

---- INTEGRATED SHIPPING PERFECTED -----

WINNING THE "LAST MILE"

Courier, Express, and Parcel Shipping & Delivery

Keys to Winning the Last Mile





Realizing that the future belongs to the fast and the first.

What is Last Mile Logistics

A few things to know

- Last mile logistics refers to the final step of the delivery process from a distribution center or facility to the end user.
- Although the name implies, it is the final mile delivery, actual last mile delivery can range from a few blocks to 50 or 100 miles.
- Most often, last mile logistics involves the use of parcel or small package carriers to deliver products to consumers.
- According to McKinsey and Company shippers of all sizes have identified last mile logistics as the cornerstone to driving growth and profitability



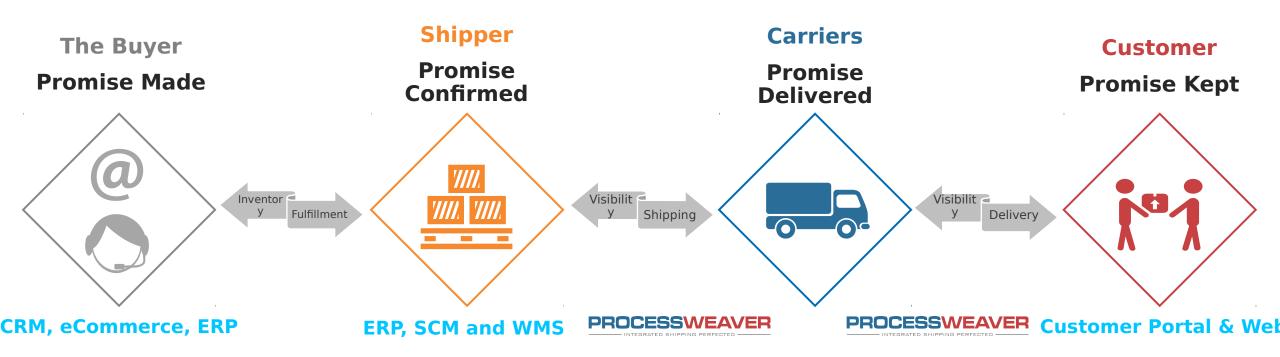
Keys to Winning the Last Mile





Understanding that it's the customer who controls how you get them their order.

At The Heart of What Today's Shippers Need



By helping them orchestrate and synchronize execution processes across functional execution domains

Multi-Carrier Shipping as Required Compliance



Keys to Winning the Last Mile



Commitment to the belief that digital transformation is the foundation of business transformation.



In the Need to Digital Transform Transportation

Foundational Technologies of TMS

- Optimizing performance
- Customer satisfaction
- Controlling costs



In the Need to Digitally Transform Transportation



The global TMS market was valued at \$1.2 billion in 2016 and is expected to reach \$2 billion by 2021.



TMS growing at a compound annual growth rate (CAGR) of 12.2% over the last five years, with Gartner estimating it closer to 20%.

Key Market Drivers									
Reduced Costs	Enhance Customer Service	Corporate Globalization	Improve Productivity and Efficiency						
Omni-Channel Logistics	Amazon Effect	Growth of eCommerce	improve Productivity and Efficiency						



Ecommerce, The Amazon Effect, and Parcel Shipping

In the Need to Digitally Transform Transportation



American region expected to continue lead to global TMS market followed by EMEA



APAC expected to witness the highest growth rate in its market share



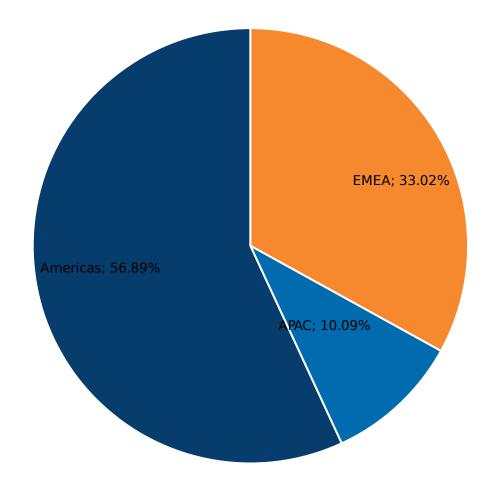
TMS market will continue to growth at a healthy rate

