





2019 SmartWay Award Recipients Share Best Practices Webinar



December 4, 2019

Today's Agenda



-  SmartWay Award Overview
-  Hub Group
-  KBX Logistics, LLC
-  Kimberly-Clark



<https://www.youtube.com/watch?v=Wbeoi-2tpil&feature=youtu.be>

2019 Award Goals



- Recognize top Partners
- Screen Partners based on environmental performance
 - Using the most recent, completed annual reporting cycle from all Partner categories
 - Use semi-finalist process to select awardees in some categories
- Aim for a mix of large/small partners
 - Using total annual miles traveled as indicator

<https://www.epa.gov/smartway/smartway-excellence-awardees#tab-3>



2019 SmartWay Excellence Awards — EPA Criteria

WHAT ARE THE SMARTWAY EXCELLENCE AWARDS?

The SmartWay Excellence Awards are EPA's means to recognize Partners that have optimized the environmental performance and efficiency of their freight management operations.

The SmartWay Excellence Award program recognizes approximately the top two percent of Partners with superior environmental performance.

To be eligible for consideration, qualified companies must have timely and accurate submittal of required data in the 2018 reporting cycle for all Partner categories (i.e., be Partners in good standing). For carriers, EPA must also have received a timely submission of the 2019 Tool.

EPA makes a full review each year of every Partner's SmartWay Tool submission to assess qualifications for award consideration.

Semifinalists in selected Partner categories will be contacted to submit an application.

All Excellence Award finalists will be screened for any adverse environmental actions that may prohibit public recognition for their SmartWay achievements.

EPA will notify those Partners that are selected as Awardees.

TIMELINE AND NOTIFICATION

JANUARY: The SmartWay Award process and data review commences. EPA identifies candidates using data submitted via the 2018 SmartWay Tool, from all Partner categories.

MARCH: Shipper, logistics and multimodal carrier semifinalists are identified and invited to submit supplemental information. Other carriers do not submit supplemental information.

APRIL 29, 2019: Submission deadline for supplemental information from shipper, logistics and multimodal carrier semifinalists.

JULY: Final reviews and adverse environmental actions screening.

AUGUST: Awardees notification (no public announcement until fall).

OCTOBER: Announcement of Award recipients.



CARRIER CRITERIA

For each truck and multimodal fleet category, EPA identifies candidates that demonstrate top environmental performance. Performance is based on an equal weighting of all environmental metrics results from the SmartWay Carrier Tool (i.e., $\frac{1}{2}$ CO₂ g/ton-mi + $\frac{1}{2}$ NO_x g/ton-mi + $\frac{1}{2}$ PM g/ton-mi + $\frac{1}{2}$ CO₂ g/mi + $\frac{1}{2}$ NO_x g/mi + $\frac{1}{2}$ PM g/mi). Eligible multimodal carrier Partners will be invited to submit an award semifinalist application. Exceptions for barge and rail carriers are noted below.

BARGE

Barge carriers are assessed based on a 50% CO₂ + 25% NO_x + 25% PM g/ton-mile weighted result.

RAIL

Rail carriers are assessed based on a 25% CO₂ + 25% NO_x + 25% PM g/gross ton-mile weighted result.

Awards will be given in carrier categories for truck, multimodal, barge and rail. The truck fleet carrier sub-categories are TL/Dry Van, Tanker, LTL/Dry Van, Specialized, Refrigerated, Package, Moving, Mixed, Heavy/Bulk, Flatbed, Dray, Expedited, and Auto Carrier.

Congratulations to our Multiple Award Winners!

ABOUT SMARTWAY EXCELLENCE AWARDS

EPA's SmartWay Excellence Award recognizes exceptional achievement in freight performance among EPA SmartWay Partners. Excellence Awardees lead their industries in improving freight efficiency and contributing to cleaner air within their supply chains. The Awardees are chosen from over 3,700 companies and organizations participating in SmartWay.

Between 2006 and 2019, EPA recognized SmartWay Excellence Award winners 12 times. EPA recognized 118 companies as SmartWay Excellence Awardees multiple times.

TEN-TIME AWARDEES

J.B. Hunt Transport, Inc.
Kimberly-Clark Corporation
Lowe's Companies, Inc.
Schneider
Swift Transportation Co. of Arizona, LLC

EIGHT-TIME AWARDEES

HP Inc.
Knight Transportation, Inc.
Roehl Transport, Inc.

