

July 2021 Issue # 1

#### The levy will impact enterprise customers and take effect in mid-February

FedEx Corp. announced on Friday its decision to implement a surcharge of 30 cents per package for U.S. residential deliveries from major clients starting February 15. This surcharge targets customers who shipped over 30,000 packages per week between January 4 and January 31, encompassing FedEx's air, ground, and last-mile delivery services. The company clarified that this levy will persist until further notice and exempted customers solely using the last-mile service, SmartPost, now integrated within FedEx's network. The surge in e-commerce due to the pandemic has increased network demands, leading to elevated operational costs, according to FedEx. Shipware, LLC's founder and co-CEO, Rob Martinez, noted that the announcement shouldn't have come as a surprise due to the sustained spikes in shipment volumes.





Source: https://www.freightwaves.com/news/fedex-to-impose-residential-delivery-surcharge

#### Mark Solomon

# FedEx to impose residential delivery surcharge

Daily news updates and opinions

On Wednesday, Joe Biden was officially inaugurated as the 46th president of the United States amid the ongoing pandemic, marking a significant global event with notable differences in its execution. Unlike previous presidential inaugurations that drew massive crowds, this year saw limited attendance due to safety measures. Normally accommodating hundreds of thousands, this year's event was restricted mainly to members of Congress and one guest each.

Even the traditional inauguration party experienced changes, featuring mostly remote performances rather than large gatherings. While these alterations may have dampened some excitement, they also alleviated certain pressures associated with

The demand for swift delivery times in online sales has become pivotal, significantly impacting the success of such businesses.

With heightened customer expectations, especially post-pandemic, the pressure to meet delivery deadlines has intensified due to the surge in e-commerce transactions. While Amazon has been a frontrunner in prompt deliveries within the US, it hasn't consistently maintained the same level of efficiency in other nations. Consequently, in an effort to enhance its delivery process, Amazon is launching five new facilities in Quebec, comprising two sorting centers in Coteau-du-Lac and Longueuil, alongside three delivery stations in Laval and Lachine. This expansion is projected to generate approximately 1,000

such events.

new employment opportunities in the region.

#### Logistics is the ball and chain of armored warfare. Heinz Guderian

My life is just logistics - fitting everything in. June Brown I don't really know the logistics of a SoundCloud rapper. Lil Baby

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#### George Steer and Valentina Romei Shipping costs quadruple to record highs on **China-Europe 'bottleneck'**

#### Soaring prices fuelled by shortage of containers and recovery in consumer demand

"Aurora, a prominent player in the selfdriving industry, has recently joined forces with Paccar to embark on the development and deployment of autonomous trucks.

Following their acquisition of Uber's Technologies Group Advanced for approximately \$4 billion, Aurora is set to collaborate with Paccar in creating selfdriving trucks, starting with models like the Peterbilt 579 and Kenworth T680. The validation and testing of these driverlesscapable trucks will take place at Paccar's technical center in Mt. Vernon, Washington, as well as on public roads. The partnership aims to roll out these innovative trucks across North America within the next few years, marking a significant step in the of autonomous progression vehicle technology."

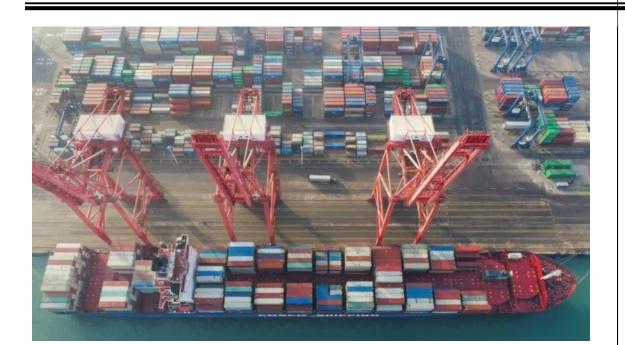
"The Federal Aviation Administration (FAA) has greenlit the inaugural fullyautomated commercial drone flights, authorizing companies to deploy drones sans direct human controllers or manned piloting. However, the approval comes with strict parameters, confining drone activities to rural zones below 400 feet. Nonetheless, this milestone marks a significant leap for industries like agriculture, mining, and others reliant on drones for daily functions. The FAA's statement highlights the potential for enhanced efficiency across vital mining. sectors like agriculture, transportation, and non-durable manufacturing.

