

# THE LOGISTICS POINT

YEAR 3 | ISSUE 04 | MAY 2022

EXCLUSIVE  
VIDEO CONTENT  
INSIDE

## LOW CONSUMERS' CONFIDENCE VS LOGISTICS' OPTIMISM



A look into how the current economic environment is affecting consumers' and what it would mean for the logistics industry.

### SUEZ CANAL ONE YEAR ON

Are supply chains ready for another unexpected challenge?

### MARITIME'S DATA PROBLEM

Why does the maritime sector have a problem with data?

### RETURN LOGISTICS

How to execute return logistics operations efficiently?

THE LOGISTICS POINT'S

# 2022

# DELIVERING GREEN: SUSTAINABLE SUPPLY CHAINS

24TH MAY 2022  
10:00 AM BST

**REGISTRATION:**

[Delivering Green: Sustainability](#)

Join us for the second online conference on sustainable supply chains. Learn how to make your operations more efficient and greener.

# EDITOR'S NOTE

Sustainability is a tough topic for the logistics and supply chain industry. There are so many things that need to be taken into account and it is no wonder that managers often do not know where to begin.

We would like to invite you to our Delivering Green: Creating Sustainable Supply Chain Online Event on the 24th May at 10 am UK time. This is the second edition of the conference and this year we are joined by Sony Network Communications Europe, Endava, Wallbox, Segura Systems, Ekko Group, Descartes, Slave-Free Alliance and more. You can find more about the speakers and participating companies in the edition or claim your [free ticket here](#).

In this edition, you will also read more about different looks at sustainability. For example, how retailers can benefit from different sensors and tech around their shops to minimise energy usage. We also look at the maritime industry and the impact new IMO regulations will have, as well as, how the sector can become more sustainable by leveraging the data it already has.



The rising costs of living and Brexit delays are also included. How is logistics responding to the new challenges and what would low consumer confidence mean for the sector? All of this and more in the pages that follow.

[I hope to see you on the 24th and exchange ideas about sustainability.](#)

Nick Bozhilov  
Editor in Chief  
[nick@thelogisticspoint.com](mailto:nick@thelogisticspoint.com)

# IN THIS EDITION



# 6

## DELIVERING GREEN: MEET THE SPEAKERS

Our sustainability event gathers some great professionals and experts in the field. Don't miss it!

### 10 **VIDEO** **LOGISTICS OPTIMISTIC DESPITE CONSUMERS' LOW CONFIDENCE**

Charlie Shields, CEO of ArrowXL

### 12 **ENHANCING THE SUPPLY CHAIN THROUGH TECHNOLOGY**

Wayne Snyder, VP Retail Industry  
Strategy, EMEA at Blue Yonder

### 17 **RETAILERS LOOKING TO TECHNOLOGY TO OVERCOME THE ENERGY CRISIS**

Jason Murphy, Director for Global  
Retail at IMS Evolve

### 20 **NEW BREXIT DELAYS TO HURT UK LOGISTICS MORE THAN HELP**

Sarah Laouadi Head of International  
Policy at Logistics UK

### 23 **VIDEO** **THE UNNECESSARY JOURNEYS OF RETURNED ITEMS**

Tim Robinson  
CEO of Duddle

# IN THIS EDITION



## **28 THE CASE FOR MORE EFFICIENT LAST MILE DELIVERY**

Pól Sweeney, VP Descartes Fleet Solutions EMEA

## **31 ONE YEAR ON: WHAT LESSONS THE SUEZ CANAL BLOCKAGE TAUGHT US?**

Antony Francis, Supply Chain Consultant, Endava

## **36 HIRING ABROAD? CONSIDER THE CULTURAL DIFFERENCES FIRST**

Amir Hoffmann, Managing Director at HCS - Sales Recruitment Worldwide

## **26** **VIDEO** **SHIPPING EMBRACES THE DIGITAL CHALLENGE**

Ossi Mettälä, Sales Manager  
NAPA Shipping Solutions

THE LOGISTICS POINT'S

**2022**

**DELIVERING  
GREEN:  
SUSTAINABLE  
SUPPLY CHAINS**

**24TH MAY 2022  
10:00 AM BST**

**REGISTRATION:**

[Delivering Green: Sustainability](#)

Join us for the second online conference on sustainable supply chains. Learn how to make your operations more efficient and greener.

# DELIVERING GREEN

**24TH MAY | 10 AM UK TIME | REGISTER NOW**



**ERIK LUND**  
**SONY VISILION**

**Erik is the head of Visilion, an asset-tracking and supply chain visibility solution provided by Sony Network Communications Europe. He has a background in transport and logistics.**



**ANTONY FRANCIS**  
**ENDAVA**

**Antony is a supply chain consultant with vast experience in the field, helping organisations evaluate the impact their operations have and how to make them better.**



**POL SWEENEY**  
**DESCARTES**

**Pól is the Descartes EMEA Vice President of Fleet Sales. Pól is a specialist in the solutions and technology that automate and create value for today's global supply chains.**



**PETER NEEDLE**  
**SEGURA**

**Peter is the President & Founder of Segura Systems. His focus is on helping companies evaluate their supply chains and make them more ethical and sustainable.**



**ALAN MCCLEAVE**  
**WALLBOX**

**Alan is the Country Director UK & Ireland at Wallbox, a leading smart charging and energy management solutions firm. He worked in the EV charging across the UK, Ireland and the Nordics**



**ELENOR SMITH**  
**SLAVE-FREE ALLIANCE**

**Elenor works in the field of human rights, helping logistics companies to be more ethical. She worked within the Corporate Responsibility at Aldi around ethical trade, human rights.**

# DELIVERING GREEN

24TH MAY | 10 AM UK TIME | REGISTER NOW



## SONY VISILION

Based on IoT and 5G-enabled technology, Visilion allows manufacturers of critical and high-value assets, as well as logistics service providers, to gain control over the supply chain.



## WALLBOX

Wallbox is a global technology company, dedicated to changing the way the world uses energy. It creates advanced EV charging and energy management systems that redefine users' relationship to the grid.