SEVEN-TIME AWARDEES

Doug Andrus Distributing LLC
Hub Group
Mesilla Valley Transportation

SIX-TIME AWARDEES

C.R. England, Inc.
CRST Expedited, Inc.
DHL Express
Johnson & Johnson
The Home Depot U.S.A., Inc.
Werner Enterprises

FIVE-TIME AWARDEES

Arlo G Lott Trucking Inc
May Trucking Company
Old Dominion Freight Line, Inc.
Sharp Electronics Corporation
UPS Small Package
Whirlpool Corporation

FOUR-TIME AWARDEES

Bison Transport Inc.
Cascade Sierra Solutions
Celadon Group, Inc.

Contract Freighters, Inc. d/b/a CFI
Covenant Transport
Duncan and Son Lines, Inc.
Halvor Lines, Inc.
Heartland Express, Inc. of Iowa
Hirschbach Motor Lines
Kohl's Department Stores
Logistics Trans West Inc. - Logistiques Trans West Inc.
LTI, Inc.
New World Van Lines
NFI Industries
Penske Logistics, LLC
Prime, Inc.
Quad Graphics / Duplaineville Transport
RPM Harbor Services, Inc.
Ruan Transportation Management Systems, Inc.
Transplace
Walmart Transportation, LLC
White Arrow LLC
XPO Logistics Managed Transportation, LLC

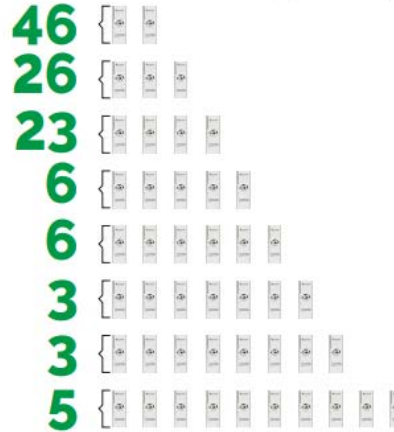
THREE-TIME AWARDEES

ABF Freight System, Inc.
Alliance Shippers, Inc.
Armada
Bacardi USA, Inc.
Best Buy Co., Inc.
C.A.T. Inc.
Challenger Motor Freight Inc.
Contract Transportation Systems, Co. (Sherwin Williams)
D. P. Curtis Trucking, Inc.
Dedicated Transport LLC
Eagle Transport Corporation
Frito-Lay



(continued)

MULTIPLE AWARD WINNERS (118 TOTAL)



256

Partners recognized as
Excellence Awardees
over 12 years

118

Partners recognized as
Excellence Awardees
more than once

Tentative 2020 SmartWay Award Timeline

December 2019	Review and update Award criteria as appropriate.
February 2020	EPA announces 2020 Award program via SmartWay newsletter, email, website and webinars. EPA identifies Award candidates.
March 2020	Shipper, Logistics and Multimodal carrier semifinalists invited to submit supplemental information. Other carriers do not submit supplemental information.
April 2020	Submission deadline for semifinalists application.
May/June 2020	EPA conducts final reviews and adverse environmental actions screening.
August 2020	Awardee Notification: There is no public announcement until fall.
October 2020	Public announcement of SmartWay Excellence Award recipients.



Panelist: Chris Hoffmeister, Hub Group

Chris Hoffmeister was named Executive Vice President, Account Management in 2019. Previously, Chris served as Senior Vice President of Retail and has held numerous positions within Hub Group Brokerage and at Unyson, having worked in 6 different Hub offices throughout his career. Starting with Hub Group St. Louis in 2002, Chris has played a leading role developing multimodal solutions for some of Hub Group's largest retail customers. Chris also developed and led Hub Group's Disaster Relief product that supports our customers during natural disasters.

Chris earned a Bachelor's degree in Physiology from Truman State University in Kirksville, Missouri. Chris and his wife, Alicia, reside in Dardenne Prairie, Missouri. In his free time, Chris loves to travel, watch college football and volunteering in his community.



