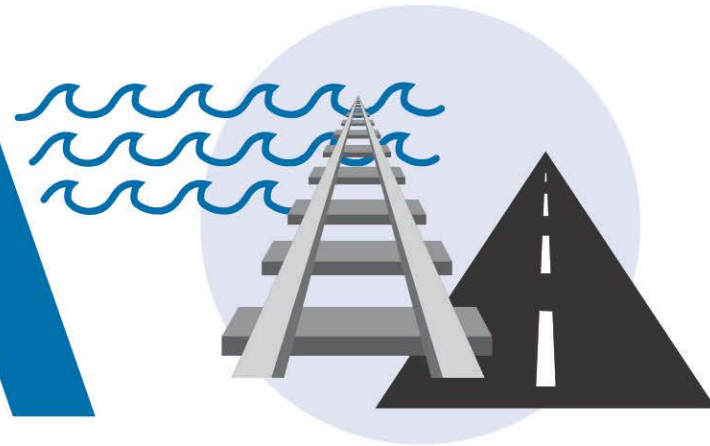


IANA



INTERMODAL ASSOCIATION OF NORTH AMERICA

Intermodal 101:

Getting Started in Intermodal

MARCH 14TH 2017, 2:00 PM ET

WITH

JEFF BRASHARES, SENIOR VICE PRESIDENT—SALES & NATIONAL ACCOUNTS, SUNTECK TTS

DERRICK BROOME, VICE PRESIDENT—INTERMODAL, C.A.T. GLOBAL, INC

RICK LAGORE, CEO, INTEK FREIGHT & LOGISTICS, INC

Housekeeping

- Panelist presentations will be followed by audience question and answer session
- Audience audio will be muted
- Submit questions at any time for Q&A session at the end of the webinar presentations



Our Panel



Jeff Brashares, Senior Vice President—Sales & National Accounts, SUNTECK*tts*



Derrick Broome, Vice President—Intermodal, C.A.T. Global, Inc



Rick LaGore, CEO, Intek Freight & Logistics, Inc

Structure

- What is intermodal?
- Top 5 benefits of intermodal.
- Common misconceptions about intermodal.
- What makes for a good intermodal lane?
- Why now is the time to start integrating intermodal into your supply chain.
- What you need to know.
- How do I get started?

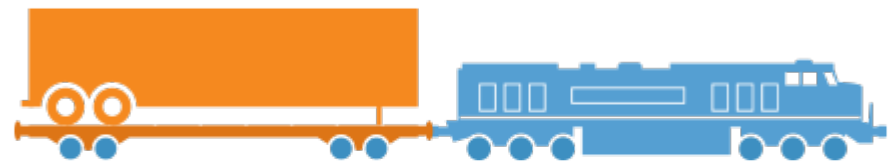


What is Intermodal

- Definition: *Involving two or more different modes of transportation in conveying goods; Pertaining to or suitable for transportation involving more than one form of carrier, as truck and rail, or truck, ship and rail*
- The primary focus of the discussion today is on the long-haul movement of shipping containers (COFC) and trailers (TOFC) via rail & truck, where rail is utilized for the long haul segment and truck is used for the pick-up & delivery dray to-and-from the customer and the intermodal ramps.



Container On Flat Car
(COFC)



Trailer On Flat Car
(TOFC)

