



# FASTER FREIGHT - CLEANER AIR CALIFORNIA

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Long Beach Convention Center • Long Beach, California



# William Villalon

APL Logistics

A SUMMIT ON GOODS MOVEMENT AND AIR QUALITY IN CALIFORNIA

## ***Beyond Zero Sum:***

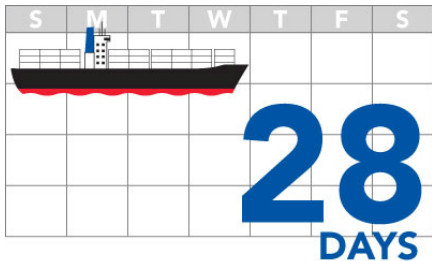
**A Market-Driven approach to achieving  
both Faster Freight and Cleaner Air**

## ***OceanGuaranteed®* was created as a cost-effective surface alternative to deferred airfreight shipments**

- **Market research identified unmet customer needs**
  - Shipper pain points with conventional ocean LCL service (too unreliable) and airfreight (too expensive)
- **Product development costs were minimal**
  - Built by combining existing transport networks and integrating processes and IT
  - Partnership with LTL leader Con-way Freight
  - Used existing infrastructure
- **Industry's first day-definite, ocean/truck service from Asia to North America**
  - Guaranteed delivery date for LCL shipments originating in Asia to virtually any US ZIP Code



# OceanGuaranteed® has delivered significant economic benefits for customers such as Michael Kors...



## Previous LCL shipments...

...took 28-32 days to reach its New Jersey distribution center from Asia – up to nine days longer than FCL shipments.



## Airfreight was faster, but...

...cost to ship individual handbags was \$25 per bag...  
...and product often received earlier than needed.



## By switching to *OceanGuaranteed*, Michael Kors

- Reduced transit times by 30% to 20 days compared to regular LCL service, with 99% on-time.
- Reduced airfreight shipping costs by 80% to \$5 per bag.

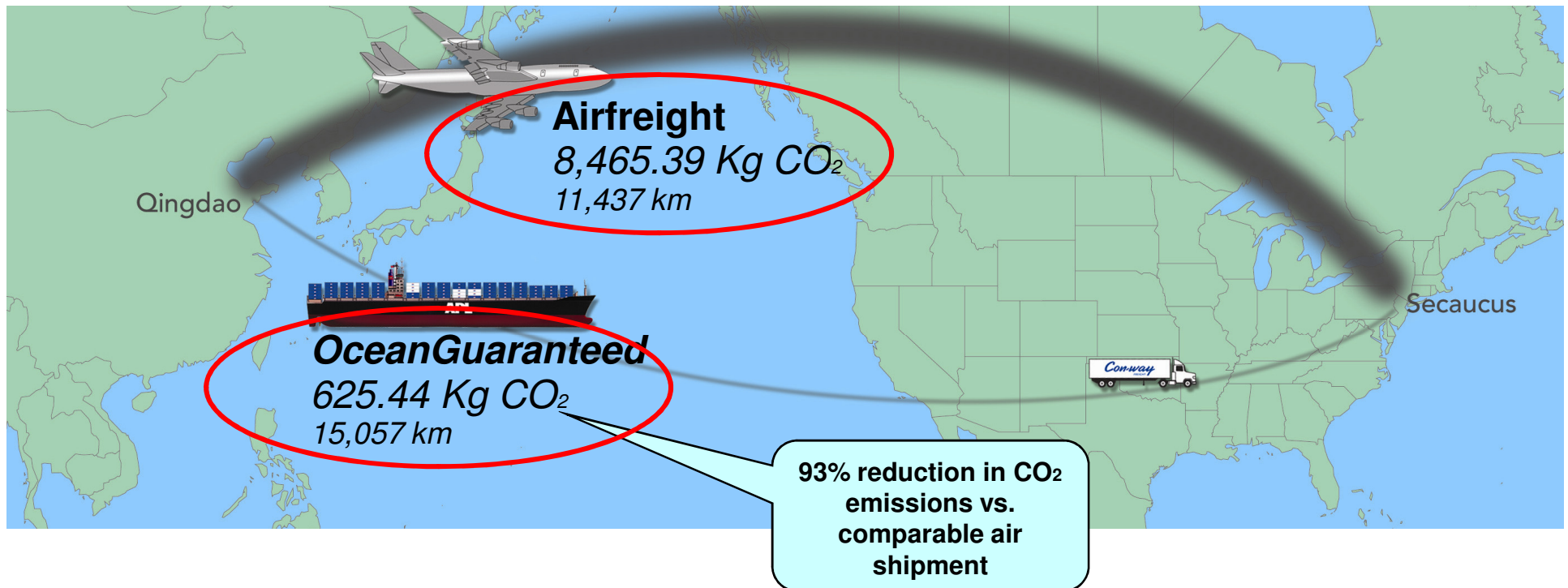
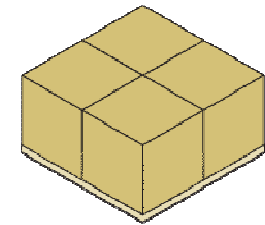
## ...and helped reduce its supply chain carbon footprint

### Carbon Emissions Comparison<sup>1</sup>

#### Actual Michael Kors Shipment

- Origin: Qingdao, China
- Destination: Secaucus, NJ

- Weight: 1,465 kg
- Volume: 12 m<sup>3</sup>



1. Carbon emissions calculation based on methodology from Clean Cargo Working Group/BSR and Greenhouse Gas Protocol.