



HELPING CUSTOMERS DELIVER™

Making Things Move

FEATURE ARTICLE

In Search of a Logistics Catchphrase

By Adrian Gonzalez, ARC Research

"We don't make a lot of the products you buy. We make a lot of the products you buy better." BASF coined and registered this now popular phrase to communicate the value it (and, by extension, the chemical industry) provides to consumers and society. It recently occurred to me that the logistics industry should come up with a similar catchphrase to make its value proposition more tangible for the average person on the street, including my family and friends who don't quite understand what I do for a living.

Logistics is an estimated \$3.5 trillion industry worldwide (about 7.5 percent of the world's Gross Domestic Product) and it employs millions of people around the world. Simply put, the logistics industry plays a major role in the world economy and it affects the standard of living of many, many people. But the best way to appreciate the logistics industry's value is to see it in action, especially at the local level.

A perfect example is how the industry responds when natural disasters like Hurricane Katrina strike. In the aftermath of the hurricane, the spotlight was on the Federal Emergency Management Agency (FEMA) and its failure to adequately prepare and respond to the disaster. But while politicians and pundits pointed fingers at each other, the logistics industry and the private sector were busy in the background, bringing food, water, clothing, medicine, and other supplies to the affected areas. Logistics and transportation companies contributed trucks and warehousing space to the recovery effort; Wal-Mart

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Letter from the Editor

Welcome to our second issue of *Making Things Move*, the Descartes customer newsletter created to help keep you up to date on the topics that matter most in streamlining your global trade and transportation operations.

In this issue we focus on the very important topic of "Making the World a Better Place Through Logistics". Our outlook for 2008 is that logistics will go beyond just improving operations to empowering organizations to embrace Corporate Social Responsibility and Environmental Leadership. That means making a positive impact by ensuring our borders are more secure, reducing fuel consumption, decreasing the number of miles driven and trucks on the road, and ultimately diminishing harmful emissions.

Are you and your organization helping make the world a better place through logistics? We would love to hear some of the ways you are doing this, and hope that this issue will spark some great ideas on how we all can give back and at the same time increase efficiencies.

Don't forget to pass this newsletter on to your co-workers and any other colleagues that could benefit from reading *Making Things Move*.

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donated over \$3 million in merchandise to the cause, sending over 1,900 truckloads of goods to the region; CVS sent \$254,000 worth of food, water, and other essential items, and it deployed 30 emergency pharmacy units in the impacted areas.

Why was the response of the logistics industry and companies with renowned supply chain expertise better than the government's? A CVS executive answered it best at a conference I attended last year: *"We deal with disruptions every day,"* he said, citing examples such as traffic jams, labor strikes, power outages, and countless weather-related problems occurring every day around the world. *"Our job [as logisticians] is to find solutions around these problems,"* he continued, *"to get the right product, to the right place, at the right time."* Simply stated, the logistics industry and logisticians operate in a very dynamic environment, so when a highly-disruptive event occurs, they have the experience and the tools to respond quickly and effectively.

The logistics industry is also taking a proactive role in enabling "environmentally-friendly" supply chains, a strategic objective for many companies today. There are almost 7 million trucks and about 20,000 Class 1 locomotives in the U.S. alone. These assets consume over 35 billion gallons of diesel fuel each year, producing over 350 million metric tons of carbon dioxide. When you extrapolate these statistics across all transportation modes and countries, the industry's total impact on the environment is staggering.

But the industry is taking corrective action. For example, many transportation and logistics companies are joining the *SmartWay Transport Partnership* (www.epa.gov/smartway), a program launched by the U.S. Environmental Protection Agency (EPA) that aims to reduce carbon dioxide emissions by 33-66 million metric tons and up to 200,000 tons of nitrogen oxide emissions per year by 2012. There are many ways to achieve these goals: reduce the number of trucks on the road, use more fuel-efficient vehicles, eliminate unnecessary engine idling, reduce empty backhauls, etc. And technology solutions, such as Transportation Management Systems (TMS), are playing a key role in enabling these efforts. In fact, the Logistics Service Provider industry is the fastest growing segment of the TMS market.

Another area where the logistics industry takes center stage is Trade Security. Preventing terrorism and facilitating global trade is a delicate balance, especially as terrorist threats and trade activity continue to rise. The logistics industry has maintained this balance successfully, even as regulations, such as the Trade Act of 2002 and the SAFE Port Act, have imposed new requirements on their operations and processes. This is another area where technology solutions, such as customs filing and compliance solutions, are contributing.