## ENDAVA

We have helped some of the world's leading companies accelerate their ability to take advantage of new business models and market opportunities.



## SEGURA

Segura is a SaaS platform that is quick and easy to set up and deploy, and can work with existing systems. Segura captures your entire global multi-tiered supply chain, allowing you to map and monitor with ease.



## DESCARTES

Descartes is the global leader in providing on-demand, software-as-a-service solutions focused on improving the productivity, performance and security of logistics-intensive businesses.



## SLAVE-FREE ALLIANCE

Slave-Free Alliance was started in 2018 to deliver services to the commercial sector and support the development of activities and initiatives for businesses.





# AGENDA

ALL TIMES IN UK TIME

**10:00 AM**

**SONY NETWORK COMMUNICATIONS  
ERIK LUND**

**10:30 AM**

**ENDAVA  
ANTONY FRANCIS**

**11:00 AM**

**WALLBOX ENERGY  
ALAN MCCLEAVE**

**11:20 AM**

**EKKO GROUP  
AL VAKS**

**11:50 AM**

**SEGURA  
PETER NEEDLE**

**12:05 PM**

**PANEL DISCUSSION  
MOVING AWAY FROM SLOGANS  
INTO TRUE SUSTAINABILITY**



## **VIDEO**

# **LOGISTICS OPTIMISTIC DESPITE CONSUMERS' LOW CONFIDENCE**

Consumers' confidence has been hit by Covid and the rising inflation in the UK and globally. The question, however, is whether this will prove to be another challenge for the logistics industry. We spoke with Charlie Shiels, CEO of ArrowXL, about what the industry is expecting in the coming months and how it dealt with changing consumers' habits during the pandemic. Watch the full video interview now.

'Industry figures globally were better than expected,' begins Charlie Shiels as we speak about the low consumers' confidence. He believes many families had the ability to save money during all lockdowns which saw a huge increase in e-commerce purchases and growth for many retailers.

Of course, there are challenges ahead but Shiels is optimistic and looks at 2022 as another year where growth will happen. Despite the optimism Shiels admits that the global economy has suffered a variety of problems at the same time. For the UK in particular Brexit was an added factor. As a whole, the logistics industry performed well and managed to deliver not only vital supplies but also fulfil common orders.

'We knew there would be a slowdown when lockdowns were over,' Shiels explains recent data. On the other hand, shoppers are now more confident with using the internet to buy products which will sustain the growth long term.

### **Labour Shortages**

Shiels comments on staff shortages as well. ArrowXL has experienced problems with finding employees not only in areas that are usually known for problems but also in parts of the UK that were surprising.

Warehousing space is also low and Shiels says the company could easily fill more. The problems are expected to subside as spring comes and inventory is distributed to consumers.

### **Brexit Problems**

In his interview ArrowXL's CEO also covers trade between Britain, Northern Ireland and the Republic of Ireland. Some companies have decided to not continue trading but those who have are experiencing good levels. Overall trade between Britain and Northern Ireland is remaining strong and in some areas is even better than before Brexit.

To learn more about how logistics is responding to all problems, where there are labour issues, and how Brexit has affected retailers, watch the full interview.\*



# **ENHANCING THE SUPPLY CHAIN THROUGH TECHNOLOGY**

*WAYNE SNYDER, VP RETAIL INDUSTRY STRATEGY, EMEA AT  
BLUE YONDER*

Supply chain disruption has been evident across all industries over the past two years, affecting both businesses and consumers. Empty shelves and price increases have become commonplace, and now the rising cost of living and growing inflation has increased the focus on the role of supply chains in the economy.

The latest research from Blue Yonder revealed that almost all businesses (97%) have faced disruption to their supply chains in the last 12 months. From customer delays to stalled production and shortages, nearly two-thirds of businesses are now prioritising their supply chain – and rightly so.

As organisations look to the future, our research also highlights that the biggest concerns are the COVID-19 pandemic, Brexit and a pressure to be more sustainable. But how can businesses mitigate risks and take back control of their supply chains?

In today's climate, better planning is key. This requires businesses to have more visibility, be more responsive and embrace new technologies like artificial intelligence (AI), to enhance operational efficiency and streamline operations. Utilising technology supports organisations to improve the omnichannel experience, focus on sustainability and enhance workforce management across the entire supply chain. In doing so, businesses will be able to reap economic benefits, maintain business continuity and future-proof operations in the face of disruption.

### **Adapting to demand**

The COVID-19 pandemic highlighted how quickly consumer demand can change, and how important it is for retailers to react quickly. In order to put the customer first, those organisations that utilised omnichannel were able to scale their online businesses and thrive throughout lockdowns. It demonstrated how vital it is for retailers to utilise different channels to meet customer demand, so they could maintain business continuity when supply lines were affected.



**Learn how to decarbonize  
your company's logistics  
with the Introduction  
to Sustainable Logistics  
e-training.**

[Find out more](#)



With continued disruption and uncertainty, businesses need to focus on adapting quickly. Consumer habits are constantly changing. The move to online is a good example of this. Consumers now prefer to shop online rather than shopping local, raising questions around the longevity of the high-street. Retailers are also having to navigate Brexit red-tape, pandemic disruption and even delays caused by the weather. Managing this, while providing the right stock, in the right location, at the right time, has never been more important to remaining competitive. This is where technology comes in.

### **Utilising AI**

AI-driven intelligent decision making and end-to-end visibility together will help deliver an effective omnichannel experience and therefore support retailers in meeting consumer demand, regardless of the channel. Our research showed that 53% of organisations believe advancements in AI technology will have the most significant impact in reducing disruption, second to end-to-end visibility (63%).

While there is clear awareness around how AI can help, more needs to be done to demonstrate the importance of AI to business operations. For example, AI can help those companies that are needing to evaluate the right network, across a blend of large warehouses, smaller localised fulfilment centres and deliveries from stores.

It's critical for these elements of the supply chain to be interoperable with intelligent decision-making as to how best to move products from anywhere to anywhere in order to maximise supply chain capabilities.