- 50% Americas
- 50% Outside Americas



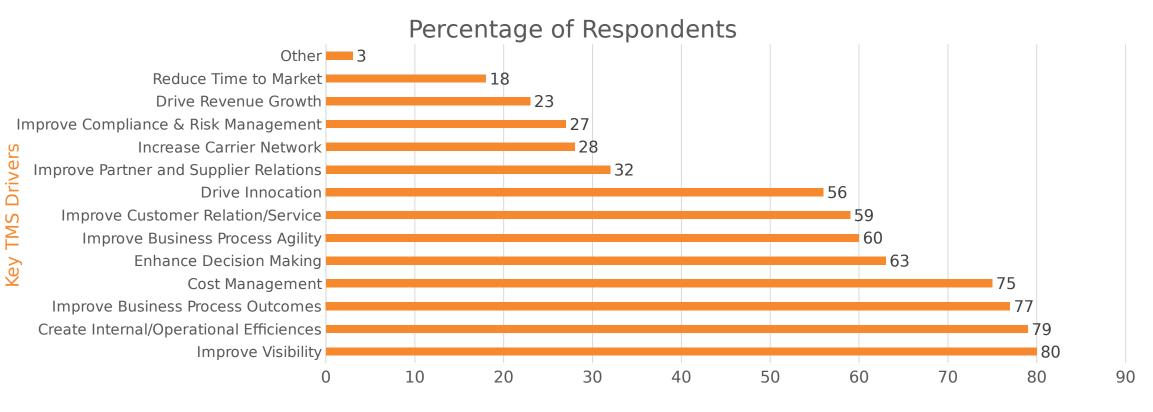
ERP/TMS is one of fastest growing segments of the TMS market

Global TMS Market 2016



Source: Gartner (April 2017)

Key Value Drivers for TMS Adoption



Percentage of Respondents

Today's businesses need to understand that they both physically and digitally ship customer orders

DDOCESS\//FA\/FC

I The Amazon Effect and Growth of E-Commerce

A few things to be aware of

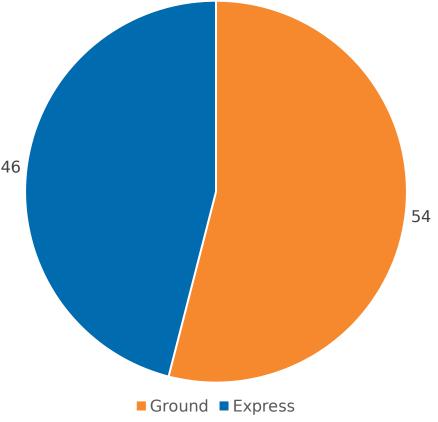
- Amazon continues to raise the bar, conditioning shoppers (and not just those sitting at home) to expect same-day delivery, while forcing rivals and logistics to play catch up.
- As the focus of e-commerce shifts to supply chain logistics, shippers are confronted with a fundamental challenge: rising expectations from consumers expecting ever-faster delivery.
- Delivery windows continue to shrink, covering the "last mile" to customers homes has become a critical and costly priority.
- Carriers and warehouse operators that benefit from rising e-commerce shipments are investing in digitally transforming their technology and networks to meet delivery requirements.
- According to the Council of Supply Chain Management Professionals' 29th Annual State of Logistics Report, a leading trend for 2018 included: "a fully digital, connected, and flexible supply chain optimized for e-commerce and last mile, sameday delivery will become essential."
- Businesses have to solve the "Last-Mile" riddle as they deal with increasing parcel

