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## Budget 2019: Logistics industry's expectations from finance minister Nirmala Sitharaman

The logistics industry is expecting that the new Finance Minister Nirmala Sitharaman will initiate some remarkable steps to ease and escalate the growth of the logistics industry.

With Budget 2019 approaching, the Modi 2.0 Government is currently in the process of finalizing the Union Budget. Scheduled to be presented by Finance Minister Nirmala Sitharaman on July 5th, this upcoming budget is eagerly anticipated by various sectors, including the captains of India Inc. The logistics industry, being an integral part of numerous sectors, is no exception. As the industry gears up for this significant event, it holds certain expectations that it believes merit attention from Prime Minister Narendra Modi.

Abhishek Bansal, Co-Founder & CEO of Shadowfax, expressed expectations for significant initiatives from the new Finance Minister Nirmala Sitharaman in Budget 2019 to facilitate and boost the growth of the logistics industry. Drawing on the BJP government's previous emphasis on digitization, there is optimism for a continuation of this focus on advanced technologies.

Anticipating the rollout of 5G spectrum, Bansal believes that a concentrated effort on more advanced technology will serve as a catalyst for growth in the Indian logistics sector. The industry looks forward to the formulation of sector-specific policies to address key challenges, marking a substantial milestone for logistics.



Source: <https://www.zeebiz.com/india/news-budget-2019-logistics-industrys-expectations-from-finance-minister-nirmala-sitharaman-104032/> Tue, Jul 02, 2019

ADRIAN GONZALEZ

## Transplace and Descartes MacroPoint: Making Real-Time Freight Visibility a Standard TMS Capability

The recent highlight in the realm of transportation management systems (TMS) is the announcement by Transplace, a sponsor of Talking Logistics. They revealed their decision to include real-time visibility as a standard feature for all managed transportation services and TMS customers, without additional transaction or integration fees. This move, set to leverage Descartes MacroPoint™ as the primary real-time visibility partner, marks a significant development in the industry.

Transplace aims to roll out the real-time visibility solution initially for truckload (TL) shipments in the U.S. and Canada by January 2020. The plan includes subsequent expansion to Mexico and other regions, as well as other transportation modes. The integration of Descartes MacroPoint into Transplace's TMS and managed services aligns with their vision of providing comprehensive, end-to-end real-time global visibility as standard practice.

This integration is part of Transplace's broader strategy to apply machine learning and data science to enhance the predictive and proactive aspects of supply chain management. By combining real-time visibility with existing predictive risk analytics capabilities, Transplace and its customers are better positioned to proactively manage potential disruptions in the supply chain.

With a strong and mutually beneficial relationship developed over the past four years, the expanded alliance is seen as a natural step to deliver exceptional value to customers.

The shift towards real-time freight visibility is emphasized as a crucial capability, evolving from a "nice to have" to a "must have." This trend is reflected in the partnerships between leading TMS vendors and multiple freight visibility solution providers. The Transplace-Descartes MacroPoint collaboration takes it further by making real-time freight visibility an integral feature of the TMS, akin to standard features like anti-lock brakes in cars.

In a broader context, this partnership aligns with Transplace's efforts to strengthen its Control Tower capabilities. Earlier collaborations with Riskpulse and Noodle.ai, along with the recent hiring of Matthew Harding as the senior vice president of data science, demonstrate Transplace's commitment to integrating AI, machine learning, and advanced analytics into its operations. The convergence of TMS and Control Tower solutions is evident, with leading solutions offering comprehensive visibility, optimization capabilities, collaboration features, and predictive capabilities using diverse data sources.

Do not take life seriously  
You will never get out of it  
alive  
Elbert Hubbard

Work hard but remember  
nice to be yourself  
Mad E. Dusty

Its not about ideas. Its  
about making ideas  
Happen.  
Scott Belsky

## Logistics sector on the path to transformation 2019

Save time in Word with new buttons that show up where you need them. To change the way a picture fits in your document, click it and a button for layout options appears next to it. When you work on a table, click where you want to add a row or a column, and then click the plus sign.

Reading is easier, too, in the new Reading view. You can collapse parts of the document and focus on the text you want. If you need to stop reading before you reach the end, Word remembers where you left off - even on another device.

Themes and styles also help keep your document coordinated. When you click Design and choose a new Theme, the pictures, charts, and SmartArt graphics change to match your new theme. When you apply styles, your headings change to match the new theme.