Domestic Intermodal Service Model

Shippers



Receivers



International Intermodal Service Model

Shippers



Receivers



Major Intermodal Routes

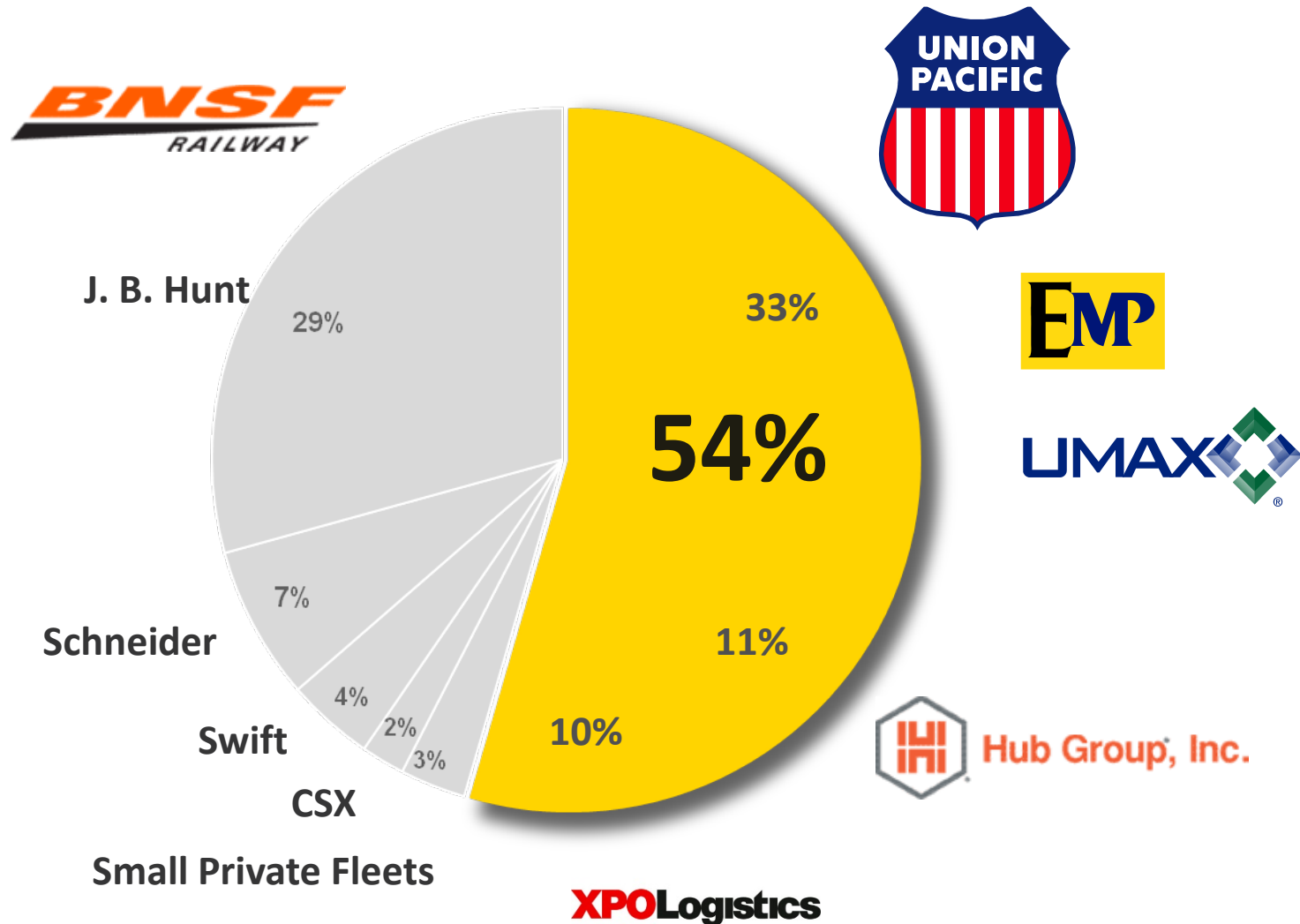


Equipment Types

- 53' Domestic COFC (Container on Flat Car)
 - Move throughout North America
 - Assume max weight 42,500
- ISO Boxes (20' / 40' / 45')
 - Used for import / exports internationally, but opportunities for domestic use through re-positioning
- 53' COFC & TOFC Reefers
 - Limited, but capabilities continue to improve
 - TOFC better on weight