Growth of Domestic Parcel Shipping 2017



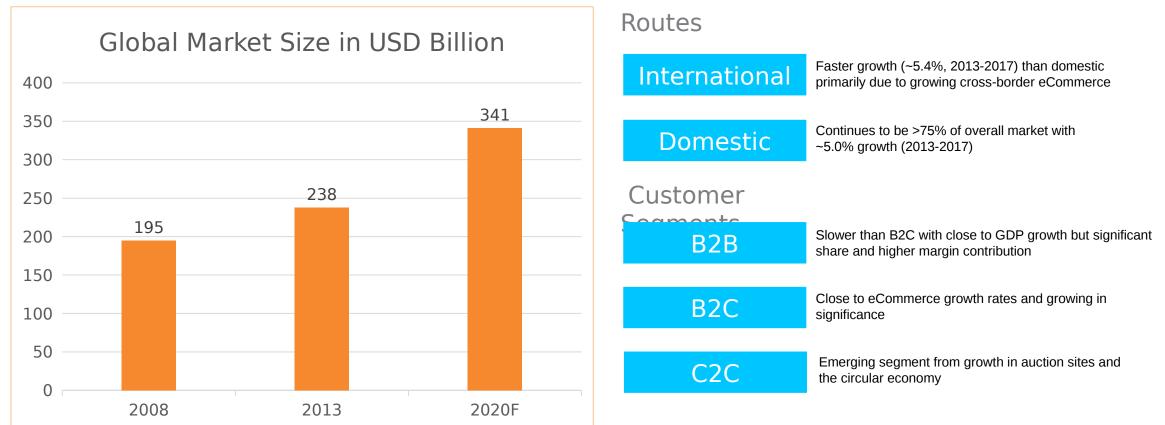
Market Segment 1 46 50 49 ■ B2B ■ B2C ■ C2C

Carrier Product



Parcel Growth 2008-2020

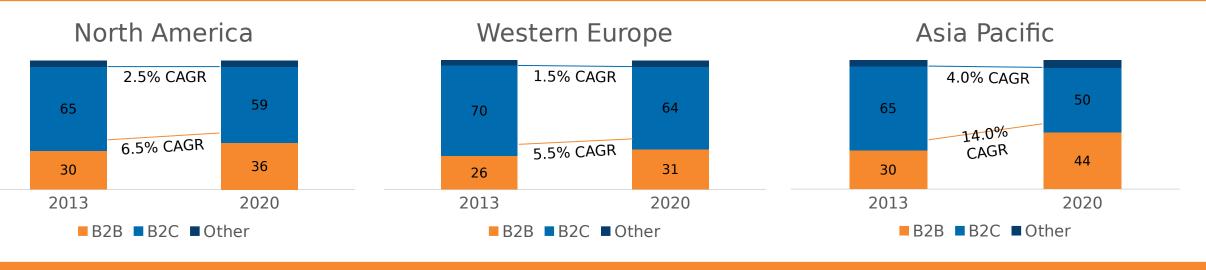




Market	APAC	N. America	W. Europe	Europe Rest	Middle East	S. America	Africa
2013 Share	32%	33%	23%	5.7%	3.5%	2.5%	1.5%
2020 Share	38%	30%	19%	5.3%	4.1%	2.5%	1.9%
2013-2020 CAGR	15%	9%	5%	8%	7%	5%	10%