In August, the Freight Transportation Services Index (TSI), a metric reflecting the quantity of freight transported by the for-hire transportation industry, increased by 1.4% compared to July. This marked a new record high and marked the second consecutive monthly rise, as reported by the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS). Over the period from August 2018 to August 2019, the index experienced a 4.1% increase, slightly lower than the 5.5% rise observed from August 2017 to August 2018

### August 2019 Freight Shipments

From previous month: ▲ 1.4%

From previous year: ▲ 4.1%

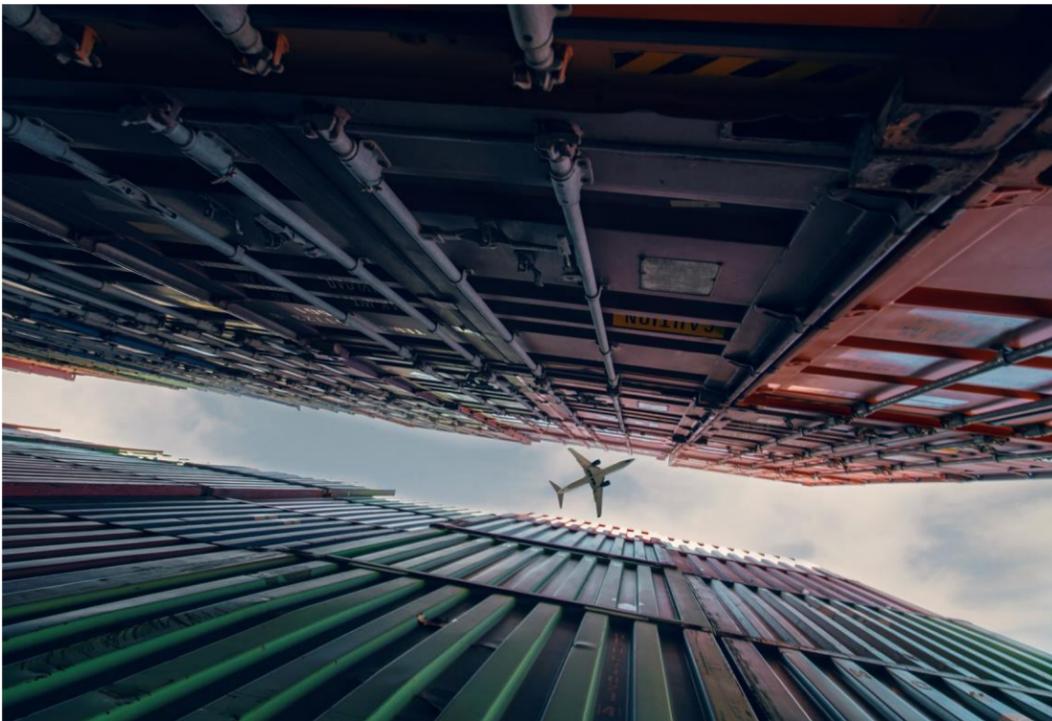


Freight Transportation Services Index

### Leasing of warehousing spaces jumps 31 per cent in 8 major cities in first half of 2019

According to the property consultant CBRE, there was a 31% increase in the leasing of warehouse spaces, reaching over 13 million sq ft in the first half of this year across eight major cities. The industrial and logistic real estate segment also saw significant investment, surpassing USD 200 million. The demand for warehousing and logistics space was predominantly fueled by third-party logistics firms, accounting for 56% of the total space, as highlighted in CBRE's report 'India Industrial and Logistics Market View H1 2019...'

Sources: <https://economictimes.indiatimes.com/industry/services/property/-/construction/leasing-of-warehousing-spaces-jumps-31-per-cent-in-8-major-cities-in-first-half-of-2019/articleshow/70640065.cms/> Aug 12, 2019,



DUBLIN

## Global Transportation and Logistics Industry Outlook Report 2019

This study examines various trends and presents the growth outlook for the global transportation and logistics industry in 2019. It assesses the industry's size by region and segments, including freight transportation encompassing ocean freight, air freight, and overland freight; warehousing; freight forwarding; and Courier, Express, and Parcel (CEP) services.

Additionally, the study delves into the status of technology concepts, infrastructure trends, and opportunities associated with Industry 4.0, emission regulations, cross-border trade, infrastructure modernization, and industry digitalization.

