assured throughout the supply chain. If a mandatory Incoterm® is not included, for instance, it may delay settlement and timely release at destination. That only adds rework and eats into margins.

Get it right at the start rather than fixing it at the end. One area’s ‘efficiency’ shouldn’t come at the expense of the company’s total throughput.

If it’s worth doing three times, it’s worth not doing at all.


Ours is a process-driven industry. Every day, tasks are being repeated over and over – with varying degrees of manual or expert input. Eliminating labor-intensive, repetitive, error-prone activities is always the best option, but otherwise automating and accelerating such tasks will yield immediate and significant benefits to your business.

If any task is worth doing three times (and that’s a worthwhile assessment in its own right) then it’s worth automating. Taking two hours to create a single report for a client twice a year isn’t a priority for automation, and it won’t bring you a strong return. Instead, find a task that takes your staff thirty seconds eight times a day every day and has frequent rework implications down the chain, and then you’ll have found something worth improving.

Even after.combing through your operations, eliminating redundancies, and automating repetitive tasks, if jobs still remain that must be done via old-fashioned human effort, then at least find a way to accelerate it. The technology to accelerate your human resource and gain productivity is out there.

The more automation of everyday jobs that you can establish at the front end of your operations, the more availability you have to concentrate on personal interaction that adds commercial value to your business, allowing you to humanize the exceptions and maintain margins. The value proposition of ERP software has always been that the whole is greater than the sum. And with today’s cost-effective, advanced TMS options, automation of those tasks will already be built-in and it’s just a matter of switching it on. The hundreds of compliance and tracking databases that weigh down global forwarders can be reduced to one. Then you can move to truly accelerating your productivity, not just gaining efficiency in isolated areas.

About WiseTech Global

WiseTech Global is an innovative, multi-award winning creator and developer of cloud-based software solutions for the international and domestic logistics industries. Its leading product, CargoWise One, provides the most sophisticated and comprehensive end-to-end logistics solution in the world and forms an integral link in the global supply chain.

With clients holding more than 150,000 user licenses across a customer community of 7000 sites in 105 countries, WiseTech Global’s breakthrough software is renowned for their powerful productivity, deep functionality, industry-wide integration, compliance capabilities, and global reach.

Founded in 1994 and headquartered in Sydney, Australia, WiseTech Global operates worldwide from offices across the US, Europe, and Asia. For more information visit wisetechglobal.com

SmartWay Re-Ups TransGroup in 2015

TransGroup Worldwide Logistics was the first Freight Forwarder to be recognized as a SmartWay Transport Partner, and TransGroup continues this honor through 2016. Under the Environmental Protection Agency (EPA) umbrella, the SmartWay program began as an initiative to reduce greenhouse gas emissions and air pollution created by freight transportation in corporate supply chains. TransGroup embraced that initiative by participating as a SmartWay Partner and working with its customers to design transport logistics solutions that reduce fuel consumption and GHG emissions. In addition, TransGroup created TransRecovery® - a service which specializes in asset recovery and reverse logistics for supporting its customers’ end-of-product lifecycle and disposition initiatives. This service has proven to be one of TransGroup’s fastest growing markets as the demand for better lifecycle logistics solutions emerged in a more environmental-conscious economy. TransGroup is honored to be recognized as a SmartWay Transport Partner for the ninth straight year.

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Endangered Rhinoceros Safely Arrives in Indonesia from Columbus’ Rickenbacker International Airport

Cathay Pacific transports precious cargo

November 11, 2015, COLUMBUS – Harapan (“Harry”), the world’s only Sumatran rhino living outside of South Asia, safely arrived at his new home in Indonesia from Columbus’ Rickenbacker International Airport via Cathay Pacific Cargo early this month.

There are fewer than 100 Sumatran rhinos left in the world, and Harry needed to be relocated from his home at the Cincinnati Zoo & Botanical Garden to the Sumatran Rhino Sanctuary, where zookeepers hope he will increase his species’ dwindling population. Rickenbacker International Airport was a natural choice, as it offers efficient ground access for unique cargo and is certified to export livestock. Rickenbacker is increasingly becoming an integral part of the livestock supply chain while offering high-quality service in a safe, humane environment.

“We are proud to have played a role in Harry the rhino’s safe journey to his native land of Sumatra,” said Bryan Schreiber, Manager of Business Development - Cargo for the Columbus Regional Airport Authority. “Key to the success of Harry’s trip was Cathay Pacific, which made sure that he was transported on the airline both safely and efficiently while meeting the needs and expectations of the keepers accompanying him along the 10,000 mile journey.”

