Carbon Footprint Accounting in Logistics

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• Why?
  • Green image
  • Innovations to drive economical benefits
  • Proactive to future mandates
    • Wal-Mart’s eco labels
• Large logistics services provider
  • A year ago a handful of requests for footprint
  • Now more than a hundred

Shippers Want to Know Carbon Footprint
• Still many shippers and carriers have no initiatives
• Different in EU
  • Regulations require trade-off
  • Proctor & Gamble
    • Switch from truck to rail in Western Europe
    • From 10% rail to 30% rail
    • Ship on Amazon river instead of trucking south
      • 40% longer lead time, but 60% lower emissions
      • AAA supply chains can eat up longer lead time
        • Agile, adaptable, aligned

Not so Fast
Challenges in Carbon Footprint Accounting

- Challenges
  - Data
    - Collection
    - Transparency
    - Quality
  - Processes
    - Not in place
      - Find the source, pick up the phone
• Two parcel carriers – direct competitors
• Internally developed allocation schemes
• No alignment
• Need for guidance
• What is the carbon footprint of a package from Peoria, IL to Fresno, CA?

Allocations
### Customer Trend

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### Drill-Down/Up
One third of total emissions in the US coming from transportation.
Emission in Intermodal
Slice it and Dice it

- Region
- State
- Corridor
- Industry
- Operation
• Intermodal investment decision based on
  • Economics benefits
  • Emission control
• Technology investment
  • Mode, process
• Investment in which region, corridor
YOU CAN’T MANAGE, IF YOU CAN’T MEASURE

• Put the processes in place
• Add business intelligence
• Top it with analytics

Key Messages
THANK YOU VERY MUCH!

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