The implications for logistics and supply chain service providers are discussed, covering digital technologies such as Blockchain, augmented reality, data analytics, drone technologies, Internet of Things (IoT), robotic systems, and 3D printing.

The research identifies the potential disruptive impact of these technologies on logistics segments, predicting outcomes related to freight transportation inefficiencies, urban logistics, emerging business models utilizing IT platforms for enhanced process transparency, and improved supply chain visibility

In 2018, the global economic environment faced challenges from trade wars, higher oil import costs, and interest rate hikes. The growth of the global economy in 2019 is expected to be moderate, with ongoing trade tensions and financial pressures on emerging markets. The logistics industry is particularly affected by the global trade slowdown, combined with capacity and cost pressures and regulatory compliance concerns.

Anticipating the IMO 2020 sulfur regulations, shipping lines in 2019 will focus on compliance, impacting contract terms, vessel demolition, disruptions in vessel deployment, and changes in fuel surcharge structures. Industry consolidation is projected to continue through strategic alliances and mergers aimed at operational efficiency through asset sharing.

The air cargo market may face challenges due to the slowdown in world trade, with freight capacity growth expected to surpass demand. Rail freight is predicted to gain traction, supported by infrastructure development and regional rail network expansion with increased deployment of transfer hubs for intermodal transportation.

Road freight transportation will encounter challenges such as tightened capacity, workforce scarcity, stringent emission regulations, and rising fuel costs. Nevertheless, in 2019, the adoption of emission-free vehicles for long-haul transportation and last-mile deliveries is expected to address sustainability concerns.

[https://www.businesswire.com/news/home/20190930005705/en/Global-Transportation-and-Logistics-Industry-Outlook-Report-2019-/](https://www.businesswire.com/news/home/20190930005705/en/Global-Transportation-and-Logistics-Industry-Outlook-Report-2019/) September 30, 2019

Mohan Narang

### UPS prepares to handle record holiday sales



Source: <https://www.plslogistics.com/blog/transportation-updates-october-2019>

UPS Inc. says it has been preparing for what it expects to be a record-breaking holiday shipping season by building additional automated facilities and adding jets to its fleet to handle more packages as online shopping continues to grow.

The shipping giant said retail sales are forecast to grow more than 5%, and online holiday retail sales are likely to reach a new high. **EARNINGS: UPS Net Income Up 15.9%, Revenue Rises 5%**

The addition of automated facilities allows the company to handle another 400,000 pieces per hour, UPS said. The company expects to deliver more than 32 million packages a day, up 50% over its regular daily volume. The company is hiring 100,000 seasonal workers for the holiday shipping season, which starts the week of Thanksgiving, spikes the following week and lasts past Christmas with returns and purchases using gift cards. This year, however, a late Thanksgiving means a shorter holiday shopping season overall.

UPS also expects that a shift toward more widespread next-day delivery will drive increased demand for its services.

UPS ranks No. 1 on the Transport Topics Top 100 list of the largest for-hire carriers in North America



### DOT Announces Audit of FMCSA Oversight on Driver Disqualifications.

The Office of Inspector General (OIG) at the U.S. Department of Transportation has commenced an audit focusing on the Federal Motor Carrier Safety Administration's (FMCSA) supervision of truck driver disqualifications. The audit was officially announced by OIG through a memorandum on October 22. Among FMCSA's oversight responsibilities is the conduct of annual reviews of state driver licensing agencies to ensure their compliance with regulations pertaining to commercial driver licenses.

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The impetus for this federal audit originated from an internal investigation carried out by a state driver licensing agency. Specifically, the

Massachusetts Registry of Motor Vehicles (RMV) launched an internal investigation following a fatal crash involving a commercial driver earlier this year. The outcomes of this audit will shed light on the effectiveness of FMCSA's oversight in managing truck driver disqualifications and ensuring compliance with commercial driver license regulations.



U.S. Department  
of Transportation

**Federal Motor Carrier  
Safety Administration**

Grant Thornton's report outlined that notifications from Connecticut, whether electronic or paper-based, underwent distinct processes in separate departments upon reaching the Registry of Motor Vehicles (RMV). Unfortunately, both processes failed to record the Connecticut notifications on Zhukovskyy's driving record before the accident, as indicated in Grant Thornton's executive summary. According to the summary, the RMV has determined that if either of these notifications had been processed before the accident, Zhukovskyy's Commercial Driver's License (CDL) issued by Massachusetts would have been revoked.