“There was great deal of care and concern that went into the logistics of getting Harry to the Sumatran Rhino Sanctuary and we are pleased that the Cincinnati Zoo & Botanical Garden entrusted us to partner with them,” said Bridget Bell, Cargo Manager, Midwest USA of Cathay Pacific. “The transportation of live animals can be challenging, but Harry’s trip home went off without a hitch. We are proud to have been a part of his historic journey and glad to hear that he is happy and healthy at his new home.”

The embarkation of Harry was one of several shipments of live animals from Rickenbacker since the airport was approved by the USDA less than a year ago. In March, 176 pregnant cows were shipped to Thailand for milk production and on June, 20 pygmy goats from Hamilton, Ohio were flown from Rickenbacker International Airport to Kuwait. There have also been numerous successful shipments of Arabian horses.

About Rickenbacker International Airport

As one of the world’s few cargo-dedicated airports, Rickenbacker International Airport offers a faster, more reliable option to move air cargo to, from and within the United States. With regularly scheduled international service via Cathay Pacific Cargo, CargoLinx and Emirates SkyCargo, businesses enjoy access to the airlines’ worldwide networks directly through hubs in Asia, Europe and the Middle East. The airport is a critical logistics component of Rickenbacker Inland Port, which also includes an intermodal terminal, industrial development, Foreign-Trade Zone #138 and advanced transportation infrastructure supporting a large, regional supply-chain and distribution community. The inland port is recognized for its strategic location, which is within a 10-hour truck drive to 47 percent of the U.S. population, 44 percent of the manufacturing capacity and 48 percent of U.S. headquarter operations.

Attachments

Video and several photos were taken of Harry as he embarked on his 10,000 mile journey. To see the video of Harry as he stepped out of the crate after the 53-hour journey, visit: http://bit.ly/1NLkZk4
AMI unveils website and new carrier partner in support of their Quick2Ship product

Airforwarders Association member Air Menzies International has launched a website (http://www.quick2shipus.com) in support of their express, door-to-door product aimed at freight forwarders to tap into. “There is no doubt that our consignee clients. But as their clients look to enter B2C markets or they choose to make it available as a service offering consignees thousands of kilos between airports have a whole new suite of services to make them an even more invaluable partner of their shipper clients.”

Quick2Ship is a cloud-based platform where forwarders log in, provide the origin, destination, pieces and weight and choose between DHL or FedEx rates and make the booking right there on the spot. They can then generate the air waybill and dispatch the courier to make the pickup. All billing for the product comes through AMI’s headquarters in Grapevine, Texas, and neither the shipper nor consignee will see the price paid for the service.

Customers wishing to empower their customers directly can choose between DHL or FedEx rates and make the booking in, provide the origin, destination, pieces and weight and colors. This allows the forwarder’s customers to book their own shipments directly. Forwarders will have the support of the AMI Quick2Ship team for tracking, billing and problem resolution.

Pattinson sees the growing e-commerce sector as a key market for forwarders to tap into. “There is no doubt that our clients provide phenomenal B2B services to their shipper and consignee clients. But as their clients look to enter B2C markets or they choose to make it available as a service offering themselves, we are pleased to be their partner and facilitator for this growth and revenue expansion opportunity.”

AIT Worldwide Logistics’ Co-workers Band Together to Support the Fight Against Breast Cancer

October 29, 2015, ITASCA, ILLINOIS – In honor of National Breast Cancer Awareness Month, AIT Worldwide Logistics continued leading the mission to raise funding and draw attention to the cause. AIT co-workers have been working on charitable efforts related to the cause for the past 16 years.

On Sunday, October 18, a large contingent of AIT co-workers (along with friends and family members) joined 3,300+ participants from the DuPage County area at the annual Making Strides Against Breast Cancer event. AIT was once again a flagship sponsor of the walk which took place in Winfield, Illinois at Cantigny Park. Walkers raised more than $250,000 to benefit the American Cancer Society and their drive to heighten awareness and provide services for breast cancer patients and survivors.

In the days before the walk, co-workers from Chicago area AIT offices conducted an on-site bake sale and raffle to boost the fundraising totals. Many departments also competed in a Pinned Out! contest which challenged teams to creatively decorate their areas with pink-themed displays. Photos were posted to AIT’s Facebook page and winners were determined by the number of Likes received.

