HOW RYDER SIMPLIFIES END-TO-END SUPPLY CHAIN

Breaking down the supply chain journey and what companies should think about along the way

FLEET LEASING & MAINTENANCE | **DEDICATED TRANSPORTATION** | **SUPPLY CHAIN SOLUTIONS**

Ryder®
Ever better.™

Today's supply chains are more complex, diverse, and vulnerable to risk and disruption than ever before. This can pose a significant threat to businesses of all sizes, as a single bump in the supply chain journey can jolt an entire operation off course.

Disruption in the supply chain can take many forms – delays, forecasting, technology, real-estate, labor, procurement, just to name a few. Because of the disruptions and complexities of today's supply chain, getting products from raw materials to end consumer requires an end-to-end network of seamlessly integrated transportation and logistics solutions. This holds true in all industries including consumer packaged goods (CPG), food & beverage (F&B), energy, technology, automotive, retail, and industrial. And, with the proliferation of e-commerce fulfillment, as well as, rising consumer demands, the need for a dynamic, omnichannel supply chain that has complete visibility throughout is paramount for any company to remain in business. From inbound to warehousing and distribution to outbound and back, a fully-integrated supply chain can provide a competitive advantage for businesses by lowering costs, mitigating risk, overcoming disruption, and improving customer service levels.

This report and accompanying infographic highlight each point on the supply chain journey by explaining the role it plays, which includes the pain points you may face, what you should be thinking about a particular stage in the journey, and what technology you can benefit from. You'll also learn how Ryder uses its experience, technology, and best practices to put our more than 50,000 customers on a road to success through our end-to-end transportation and logistics solutions.
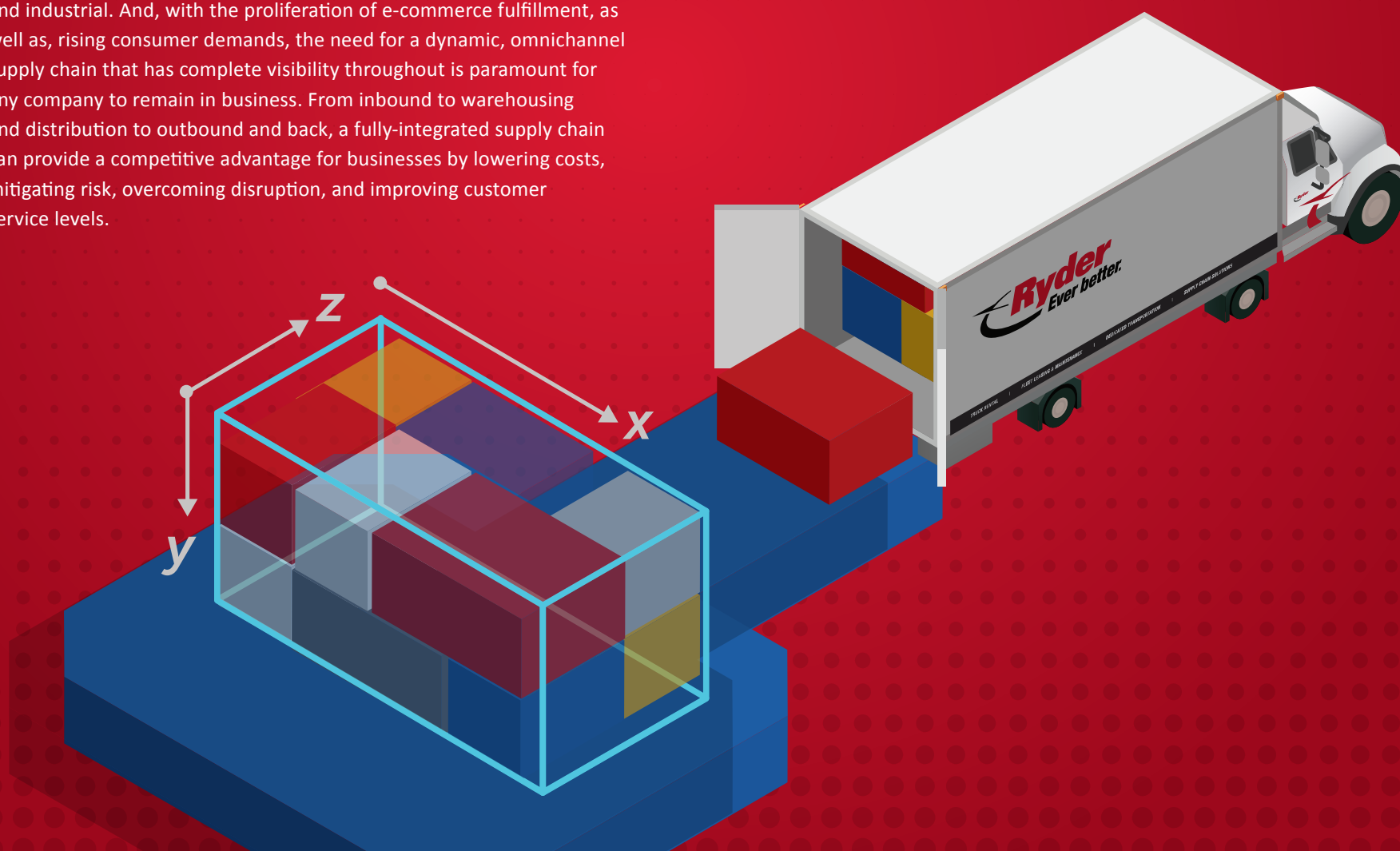
SUPPLY CHAIN JOURNEY
POWERED BY RYDERSHARE™