The Office of Inspector General (OIG) is set to initiate an immediate audit of the Federal Motor Carrier Safety Administration (FMCSA) at its headquarters and various selected locations. An FMCSA spokesperson assured complete cooperation with the OIG review.

The accompanying memorandum highlights the recent increase in the number of large trucks and buses on the roads. Recent data from the National Highway Traffic Safety Administration (NHTSA) reveals a minimal increase of less than 1% in fatalities resulting from crashes involving large trucks between 2017 and 2018. States are mandated to report crash data to FMCSA within 90 days of the occurrence.

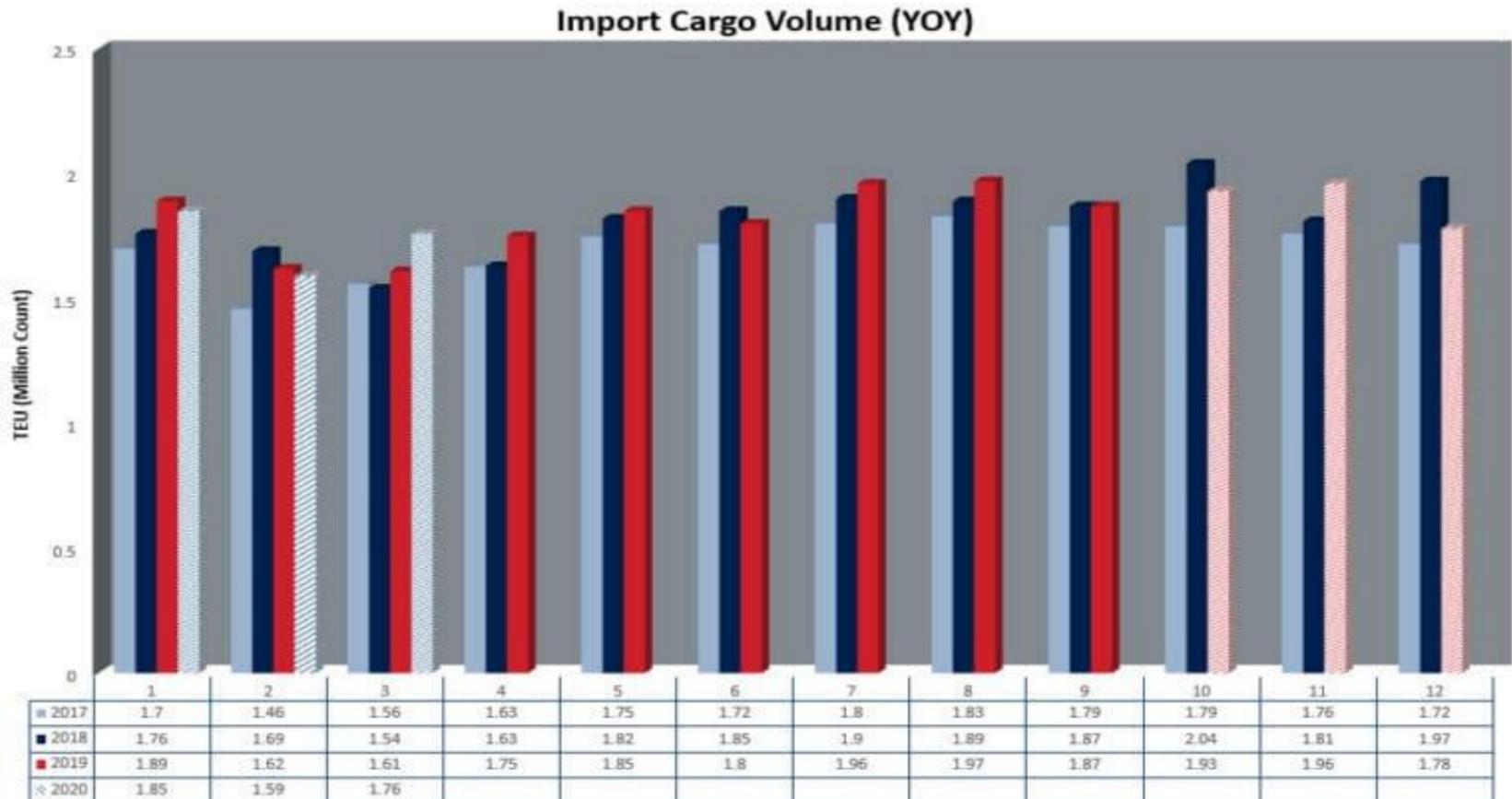


Chart created by Noatum Logistics USA (formerly MIQ Logistics) on 11/11/2019. Source: Global Port Tracker released by the National Retail Federation and Hackett Associates. Months displayed with a pattern are forecasted months.