Moreover, the FAA emphasized the positive environmental impact of these operations, as they involve small unmanned aircraft, thus reducing the ecological footprint compared to larger manned aircraft used traditionally."

According to the FAA's statement, drones could bring efficiencies to many of the industries that fuel our economy such as agriculture, mining, transportation, and nondurable manufacturing." Additionally, the FAA said that "the operations will achieve a reduction in environmental impact, as they will involve a small aircraft carrying no passengers or crew, rather than a manned aircraft of significantly greater size."



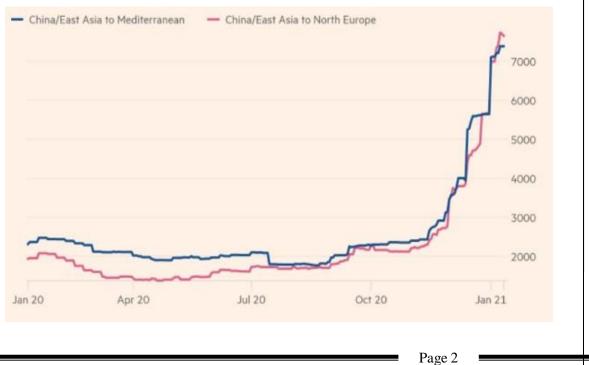
Source: https://www.ft.com/content/ad5e1a80-cecf-4b18-9035-ee50be9adfc6?mod=djemlogistics h



#### The scoop of the day

The latest updates

"The cost of shipping goods from China to Europe has skyrocketed to record highs in the last eight weeks, surging from approximately \$2,000 to over \$9,000 for a 40-foot container, as reported by shippers and importers. Lars Jensen from consultancy SeaIntelligence attributes this surge to a bottleneck problem where customers are vying for limited container resources. This scarcity arose due to thousands of containers stranded in Europe and the US during the initial pandemic lockdowns in 2020, causing shipping lines to cancel numerous trips. When demand for Asian manufactured goods surged in the latter half of the year, the competition for containers drove freight rates through the roof.



Despite recent container orders, economist Peter Sand from Bimco predicts that container shortages will persist well into 2021, considering the delayed response. Mr. Jensen believes that while prices might slightly decrease, there's still a significant amount of cargo awaiting shipment. Mr. Butler suggests that the strain on maritime supply chains could ease once pandemic restrictions are lifted, allowing more spending on services, although the timing of this remains uncertain. This article has been updated to rectify the measure by which shipping costs have risen.

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## LOGISTICIANS

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#### Mohan Narang

Source:

#### **Indian Railways** achieves record freight loading in January 2021



loading-in-january-2021/articleshow/80770270.cms

"In January 2021, Indian Railways accomplished its highest-ever freight loading, reaching 119.79 MT, surpassing

119.74 MT. The ministry declared consistent surpassing of last year's figures for corresponding months, hinting at an expected overall freight loading this year to

exceed the previous year's."

"The Ministry of Railways disclosed its strategy to attract new business and incentivize existing clients during meetings with key leaders from various sectors such as iron and steel, cement, power, coal, automobiles, and logistics service providers. Highlighting the significant efforts made, it mentioned the establishment of business development units at zonal and divisional levels and a near doubling of freight speed, contributing to sustainable growth momentum."

If you want the specific arrangement from the article, it's best to refer directly to the link you provided.



