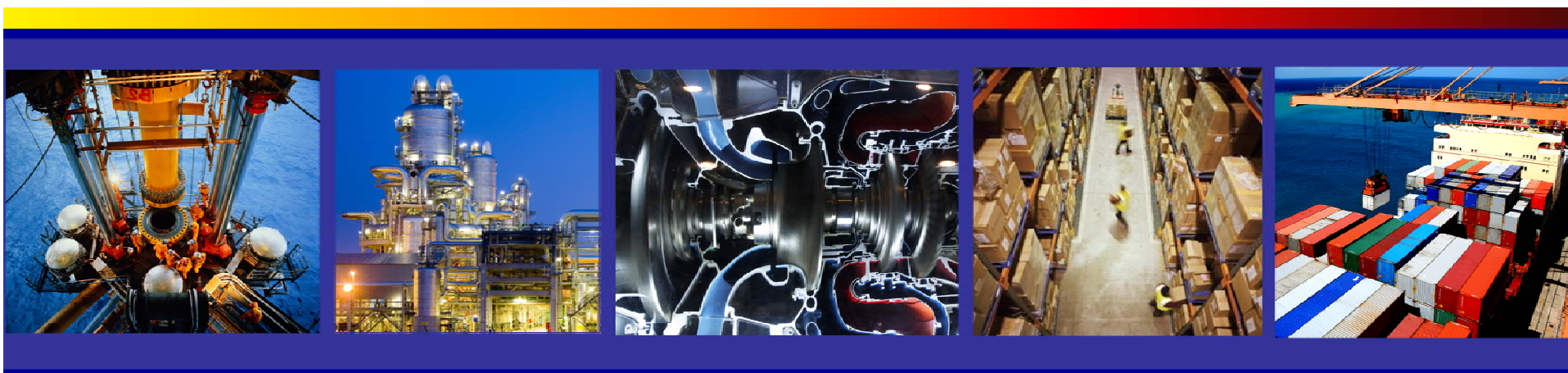


Boston Strategies International, Inc.

January 2008



The Changing Face of the Logistics Manager

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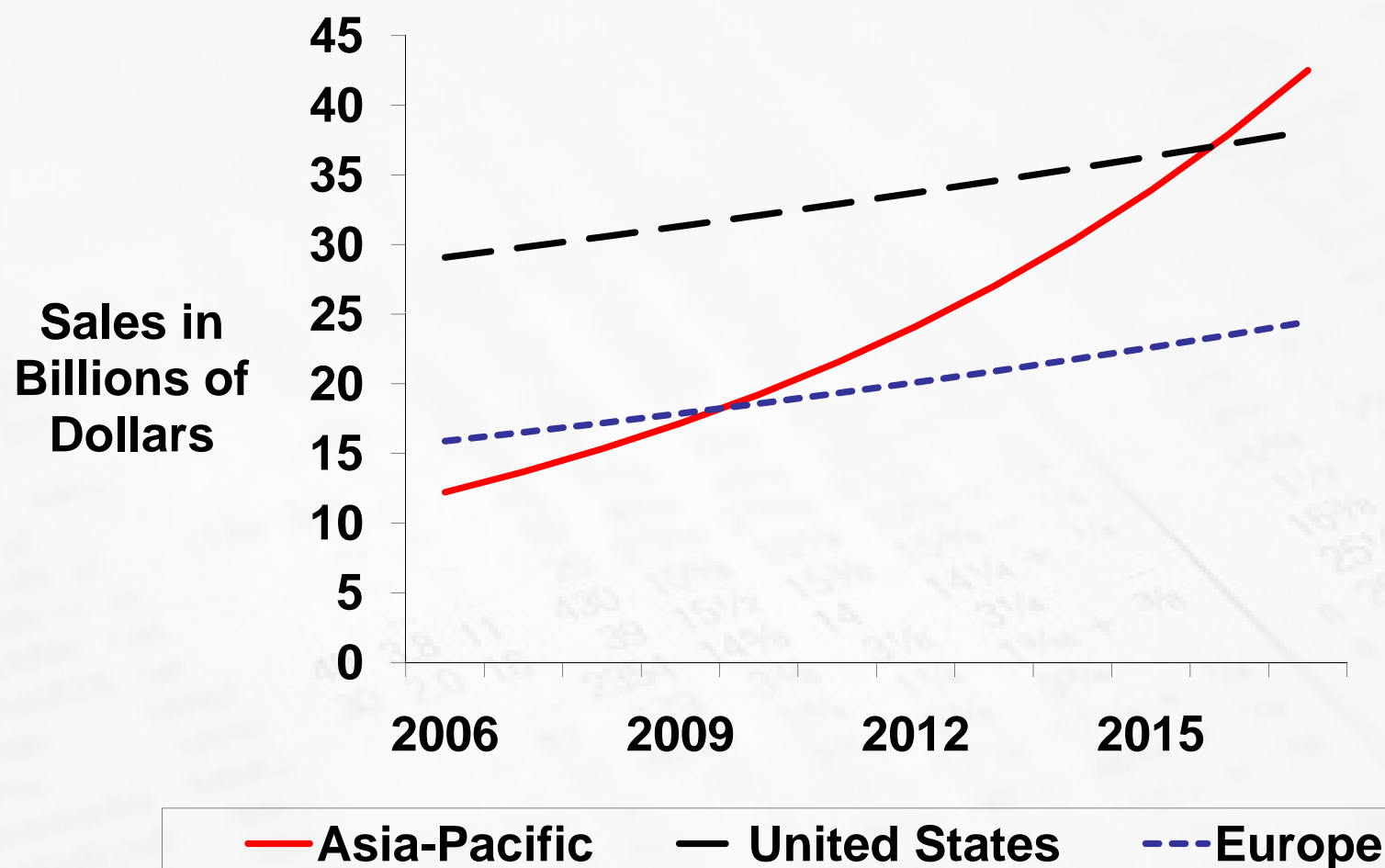
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New challenges: the four I's