HUB GROUP'S SUSTAINABILITY INITIATIVES

CHRIS HOFFMEISTER

EXECUTIVE VICE PRESIDENT, ACCOUNT MANAGEMENT

DECEMBER 4, 2019

HUB GROUP

MULTI-MODAL SOLUTIONS PROVIDER

\$4 BILLION IN REVENUE

FINANCIALLY STABLE
PUBLICLY TRADED | FAMILY-CONTROLLED



INTERMODAL

Extensive North American Footprint

Nationwide Drayage Support Network with 27 Terminals and 2,600+ drivers

Fleet of 38,000 53' Intermodal Containers

Marine Container & International Drayage

BROKERAGE

Truckload & Less-than-Truckload Brokerage

Committed Capacity

Transactional or Spot Capacity Solutions

Project Management

Expedite

DEDICATED

High levels of service

Final Mile & Specialized Equipment Solutions

Industry-Leading Safety Program

Fleet Management and Optimization

Fleet of 1,900+ Drivers and 5,500 Trailers

LOGISTICS

Supply Chain Management

Cross-Docking & Warehousing

Full Outsource Multi-Modal Solutions

TMS & Web Technology with Proprietary Technology

Freight Forwarding

HUB GROUP'S COMMITMENT TO SUSTAINABILITY



+



Member since 2004
Multimodal Carrier
7-time award winner



OPERATIONAL PRACTICES



INVESTMENTS



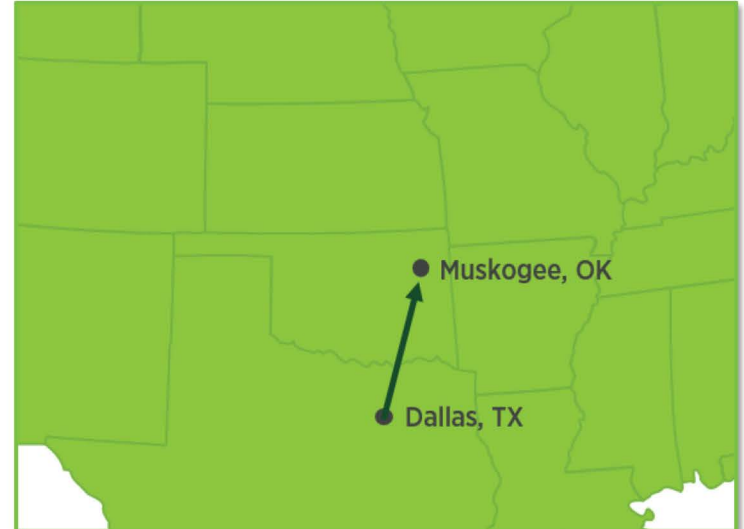
OFFICE ENGAGEMENT



AN OPERATING MODEL GEARED TOWARD SUSTAINABILITY

- **NETWORK OPTIMIZATION**
 - Load planning
 - Equipment utilization
- **REDUCTION OF EMPTY MILES**
- **FREIGHT CONSOLIDATION**
- **INTERMODAL CONVERSION**
 - Continuously evaluate viable lanes for converting to intermodal
- **REDUCE IDLING TIME**

CUSTOMER COLLABORATION CREATES NETWORK EFFICIENCIES



EQUIPMENT IS RELOADED AT THE SAME FACILITY WHERE WE HAVE OUTBOUND LOADS

- 235 empty miles eliminated on each load
- Reduction of over 275 metric tons of CO2 in empty miles



CONTINUOUS INVESTMENTS IN SUSTAINABLE EQUIPMENT & TECHNOLOGY



- **FUEL-EFFICIENT TRUCKS**

- Lightweight sleepers
- Daycabs

- **GPS CAPABILITIES IN FLEET**

- Real-time updates on location, loaded and door status
- Improved planning and efficiency

- **ENHANCEMENTS IN INTERMODAL CONTAINERS**

- **DRIVER AND CARRIER APPLICATIONS GEARED TOWARD EFFICIENCY**

- Load locations and key passing events
- Digital paperwork workflow

- **EVALUATING EMERGING TECHNOLOGY**

- Electric and autonomous vehicles



SUSTAINABLE PRACTICES IN THE OFFICE

- **LEED GOLD CERTIFIED AT HEADQUARTERS**

- Natural habitat landscaping, ponds and walking trails
- Full floor-to-ceiling windows to maximize natural light
- High-efficiency HVAC system
- Electric vehicle charging stations
- Rainwater harvesting

- **EMPLOYEE PARTICIPATION**

- Replaced disposable coffee cups with mugs
- Provided reusable straws
- Recycling
- Adopt a Highway program



INDUSTRY RECOGNITION FOR OUR SUSTAINABILITY EFFORTS





HUBGROUP.COM





Panelist: Ken Weber, KBS Logistics

Ken Weber is Senior Manager Dedicated Fleet at KBX Logistics responsible for our dedicated fleets and sustainability programs with Georgia-Pacific North American Consumer Products, Packaging and Harmon® Divisions. Ken has worked in logistics for over 34 years, received a bachelor's degree in Business Administration and Associate of Applied Science - Transportation and Physical Distribution Management. Ken lives in the Chicago area with his wife and has two children. Outside of work, he enjoys camping, baggo's, family & friends.