AI is driving better forecasting and order decisions to ensure that products are at the right place to allow shoppers to buy from wherever, whenever, for example. What's more, AI can help evaluate product needs, quickly identify new trends and ensure the range is optimised, and assess prime shelf placement when combined with new technologies. Customers want to understand real-time availability and delivery options as they shop with same day delivery and pick-up options, requiring seamless supply chains, involving AI tools analysing millions of data points in real-time to optimise efficiency and decision making. This is where retailers can unlock the power of AI and enhance their supply chains.

**The COVID-19 pandemic highlighted how quickly consumer demand can change, and how important it is for retailers to react quickly.**

## **Focusing on sustainability**

Our research also revealed that over half of organisations (58%) invested in the sustainability of the supply chain in the last 12 months. This is encouraging, given that 2021 research from the MIT Center for Transportation & Logistics, sponsored by Blue Yonder, found that nearly one in ten (9%) businesses had decreased their commitment to sustainability last year, while 55% thought it remained the same or were unsure as to the status.

It's apparent that business leaders are recognising the importance of supply chain sustainability, with COP26 bringing sustainability back into the spotlight. Retailers need to start investing more in 'green' initiatives, especially with pressures coming from governments, regulatory bodies and consumers. Utilising AI and machine learning will give organisations the power to reduce their supply chains environmental impact, while improving efficiency and customer experience and most importantly, remaining profitable.

For example, AI is helping retailers significantly reduce food waste. No longer assuming the past will be replicated, AI understands the influences behind demand to create accurate future forecasts, helping to identify risk and variability so item-level decisions can be made, generating synergies and efficiencies in-store.



This not only reduces waste but increases operational efficiency and profits. IoT technologies are also enabling better energy management such as monitoring lighting or even the temperatures of fridges, all without disrupting the customer experience.

## **Improving workforce management**

Supply chains need effective workforce management solutions in order to manage disruption and minimise the effect of labour shortages on the supply chain. Brexit, delays in recruitment caused by lockdowns and even the pandemic, for example, have revealed just how critical the workforce is to maintaining an efficient supply chain. While we are somewhat moving out of the pandemic, organisations should not be complacent.

Furthermore, AI-driven demand and replenishment models enable significantly improved inventory management, freeing up staff to focus on value-adding activities. This was essential when retailers needed to scale in-store picking processes due to the growth in online shopping. By helping staff to intelligently pick items and create optimised pick routes and lists, combined with real-time and accurate inventory counts, AI can provide a more accurate view of stock which can feedback into inventory management or order orchestration. Retailers can therefore prepare for unforeseen events and ensure greater efficiency using AI, while focusing on delivering an effective customer experience, rather than worrying about staff-shortages.

### **The future of supply chains**

With uncertainties set to continue, organisations need to enhance supply chain operations and minimise the effect of supply chain disruption through new technologies that provide end-to-end visibility and optimisation. AI, alongside ML and advancements in IoT, are enabling supply chains to be more effective, responsive to new challenges and resilient. By using AI to focus on sustainability, put the customer first, and improve workforce management, retailers are one step closer to ensuring their supply chains are able to cope with current and future disruption.



Companies should invest in technology that generates value and that focuses on protecting business continuity and increasing efficiency, a critical component of AI. Ultimately, enhancing the supply chain through technology will support organisations to be prepared in the face of disruption and also thrive moving forward.\*

**No longer assuming the past will be replicated, AI understands the influences behind demand to create accurate future forecasts, helping to identify risk and variability so item-level decisions can be made, generating synergies and efficiencies in-store.**





## RETAILERS LOOKING TO TECHNOLOGY TO OVERCOME THE ENERGY CRISIS

The rising costs of fuel is causing many retailers problems, and as the price of gas and electricity all increase, retailers are scrambling to reduce costs in all areas. In recent months, this has become the biggest topic of conversation in boardrooms, with pressure being passed down to property and logistics teams to find answers.

'We are moving into a place where whoever can minimise passing on increasing costs to their customers will be the winner,' says Jason Murphy, Director for Global Retail at IMS Evolve, a Milton Keynes based Internet of things (IoT) technology solutions company. 'Luckily, retailers are great in a crisis because they can quickly adapt to changing circumstances, for example the significant shifts in demand, footfall, stock levels and staffing throughout the pandemic. But this is the second big crisis they've faced in a short period of time after Covid, and they need to work with partners to become more efficient and reduce margins.'

### Energy prices rising

Energy prices were predicted to shoot up back in 2012 and many supermarkets and retailers took measures to cushion the blow.

However, the increase in energy prices never rose to the heights that were expected, and most organisations decided to scale back on their preparedness, reducing investment in energy reduction initiatives.

'The risks have suddenly become reality without any ability to forward plan,' says Murphy. 'Due to the size of the change and how quickly prices have risen, it's much harder to deal with and this will spur a reactive response from all retailers to reduce their costs, drive efficiency and sustain their margins.'

Murphy points out that consumers may start reverting to efficient, leaner discount stores after months of traditional retailers dominating the industry, as they were quicker to adjust to increased demand for ecommerce during the pandemic.

### Driving energy savings

Whilst the price of fuel is difficult to mitigate due to the external causes of cost inflation, looking specifically at energy efficiency, a lot can be done to reduce fuel consumption.

IoT software can be used to extract data from the underlying infrastructure within retailers' estates, especially the highest energy consuming, mission critical areas (refrigeration, HVAC and lighting). Murphy says: 'You can then start to run Artificial Intelligence (AI) algorithms across that data to look for several things: What's the energy efficiency of this asset? Is it running to how it's specified? Is the stock or environment at risk?'