- International growth
- Infrastructure and capacity bottlenecks
- Information technology opportunities and obstacles
- Inflating fuel costs



International: Traffic volume shifting eastward

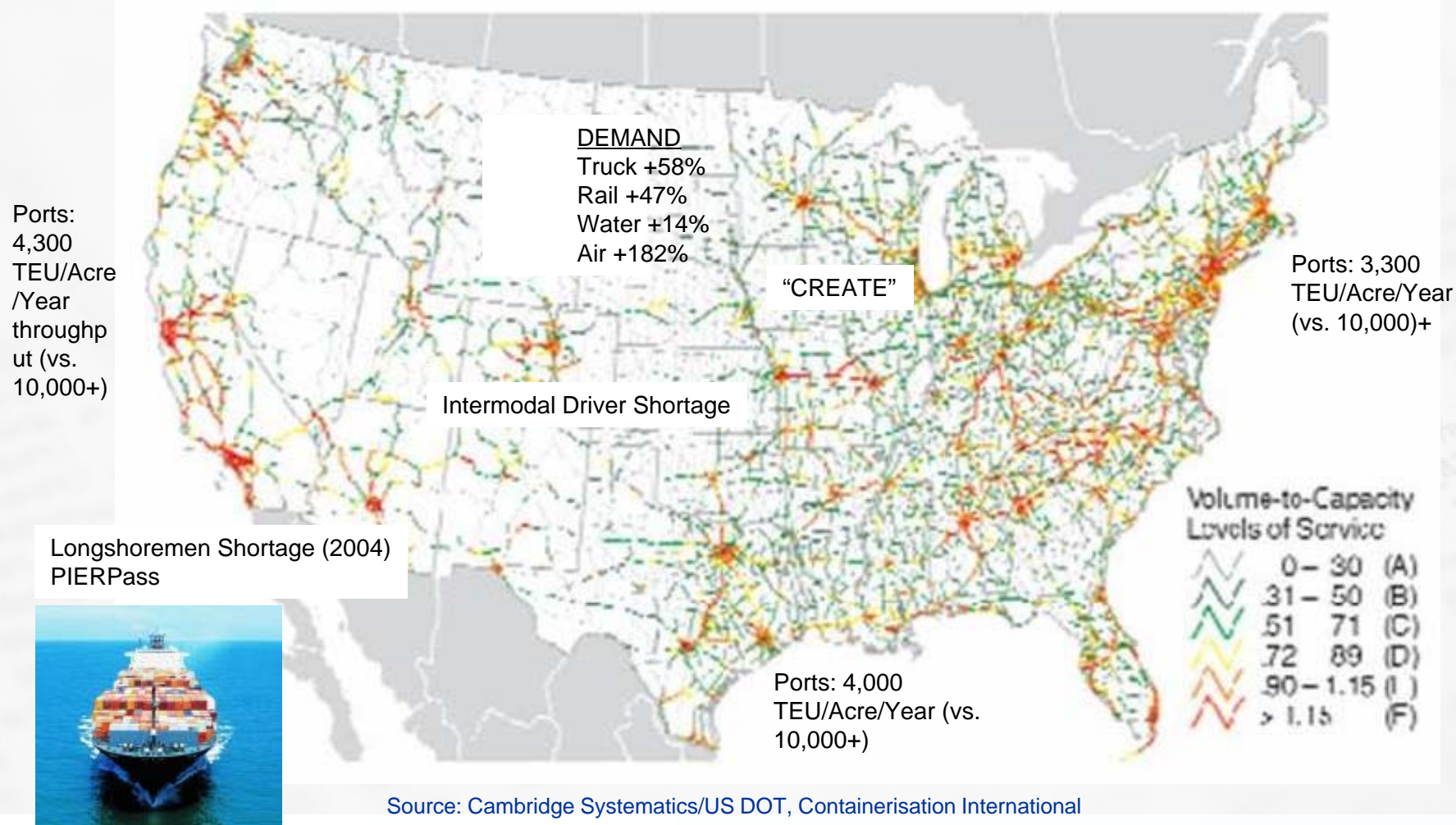


Sources: Boston Strategies International analysis with supporting data from HSBC, Datamonitor, and Baird.