SmartWay Awardees Share Best Practices 120419

KBX Logistics

Koch Brands supported by KBX Logistics



BRAWNY[®]

Disole[®]

GP Georgia-Pacific
Building Products

AngelSoft

enMotion



CORDURA
BRAND
F A B R I C

LYCRA

COOLMAX[®]

STAINMASTER
carpet[®]

molex[®]

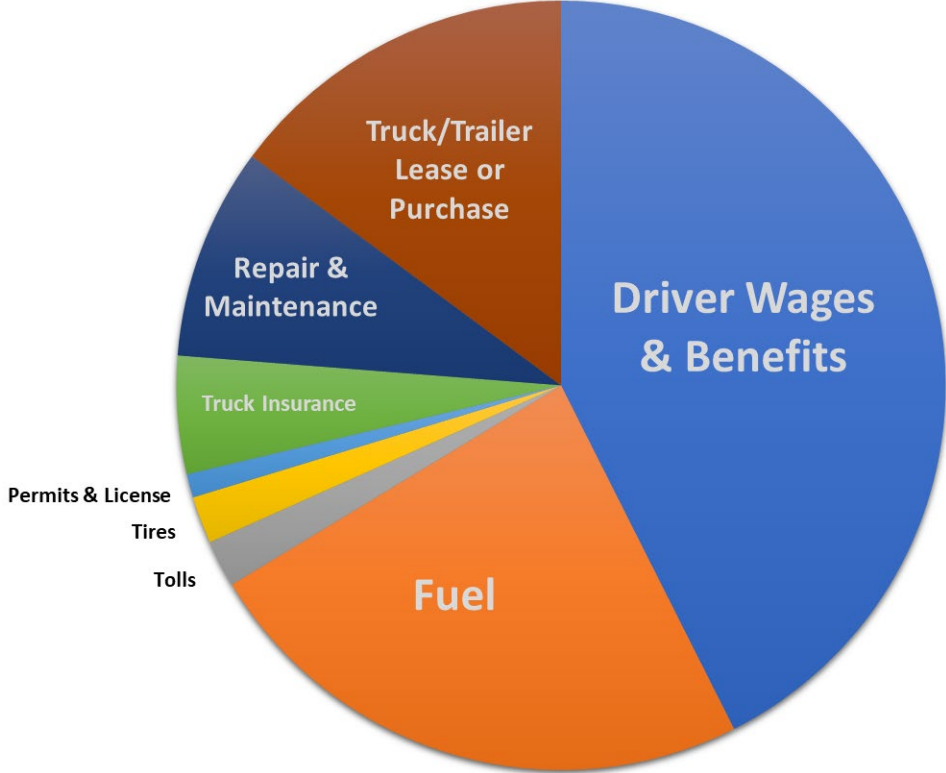
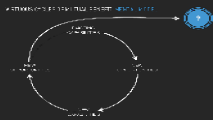
Smartphones. Electric cars. Robotic surgery. The Mars Rover. If it's leading-edge technology, chances are our innovations in electronic solutions are leading the way to help make it even better. And our future, even brighter.

GUARDIAN[®]
INDUSTRIES

You've seen our product. And looked right through it. From high-performance, energy-efficient glass in homes and buildings, to innovative parts that improve fuel efficiency in cars and trucks, we make products that improve quality of life all around the world.