THE LOGISTICS POINT'S

# SUSTAINABLE SUPPLY CHAINS CONFERENCE

24TH MAY 2022  
10 AM BST

REGISTER NOW

wallbox 

SONY

DESCARTES

 SLAVE-FREE  
ALLIANCE  
Working Towards a  
Slave-Free Supply Chain

 Part of Hope for Justice,  
a registered charity.  
HOPE FOR JUSTICE

The Logistics Point  
Operational Platform for Logistics & Supply Chain

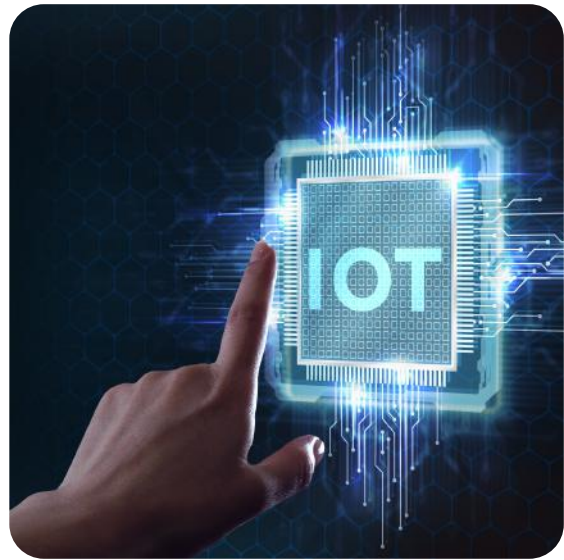
By deploying this software on top of existing controls and sensors to monitor machine efficiencies and failures, retailers can increase visibility and control of assets. 'We can either see a problem very early or predict it will happen based on an asset's behaviour,' added Murphy.

These unprecedented levels of monitoring and management also allows organisations to optimise the conditions in which food is kept, extending shelf life and keeping food fresher for longer.

'For example, if a fridge is running just one degree off, we are looking at about one to two days reduction in the product life. To avoid this, retailers can monitor processes to identify inefficiencies immediately so that real time, automated adjustments can be made to reduce energy waste and ensure food quality,' said Murphy.

In recent trials for customers, IMS Evolve managed to reduce food waste by nearly 80% by monitoring the performance of refrigerators and taking corrective actions to increase efficiency.

IoT software can be used to extract data from the underlying infrastructure within retailers' estates, especially the highest energy consuming, mission critical areas.



### **Sustaining efficiency**

Retailers, who are generally very cost sensitive, do not have to worry about having to update their full range of refrigerators to employ IoT software. Instead, retailers can layer software over the top of existing infrastructures, bringing older equipment into the new millennium to increase efficiency.

When working with retailers, Murphy suggests starting with a trial to help establish the benefits of IoT and AI software.

'Often many companies throw the same words in a proposal like AI and cloud and there is a level of scepticism from retailers,' Murphy admits. 'In practice, these technologies take the knowledge of experienced people and automate it. It's like having a fridge engineer looking at the data all the time and flagging when there is an issue.' Such algorithms can be used to ensure that retail stores continue to run as close to 100% efficiency as possible. \*



## ***NEW BREXIT DELAYS TO HURT UK LOGISTICS MORE THAN HELP***

The British government is thinking about delaying post-Brexit checks once again. But why is this a problem for the logistics industry? We spoke to Sarah Laouadi Head of International Policy at Logistics UK about the challenge of delaying, if it creates an unfair advantage for EU companies and the state of trade between the UK and Europe.

### **Why is considering another delay to Brexit checks a problem?**

What we are concerned about is that this is not the first delay; after three other false starts for the introduction of import controls from the EU, the Government must make a clear commitment to a deadline. Any additional delays to the introduction of post-Brexit border checks on imports will simply postpone the inevitable, and send mixed signals to businesses that have been urged for months to get ready for the additional formalities involved with moving goods across the UK's borders.

What we need to see is an analysis of the gaps in readiness that are actually pushing the government to consider postponing the deadline once again.

If Government does indeed have sufficient evidence to conclude that sticking to the planned timetable would jeopardise the supply of key imports into the country, then Ministers need to share the relevant data and produce key actions to lift these obstacles. It is vital that if the deadline is postponed, government works with industry to prepare a clear action plan, and takes the necessary steps to ensure the next deadline is final.

**Can we speculate why it is necessary? Is it because the infrastructure is not ready or there are other political reasons?**

While the Government has not shared its reasons for considering a delay in the introduction of checks, there are general circumstances and events that might have played a role. For example, the war in Ukraine is adding to supply chain uncertainty and the increasing cost of doing business is also a key concern.

**Would a delay offer an unfair advantage to EU business trading in the UK?**

Legally speaking, I wouldn't say that it's giving them an unfair advantage, but it's certainly solidifying a situation which is not symmetrical. UK exporters have been facing the full set of the EU's border requirements straight after the end of the transition period, whereas EU exporters sending their products to the UK have benefitted from a gradual introduction of the UK's import requirements which are not in their final stage yet. This is not something that we would like to stay in place for the long term.

**How prepared are UK companies in your opinion to deal with the situation?**

UK companies have made a huge effort to get ready. There has been a lot of work and energy that has been put in this preparation. Now it's important to make sure that the timetable is credible and reliable to allow businesses to optimise all preparations and coordinate effective decision-making.

To give you an example, if a business had decided that they need to hire new staff to comply with the import requirements that would have been in a few months, they may have made arrangements already for that purpose. But if the deadline keeps moving, the decision to hire may not be completely optimised against the timetable.

We would also need to educate all players in the industry about the new requirements. This is another area where the level of readiness has to be sufficient to try to make a success of it. At Logistics UK we have spoken to our partners in the EU and have offered support to the UK government and to our members, through our communication channels.

**Can we evaluate how Brexit is going on for the industry as a whole? What problems have there been?**

It is not Logistics UK's role to comment on the merits of Brexit as a political decision. From a logistics perspective, however, leaving the EU Single Market always meant there would be more formalities and therefore more friction at the border. It was therefore a challenge for businesses to adapt to this new environment in order to preserve supply chains.

It is important not to underestimate the issues that companies have faced at micro level, leaving some of them with business models that were simply not working anymore. But at macro level, despite initial disruptions and delays, the logistics community rose to the challenge and kept the goods we need moving.