Infrastructure: U.S. Bottlenecks

Congestion Points, 2020, with Selected Remediation Measures



Information technology: offsetting cost and time pressures

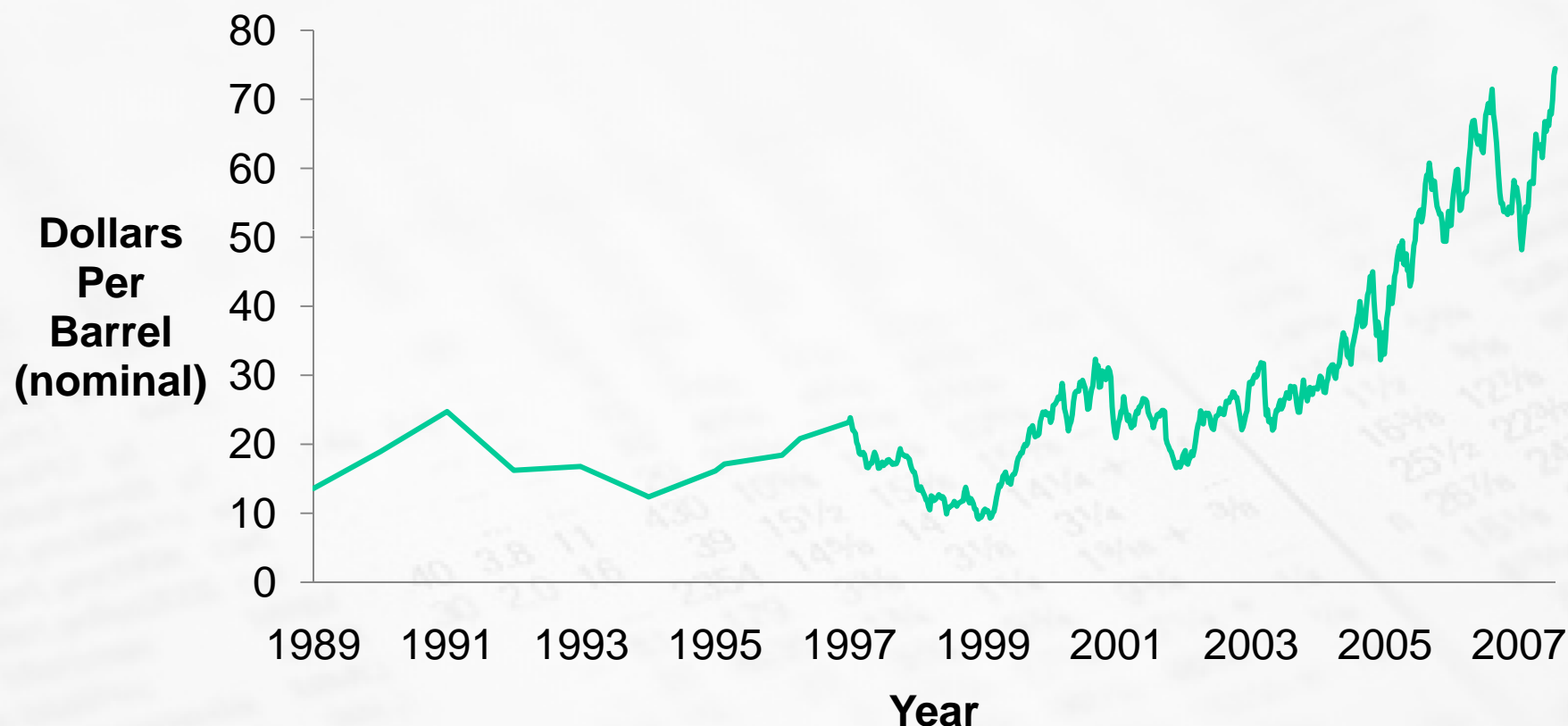
EXCERPT

Supply Chain Trends	Logistics IT Requirements	Applications Checklist
<ul style="list-style-type: none"> Customer Interaction Value-Added Services Global Networks Supply Chain Security Data Exchange Wireless Transmission 	<ul style="list-style-type: none"> Driver