#### The scoop of the day The latest updates

The new Pamban bridge is India's first vertical lift railway bridge over sea and it makes for a stunning sight. Connecting Rameswaram on the Pamban island to Mandapam on the mainland, it is likely to be inaugurated by PM Narendra Modi in a few months time. It is being built parallel to the old Pamban bridge by Rail Vikas Nigam Limited at an approximate cost of Rs 535 crore. We take a look at some top facts that make the new Pamban bridge special:





#### Why TMS is quickly becoming a buzzword inthe freight forwarding industry

Forwarding Industry

In the ever-evolving landscape of digitization, where terms like IoT, Blockchain, robotics, and e-commerce dominate discussions, Transport Management Systems (TMS) have emerged as a vital component within the freight forwarding sector. TMS goes beyond mere cost reduction in shipping, offering a seamless, reliable, and cost-effective means for freight forwarders to maneuver shipments from point A to point B, encompassing both domestic and international multimodal transport.

The primary aim behind the development of transport management software is to streamline and optimize day-to-day operations for freight forwarders. By consolidating desk operations into one comprehensive system, TMS enables logistics companies to efficiently handle freight shipping, substantially reducing manual processes and enhancing time management in an industry where time is of the essence.

TMS serves as a solution for managing the intricate multitasking operations prevalent in logistical processes, encompassing various devices. Its current utilization spans across every facet of supply chain operations, ranging from planning and execution to administration, visibility enhancement, and bolstering customersatisfaction."

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The COVID-19 pandemic ensured that logistics, largely seen as a supporting service sector, transformed into an essential one. As we step into a new year with new challenges and opportunities, here's a look at the key trends that will drive further growth

### **OUTLOOK 2021: WHAT DOES THE YEAR HOLD FOR INDIA'S LOGISTICS SECTOR?**



"In 2020, India witnessed a surge in the logistics sector despite initial setbacks due to the pandemic. Startups displayed remarkable resilience by adapting to shorter lead times, enhancing doorstep services, and prioritizing safety measures, resulting in a noticeable upturn in industry figures."

It's clear that logistics, once seen as a supporting service sector, has transformed into an essential and mainline sector. However, Orios Venture Partners Managing Partner Rajeev Suri believes that the Indian logistics industry has to gear up to do much more to get India to parity with the rest of the world. "Think about this one statistic. Amazon India has 45 million products to sell, whereas Amazon US has 14X more products at 600 million, and Taobao (China) has 30X the number of products at 1,500 million. The primary deterrent is the inability, owing to logistics, of these products to get consumers," he says. The primary aim behind the development of transport management software is to streamline and optimize day-to-day operations for freight forwarders. By consolidating desk operations into one comprehensive system, TMS enables logistics companies to efficiently handle freight shipping, substantially reducing manual processes and enhancing time management in an industry where time is of the essence.

### "Behind every great leader, there was an even greater logistician."

Source: <u>https://yourstory.com/2021/01/outlook-2021-expected-trends-indian-logistics-startups</u>

-M. Cox

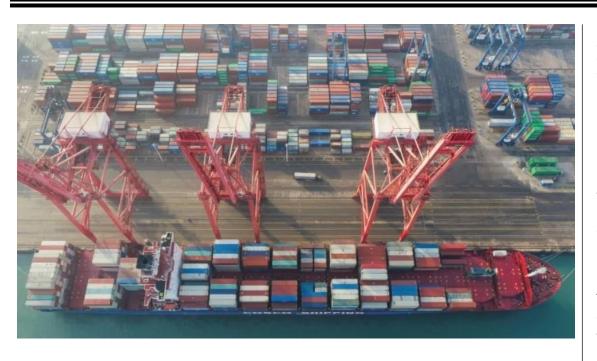
The logistics industry helped ensure that the global flow of goods, particularly essential items, remained largely unhindered despite the lack of transport and disruptions in the supply chain. In India, the year 2020 saw the logistics industry's growth graph climb. Hampered by the pandemic in the first half of the year, startups bounced back later with shorter lead times, better at-door experience, and increased safety. The numbers reflected this change.