And there are many more examples. But now that I think about it, I'm not sure it's possible to capture the full value of the logistics industry in a single catchphrase. It's too big, too complex, and too dynamic. It's mysterious and magical, even for people in the industry.

ARC Advisory Group is a global market research and consulting firm recognized by clients for its expertise in Manufacturing and Supply Chain Management.

Adrian is the Director of ARC's Logistics Executive Council (LEC), a member-driven service that serves as a medium for collaboration, benchmarking, and best practice research for logistics and supply chain executives from manufacturing, retail, and 3PL companies. Over the past 8 years, Adrian has authored several strategy reports on Transportation Management, Global Trade Management, and Logistics Outsourcing, and he has managed consulting projects for Global 1000 clients. He is a frequent speaker at industry events and conferences, and is regularly quoted in industry publications and business magazines including Forbes and The Wall Street Journal. Prior to ARC, Adrian held various leadership positions at Motorola, Clare, and Polaroid.

FEATURE WHITEPAPER

Making the World A Better Place through Logistics

As technology usage in the supply chain matures, 2008 promises to be a breakthrough year in terms of how logistics is perceived and managed. Logistics is no longer solely focused on discrete elements of supply chain execution or manufacturing processes. Rather, the industry is now moving to a much more comprehensive approach that also takes into account the impact these elements are having on securing our communities and the environment.

Technology advancements from innovators such as Descartes are playing a key role in bringing together all parties of the supply chain process – from manufacturers and distributors to retailers and service providers to government and regulation agencies. Together they are creating a foundation from which they can define, facilitate and set standards to adopt processes to improve time to market, automate inefficiencies and ultimately improve the communities they serve.

This is being achieved through such initiatives as:

- ▶ Improving tracking of vehicles to reduce mileage and carbon emissions;
- ▶ Automating customs and compliance filings to make our borders safer and more secure;
- ▶ Automating bookings, reservations and rate management processes to reduce paper usage ;
- ▶ Improving efficiencies by maximizing cargo utilization and reducing the number of loads on the road;
- ▶ Improving supply chain visibility to anticipate arrival times and reduce idling and waiting.

Ultimately the companies that embrace these advancements will emerge as leaders in their field. Organizations that are leveraging automation to streamline processes will not only improve productivity, performance and profitability, they will rank as environmental and social leaders.

By partnering with Descartes, your organization can learn how to not only improve the productivity and performance of your logistics operations but also give back to your communities in your own backyard and around the world.

FEATURE CASE STUDY

TOMRA – Greening the Supply Chain with Integrated Logistics for its Recycling Operations

Founded in Asker, Norway in 1971, TOMRA operates today in 45 countries around the globe. In pursuing its mission of 'Helping the World Recycle', TOMRA maintains a strong commitment to ensuring that their activities contribute positively to society and the environment.

In North America, TOMRA has 250 employees and a fleet of 185 different trucks that collect and process deposit beverage containers in six different states. The containers are returned through different redemption strategies, some utilizing kiosks at supermarkets, others utilizing reverse vending machines and still others using the traditional person at a counter to accept the container. A network of 16 plants across the country process these containers. TOMRA's 8,000 customers include market-leading retail chains such as Kroger, Tops, Wegmans and Meijers.

Seasonal Operation Creates Complex Challenges

TOMRA operates in a seasonal market where the volume of returned beverage containers fluctuates with seasonal weather changes. As a result, its fleet would average 4,000 pick-ups during the course of a week in the winter, compared to an estimated 6,000 stops in the summer. A variable operating schedule also creates fluctuations in stops per truck per day, depending on the region. Stops could range from two in California to 16 in northern New York, for a company-wide average of five per day.

TOMRA's route planning was done manually, resulting in excessive driver hours, miles driven and fuel consumption. This manual system lacked information to track and evaluate customer service concerns and driver performance.

According to Steve Nee, Executive Vice President of Material Handling at TOMRA North America, "Operating a seasonal business can be challenging, especially since different route sets have to be created when changing over from one season to the next." At various points in the company's history it used some simplistic routing tools to try and address its concerns, but none provided the level of sophistication or flexibility that TOMRA required to meet the needs of its seasonal operations.