I think that is a testament to the resilience of our members and the ability of the industry to make pretty much everything work on the ground, provided that we get clarity and advance notice from the government about new processes and systems. \*



If Government does indeed have sufficient evidence to conclude that sticking to the planned timetable would jeopardise the supply of key imports into the country, then Ministers need to share the relevant data and produce key actions to lift these obstacles.



## **VIDEO**

# **THE UNNECESSARY JOURNEYS OF RETURNED ITEMS**

Returns are notoriously hard and with the rise of e-commerce during the pandemic they became even a bigger challenge. We spoke to Tim Robinson, who is the CEO of returns specialist Duddle, about how companies handled packages, what has happened in the field and how technology supports a robust returns process. Watch the full interview now.

'Omnichannel retailers were particularly challenged in the early days of the pandemic,' begins Tim Robinson. When information was little companies had to quickly adapt and rethink the return rules that were in place. For Robinson robust retailers quickly realised that it would be better to extend the period an item can be returned in than to lose customers' confidence.

### **Eye-watering Stats**

Robinson calls the levels of e-commerce eye-watering. Online giants like ASOS recorded significant sales but also huge levels of returns. Things have eased now but returns remain one of the most costly and wasteful aspects of logistics and supply chain. For Duddle's CEO the answer is in targeting each item that a customer doesn't want so it is immediately sent to the right destination.

THE LOGISTICS POINT'S

# 2022

# LAST MILE & E-COMMERCE MONTH CONFERENCE

4TH TO 18TH OCTOBER 2022  
10:00 AM BST

**REGISTRATION:**

[Last Mile & E-Com Events](#)

Join us for the second online conference on Last Mile & E-Commerce. Explore the world of consumer changing habits and how logistics fits in it.



Returns are often filled with unnecessary miles as items cross multiple borders a few times until they reach their destination.

### **Tech Control**

'Platforms like Amazon are using very intelligent decisions to control returns,' Robinson continues. Using a system like Duddle's can save time and money as items are easily put in the category they belong in - whether it is to be resold, shipped to a secondary market, or a discount shop.

Using technology allows logistics and retail companies to have a better understanding of their inventory levels. By logging an item in the inventory system as available, firms can easily make plans on how to sell it again. Visibility is becoming a key factor and more retailers will be booking into it.



TIM ROBINSON  
CEO OF DODDLE

To learn how returns are better controlled with technology and what happens when there is only a manual process in place, watch the full interview with Tim Robinson from Duddle now.\*



## **VIDEO**

# **SHIPPING EMBRACES THE DIGITAL CHALLENGE**

The maritime industry has always been considered more traditional in comparison with the rest of the supply chain. In recent years, however, it has also been forced to face the challenges of digitisation. With the new International Maritime Organisation's (IMO) regulations and drive to reach 50% reduced GHG emissions by 2050, the sector is embarking on its toughest voyage yet – which is also a formidable opportunity to improve efficiency and sustainability across the sector.

We spoke to Ossi Mettälä, Sales Manager at NAPA Shipping Solutions, about the new EEXI requirements, how maritime can reduce its carbon footprint and more.

According to new research by NAPA, the new EEXI power restrictions being imposed by IMO would have a limited effect in curbing the carbon footprint. Our conversation with Mettälä tries to understand why the international organisation is focusing on the restrictions and what else can be done in conjunction.

'There is no silver bullet for controlling emissions,' says Mettälä after explaining that implementing EEXI will have a limited positive impact. Such tools need to work together with broader change in the industry.

Mettälä is optimistic about the capacity of the maritime sector to reach the goals set for 2030 and 2050. However, the sector should not think it will be easy.

A Carbon Intensity Indicator (CII) will tackle emissions on the operational side of things. CII will force each player to record and improve their efficiency. A more holistic approach will be needed. For Mettälä one possible solution can be Dynamic Data. 'It is important to start combining all data points that we have into one,' Mettälä explains. Bringing together data about weather conditions with each vessel's specific characteristics, for example, will give a fuller picture and could enable better decision making.

For Mettälä, there is no time to waste. Although deadlines like 2030 and 2050 look far away, vessels that are being built t



OSSI METTÄLÄ, SALES MANAGER  
NAPA SHIPPING SOLUTIONS

oday will have to comply with the regulations, as they will probably still be in service in the next 20 to 30 years. In addition, understanding what future fuels could emerge will give more options and help organisations to plan in advance. \*



## **THE CASE FOR MORE EFFICIENT LAST MILE DELIVERY**

Retailers and fleet operators are increasingly recognising the need for efficient last mile delivery. There are multiple factors behind this, including driver shortages and rising fuel costs, as well as both corporate ESG objectives and growing consumer sustainability expectations. All of which means businesses need to get more out of their existing fleet operation; manual ways of operating are simply no longer sufficient.

Join Pól Sweeney on the 24th May to talk about how to move away from sustainability slogans and deliver true value at our Delivering Green online event. [You can register now!](#)

Technology, such as advanced route optimisation and scheduling software can increase delivery density and delivery capacity by as much as 35% without having to add new drivers or vehicles. Pól Sweeney, VP Descartes Fleet Solutions EMEA, explores some of the Last Mile and Fleet Efficiency challenges and solutions.

### **Increasing complexity combined with rising expectations**

International consumer research conducted by Descartes in early 2022 showed that 73% of consumers had a problem with a delivery in a three month period. Whether corporate customers or end consumers, the expectation now is for deliveries on time and in full – indeed, ensuring an order arrives as expected is now of higher priority for consumers than speed of delivery.

Order tracking, visibility and proof of delivery should be the basic standard for the customer experience, but in many cases businesses are falling short. Fleet operators need to have real-time visibility of their vehicles, in order to manage routes on the fly to ensure customer commitments are met.

Yet, the issue of rising fuel costs and driver shortages has added further complexity in to the mix. Ensuring existing fleet capacity is optimised is now a business imperative for profitable and sustainable operations.