RyderShare™, our bespoke innovative technology, was created because of a need for visibility, transparency, and control to all stakeholders as goods move through today's supply chain journey. Rydershare eliminates industry silos and enables everyone involved in moving goods through a supply chain to work together in real-time to solve exceptions and problems within the supply chain. Furthermore, RyderShare provides all parties with four key values: Supply Chain Visibility, Network Collaboration, Exception Management, and Predictive Business insights.

RyderShare combines Ryder's 86 years of logistics operating experience with the visibility technology. Simply put, RyderShare digitally follows the movement of all goods in and out of the supply chain from raw materials to the end consumer delivery point. This allows supply chain managers to intervene and manage exceptions as they arise to keep the supply chain moving.

Additionally, through innovative engineering, analytics, and technology we are able to turn big data into business intelligence and a foundation for continuous improvement. Because of this, our business intelligence and analytics capabilities, allow you to benefit from applications, infrastructure, tools, and best practices that enable us to optimize decision making and supply chain performance.

When it comes to implementing technology, we have positioned ourselves as an industry leader through investments and partnerships with best in breed providers. These technologies enable, deployment of innovative new products and services that drive efficiencies, and enhance the customer experience. Our technology integrates seamlessly with warehouse management, transportation management and other systems.

With our combination of know-how, relationships, and experience, we enable companies to outsource their challenges to us in order to drive efficiency throughout the supply chain.
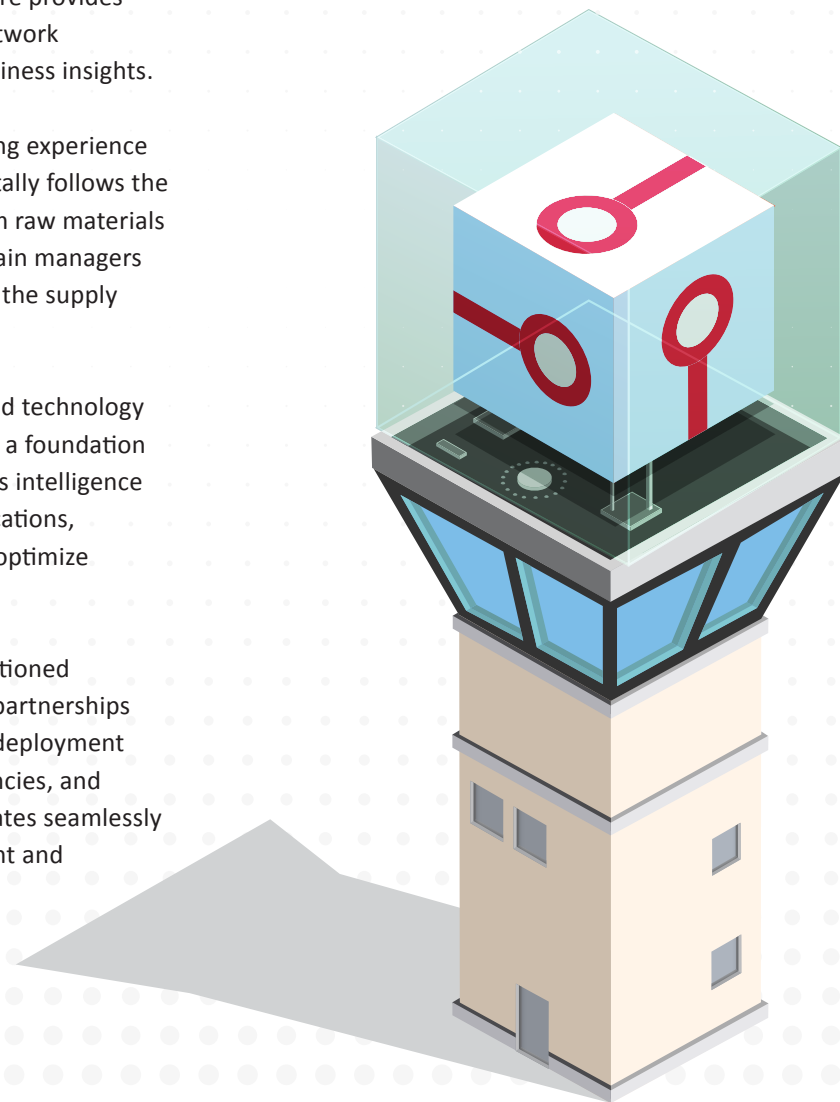
INBOUND LOGISTICS