Descartes Routing and Scheduling Delivers Sophistication and Flexibility

Nee has been managing transportation operations for over 20 years. During his career, he has been exposed to a variety of

technological solutions for routing and scheduling, but none had captured his attention like the Descartes Routing and Scheduling solution for route planning and logistics management. He knew that this was a logistics solution that could address TOMRA's complex transportation needs. "Throughout my career, I have had the opportunity to evaluate best-of-breed as well as proprietary solutions, and based on my past experiences, I knew that Descartes offered the most advanced functionality and provided unmatched levels of support."

Nee recommended that Descartes Routing and Scheduling be deployed on a wireless platform across TOMRA's North American operations. "The power and sophistication of the Descartes Routing and Scheduling software speaks for itself," explains Nee. Once TOMRA's IT staff understood how easily Descartes Routing and Scheduling could be integrated into the company's technological environment, a decision was made to move forward with the implementation.

After some initial strategy planning, the Descartes solution was rolled out across 16 sites in six states. The implementation began in Michigan, followed by New York, Connecticut, Vermont, Massachusetts, and California. At each site, the implementation team would clean up customer data, propose master routes, and then, in an initial test run, each operator was shown the suggested routes.

"To ensure a seamless transition to Descartes Routing and Scheduling, our hands-on implementation team would get into trucks and ride with our drivers to show them how the solution would support them on their daily routes. This helped alleviate any concerns that drivers had about making the change to such advanced technology," says Nee. "Once our drivers were trained, they immediately saw the advantages and have not looked back since."

Breakthrough in Productivity Drives Results

Descartes Routing and Scheduling enables TOMRA to drive improvements in revenue performance through strategic sales and territory planning, enhanced customer service and responsiveness, and lower operational costs through day-to-day route planning. In fact, TOMRA operates today using a highly efficient, centralized dispatch call center model where routers work 24/7 to ensure routes are optimized for maximum performance.

Immediately after the implementation, TOMRA achieved a five percent productivity lift on average across all the businesses. "We were able to reduce the average number of vehicles at some locations. And the boost in productivity also meant we could support the growth in our dynamic account base, but without incurring any capital costs," says Nee. Customer feedback has also been positive: drivers are more efficient in their picks up and the increased levels of service are now also very predictable.

Nee also appreciates that he and members of his team can "dig really deep" into the software, creating numerous scenarios to

address whatever complex challenges may arise. “The software is so sophisticated that I can deal with practically any scenario for any of our 150 dynamic, static and semi-static routes.” He explains that in snowy conditions, a router can now adjust the speed of the trucks, add in a second truck on the same route if needed, and re-forecast times. Previously, inclement weather would affect driver schedules. Delivery dates and times would then fall behind and a few days would be needed to catch up. “Now we can just add in an extra truck and recreate the metrics so that everyone gets the same service.”

Since drivers now use GPS-enabled mobile phones, dispatchers have real time visibility into driver performance. Route metrics are also captured by the minute, ensuring that estimated times of arrival for subsequent stops are adjusted when exceptions or delays occur. Customers are then notified of any changes to the pick up schedule.

By integrating its solution with wireless capabilities, TOMRA can also import data in real-time into a centralized data repository that can be easily accessed through the report writing tool. The end result is improved service policies, streamlined transmission of data, improved dispatching processes and reduction in overall man-hours and duplication of effort. Improved routing also minimizes fuel consumption and lessens the overall impact of its fleet operations on the environment.

SUMMARY

Challenge

Operating a seasonal business was challenging, especially since TOMRA’s route planning was done manually. A lot of extra miles were being driven, thereby increasing labor and fuel costs. TOMRA also had difficulty predicting customer service. This lack of information made it difficult to evaluate driver productivity. There weren’t any forecasted metrics to compare to actual pick up performance.

Solution

TOMRA operates today using a highly efficient, centralized dispatch model on a wireless platform. Descartes Routing and Scheduling enables TOMRA to drive improvements in revenue performance through strategic sales and territory planning, enhanced customer service and responsiveness, and lower operational costs through day-to-day route planning.

Benefits

- ▶ Implementation of a highly efficient, centralized dispatch model;
- ▶ Five percent productivity lift on average through the business units immediately following implementation;
- ▶ Reduced the average number of vehicles at some locations;
- ▶ Growth in dynamic account base is managed without incurring any capital costs;

- ▶ Feedback from customers is positive;
- ▶ Drivers are more efficient in their picks up;
- ▶ Increased levels of service are now also very predictable;
- ▶ Sophisticated software can address whatever complex challenges may arise;
- ▶ GPS-enabled mobile phones provide real time visibility into driver performance;
- ▶ Route plans are adjusted on the fly when exceptions or delays occur;
- ▶ Centralized data repository supports detailed reporting and predictive modeling.