Furthermore, the need to integrate electronic vehicles into the fleet requires additional intelligence that can help companies make the transition to EVs and optimise deliveries for a mixed fleet. Whatever the mix of vehicles, routes need to be optimised to minimise emissions, manage green zones, and ensure drivers' hours compliance. But it also requires integration with order management systems to ensure vehicle capacity is maximised and delivery options that can be met and costed are presented to the customer at the point of sale.

Finally, there is both an increasing business imperative – driven largely by the COVID-19 pandemic – as well as significant operational and cost efficiencies to be gained by adopting a paperless delivery process. Not only does it provide the visibility customers now expect, operational benefits include faster and more accurate payments and better stock control.



SIG UK is a leading UK supplier of specialist building solutions operating across the UK and Ireland and acts as a unique intermediary for contractors in the supply chain. Within the UK, it has a fleet of approximately 500 vehicles. Since implementing Descartes' last mile solution in 2020, SIG has increased its On-Time-In-Full (OTIF) deliveries by 10-15% and the volume of deliveries by 25% using the existing fleet.

Edward Corbett, Head of Programme, SIG UK: "Descartes' technology has allowed us to be agile, forward-thinking and work optimally with our fleet with benefits on costs, sales and satisfaction across the business and with our customers. Achieving this improvement in capacity and increase in volume of deliveries shows a real forward movement for us and the data we now have from this system gives us the ability to make informed management decisions to optimise the fleet and our business."

Similar benefits have been recognised by care home provider, Blueleaf. Rob Meredith, Group Head of Operations, comments: "Descartes' software has enabled us to not only offer our customers a COVID-safe, paperless option for proof of delivery, but has also improved the accuracy of our deliveries with a complete record. We have managed to replace our previous system – which involved vast amounts of paperwork with load manifests, picking documents and forms – minimising waste and improving our sustainability credentials as a business."



PÓL SWEENEY, VP DESCARTES FLEET SOLUTIONS EMEA

### **Embracing a digital approach**

Digitising the last mile is absolutely critical to, not just fleet productivity and efficiency, but to overall customer / consumer satisfaction with (home) delivery services. It simply isn't possible, given the number of factors now in play, to achieve the necessary levels of efficiency and optimisation without digital solutions. But where should an organisation, who has yet to embrace digitised processes, begin?

Companies need to start with defining the problems or business issues they want to address and understand what success looks like. Success could be more delivery capacity to cope with demand; an improved customer experience; or reduced costs. Once the priorities for the business have been defined, companies should then look at the technology options and potential suppliers that can help them address the needs of the business.

The supplier will be in a good position to suggest the most effective way to meet their objectives. The most important thing is alignment on the business objectives and commitment from senior management in the plan to achieve it.

Suppliers such as Descartes have helped household names in Europe and North America and can bring this wealth of experience to advise clients on what would make most sense for their operation and objectives.\*



## ONE YEAR ON: WHAT LESSONS THE SUEZ CANAL BLOCKAGE TAUGHT US?

In March 2021 the Suez Canal was blocked by the large container ship Ever Given. The event focused the attention of the world to how vulnerable supply chains can be when something like that happens. We spoke to Antony Francis from Endava about what the blockage has taught us, can it happen again and what can be done to avoid similar disruptive events along the supply chain.

Join Antony at our 24th May Online Delivering Green event. [Register now!](#)

### Was the Suez Canal accident a one-off or should we prepare for more similar problems?

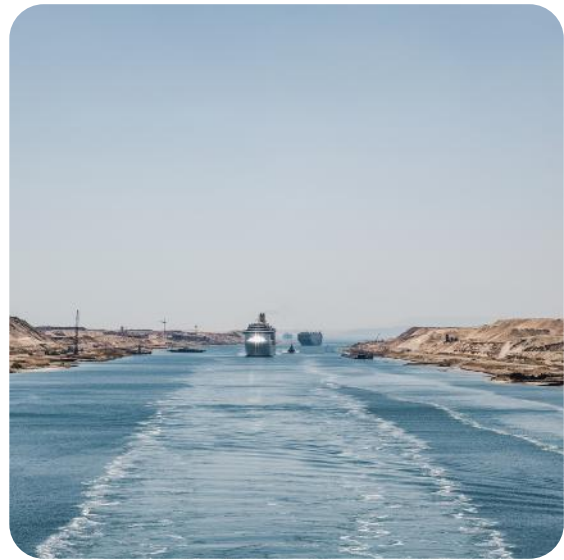
Canal transits are an efficient time saving solution for large cargo ships, both bulk carriers and container ships. In the Suez Canal, the ships are escorted along the waterways but are not tightly attached like they are in the Panama Canal locks. So, high winds and reduced visibility from a sandstorm are specific to Suez.

Additionally, the sheer size and height of container ships make them vulnerable to strong winds. The Ever Given container ship was exceptionally long at 400 meters and with containers stacked 10 levels above the deck line, this caused the sideways blockage. Now, I am no shipping engineer, but I think it is fair to say that this could happen again.

Could it have been prevented? Perhaps, in future, they should prevent transit through the narrow channels during such events.

So, what are the consequences for shippers? The cost of transiting the Suez Canal for a ship the size of the Ever Given, is approximately \$500,000. Since the alternative is a lengthy and even more costly diversion to the Cape of Good Hope (CGH), there are really no viable alternatives, except in the case of an "event". The Suez Canal has known its share of crises, logistically and geopolitically. What they can do is to be better prepared, developing contingency plans and focusing on critical elements.

As supply chains were stretched to the point of rupture in 2020 and 2021, the term "just-in case" vs. the old adage of "just-in-time" challenged the status quo that had become accepted practice for several decades. Manufacturers, 3PLs and retailers began looking at ways to use predictive analytics and buffer inventories to mitigate the risks of rupture. It created a new sense of "what if" and showed just how vulnerable very tight supply chains are. As an example, after the Ever Given accident happened it took another 7 weeks for products to arrive in Felixstowe (UK) and Rotterdam (NL). For retailers, this translated into a huge miss in sales, with a ricochet effect that went on for months.



### **How can we track issues in real-time and respond quickly?**

Historically, data was published after the event, usually weekly or monthly in static tables as part of regular management review and there was little immediacy in the reactivity to situational change. Today, data is transforming the supply chain by providing real-time response to events with fingertip information for management and decision-making tools and alerts through AI/ML.