Source :<https://www.businesswire.com/news/home/20190930005705/en/Global-Transportation-and-Logistics-Industry-Outlook-Report-2019---ResearchAndMarkets.com>, September 30, 2019

## GENERALIZED SYSTEM OF PREFERENCES (GSP) 2019 REVIEW AND RESULTS



Takuma Hayashi

On November 20, 2019, the findings of the annual Generalized System of Preferences (GSP) review concerning products under consideration for exclusion from the list of eligible products for specific beneficiary countries were published by the United States Trade Representative (USTR) office in Federal Register Notice 84 FR 64180.

### CHINA TARIFFS: ADDITIONAL LIST 3 EXCLUSIONS ANNOUNCED:

On November 13, 2019, the USTR office published a fresh compilation of product exemptions applicable to Section 301 List 3 items currently facing a 25% tariff. This information was released in the Federal Register Notice 84 FR 61674.

### CHINA TARIFFS: EXTENSION OF LIST 1 EXCLUSIONS UNDER CONSIDERATION:

In the Federal Register Notice 84 FR 58427 released on October 31, 2019, the USTR office indicated their contemplation of a potential extension for specific exclusions granted in the December 2018 Product Exclusion Notice. These exclusions, initially set to lapse on December 28, 2019, are under consideration for a possible extension.

### GENERALIZED SYSTEM OF PREFERENCES (GSP) UPDATES

On October 25, 2019, the USTR office disclosed GSP Enforcement Actions impacting seven countries.

### RETAIL IMPORTS TO SEE FINAL TARIFF-DRIVEN SURGE OF THE YEAR:

Imports at the nation’s major retail container ports are expected to see their final surge of the year this month ahead of new tariffs set to take effect in December, according to the Global Port Tracker report released November 11 by the National Retail Federation and Hackett Associates.

### OCTOBER 2019 MANUFACTURING ISM REPORT ON BUSINESS

Economic activity in the manufacturing sector contracted in October, and the overall economy grew for the 126th consecutive month, say the nation’s supply executives in the latest Manufacturing ISM® Report On Business®.

## A Protective tariff is a typical conspiracy in restraint of trade.

- Thorstein Weblen

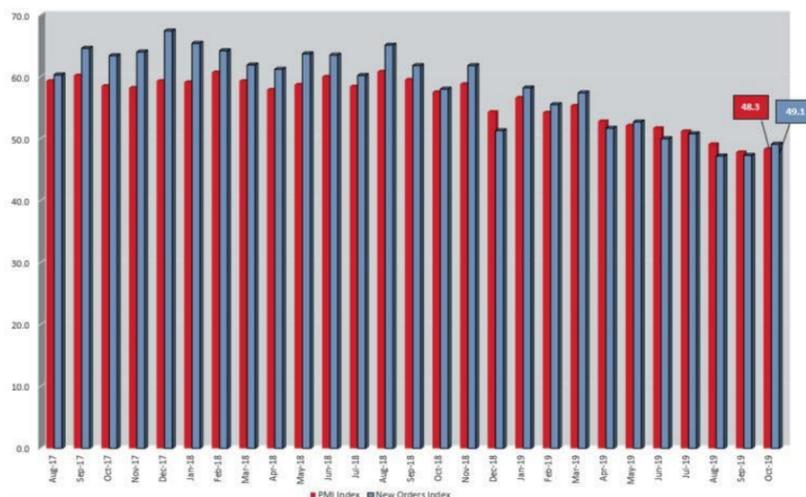


Chart created by Noatum Logistics USA, on 11/01/19. Source: Institute for Supply Management - October 2019 Manufacturing ISM Report on Business