INDUSTRY & MODAL UPDATES

AIR

Air Cargo Helps Expand Global Commerce

*By Ben Darnell
Managing Director, Delta Cargo*

There was a time when traveling overseas, from one country to another, required a great deal of patience. For instance, a passenger or cargo ship departing Europe in the early 1900s would often take a week or more to arrive at its destination in the Americas.

Although today’s larger ships take almost as long, our global economy now demands much of our cargo must move faster. It is not uncommon for manufacturing components, fresh seafood, fruit and fresh cut flowers to depart and arrive overnight or the same day.

This increase in speed can be directly attributed to the growth in worldwide consumer demand for a number of products, and the expansion of technology to keep pace with that demand.

In the 1950s, the United States saw a rapid increase in the use of a relatively new invention called the television. The increase in consumer demand created an atmosphere that drove innovation to build more television sets faster with more features. The cost was eventually driven down by increased production as well as the ability to speed parts and materials from the source to the manufacturer.

Fast-forward to today where most electronics used in the United States are manufactured overseas. No sooner does the latest Apple iPod arrive on store shelves and a better model is designed to take its place.

Whether its Apple iPods or televisions, air cargo plays a critical role in helping providers and consumers conduct business quickly and efficiently. Aircraft used by airlines are faster, available in greater quantity, scheduled more efficiently and can accommodate a greater variety of product.

But, it's not just consumer electronics that boost the global economy. The lobster one might enjoy in New Orleans may have been flown in from Maine earlier that day. The flowers a husband in Los Angeles gives to his wife on their anniversary may have been flown in from Quito, Ecuador the day before while the chocolate may have arrived from Brussels, Belgium two days prior.

The global economy will continue to grow and become more efficient with the advent of the Internet and the expansion of e-commerce technology. The fact that a consumer or business can order a product online on Monday and have it delivered over 2,000 miles by Tuesday was unheard of 100 years ago. Thanks to air cargo and the latest technology, not only is that a reality today, but we may soon see items routinely ordered and delivered the same day.

As the global leader in electronic bookings for the air cargo industry, Descartes GF-X has enabled the continued advancement of air cargo through its suite of impressive products, such as Descartes GF-X Exchange™, Descartes GF-X Host to Host and Descartes GF-X Private Label.

As a key contributor to the advancement of global commerce, Delta Cargo has worked closely with Descartes GF-X to provide efficient and reliable air cargo service to its customers. Soon, Delta Cargo will unveil deltacargo.com, its new Descartes GF-X-powered website that provides a one-stop solution for cargo customers worldwide. The new deltacargo.com leverages the airline's ever-expanding international network that includes the addition of more than 60 new international routes over the past two years.

Like Descartes GF-X, Delta Cargo takes seriously its role of facilitating the expansion of global commerce – not just in bringing the latest electronics to consumers, but by also allowing the husband to present his wife with the latest flowers and chocolates on their anniversary.

OCEAN

What You Need To Know About China Bond Riders

China bond riders are now in full effect. This year, on June 14 and again on June 19, the Ministry of Communications (MOC), the China government branch that looks after the NVOCC section, issued Notices to ocean carriers that they must immediately stop doing business with non-MOC licensed NVOCCs. While regulations became law in 2003, it was not until June this year that the MOC began strict enforcement. Significant penalties will be imposed for ocean carriers that violate this regulation. The carrier members of the Trans-Pacific Stabilization Agreement have been counseled to

take serious steps in policing this rule. NVOCCs can expect rough going on the high seas in the U.S.-China trade lanes.

NVOCC CONFUSION. Some NVOCCs have complained to the Federal Maritime Commission that there are certain compliance issues in play that could bring major disruption to the U.S.-China trade lanes.