Market Snapshot by Box Count



Top 5 Benefits of Intermodal

- Scalable Capacity
 - Can bring a great deal of capacity in a short period of time
 - In a tightening market provides shippers with an alternative for 53' capacity
- Cost Efficient
 - Average 15% to 18% improvement over truck
- Reliable & Predictable
 - Standardized train routes with consistent transits
- Security
 - Significantly more secure than OTR
- Environmentally Responsible
 - 5.4 lbs of carbon dioxide versus 19.8 via truck
 - Train moves one ton of freight roughly 400 miles on a single gallon of fuel
 - 1 intermodal train removes 280 trucks off the road



Common Misconceptions about Intermodal

- Slow Transits
- High Damage & Loss
- Unreliable Service
- Complicated
- Lack of Visibility
- Limited Service Provider Options
- Not Good for Big Box Retailers



Misconception – Long Transits

- Assume truck, plus a day
 - An additional day when interlined
- Expedited options available
- Transits over the weekend

Streamline Transit Times in Key Lanes

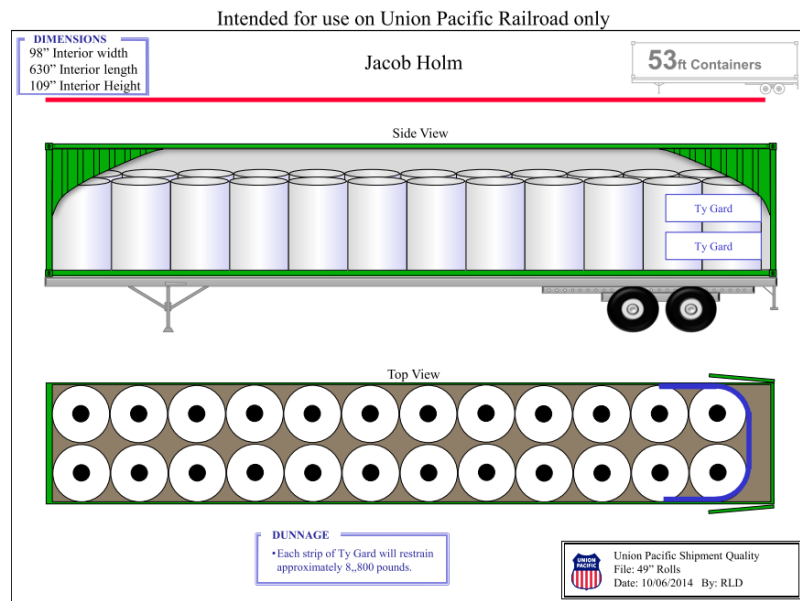
Lane	Streamline			Truck
	Service Days	Depart Shipper By	First Available Delivery	Availability
Chicago to Dallas	T W Th F S	10:30 PM	2nd day by 8:00 AM	2nd day PM
Chicago to Houston	S M T W Th F S	2:00 PM	3rd day by 8:00 AM	2nd day PM
Chicago to Los Angeles	S M T W Th F S	3:00 PM	4th day by 5:00 PM	4th day AM
Chicago to Northern California*	S M T W Th F S	9:00 AM	4th day by 8:00 AM	4th day AM
Chicago to Salt Lake City	S M T W Th F S	2:00 PM	3rd day by 8:00 AM	3rd day AM
Chicago to Tacoma	S M T W Th F S	3:00 PM	5th day by 8:00 AM	4th day AM
Dallas to Chicago	M T W Th F	1:00 PM	3rd day by 8:00 AM	2nd day AM
Dallas to Los Angeles	M T W Th F S	9:00 PM	3rd day by 5:00 PM	3rd day PM
Houston to Chicago	M T Th F	2:00 PM	3rd day by 5:00 PM	2nd day PM
Houston to Los Angeles	M W F	6:00 PM	5th day by 8:00 AM	3rd day PM
Los Angeles to Atlanta	M T W Th F S	2:00 PM	5th day by 8:00 AM	4th day PM
Los Angeles to Chicago	M T W Th F S	2:00 PM	4th day by 8:00 AM	4th day AM
Los Angeles to Croxton, NJ	M T W Th F S	2:00 PM	6th day by 1:00 PM	5th day PM
Los Angeles to Dallas	M T W Th F S	9:00 PM	3rd day by 12:00 PM	3rd day PM
Los Angeles to Houston	M T W Th F S	8:00 PM	4th day by 8:00 AM	3rd day PM
Los Angeles to Memphis	M T W Th F	9:00 PM	4th day by 8:00 AM	4th day AM
Los Angeles to Tacoma	M T W Th F S	3:00 PM	3rd day by 5:00 PM	2nd day PM
Memphis to Los Angeles	T W Th F S	3:45 PM	4th day by 8:00 AM	4th day AM
Northern California* to Chicago	M T W Th F	1:00 PM	4th day by 8:00 AM	4th day AM
Salt Lake City to Chicago	M T W Th F	2:00 PM	3rd day by 8:00 AM	3rd day AM
Tacoma to Chicago	M T W Th F S	2:00 PM	4th day by 3:00 PM	4th day AM