Communication Vehicle Tracking Telecom Network Infrastructure Call Center/Customer Support 	<ul style="list-style-type: none"> Communications Equipment VPN Security VOIP Click to talk Mobile Solutions Call Center Management Network Management



Inflation: fuel prices and surcharges

Weighted Average World Oil Spot Prices 1989-2007



New Challenges, New Skill Sets

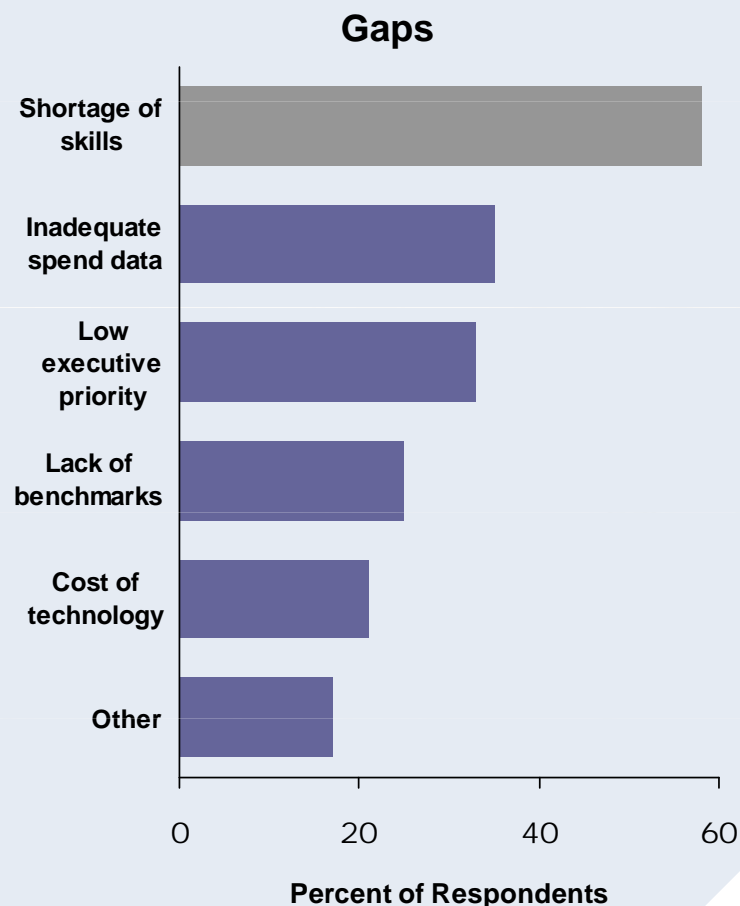
“What are the greatest challenges to achieving maximum efficiency?”