## SUPPLY CHAIN SOLUTIONS FOR THE HIGH-TECH, CONSUMER ELECTRONICS MARKET



To keep up with the speed of innovation, New Product Introduction (NPI) launches require adaptive supply chain solutions to reduce market cycle times and deliver control, visibility and flexibility, all while lowering costs. With Noatum Logistics on your team, managing multiple product lines across various product life cycles is made easier you can expect the following when you have Noatum Logistics on your team:

Comprehensive supply chain solutions: Transportation, distribution and global service offerings  
 Global scale: Coverage in and between all major international trade lanes  
 Logistics professionals: Responsible and accountable for exceptional service  
 Proven approach: Design, implement, execute and continuously improve

### GLOBAL SERVICES

Air, ocean and sea-air freight forwarding, Rate negotiation assistance  
 Capacity, even during peak season, Global trade management, Vendor management and consolidation, Serial number captures

### TRANSPORTATION SERVICES

Transportation management, Truckload brokerage, Delivery options (direct to warehouse, store or consumer)

### NEW PRODUCT INTRODUCTION (NPI) SERVICES

High security transportation with escort, High security warehouse with CCTV and 24/7 escort, Enhanced security logistics from concept prototype to finished production, CTPAT certified and TAPA member

### SUPPLY CHAIN MANAGEMENT TECHNOLOGIES

Vendor managed inventory, Daily (line level) replenishment (JIT), Purchase order management, Shipment forecasting, Global track and trace via real time GPS

### DISTRIBUTION SERVICES

Inventory management, Warehouse management  
 Customized order fulfillment, Cross-dock, Merge in transit, DC bypass, E-solutions B2B or B2C

## Top 10 Supply Chain Innovations of 2019

Just in time for the holidays, MH&L offers here the only year-in-review article guaranteed to be 100% impeachment-free. Instead of boiled-over politics, we've prepared a feast of supply chain innovations and initiatives with the sole aim of inspiring you, not inciting you. In the pages that follow, you'll discover what we believe to be the most innovative supply chain developments of the past year, as reported in our print magazine, on our website, in our e-newsletters, or our various social media channels. These impressive accomplishments point to the best our industry has to offer in terms of improving the lives of the people who make the global supply chain run. So cheers to 2019, and here's to even more innovations in 2020!

Top 10 Supply Chain Innovations of 2018: do-it-yourself logistics, truck platoons, autonomous boats, warehouse robotics, and more.

Top 10 Supply Chain Innovations of 2017: exoskeletons, autonomous forklifts, flying warehouses, last-mile delivery, and more.

Top 10 Supply Chain Innovations of 2016: robot pickers, bridge-inspecting drones, autonomous freight shuttles, and more.

Top 10 Supply Chain Innovations of 2015: solar-powered vessel, robot dispatcher, 3-D printed flight parts, and more.

Top 10 Supply Chain Innovations of 2014: hybrid DCs, 3-D prototypes, location-based inventory system, and more.

Supply Chain Innovators of 2013: paperless food chain, VLMs, cold chain fleet management, and more.



Adrin Gonzalez

## Technological Innovations Disrupting The Logistics Sector In India

The wave of technological innovation is sweeping the world off its feet. It is impacting every other industry we know and transforming it at an unprecedented rate. The emergence of this high-performance technology is creating strong ripples even the logistics sector in India. On the one hand, it is reducing the friction in the world of logistics, while on the other side it is making it a more efficient and automated process.

Considering the impact on a nation, the logistics sector in India has a significant role in the country's functioning. Without it, everything from the market to the economy will come to a virtual halt. And with the intensity that the technological innovations are penetrating the logistics sector in India, there's no going back from here.

Let's take a look at some of the most significant tech trends that are currently disrupting the logistics sector of India

### Blockchain in Logistics

Documentation and information verification continues to remain the Gordian knot of the global logistics industry. The biggest challenges are faced perhaps in areas such as procurement, transportation management, order tracking, and customs collaboration. Blockchain - the revolutionary technology that made cryptocurrencies a global phenomenon - has the potential to address this complication with considerable ease.

For the uninitiated, blockchain is a reliable system comprising a series of blocks that record transactional information. Any information addition or modification in the previous dataset can only be done by adding another block to the Merkle tree. It is then verified and synchronized by all of the interacting parties - with all having access to the distributed ledger. The approach eliminates the scope of data falsification as the stakeholders can quickly identify it.