Service Comparability	Truck Like	Truck + 1	Truck + 2
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* Northern California = Oakland or Lathrop ramps

Misconception – High Damage & Loss

- Not an issue when properly blocked & braced
 - Blocking and bracing is the most important subject when it comes to damage and weight
- RR's do all they can to help
 - Site visits and load diagrams are part of the program



Misconception - Complicated

- Blocking & Bracing Time Consuming and Costly
- Multiple Providers Required per Lane
 - Door-to-door vs ramp-to-ramp solutions can simplify the concern
- Commodity Restrictions
- Won't Work in TMS



Misconception – Lack Visibility

Example of door-to-door tracking

Detail	Plan	International	Related Contacts	Tracking	Call Check	POD	Directions	Load Matching	Shipment Matching	Backhaul Matching	Notes	Links	Documents	Audit History
Shipper		Consignee			SCAC	PRO	BOL	PO	Trailer	ETA	Interline SCAC			
AZ WEST - IDS (EMHU ONLY) 250 W MANVILLE ST COMPTON, CA 90220		TRANSTAR 875 E DEVON AVE ELK GROVE VILLAGE, IL 60007			SMNN	01465762	AZW106496		234147					
Last Status Date		Last Status Detail			Last Status Location									
06/03/2013 14:43		Out-Gate (OA)			CHICAGO, IL									
All Status Messages:														
	Date	Type	Detail	Stop Number	Location									
✘	06/03/2013 14:43	OA	Out-Gate		CHICAGO, IL									
✘	06/01/2013 22:45	NT	Notification		CHICAGO, IL									
✘	06/01/2013 22:35	UR	Unloaded from a Rail Car		CHICAGO, IL									
✘	06/01/2013 17:36	AR	Rail Arrival at Destination Intermodal Ramp		CHICAGO, IL									
✘	06/01/2013 07:26	RA	Arrived at Intermediate Ramp		FORT MADISON, IA									
✘	06/01/2013 07:19	RA	Arrived at Intermediate Ramp		FORT MADISON, IA									
✘	06/01/2013 02:19	RA	Arrived at Intermediate Ramp		ARMOURDALE, KS									
✘	06/01/2013 00:32	RA	Arrived at Intermediate Ramp		TOPEKA, KS									
✘	05/31/2013 22:06	RA	Arrived at Intermediate Ramp		HERINGTON, KS									
✘	05/31/2013 18:49	RA	Arrived at Intermediate Ramp		PRATT, KS									
✘	05/31/2013 14:04	RA	Arrived at Intermediate Ramp		DALHART, TX									
✘	05/31/2013 10:05	RA	Arrived at Intermediate Ramp		VAUGHN, NM									
✘	05/31/2013 05:16	RA	Arrived at Intermediate Ramp		DESERT, NM									
✘	05/31/2013 02:38	RA	Arrived at Intermediate Ramp		EL PASO DALLAS ST, TX									
✘	05/30/2013 23:27	RA	Arrived at Intermediate Ramp		LORDSBURG, NM									
✘	05/30/2013 18:07	RA	Arrived at Intermediate Ramp		TUCSON, AZ									
✘	05/30/2013 12:41	RA	Arrived at Intermediate Ramp		YUMA, AZ									
✘	05/30/2013 06:06	RA	Arrived at Intermediate Ramp		COLTON, CA									
✘	05/30/2013 04:24	RL	Rail Departure from Origin Intermodal Ramp		CITY OF INDUSTRY, CA									
✘	05/30/2013 03:54	RL	Rail Departure from Origin Intermodal Ramp		CITY OF INDUSTRY, CA									
✘	05/29/2013 20:44	TA	Rail Waybill Created		CITY OF INDUSTRY, CA									
✘	05/29/2013 19:39	II	In-Gate		CITY OF INDUSTRY, CA									
✘	05/29/2013 18:41	AF	Actual Pickup		COMPTON, CA									
✘	05/29/2013 18:30	X3	Arrived at Pick-up Location		COMPTON, CA									