Applicants must possess...

- Leadership
- Creativity
- Aggressiveness
- Financial acumen
- Problem-solving skills
- Drive for results

Need not apply:

- Lifetime purchasing career
- Individual contributors
- Win-lose negotiators



Source: SAP and Economist Intelligence Unit, April 2005

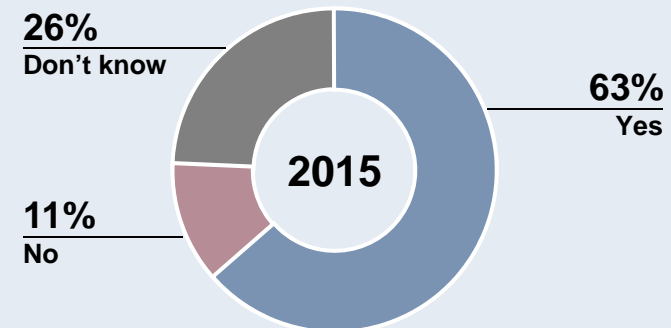
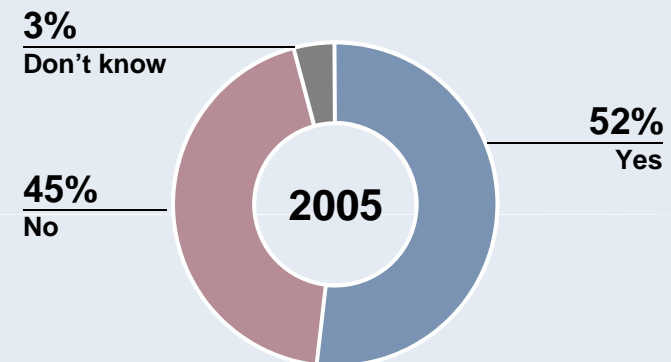


Building a Competitive Supply Chain Organization

The Chief Supply Chain Executive of 2015 will have...

- Clout to redirect price concerns to performance demands
- Strategic vision as well as operational acumen
- Willingness to get involved in the design stage
- Technical savvy to craft systems with a multi-tiered supplier network
- Financial and risk management expertise

Chief Procurement Officer in Place



Source: SAP and Economist Intelligence Unit, April 2005

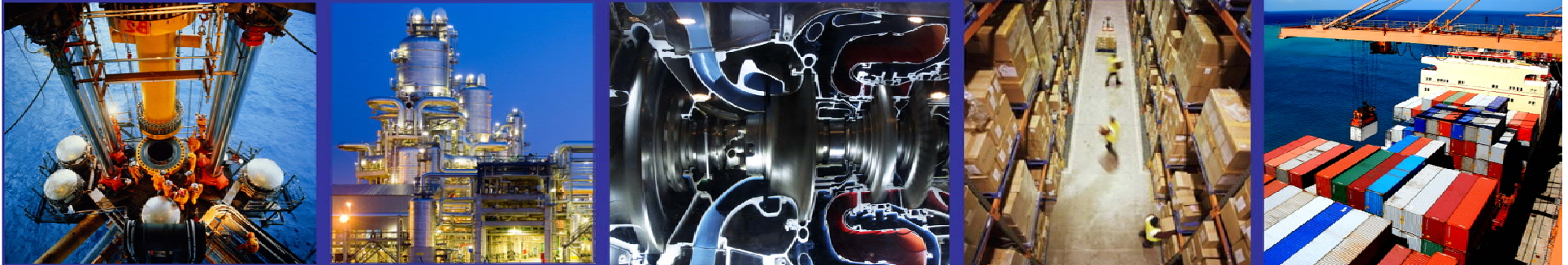


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Boston Strategies International is a global management consulting firm that helps market leaders achieve competitive advantage through supply chain management through:

- **Supply Market Analysis** that helps identify emerging issues that affect their supply chains
- **Supplier Enablement** that facilitates global growth and local content requirements
- **Supply Chain Optimization** that reduces project and life cycle costs



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