Future Logistics Conference 2019

Partnering for Innovation



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Damain Bishop, Chief Customer Officer, Toll Group

# Partnering for Innovation FUTURE LOGISTICS CONFERENCE 2019

Toll's Future Logistics Conference 2019, held in Melbourne on 21 and 22 August, led the way in exchanging important ideas and strengthening connections with partners across a range of industries.

Where the theme of "Partnering for Innovation" the two-day event brought together more than 150 business leaders – many from Australia's most influential companies – as well as leaders from Toll, who all contributed to the conversation with industry and Toll experts about the way data, partnerships and innovation will drive positive disruptions and transformation into the future.

#### The right place at the right time

Toll Board Member, Geoff Wilson, gave the opening address and set the scene for the collaborative conversations that followed. "The next couple of days together is about your thoughts, what's important to you and your business, and what's important to create a great user experience for you."

He spoke of the backdrop of geopolitical unrest and disruption, and that despite the challenges in these uncertain times, there are great opportunities for international trade and exchange, especially in Southeast Asia.

"We happen to be living in right place at the right time, where the action is, where the people are, and it's all moving rapidly. There are 2.2 billion people coming into the middle class – that speaks to huge opportunity," Geoff said.

Toll Managing Director, Michael Byrne, then highlighted how Toll is responding to this disruption impacting logistics, business and society, through partnerships and innovation across our supply chain.



#### It starts with safety

Reflecting Toll's Safety Obsessed culture, Toll's Global Head of Health, Safety and Environment, Richard Turner, outlined the initiatives that Toll is implementing to prioritise safety across the organisation – including both global campaigns and training programs to embed a safety culture. Toll's General Manager of Road Transport Safety and Compliance, Dr Sarah Jones, formed the second part of the safety agenda, speaking about the power of data to transform safety outcomes, and the importance of targeting attention on the areas of greatest risk.

She outlined the Toll Fatalities Research Project, which involved scrutinising all on-road and driver fatalities over a 10-year period, with a focus on incidents related to driver fatigue. The research found a correlation between fatiguerelated accidents and fitness for duty standards. Sarah said that while rail, maritime and aviation industries have regulations for fitness for duty, there's no equivalent in road transport. As an outcome of the research, Toll is working with medical consultants to develop its own standards in this field, which are contributing to a national road safety policy discussion.

#### Partnering is the way forward

In the spirit of the conference theme, the event held panel discussions that brought together speakers from Toll, customers and industry experts. The customer panel addressed ways to respond successfully to customer needs amid the changing political, environmental and business landscape globally. Facilitated by Toll's Chief Customer Officer, Damain Bishop, the panel included Toll customers BHP's Amy Rowlands Byng, Coles' Jo Hammond and TTI Techtronic Industries' Alan Mctaggert.

The panellists – from a mix of logistics and health and safety roles – agreed that partnering

between customers and suppliers, and also suppliers joining forces with other suppliers, is a savvy and efficient way to respond to existing and future challenges. This type of customised approach, the panellists said, needs to be managed carefully to ensure it doesn't introduce cost increases or inefficiencies.



#### Diversity is the key to future talent

The Building our Future Talent panel on day two of the conference was facilitated by Toll's Chief Human Resources Officer, Vikram Cardozo, and included the Director for the Centre for Supply Chain and Logistics at Deakin University, Hermione Parsons, BHP's Vice President of Supply Minerals Australia, Michael Bailey, and retired Air Vice Marshall Margaret Staib, who is the former CEO and Head of Joint Logistics Forces at CASA.

With a focus on how to attract and retain the right talent for the future workforce, a strong theme emerged among the panellists that diversity of thought – bringing talent in from different industries and backgrounds – and diversity in all its representations, will be central not only to the upcoming generation of star talent, but also to the success and sustainability of organisations.



Building our Future Panel discussion

#### **CUSTOMER FEEDBACK**

"BRILLIANT CONFERENCE. ONE OF THE BEST INDUSTRY CONFERENCES I HAVE ATTENDED."

"I HAVE ALREADY TAKEN ACTIONS TODAY TO IMPROVE...WITHIN OUR WORKPLACE, AS A DIRECT RESULT FROM A NUMBER OF THE PRESENTATIONS".

#### "TOLL IS A THOUGHT LEADER!"

"DEMONSTRATED TOLL'S COMMITMENT TO ITS CUSTOMERS AND LEADING THE WAY IN HOW LOGISTICS WILL EVOLVE OVER TIME."

### LEADING AI BUSINESS INNOVATOR



Matt Michaelwicz, CEO of Complexica.

uest speaker entrepreneur and CEO of Complexica, Matt Michaelwicz, was born and bred into the world of artificial intelligence and big data and inspired the audience with his insights into innovation and disruption.

The only child of two PhD academics, he told the crowd that as a child the visitors to his home were professors and artificial intelligence (AI) scientists discussing neural networks and robotics and family holidays centred around conferences where his father was presenting – "long before AI and big data were buzzwords," he says.

Matt spoke at the Future Logistics Conference about the ways that innovation is often misunderstood in business.

"Innovation is what we all do in every business, every day. It's about incremental improvements, making things a bit safer, a bit faster, a bit more efficient, or raising the quality a bit more," he says. Innovation is often thought to occur

instantaneously but that is not the reality, Matt says.

"Innovation is not an epiphany that happens spontaneously," Matt says. "It happens through a series of conversations that could lead to a breakthrough." Importantly, Matt says, it is not the technology that drives innovation, but the way the technology is applied in new ways.

Innovation is about the intersection of ideas, whether that is across countries, cultures or industries, and he finished his presentation with advice for the audience.

"Explore cross-pollination with partners in other industries, with disparate ideas coming together to create new ideas," he says.

"Don't be insular. It happens by sharing observations, by gaining new insights, by borrowing something from here and applying it in another place. Begin the conversation."

## THE FUTURE OF TRANSPORT

he Future of Transport discussion between Toll's President, Group Operational Services, Peter Stokes, and Toll's customer and supplier Mercedes-Benz Sales Director Daimler Truck and Bus, Richard Eyre, displayed partnership in action.

Peter began by explaining Toll's focus over recent years on reshaping the global fleet of trucks, investing \$1.5 billion over six years on upgrades that are centred on safety and improving efficiency and asset utilisation to ultimately deliver these benefits to customers.

The approach, Peter said, has involved partnering with suppliers, such as global tyremanufacturer Bridgestone, to improve tyre efficiency and reduce fuel consumption.

Toll is exploring other exciting new technologies such as zero-emissions for greater supply-chain efficiency and low-carbon solutions, investigating ways to optimise aerodynamics and driver performance across the existing fleet using telematics and diverse fuel sources, and also working with Daimler to implement its new system for last-mile parcel and carton deliveries.

Daimler's Richard Eyre then presented on the group's vision for the future, under the acronym CASE, with the focus being on connected, automated, shared and electric solutions.

Richard explained that connected trucks will be the mobile data centre of logistics networks,



Peter Stokes, President Group Operational Services, Toll Group

that level 4 autonomous vehicles are being trialled that will free up drivers for up to 80 per cent of highway driving time, and that the next decade will see huge improvements in the viability of zero-emission electric vehicles, although diesel will be here to stay for the foreseeable future.

He also said the power of partnership and shared services will be the key to future success in the logistics industry – sharing trucks and services and working together to accelerate the advances in technology breakthroughs.