Misconception – Limited Service Providers

- Just a handful of Class I RR's still produce numerous options
- Various IMC Options
 - Bi-modals
 - Asset Light IMC
 - Non-Asset IMC
- Multiple Routes
- TOFC & COFC Services
- Various Private Box Owners
- Door-to-door & ramp-to-ramp



Misconception – Not Good for Big Box Retail

- Much easier to manage the buffer window
 - Preposition the deliveries within 50 miles of destination one to two days before RAD
- Can throw great deal of volume on the lane
 - Think of how many dray moves under 50 miles can be done by a single driver, while the railroad does the heavy lifting on the long haul



What Makes for a Good Intermodal Lane

- Length of Haul
 - Generally begins to make sense for lanes of 700 miles or more
- Dray Distance from Intermodal Ramps
 - 50 miles or less from the pick-up and delivery locations
 - As the length of haul increase, so can dray but not much beyond 100 miles
- Weight
 - Use max weight of 42,500 lbs as a general guideline
- High Value
 - With limited highway miles, theft is greatly reduced
 - Great option for Mexico



No Better Time than the Present

- Tightening Driver Market
 - Average Age is 45
- Government Regulations
- Electronic Logs
- Aging Equipment Leads to Replacement at Higher Cost Basis
- Highway Infrastructure
 - Congestion and Deterioration
- Access to Capital
 - Average Fleet is 20 Trucks
- Rising Fuel
- Managing Budgets



What You Need to Know

- 42,500 vs 45,000
- Blocking & Bracing
- Pricing Options
 - Guaranteed Capacity
 - Spot Rates
 - Project Rates
- Terminal Storage & Per Diem
 - Not intended to be a revenue source, but a means to encourage equipment to turn
- Commodity
 - Prohibited and Restricted Commodities
- Cut Times
- Review Transits
 - Not all lanes move every day



Blocking, Bracing & Weight

- Blocking, Bracing & Weight are THE top issues
- Loads can & will shift in transit - Harmonic vibration
- Can be under gross, but over on axle



Maximum Gross Vehicle Weight 80,000 lbs.

* Federal Maximum Single Axle weight 20,000 lbs.



How to Get Started

- Evaluate potential routes for mileage, weight, etc.
- Connect and establish credit with the IMC's
 - In the door-to-door market this means establishing relationship with Union Pacific, Norfolk Southern, CSX, FEC and Canadian railroads door-to-door divisions. Important to know CN & CP sell retail.
- Find and evaluate options to get to BNSF
 - Unlike the other Class I's, BNSF does not own boxes
- Clear the BCO's (beneficial cargo owners)
- Establish Solutions & Pricing
- Start Moving Freight



Questions?

Please enter your questions
for the participants using the webinar
control panel.

Visit intermodal.org for more information
about intermodal freight and IANA,
or e-mail: info@intermodal.org



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