It has evolved beyond simply tracking packages and has evolved into multi-faceted solutions that are the combination of two processes:



*The capture of the data to be able to provide status*

Numerous tools are available today to capture information about events happening in the extended supply again. These include numerous scanners (wearable, handheld or fixed); RFID and asset tag solutions that track assets (alerting on events like usage information, providing alerts for preventive maintenance); and those that track people (badge systems, etc.), vital in high security and safety situations (oil rigs, refineries, etc.); to those that track vehicles (truck position/theft; driver health and safety information, like tiredness.

*Reporting systems and control towers/dashboards to communicate status.*

Capturing data is one thing, but it is what you do with that is more important. Thus, systems must provide alerts in real-time. The advent of digital displays allows companies to push information to the end user about production performance and qualitative issues on the production line and alerts management to needed mitigating action. Another example is the ability for a freight forwarder to pre-alert the destination port of potential delays in clearance of goods due to missing documentary paperwork. Everything becomes more immediate and less reactive.



ANTONY FRANCIS,  
SUPPLY CHAIN CONSULTANT AT ENDAVA

### **Is more tech the answer or tech at the right spots?**

I have always been in favor of looking at the business processes first, and then applying tech where it makes the most sense. However, the 2020/2021 crisis, which exacerbated supply chain disruption, shed additional light, and focus on three areas that we had been discussing for a number of years, namely: supply chain visibility, trading partner connectivity and real-time information delivery.

Optimizing supply chain visibility began with a simple track and trace solution by the major integrated carriers. It was a point solution at best but was very valuable to the end user and enhanced customer satisfaction. It did not give value to the other players in the supply chain, and it lacked package content knowledge and real time condition status that is now

provided by IoT trackers and devices that report back to cloud storage condition of goods (temperature and physical state – shock, breakage, location, etc.). These are important tactical details. However, more strategically, we need to be looking at the extended supply chain.

Take the case of a product manufactured in a remote part of China due to be delivered via an e-commerce platform to an end user. Knowledge and updates on no less than 35 different touch points along its journey from the port of Ningbo to a customer in, say, Toulouse, France must be captured and disseminated. The challenge is that these 35 events take place in approximately 20 different vendors across multiple time zones. These participants may not have the system connectivity to be able to share that information or may not be inclined to share this information. Without this information, the system breaks down.

This is where control tower systems come in, allowing information to rise up to a reporting layer that all participants can access via dashboards.

**In addition, what are the right areas for technology to be implemented?**

In addition to visibility, end to end information sharing and predictive analytics highlighted above, there are several other technology solutions that help transform supply chain resilience and drive cost reduction and improve the bottom line.

The last two year's supply chain crisis has driven many companies to rethink where products should be produced to mitigate disruptions. Making products closer to where there is demand allows companies to cut back on logistics and transportation costs, reduce their carbon footprint, circumvent geopolitical risks and tariffs associated with offshore outsourcing, and get products to consumers faster. In today's consumer driven society, there is a competitive upside – improved delivery performance and customer satisfaction. So, why haven't they done this before? Labor costs in overseas manufacturing sites outstripped the re-localization arguments and were essentially headcount driven vs. using automation to drive down costs.

Furthermore, since many enterprises relied on foreign production, they didn't need to have a clear business case for technology or fully explore how it could be beneficial. They were not producing the product. Now that they are near-shoring production, they are looking at ways to offset the labor cost differential and high inflation, through increased automation.

The focus has moved from manual processes to systems that use demand management tools to enhance strategic sourcing; the use of embedded systems to drive hardware tools and physical computing; and using AI and machine learning to drive down operational costs. In manufacturing environments, they are increasingly using robotics and automation to drive cost per unit efficiencies in fulfillment operations.

Technology is all well and good, but technology for technology's sake doesn't work. At the end of the day, it must either solve a costly business problem or put the company in a position to seize on new opportunities. It all goes back to the goal of supply chain resiliency and the pursuit of new business models. \*



The cost of transiting the Suez Canal for a ship the size of the Ever Given, is approximately \$500,000. Since the alternative is a lengthy and even more costly diversion to the Cape of Good Hope (CGH), there are really no viable alternatives, except in the case of an “event”. The Suez Canal has known its share of crises, logistically and geopolitically. What they can do is to be better prepared, developing contingency plans and focusing on critical elements.



# EMPLOYMENT

## ***HIRING ABROAD? CONSIDER THE CULTURAL DIFFERENCES FIRST***

Entering a new market is a challenge that many companies often face if they haven't carefully planned the path forward. There are a multitude of problems that need to be addressed as managers are not always aware of the cultural differences and the business specifics of the market they are tapping into. Finding the right people is key to success but here come the challenges! What are the most important aspects we should consider when locating the most suitable candidates for a vacancy and above all – how do we engage with them in a way they are willing to relate with?

We spoke to Amir Hoffmann, Managing Director at HCS – Sales Recruitment Worldwide, about the challenges of finding the right salespeople in a new market, the importance of cultural differences, and the image of your brand.

### **What are the challenges companies face when looking for employees in markets they do not know?**

When a company needs to approach a new market, most of the challenges come from the fact that the majority of the candidates, especially the top performers, are conservative. So, when you come in as a foreign organisation, those that are not familiar with you will be hesitant to either apply or engage in the recruitment process.

## Our customers' concerns are around how they can get more output from the people they already have.

They do not know the company and they do not know their focus in that region. Even if it is a large brand, such as a large logistics company entering a certain region with a known name, how does the candidate actually know that they are focusing on that area, and how do they learn about the organisation and its plans?

There are so many elements that we, as the partner connecting companies to the candidates, can bring to both sides. We invest time learning about the organisation we represent because then we become exceptional ambassadors towards potential candidates, addressing all possible barriers in our approach to them. We explain about the company, its strategic plans, the unit, its focus, future road-map, and all those elements give them much confidence to say "sounds like a company I'd like to explore".