These include:

- ▶ The basic MOC requirement that U.S. NVOCCs must pay a 800,000 RMB cash deposit (then approximately \$96,000 USD, now \$126,000 USD due to currency fluctuations), and a 200,000 RMB cash deposit for each branch operated in China;
- ▶ U.S. NVOCCs who are late coming to registration are being told different things than those who registered in 2004, 2005, 2006, particularly in regard to branch office deposit requirements; earlier registrants did not have to make deposits for each branch office;
- ▶ U.S. NVOCCs who registered earlier have been given the ability to work in the cross trades (non-U.S. lanes) without having to comply with the general RIMT requirements;
- ▶ Some U.S. NVOCCs obtained the Optional People's Republic of China ("PRC") Rider (increased the \$75,000 bond to \$96,000) that the MOC previously agreed would satisfy the PRC requirement;
- ▶ Some NVOCCs, even with the larger bond amounts, are now facing the following problems:
 - a) The MOC may request that these NVOs deposit the 800,000 RMB and 200,000 RMB per China branch anyway;
 - b) The MOC may limit these NVOs to the U.S.-China trade lanes unless they provide the above deposits.
- ▶ There is also some confusion about whether an NVOCC can circumvent these problems by employing a Class A forwarder as their Chinese agent.

U.S. OFFICIAL REACTION. Federal Maritime Commission (FMC), State Department, MARAD officials, and industry representatives met July 19th to review the above issues and use a coordinated effort through the State Department to seek clarification from the MOC on these issues. The emphasis is on ensuring a consistent, fair approach to implementation of these regulations so that the NVOCC, VOCC, and U.S. Shipping communities are not unfairly prejudiced. It could be that the net result, as an alternative to the Chinese deposits, will be the insistence by the U.S. that the Chinese give proper deference to U.S. law and the MOC's prior agreement to accept these bonds. In that case, NVOCCs will be seeking to obtain the appropriate increases of their bonds pursuant to Docket 04-02 in greater numbers. The FMC advised that currently only 140 NVOCCs have obtained these China bonds.

For more information on this topic please contact: info@descartes.com or 1-416-741-2838 ext 298.

TRUCK

Pool Point Optimization

Across the U.S. there is an established network of carriers that can move freight in a consolidated fashion from point to point, and then break the bulk for local delivery. For example, a truckload shipment from Atlanta to Chicago is delivered locally by a regional carrier.

Until recently, the process of building a load using pooling was done manually. The user would have to select shipments and add them to a pooled load, or choose to route shipments via a pool point that had been defined in the system.

Based on Descartes Transportation Manager™ user input and industry experience, Descartes' product development team has added the pooling logic to do this type of load building in an automated manner. The optimization engine now looks at options such as pooling vs. multi-stop routes vs. a consolidated transport move, and builds the most cost effective load. The addition of this functionality is a major step forward for the Descartes Transportation Manager – this sophisticated logic is used to cost out the transport order in various options and provide the user/shipper with the most cost effective method of transport.

The execution of this type of shipment also requires the management of two legs of a transport order. This includes generating the proper documentation; communicating to providers in each transport leg; and financial settlement (including the allocation of expense back to the original transport order; and the associated expense for the line haul, which in our example above was the move from Atlanta to Chicago). The user also has options in how to associate the cost of the line haul back to the original move.

The introduction of this new functionality is in keeping with our proactive approach to working with our customers, and enhancing our hosted Descartes Transportation Manager solution to meet their needs.

SOLUTIONS & SERVICES

CBP and CBSA documents on the myGLN portal

All Descartes Global Logistics Network™ (GLN) subscribers who file regulatory compliance documents with U.S. Customs and Border Protection (CBP) and Canadian Border Services Agency (CBSA) can request these documents to be managed from the Descartes myGLN portal. The myGLN portal provides a real-time tracking and management interface to all documents managed from the portal. Documents and their processing statistics are available on the web portal for 90 days and can be indexed on common search keys such as the Cargo Control Number (CCN) or transaction number.

The Descartes myGLN portal also enables GLN subscribers to configure their own communication profiles for secure document exchange protocols such as FTP-over-TLS, HTTPs POST, myGLN agent and EDIINT-AS2 as well as many other self-help and self-provisioning tools.

Please contact your account manager or activations@descartes.com to get more information about the myGLN document exchange portal.

i-Fax: the greener alternative for receiving faxes

Each year, the Descartes Global Logistics Network (GLN) processes tens of millions of imaged document pages that are sent or received as faxes. Descartes does not need to waste a single sheet of paper on these faxes as they are stored and processed electronically during the entire process. Many customers are not aware that they can do the same.