AIT has a long history of supporting the American Cancer Society. This tradition is rooted with AIT co-workers throughout the company who work to make a difference in their communities. Their dedication inspired the establishment of the AIT Cares initiative in 2012. This formal commitment to action served as the chair for the company’s Charity Committee. She said, “Thank you to AIT’s walkers for participating in support of the American Cancer Society on a beautiful Sunday afternoon at Cantigny Park. It is amazing to see the support from our customers, co-workers, partners and family members who walk in honor of the pink ribbon and help AIT lead the effort to knock out breast cancer.”

About AIT Worldwide Logistics

Founded in 1979, Itasca, Illinois-based AIT Worldwide Logistics is a full service transportation management provider with continental headquarters in Chicago, Amsterdam and Hong Kong. AIT’s offices form a vast network spanning the globe. By coupling a flexible business model with robust technology that presents end-to-end shipment visibility, AIT delivers precisely tailored supply chain efficiencies for almost every industry imaginable. Leveraging creative, competitively priced multimodal solutions, AIT removes the complexity from global logistics puzzles, helping companies thrive by regaining focus on the core goals of their business. For more information, visit www.aitworldwide.com.

Our Mission

At AIT, we vigorously seek opportunities to earn our customers’ trust by delivering exceptional worldwide logistics solutions while passionately valuing our co-workers, partners and communities.

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Veroot Improves Vendor Management

Veroot and Logistics Providers join forces to revolutionize the management of vendors, their documents, and carrier FMCSA data.

Cleveland, OH – Veroot.com, the leader in logistics compliance has declared war on inefficient vendor management! Veroot has officially released Veroot VM, a new platform that incorporates document requests, e-signatures, FMCSA monitoring, and information analytics in one easy to use portal.

“It’s like having another employee,” points out Annmarie Velez, TQM and Regulatory Compliance Manager for multi-modal logistics company Alba Wheels Up.

Although Veroot launched the product by listening carefully to the logistics industry, the concept of using a pure-play vendor management system is gaining traction in all markets. Investment companies are targeting “Vendor Management” as a 3 year growth sector for capital funding. Suddenly companies are waking up to the inefficiencies in this process.

“Using a powerful automated software to roll up vendor information is one of the few remaining places to squeeze out efficiency and eliminate corporate risk. Most processes don’t cater to the compliance professional, and that is our wheelhouse.” says Joe Hurst Co-Founder of Veroot. “Similar to the Veroot TSA Compliance and Training systems widely used by AFA members, we are happy this one is hitting the mark – and we are enthused to have been chosen to be a part of their next step. I look forward to the role that I humbly accept within this system, and working with all of the great people that have made it the success it is today.”

About

Team Worldwide is a diversified logistics service provider serving the U.S. with over 40 offices, and over 170 international locations supported by its global center based in Winnsboro, Texas. It is comprised of the service companies of Team Air Express, Inc., Team Transportation, Inc., Team Ocean Services, Inc., and Team Customs Brokerage, Inc. Service offerings include domestic and international air cargo service, ocean transportation, domestic surface transportation, warehousing/distribution capabilities and other ancillary services.
Hassett Express participates in DuPage Habitat for Humanity’s Women Build 2015

Hassett was proud to be a Golden Hammer Sponsor for the 2015 DuPage Habitat for Humanity Women Build. Our team joined other businesses and individuals in building a home for a local family. Thank you to the Habitat team and our crew leaders!

DuPage Habitat is a locally run affiliate of Habitat for Humanity International®, a nonprofit, ecumenical Christian housing organization. We work in partnership with families and the community to build affordable housing at no profit. The mission of Women Build is simple - to recruit, educate and nurture women to build and advocate for simple, decent and affordable housing in their communities.

South AAR Hanger Framing Complete at Chicago Rockford International Airport

MRO facility starts on second building and is on time and on budget for mid-2016 completion

Rockford, Ill., (November 18, 2015) – The South hangar steel on a new maintenance and repair hangar (MRO) for global aircraft service leader AAR Corporation at the Chicago-Rockford International Airport is completed. The 200,000 square-foot maintenance, repair, and overhaul facility is expected to operate 24 hours a day. The facility will expand the airport’s current infrastructure to allow for scheduled and unscheduled service, modification, overhaul, and all other support services for military and commercial aircraft. The hangar will be located in the mid-field area of the airport and is slated to be completed in mid-2016.

AAR chose Rockford as the site of its new facility for several reasons, including its central location, cost effectiveness, specially trained workforce, and regional supply chain and warehouse and distribution network. The Rockford region is a prominent hub of aerospace activity and aviation manufacturing in the country, boasting more than 250 industry specific companies. Rockford is home to a critical mass of tier-one aerospace suppliers including Boeing, Woodward, UTC Aerospace Systems, and GE Aviation. The region’s rate of manufacturing employment is twice the national average, with more than 80 percent of Illinois’ aerospace workforce located in the Rockford area.