This cannot be addressed by just putting a job ad on LinkedIn and stating "Looking for a Sales Director in Japan". If the candidates do not receive the full message and understand that the company will be attentive to them, the response rate will be problematic.



Most candidates will not go ahead and even the ones who do, will not continue the journey towards getting an actual placement secured at the end.

### **Have you had to deal with situations in which a company has published something on LinkedIn, it goes terribly wrong and then you have to rebrand or redo the whole image?**

Very much so, but it is never intentional. The main reason it happens so often is that most of the recruiters are still facing a scenario where differentiation between regions is not too much in focus. This means that the same way they have approached a few candidates this morning in Germany is repeated in the afternoon for a country/culture/region which is completely different. You cannot approach different cultures in the same way, you cannot say the same things, there needs to be differentiation.



The things that you need to emphasise in order to make progress in Asia (and there are many different cultures within Asia itself) are not the same as in Europe, Latin America, the Middle East, etc. If you do not take the cultural element into consideration, you get no momentum, and even worse, you lose valuable momentum and perhaps suitable strong-fit candidates, even to the extent that some of the candidates are just not going to apply due to the lack of sensitivity when approaching them. You cannot just copy-paste a job description and multiply the number of countries you want to look for people in without addressing the cultural element.

**And on the other side as well, how do you present the cultural element or the specific company to a candidate?**

We take a lot of time to learn and investigate our customers before even approaching a candidate. And when I say a lot of time, I do not just mean learning what the company does, its portfolio, and the Google results that come up. We spend time understanding who the Line Managers are, which cultures they are from, the team for this role, their background, the competition, and what cultures they have hired. We also look at the retention rate: whether most of the employees in this area have just recently been hired or have been there for many years. You can learn about the maturity of an organisation, a region, or culture by diving deep into every company, and we do not only spend time on that, but we also prepare a list of questions/items, which the team must learn and understand before they approach candidates.

**When a company needs to approach a new market, most of the challenges come from the fact that the majority of the candidates, especially the top performers, are conservative.**

### **Is it hard for companies to understand their own culture presented in this way?**

I don't think it's hard, but I think that they are surprised. I think that by using an agency, the assumption from that organisation is that things are super basic... there is a role, the company needs people, and the agency finds these people. That is the general idea of engaging an external agency: it is being paid to go into a database or to map and find the best candidate in a certain region. Clients are not accustomed to receiving so many questions back. We are challenging our customers quite a lot, but it also works to their benefit, because from the moment we know that information, we are stronger not just for that assignment but also for future assignments that they can give us in other regions. At times, we even go to the extent of asking the line manager to prepare a slide deck for us, describing the unit, the role, the culture, and more.

### **Is there also a right size company?**

If you are extremely small the perception is that you are agile enough to approach candidates yourself. I do not think you need an agency to be completely involved in the end-to-end recruitment process. However, you can definitely use a consultancy like ours for tips, advice, approaches, best practices, skilled long-listing, and so on. Size is of course a relative term for various organisations, but if a company is extremely small, it can benefit from our organisation to a smaller extent.



If it's extremely big, it will also benefit less, because large enterprises usually have a wide range of in-house services within their own Talent Team. We do have a few small and very large customers on board as well, but they make the exception, not the majority of our day-to-day focus.

### **And finally, I want to pick on the word "cross-border", because we were talking about Asia, Europe, and America. How do we define the border, and where does the border start and end?**

A company within the UK, entering a market for the first time that is completely different for them, like Germany in that aspect if it is within Europe or Asia, that to me is cross-border. Cross-border in our definition is when you are crossing the borders away from your comfort zone to a different area that you are less familiar with. It does not necessarily need to be a different continent,

it has to be something that is new to the company from what its DNA has been founded on, to the point that they have started using an agency. We rarely support customers at their HQ and/or large presence locations.

**Imagine I represent a company from Germany, and I would like to hire in France, which is on the other side of the border, and some of my recruiters speak French. How different could it be?**

Unfortunately, you learn that by trial and error. Somebody within that German company has tried to approach the French market from all kinds of different angles and he got either zero traction or no tangible traction for progress. So, you know that you need support only after you tried to do it yourself, and you found out that you cannot. Our team is there to support and obtain results, not point out what our customers have done wrong thus far.

We are challenging our customers quite a lot, but it also works to their benefit, because from the moment we know that information, we are stronger not just for that assignment but also for future assignments that they can give us in other regions.



AMIR HOFFMANN,  
MANAGING DIRECTOR AT HCS – SALES  
RECRUITMENT WORLDWIDE

And then you have two kinds of companies: you either approach a recruitment firm from France that offers French personnel and is familiar with the culture or, as we are facing these days – you find a company that is focusing mostly on the cross-cultural element and try to see if they can help you in multiple areas. Partners who can help you in France might be able to help you in the Benelux region altogether, as there are French-speaking people there, so why use only a company that is French? When you focus on those cross-cultural elements, companies that have this built-in as one of their foundations, like HCS, could be a very good solution. We are proud to say that we have some customers that use us in 11+ regions in parallel, and the majority of them use us for at least 5+ locations worldwide. \*



THE LOGISTICS POINT'S

**2022**

**DELIVERING  
GREEN:  
SUSTAINABLE  
SUPPLY CHAINS**

**24TH MAY 2022  
10:00 AM BST**

**REGISTRATION:**

[Delivering Green: Sustainability](#)

Join us for the second online conference on sustainable supply chains. Learn how to make your operations more efficient and greener.

YEAR 3/ISSUE 04/MAY 2022

# THE LOGISTICS POINT



LINKEDIN



TWITTER



YOUTUBE



EMAIL

**EDITOR** Nick Bozhilov

## CONTACT THE EDITOR

[nick@thelogisticspoint.com](mailto:nick@thelogisticspoint.com)

All rights reserved! Content cannot be reproduced without the explicit approval of the editor. We would like to thank all our partners who made this edition possible!

**FOR EXCLUSIVE ONLINE CONTENT VISIT  
THELOGISTICSPOINT.COM**