At its highest level, inbound logistics is defined as the delivery of raw materials or goods from a point of origin (e.g. farm, manufacturing plant) often through a port entry (ocean) and/or across an international border. Freight moves along the supply chain journey to a cross dock, manufacturing plant, or a warehouse/distribution center. Timing is critical for companies as customer expectations for a speedy receipt of goods are rising. Because of this, it is paramount that shippers have a reliable, flexible and scalable transportation solution.

To excel at inbound, companies need to have real-time data. The value of the data ensures carrier management at the lowest cost, increased service, visibility, compliance, and administrative efficiencies. To achieve this, a company needs transportation management technology that provides visibility to all stakeholders with proactive exception management. Having all these factors ensures freight moves efficiently through the supply chain, costs remain low, and customer satisfaction levels increase.

HOW RYDER HELPS CUSTOMERS:

Our inbound logistics solution begins where customers need us to be, whether it's at the port, managing cross border routes, or at the rail head. Through transportation management, we manage more than 3,100 qualified carriers and over $6.7 billion dollars of freight spend to reduce costs, improve service levels and compliance, optimize loads and routes, and provide solutions to ensure all goods get to their destination safely, on-time and in full.

Through our ability to integrate seamlessly with existing systems (ERP, TMS, WMS, etc.) we provide full visibility to your freight for all stakeholders across your supply chain. Through our cross border expertise, we execute more than 26,000 border crossings per month at an incident free rate of better than 99%, with an average crossing time of 2 to 4 hours. Through a strong security organization focused on safety and innovative technology, we have developed proprietary procedures to secure facilities and freight while in transit. Additionally, with the use of innovative technology, you gain end-to-end visibility of your freight and ensure it is secure at all times.