“RFD is thrilled with the progress on the AAR facility and looking forward to the expanded services this will bring to the airport, said Ken Ryan, Business Development Director at the Chicago Rockford International Airport. “These mammoth hangars are changing the landscape of not only the airport ground, but the region as well.”

Rock Valley College Aviation Maintenance Technology Program has also just completed a 40,000 square-foot new training facility across the road from the AAR buildings. These classrooms are filled with students ready to learn and work at the MRO facility upon completion.

RFD is served by three airlines: Allegiant, Apple Vacations and Elite. RFD serves nine non-stop destinations including Cancun, Ft. Myers, Las Vegas, Denver/Ft. Collins, Orlando, Phoenix, Puerto Vallarta, Punta Cana and Tampa Bay. RFD was named the 2013 Primary Airport of the Year by the Illinois Department of Transportation’s Division of Aeronautics. For more information on RFD and flight schedules, visit FlyRFD.com.

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Radiant Logistics Acquires Copper Logistics
Expands its Mid-West Gateway Operations in Minneapolis, Minnesota

BELLEVUE, WA November 2, 2015 – Radiant Logistics, Inc. (NYSE MKT: RLGT), a third party logistics and multimodal transportation services company, today announced it has acquired the operations of Copper Logistics, Inc. (“Copper”), a Minneapolis, Minnesota based privately held company that provides a full range of domestic and international transportation and logistics services across North America. The Company paid approximately fifty percent (50%) of the expected purchase price at closing with the balance payable in subsequent periods.

On a post-closing basis, Copper Logistics will transition to the Radiant brand and operate as part of the Company’s mid-west gateway location near the Minneapolis/St. Paul airport (“MSP”). Copper Logistics’ operations that we can leverage in driving both revenue and cost synergies. We currently have company owned operations in 15 markets across North America and each of these locations represents a platform from which we can continue to attract like-minded logistics entrepreneurs who see value in our platform. With the benefit of recent equity raise we have very low leverage on our balance sheet at this point, a $65.0 million credit facility that is virtually unutilized and we are well positioned to on-board a significant number of new operating partners as we have the opportunity.”

Bud Lutterman, of Copper Logistics commented, “We are thrilled about joining Radiant. Through years of dedicated service, our customers have always remained our top priority whether they were here in U.S. or abroad. This philosophy has been key to our success. We were looking for a long term partner with that same passion for servicing the customer and a shared vision to further advance our business and provide an opportunity for growth for our employees. We found that partner in Radiant. Radiant has a real appreciation for the needs of the local owner/entrepreneur and a clear and achievable plan for building a world-class logistics organization. We are looking forward to leveraging our own strengths along with the capabilities of the Radiant network to bring additional value to our customers while enjoying the benefits of participating in an organization that, through its status as a public company, gives our team the opportunity to work as shareholders and participate in the value that we all help create.” Mr. Lutterman will continue as Vice President of Sales for Radiant’s MSP location.

About Radiant Logistics (NYSE MKT: RLGT)
Radiant Logistics, Inc. (www.radiantdelivers.com) is a comprehensive North American provider of third party logistics and multimodal transportation services. Through its comprehensive service offering, Radiant provides domestic and international freight forwarding services, truck and rail brokerage services and other value-added supply chain management services, including customs brokerage, order fulfillment, inventory management and warehousing to a diversified account base including manufacturers, distributors and retailers using a network of independent carriers and international agents positioned strategically around the world.

This press release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding future operating performance, events, trends and plans. All statements other than statements of historical fact contained herein, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected revenues and costs, and plans and objectives of management for future operations, are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expects,” “intends,” “plans,” “projects,” “estimates,” “anticipates,” or “believes” or the negative thereof or any variation thereon or similar terminology or expressions. We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are not guarantees and are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Important factors that could cause our actual results to differ from our expectations, include but are not limited to, those risk factors that apply to our operations as disclosed in Item 1A of our Report on Form 10-K for the year ended June 30, 2015 and other filings with the Securities and Exchange Commission and other public documents and press releases which can be found on our website (www.radiantdelivers.com). Readers are cautioned not to place undue reliance on our forward-looking statements, as they speak only as of the date made. Such statements are not guarantees of future performance or events and we undertake no obligation to disclose any revision to these forward-looking statements to reflect events or circumstances occurring after the date hereof.

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We have a particular interest in continuing to build density in strategic markets like MSP where we already have company owned operations that we can leverage in driving both revenue and cost synergies.

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