Since May 2007, Descartes has supported the i-Fax standard for both inbound and outbound faxing.

i-Fax is an open standard that is compatible with the regular combination paper/phone line, but uses the Internet. It enables you to receive faxes in your mail browser instead of on paper. It not only saves the environment paper and energy, it also saves you a trip to the fax machine. Other advantages are that the transfer is a lot faster than phone line faxing, and if you really need the document on paper you can always print it.

Want to switch to Internet faxing? Please contact support@descartes.com and let them know which phone number you want to convert into an iFax address.

Descartes Global Logistics Network EDIINT-AS2 Drummond Certified

Descartes has obtained certification for its GLN integrated EDIINT-AS2 implementation from the Drummond Group. The Drummond Group coordinates interoperability tests for EDIINT-AS2 products between all major software vendors and service providers. Interoperability enables Descartes to connect participants to the GLN quicker and more reliably. For a list of interoperable products please visit: <http://www.drummondgroup.com/html-v2/as2-companies.html>

EDIINT-AS2 is an open standard that specifies secure document exchange over the Internet using Public Key Infrastructure (PKI) encryption. It can be used to exchange any type document.

The EDIINT-AS2 standard provides:

- ▶ **privacy** – only the recipient can read the document
- ▶ **integrity** – verification that the document arrived as it was sent
- ▶ **non-repudiation** – the sender cannot deny sending the document
- ▶ **proof-of-delivery** – the recipient cannot deny the document was received.

These four characteristics make AS2 one of the better mechanisms to securely and reliably exchange important electronic business documents over the Internet.

The GLN AS2 service is unique in its web-based, self-provisioning and integrated tracking and diagnostics.

Descartes GLN provides communication gateway services between EDIINT-AS2 and other document exchange protocols such as FTP, FTP-over-TLS, MQ, X400 and web services.

For inquiries about the GLN AS2 services, please contact your account manager or support@descartes.com

Descartes for Sales and Merchandiser Management™

Descartes Sales and Merchandiser Management™ solution helps improve productivity and boost customer service for organizations distributing their products and services directly to retailers. The Sales and Merchandiser Management solution performs resource planning, route building and optimization, and tracking across both your delivery operations and your mobile workforce – including sales representatives, territory managers and merchandisers – ensuring you have greater visibility and control over activities in the field. By using this solution, you can optimize delivery zones and routes, empower your merchandisers to coordinate their schedules with the delivery of inventory, track activities in the field in real time, monitor operational performance and gain a clear picture as to where you can drive out inefficiencies, cut costs and deliver service that keeps your customers coming back.

Drives Operational Efficiencies:

- ▶ Automated route planning can optimize and coordinate daily delivery routes and merchandiser routes in real time.
- ▶ Eliminate inefficiencies found in fixed delivery routes.
- ▶ Reduce unnecessary overtime hours by creating a coordinated plan that ensures merchandisers arrive within a narrow time window following the delivery of goods.
- ▶ Track performance of both delivery vehicles and merchandisers throughout the day.
- ▶ Measure performance results against historical data to optimize resource allocation.
- ▶ Reduce back-office processing of timecards by using a mobile phone to capture date and time stamps for a merchandiser's arrival/departure at each customer site.
- ▶ Be more efficient and productive in deploying resources in the field.

Streamline the Mobile Workforce:

- ▶ Field data capture provides improved tracking of field activity.
- ▶ Territory managers gain visibility into their mobile workforce, and can identify at a glance which merchandisers are assigned to each delivery.

- ▶ Mobile workers achieve real-time visibility into delivery status with accurate and updated E.T.A.s that take into account traffic and other delays.
- ▶ Merchandisers gain access to their own routes on the fly through call outs or via their mobile phones.
- ▶ Merchandisers can improve customer service through more accurate arrival scheduling.

Improves Customer Service:

- ▶ Ensure the optimal use of the sales rep and merchandiser's time with the customer.
- ▶ Reduce on-shelf out of stocks.
- ▶ Improve the effectiveness of promotions and increase the sales of highly seasonal products.
- ▶ Minimize retail back room space when delivery and merchandiser routes are synchronized.
- ▶ Efficient service may be rewarded with more shelf space.

Fast Return on Investment:

- ▶ Realize a clear, measurable and quick payback on your investment.
- ▶ Service can be up and running within days.