Pain points you may experience during inbound:

- Heavy regulatory compliance
- Capacity volatility
- Demand volatility
- Increasing freight rates
- Labor availability
- Tight delivery windows
- Visibility
- Cross border lane imbalance
- Customs delays
- Loss/detention of inventory
- Security risks
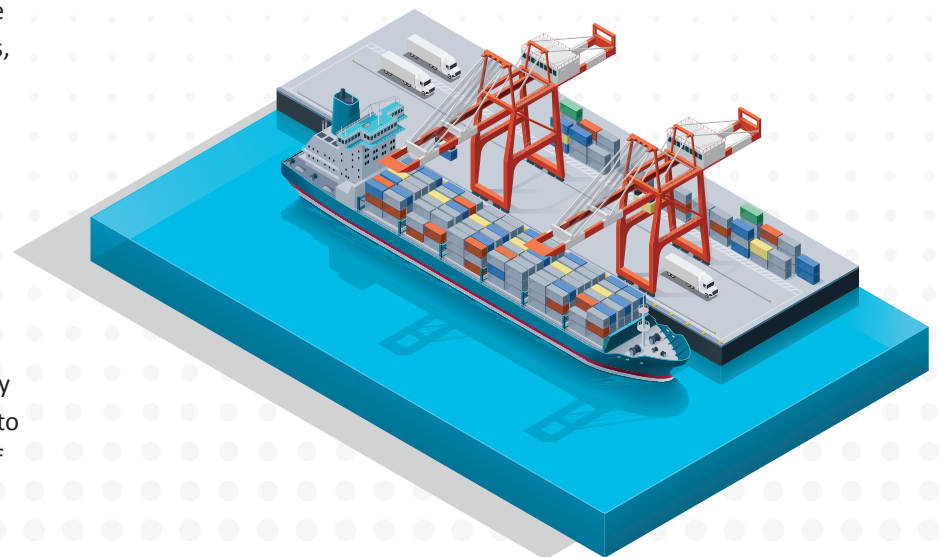
2 STORAGE & INVENTORY CONTROL

Once inbounded, raw materials or products typically travel to one or more of three destination points – a cross dock, a manufacturing plant, or a warehouse/distribution center.

Cross dock - Raw materials or goods can travel to a cross dock for consolidation/deconsolidation. Goods going to a cross dock may be transported to a manufacturing plant, warehouse, or retail store via a dedicated fleet, or common carrier via multiple modes, truckload (TL), less than truckload (LTL), intermodal, etc.

Manufacturing plant – Raw materials or goods are directly transported from the port, across a border, and/or from a cross dock. Transportation methods include common carrier or dedicated fleet based on which mode is more cost effective. Inside the plant, material flow is a key challenge with shifting production quantities, changing demand, and build-to-order models. Processes must be in place to move raw materials to and from stocking points to the production line to convert them into finished goods. Inventory control processes, and flow to shipping docks for outbound shipment must also be efficient to save time and money.

Warehouse or Distribution Center – Goods can flow to a warehouse or distribution center directly from inbound, through cross dock, or from a manufacturing plant. In order to meet today's challenges, warehouses must be flexible, scalable, and have processes in place to optimize material flow and ensure quality, while ensuring efficiency. This includes having trained labor in place, implementing new technologies, and adjusting strategies to meet changing market conditions, such as e-commerce proliferation, and increases in order complexity and service level expectations.

HOW RYDER HELPS CUSTOMERS:

Whether it's finding the perfect location and building a warehouse or distribution center from the ground up, or managing an existing facility, our solutions include the engineering and operational expertise necessary to deliver world class processes, material handling equipment, and visibility tools to improve efficiency and customer service levels. We work with you to design a warehousing solution that is as dynamic as your business and meets the service levels required by your customers. This allows you to improve inventory efficiency, order accuracy, and cycle times. We also seamlessly integrate and operate with your current warehouse management systems (WMS) or provide you with a best-in-class option through our portfolio of WMS solutions. Our supply chain engineers implement LEAN and continuous improvement processes to eliminate waste, improve flexibility, and improve service. You also benefit from our proprietary labor management, business intelligence and analytics platform, OpsBox, supported by a team of data science professionals, provides labor management, dashboarding and predictive analytics. As a result, you gain access to real-time data such as dock-to-stock times, on-time delivery, pick accuracy and warehouse productivity that allow you to make near real time adjustments that save money and time.
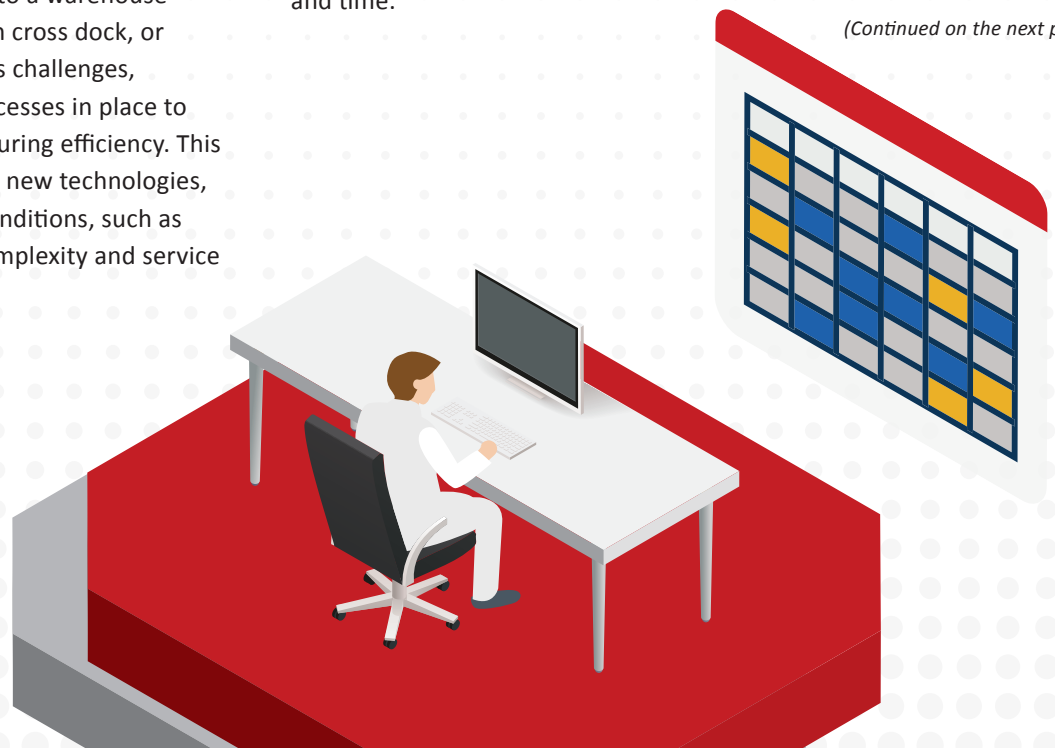
Ryder Transportation Management offers the insight, management expertise, purchasing power, and standard operating practices it takes to improve visibility, make better use of assets, reduce costs, and improve customer service. Additionally, Ryder Dedicated Transportation Solutions provides a right-sized fleet with specialized equipment, drivers recruited and trained for your business, fleet maintenance, and innovative technology to give you all the benefits of a private fleet without the hassles of managing one.

Once your new solution is in place, we use network analysis, cost-based routing, and mode optimization to find the best way to transport your products. We help you meet the on-time, in full (OTIF) requirements that today's retailers expect of companies, as well as provide labor strategies and technology necessary for greater flexibility. Our full suite of value added services includes: product customization and testing; kitting, sequencing and line-side delivery; bundling/unbundling; light/sub-assembly; packaging, re-packaging, re-boxing; labeling; system configuration; reverse logistics and returns management; inventory management; and material supply management.

Pain points you may experience during storage and inventory control:

- Heavy regulatory compliance
- Capacity volatility
- Demand volatility
- SKU proliferation
- Procurement
- High inventory turn
- Aging products
- Labor availability
- Tight delivery windows / on-time delivery
- Network optimization
- Safety
- Visibility
- Cold chain/climate control
- Seasonality
- Change management
- Technology
- Capital investments
- Real estate
- Value added services
- Order size
- Loss/detention of inventory
- Security risks
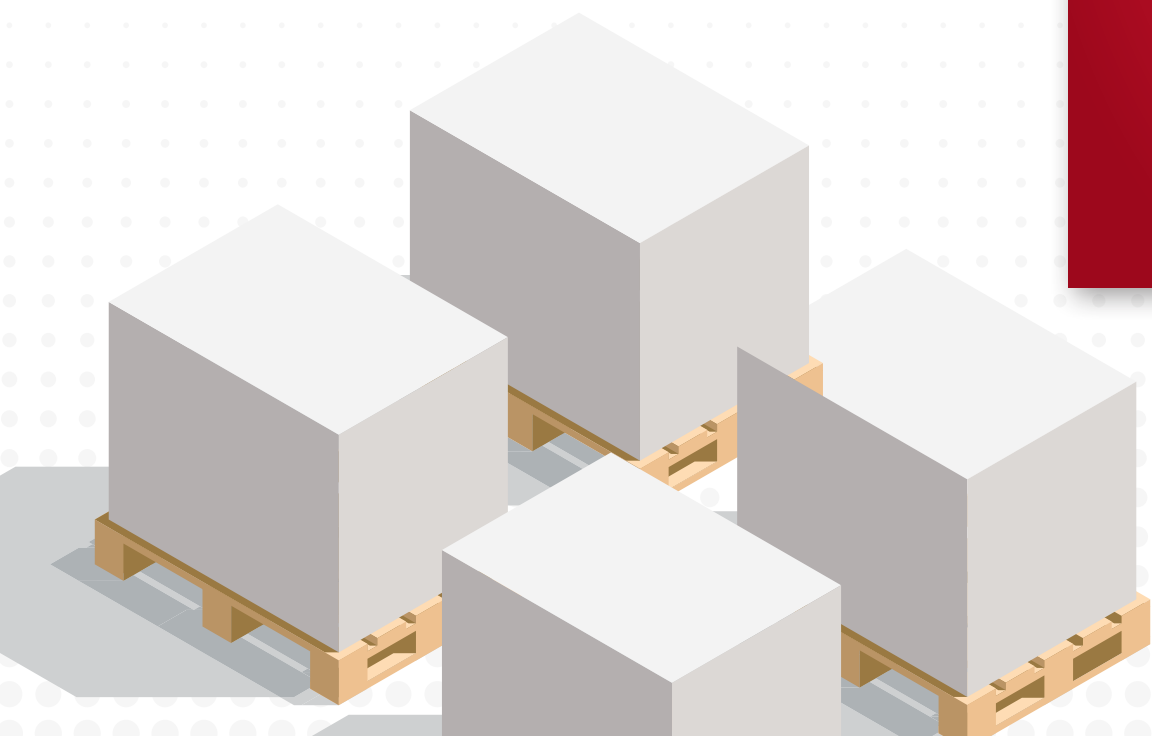
3 OUTBOUND & REVERSE LOGISTICS

The speed of commerce today and increasing consumer demand create new complexities for outbound logistics. To be successful in this new normal operating environment, outbound logistics operations must have the people, processes, and technology in place to manage demand, as well as fulfill and track orders with short lead time. This provides the critical ability to manage large seasonal swings in demand. Additionally, you need inventory management software programs that provide visibility to the inbounding of materials to maintain accuracy. Data from the systems is used to track the locations of in-stock goods – this makes the pick, pack, and ship process efficient.

Once an order is received it is prepared for shipment on the most cost effective mode, and transported to the final destination. Fulfillment goes from storage and inventory to direct to customer, store, or another DC. And, orders are transported either through dedicated fleet, common carrier, last mile carrier (parcel or big & bulky), or owned fleet.

HOW RYDER HELPS CUSTOMERS:

One- to two-day delivery of goods is setting a new standard and increasing the levels of consumer expectations. As disruption challenges supply chains in every industry, our unique warehouse and distribution management solutions streamline operations to meet customer needs better. This includes seamless integration with your current warehouse management systems. Additionally, you have access to RyderShare™ our first of its kind digital platform to give you real-time visibility of your shipments through your supply chain, and outbound to its final destination.