This characteristic of blockchain technology is enabling us to counter the areas of friction in logistics seamlessly. The technology is also optimizing the cost and time in logistics operation including ocean freight shipments and is experiencing widespread adoption in the logistics sector in India.

### AI and ML for supply chain optimization

Artificial Intelligence has lately become the buzzword for nearly all industries. The trailblazing technology hasn't left the logistics sector untouched. It is enabling logistics players to automate their supply chain and collate first-hand insights that otherwise remain hidden in the constantly generating data.

Such insights can be related to tracking, backend operations, inbound and outbound functions, and so on. But what difference do these insights and technology make? They fundamentally enhance the visibility of operations, decrease the turnaround time, increase throughput, and eliminate bottlenecks by automating and streamlining processes.



### Low-to-No Asset Networks

In its journey from the origin (supplier) to the final destination (end-customer), a product is handled by around 7 to 11 intermediaries. This includes transporters, warehouses, and last-mile operators alongside others. Establishing a partnership with all of them is not possible for an individual supplier within the logistics sector in India.

Even if done, managing all distinct processes and their integration to the broader logistics operation becomes quite labyrinthine to manage. This is precisely why tech-driven shipping aggregators are now entering the domain. Using their proprietary solution, they enable all stakeholders (suppliers, shipping players, etc.) to make the most out of their business models.

Their tech-driven approach allows suppliers to cater to their buyers cost-effective and time-efficiently. This also increases the visibility of scattered supplies originating from a region and helps in bundling them, so that businesses irrespective of their transactional volumes realize avant-garde infrastructure and cheaper tariffs.

### IoT for tracking

Today, shipment tracking (of a separate product and the entire consignment) can be done in real-time with the use of RFID tags, GPS, and specialized sensors. This helps in pre-emptive detection of potential SLA breaches and enables logistics players to fast-track their shipment to avoid the same.

Other supply-chain-related bottlenecks can also be removed with the use of specific approaches such as geo-fencing, geo-tagging, and proximity alert. For instance, the forward supply chain can be readied when a shipment is approaching the warehouse, thereby reducing times in stopovers. This decreases delays in transfers and boosts operational efficiency for logistics sector in India.

### Augmented Reality

High-value shipments naturally come with security threats such as hijacking which need to be addressed. This is an area where Augmented Reality (along with facial recognition technology) is driving positive results by securing deliveries.

The technology is also making last-mile delivery more futuristic with building recognition and indoor navigation. It, moreover, is helping in warehouse planning for improved in-house logistics.

### Autonomous transport

Though it might sound like a sci-fi movie, e-vehicles such as self-driving trucks, ghost cargo ships (autonomous ships), and drones are gradually becoming a modern reality.

These technological interventions have already materialized in the western markets and wouldn't take long to surface in India as well. It is projected that autonomous transport solutions can save as much as 20% of the fuel costs by supporting transportation, warehousing operations, and last-mile deliveries.

India has already approved a regulation for drones, and related frameworks for other use cases are in the pipeline. The launch of 5G services by 2020 is also anticipated by the industry and will pave the way for logistics 4.0 in India. Indian economy is swiftly coming to the global centre stage and is gearing up to stand shoulder-to-shoulder with its western counterparts. With greater technological influx, it is just a matter of years until this happens. We have to wait until this becomes a day-to-day reality for us.

Blockchain has the potential to address complications in the logistics sector AI is enabling logistics players to automate their supply chain AR technology is also making last-mile delivery more futuristic

### Amazon's Storage and Replenishment Service

As reported by Bloomberg, Amazon is testing a new inventory storage service "to help meet holiday demand and its next-day shipping pledge without overcrowding its warehouses or running out of products." Here are some excerpts from the article:

The new service, Amazon Storage and Replenishment, lets its merchants stage inventory close to Amazon's delivery operation so products can be quickly replenished, according to documents reviewed by Bloomberg. Amazon is trying out the program in Ontario, California, about 20 miles from its closest facilities and has plans to expand the program to other locations around the country, according to the documents.

Having spent billions of dollars building a sophisticated network of highly automated warehouses that use robots, conveyor belts and thousands of people to quickly pack and ship products, the company is now turning to a decidedly 20th-Century innovation: cheap warehouse space.



Source: <https://talkinglogistics.com/2019/12/06/above-the-fold-supply-chain-logistics-news-december-6-2019/>, dec 6, 2019