Global B2B Versus B2C Market Share

Market Share by Revenue

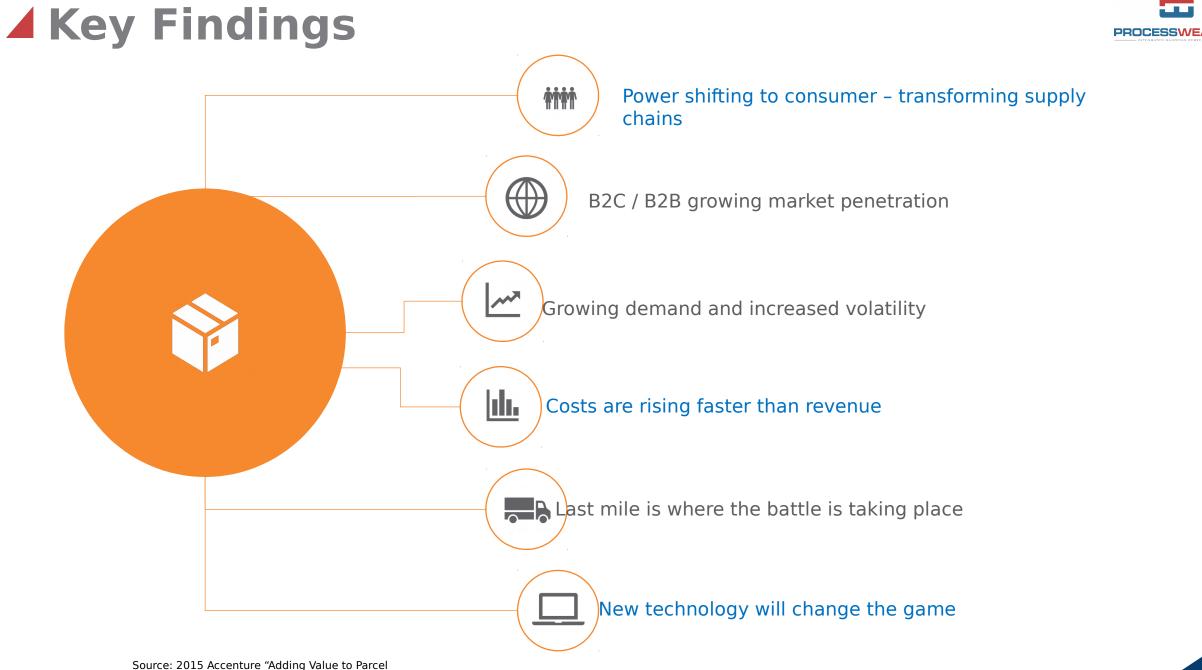


Market Share by Volume



Source: Accenture 2015

PROCESSWEAVER



Delivery"

Regulatory Compliance

Complying with DOT and IATA regulations to ensure on-time delivery and avoidance of fines

Date:	05/06/2010			VICS	WE	B BI		DF I		NG		
			SHIP FR							ng Number:		
	BC 123 C											
	te/Zip: BO											
SID#:						F	OB: 🗖					
Name:	Jeannie O'kr	inhton And (SHIP	го	Loca	tion #:			RRIER ler num	NAME: Reddaway		
Address									I numb			
-	te/Zip:Bev	erly Hills, C/	90210			_			AC: RET			
CID# :	THIRD	PARTY	FREIGHT	CHARGES	SBUL		OB: 🗆	1 10	numbe			
Name:				J. ANOLA								
Address City/Sta										301-100	0483 4	
	L INSTRU	CTIONS:						Frei	ight Ch	large Terms: (freigh	t charges are pr	epaid
										ed otherwise)	3rd Party	
								1-105	aid <u>x</u>	Collect Master Bill of Lad		
									heck box)	underlying Bills of		
CUST	OMER O	RDER NU	MBER	# PKGS	WEIG			NFORM T/SLIP	ATION	ADDITIONAL S	HIPPER INFO	
			(ibt	1)	(Circle							
							Y	N				
							Ŷ	N				
						-	Y	N				
							Y	N				
							Y	N				
GRAND	TOTAL								_			
HANDLI	NG UNIT	PAC	KAGE		CAR	RIERI	NFOR CO	MATIO	N TY DES	CRIPTION	LTL ON	LY
QTY	TYPE	QTY	TYPE	WEIGHT	HM	Commo must be a	dities require to marked at	ng special or a nd packaged a	editional care is to ensure sal	or alternion in handling or stowing to transportation with ordinary care. C item 360	NMFC #	CLASS
		3	Bags	(lbs) 123	(X)	Books		See Secto	a zini ol Maria	C Ren 267		200
	-											
			-		-						and the second	
		3		123	Send of			GRA	ND TO			
where the ra declared value "The agreed	e is dependent ie of the proper or declared value	ty as follows: ue of the proper	pers are require ty is specifically	d to state specifica stated by the ship	per to be no	a the agreed of exceeding	a or			Amount: \$	Prepaid: D	
	per									mer check acceptat		
NOT			ion for los	s or damag	e in this	s shipm	nent ma			e. See 49 U.S.C. § 14		
RECEIVED	subject to indivi	dually determin	ed rates or cord	is or damage tracts that have be classifications and The shipper hereb ight Bill of Lading, ed to by the shippe	en anmed u	non in write	na behene	n The car		e. See 49 U.S.C. § 14 also delivery of this shipment without po		
	and are evaluated	his to the shipe	or on receipt	The shirter besets	A COLUMN THE OWNER	and Bandadhan in	S. Farmiliar					