To get products to customers, companies need a transportation network that is flexible, efficient, and perfectly in tune with the dynamic nature of your operation. The Ryder Transportation Management portfolio brings your network together whether you use a single or multiple solutions. Logistics engineers customize and execute a comprehensive strategy through a three phase method to plan, procure, and execute a solution that lowers transportation costs and delivers service improvements.
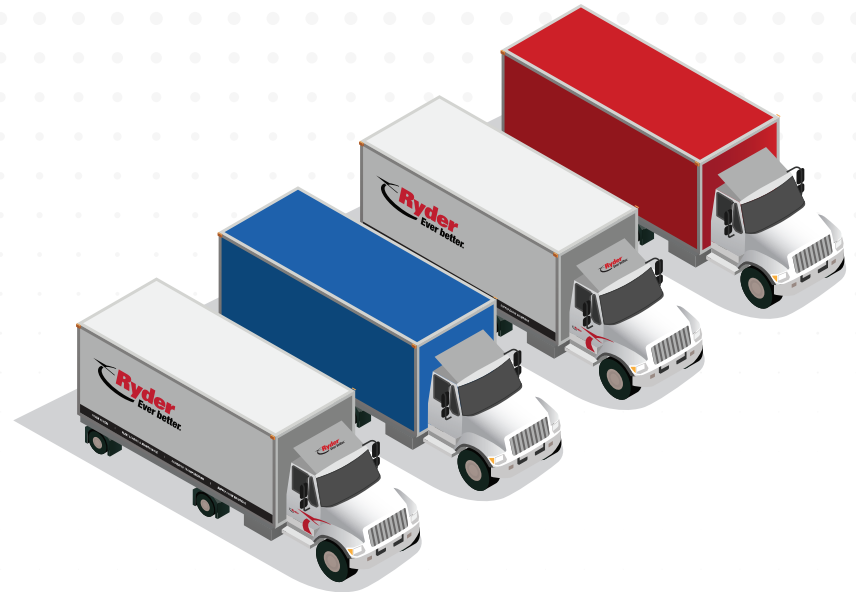
You can maximize your transportation network with a Ryder Dedicated Transportation Solution, which combines our transportation management portfolio with trucks, drivers, compliance, safety services and administrative support. Built on best in class engineering, driver excellence, safety, fleet management, and operational expertise, you get the benefits of a private fleet without having to manage one.

Additionally, our e-commerce fulfillment solution allows you to gain greater control of product selection, inventory management, pricing strategy, and customer service, all while maintaining critical speed-to-market. Ryder Last Mile provides retailers and shippers of big and bulky products home delivery and white glove installation with multiple tiers of service and a network of carriers throughout the U.S. and Canada, while ensuring brand integrity.

If you prefer to own and manage your fleet, Ryder Fleet Leasing and Maintenance Solutions give you the flexibility and choice you need, to operate your fleet smoothly and maximize your uptime. You get

to choose the lease and maintenance level that suits your needs – preventive, full service, or on-demand. You also choose the equipment and custom spec it to your needs. We are the only provider in the industry that lets you choose from short, medium, and long-term leases that range between one and 10 years. And, you can choose financing, from capital and operating leases, plus options that help you take advantage of tax benefits.

Reverse Logistics - As supply chains have evolved the outbound journey is not complete without seamless reverse logistics. Because consumer product returns and manufacturer recalls continue to rise, having seamless reverse logistics capabilities allows you to keep service levels high and costs low. On average, companies spend 9% - 15% of revenues on returns. Our full suite of reverse logistics services help move your supply chain forward, enhance your returns management, and can deliver a return of up to 5% of total sales. We do this by identifying lanes to bring inventory back to a distribution facility. We provide the trained employees, processes and systems to test, sort, repackage, and restock inventory. Through a return material authorization (RMA) verification and tracking technology you have full visibility into your inventory. You also benefit from decreased brand risk and quick issuing of credit. As a result, this flexible solution reduces costs, improves cycle times and helps maximize customer service levels.

Pain points you may experience during outbound and reverse logistics:

- Heavy regulatory compliance
- Capacity volatility
- Demand volatility
- Consumer expectations
- Increasing freight rates
- Fleet uptime & maintenance
- Labor availability and turnover
- Automation technology
- On-time, in-full
- Tight delivery windows
- Systems integration
- Carrier performance
- Visibility
- Loss/detention of inventory
- Security risks
- Incomplete orders