The Descartes Sales & Merchandiser Management solution includes:

- ▶ Weekly activity planning.
- ▶ Stop sequencing.
- ▶ Product delivery synchronization.
- ▶ Schedule & in-store activity communication via GPS-enabled phones.
- ▶ Real-time tracking of product deliveries.
- ▶ Real-time tracking of merchandisers and sales representatives.
- ▶ Real-time delivery status visibility for merchandisers and sales representatives.
- ▶ Actual miles driven and in-store time calculation.
- ▶ Consolidated performance reporting for management and the merchandiser and sales representatives.
- ▶ Performance data available for up-loading to corporate payroll and expense reporting systems.
- ▶ Standard integration with Descartes' delivery route planning solutions.

For more information contact us at info@descartes.com or call 1-416-741-2838 ext 298.

Holiday Greetings

Warm Seasons Greetings to all our valued customers – we sincerely appreciate your confidence and loyalty throughout the year.

We are deeply thankful for your business and extend our best wishes to you and your families for a joy filled Holiday Season.

Your Friends at Descartes



Atlanta, Georgia

DESCARTES EVOLUTION 2008 GLOBAL USER GROUP CONFERENCE

Descartes Evolution 2008. Save the Date!

Descartes' annual global user group conference, Descartes Evolution 2008, is taking place on April 14-16, 2008 at the JW Marriott Buckhead in Atlanta, Georgia. The event will bring together users from around the world to network with other Descartes users, learn how to drive further improvements within their operations, meet the Descartes' product management team, provide input on product development plans, and learn more about Descartes solutions.

Evolution 2008 is a forum to empower Descartes users with the tools and best practices to drive world class supply chains. Key themes for Evolution 2008 include measuring operational and financial improvement within the supply chain, setting standards and benchmarking success to further logistics excellence.

Get involved!

Descartes Evolution 2008 is a customer driven event. Descartes' Global User Group Steering Committee, made up of representatives from customer companies elected each year during the annual conference, set the direction of the event program and are currently working together with our product management team to develop this year's agenda. Please contact usergroup@descartes.com to provide early input.

We listen!

Descartes User Group Sponsorships Now Open

Sponsorship opportunities are now available for Evolution 2008. Sponsors benefit from excellent visibility and business development opportunities at the event with exhibit space, logo placement on key conference materials, one-on-one meetings, and options for speaking opportunities and pre/post conference mailings to attendees. Organizations can participate at the exhibitor, premier or title sponsor level. For more information, please contact Mavi Silveira at msilveira@descartes.com.

NEWS & EVENTS

News

For Descartes News & events listings visit: www.descartes.com/events

- ▶ **23-Oct-2007** Kuehne + Nagel Extends Descartes' Global Logistics Network to Connect to Delivery Carriers
- ▶ **23-Oct-2007** Polar Air Cargo Selects Descartes Logistics Solutions to Optimize Carrier Management and Ensure Compliance with Cargo 2000 Initiative
- ▶ **23-Oct-2007** Rapid Customer Adoption Drives Growth for Descartes' Global Logistics Network
- ▶ **09-Oct-2007** Descartes Adds On-Demand Delivery Management Solution for Merchandising and Sales Resources
- ▶ **02-Oct-2007** Wawa Improves Delivery Operations with Descartes' New Intelligent AVL Service
- ▶ **26-Sep-2007** Air Canada to Serve Europe Using Descartes' GF-X Exchange
- ▶ **19-Sep-2007** Descartes Route Planning Solution Delivers Operational Savings and Productivity Improvements for AmeriGas
- ▶ **17-Aug-2007** Descartes Acquires Global Freight Exchange

More About Descartes

For more information on Descartes solutions and services please contact 1-877-227-6883 ext. 298 or 416-741-2838 ext 298 or send email to info@descartes.com.

Events

[Nov. 1 – Atlanta Georgia] [Nov. 20 – Singapore] [Nov. 22 – Shanghai]
Descartes / GFX Champion meetings

Descartes/GF-X Champion meetings are customer hosted, regional events that take place in over 20 key cities around the world and provide current and future GF-X members a forum to provide feedback on the system, solution adoption and product direction, share best practices and network with other users."

[November 7, 2007]

GLN Advisory Council

Amsterdam

[November 9-14, 2007]

NITL 100th Annual Meeting & TransComp 2007

Georgia World Congress Center

Atlanta, Georgia | Booth #125

[February 10-13, 2008]

Retail Industry Leaders Association (RILA)

Gaylord Palms Resort and Convention Center

Orlando, FL | Booth #524

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