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# DPIIT to set up task force for formulating logistics cost framework

"The commerce and industry ministry announced plans to establish a task force aimed at devising a structure to assess logistics expenses within the nation. This initiative stemmed from discussions held during a workshop hosted by the Department for Promotion of Industry and Internal Trade (DPIIT) on Monday. The task force's composition would encompass individuals from various entities such as NITI Aayog, Ministry of Statistics and Programme Implementation (MOSPI), National Council of Applied Economic Research (NCAER), academic specialists, and additional stakeholders." "A task force will be set up for formulating a framework to determine logistics costs in the country, the commerce and industry ministry has said. It was decided in a workshop organized by Department for Promotion of Industry and Internal Trade (DPIIT) on the subject, on Monday. The task force members would include representatives from NITI Aayog, Ministry of Statistics and Programme Implementation (MOSPI), National Council of Applied Economic Research (NCAER), academic experts and other stakeholders." Commerce and Industry Minister Piyush Goyal emphasized the importance of considering India's geographical aspects, trade volume, and complexities when computing logistics costs during the logistics cost framework workshop held in collaboration with the Asian Development Bank (ADB).





Source: https://indianexpress.com/article/business/dpiit-to-set-up-task-force-for-formulating-logistics-cost-framework-8509687/

The government is going by certain estimates which suggest that logistics cost in India stands at about 13-

#### Inland World Logistics wins best COVID response awardThe latest updates

Inland World Logistics received recognition as the recipient of the Best COVID Response award during the Indian Family Business Awards 2021 hosted by Moneycontrol Pro in Mumbai.

At the Indian Family Business Awards 2021 organized by Moneycontrol Pro in Mumbai, Inland World Logistics was honored with the Best COVID Response award.

In Mumbai, during the Indian Family Business Awards 2021 hosted by Moneycontrol Pro, Inland World Logistics was presented with the Best COVID Response award.

#### 14 per cent of the country's GDP.

The government is going by certain estimates which suggest that logistics cost in India stands at about 13-14 per cent of the country's GDP. The government has rolled out a national logistics policy and PM Gati Shakti initiative to boost competitiveness of industry and cut logistics cost. Commerce and Industry Minister Piyush Goyal, addressing the logistics cost framework workshop held in collaboration with the Asian Development Bank (ADB), recommended considering India's geographical challenges, size, trade intricacies, and other relevant factors in determining logistics expenses.

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The Best COVID Response award was granted to Inland World Logistics at the Indian Family Business Awards 2021, which took place in Mumbai, as organized by Moneycontrol Pro.



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Source: https://www.indiatvnews.com/business/news/as-india-s-logistics-space-sees-fast-track-growth-this-logistics-player-renews-pact-with-singapore-airlines-2023-07-14-881051

#### As India's logistics space sees fast track growth, this logistics player renews pact with Singapore Airlines

The latest updates to get you through the day



"The ascent of India by six positions in the 2023 World Bank Logistic Performance Index underscores the pivotal contribution of the logistics industry to the nation's advancement. The administration under Prime Minister Narendra Modi unveiled the PM Gati Shakti initiative in October 2021, a comprehensive strategy aimed at enhancing multimodal connectivity across the country to streamline logistics, thereby invigorating the economy." India's remarkable progress in the global logistics landscape is evident in its climbing ranks on the Logistics Performance Index (LPI). From ranking 54th in 2014, the nation has surged to the 38th position in the 2023 LPI report, showcasing a remarkable improvement.

This progression aligns with the government's initiatives aimed at enhancing logistics efficiency. Prime Minister Modi's launch of the National Logistics Policy (NLP) was geared towards expediting last-mile deliveries, addressing transport-related challenges, and streamlining the manufacturing sector's time and cost aspects within the logistics domain.

In furtherance of these efforts, the government has consistently invested in both soft and hard infrastructure for trade, linking port gateways on both coasts to economic hubs in the hinterland since 2015.



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