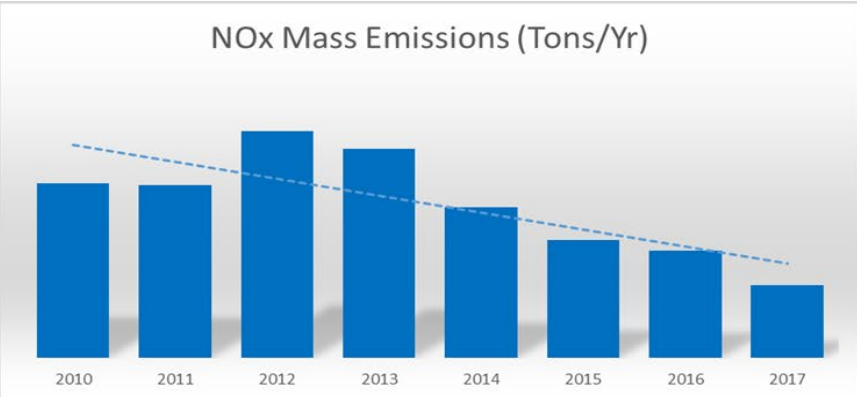
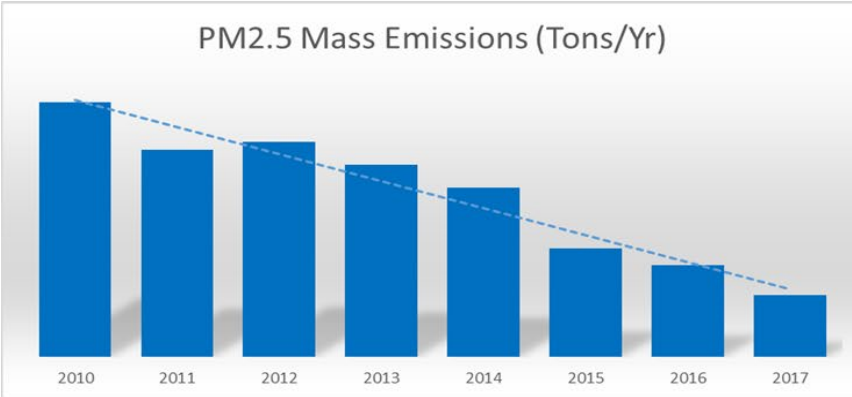
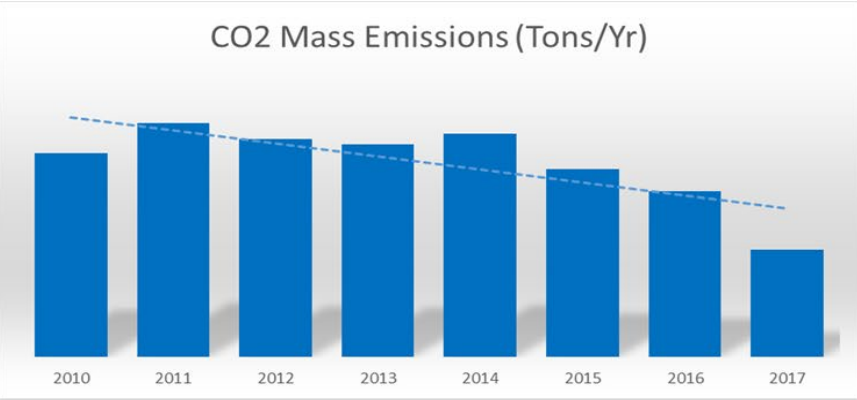
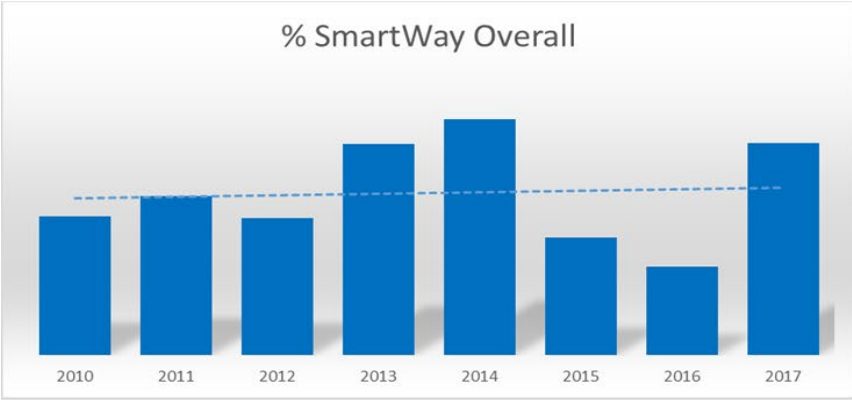
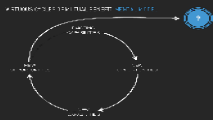
Learn more @ <http://kbxlogistics.com/>

ATRI Motor Carrier Costs



Source: <https://atri-online.org>

SmartWay summary



Sustainability Journey



Breakthrough

2001-2005

Automated gates
CNG Tractors
GP Supplier Guidelines
RFID trailers
SmartWay semi-finalist

2011-2015

Breakthrough
Dedicated Driver of Year
Efficient Mode; Cube & Wt
GP Recycling; Backhaul
MPG Fuel Peg
Reduce Driver Dwell
SmartWay

On-going

# Loads	Loaded Miles/Ld	Mode Truck	CO2 lbs Eliminated	Trucks taken off the road	Diesel Cost Savings
7644	250	truck	7,054,775	180	\$679,060

2006-2010



Anti-Idle Policy
Customer Direct
Dedicated Driver of Year
Fuel Conservation Summit
GP Joined SmartWay
Green By Design
SmartWay & KII EH&S Award

2016-2019

Expand Drop Yards
Warehouse LGV's
Loadshop on Breakthrough
SmartWay High Performer



Future

Alternative Fuel
Autonomous
Blockchain
Carbon Offsets
Electric Power
Urbanization

Sustainability Journey



Continue Breakthrough; Improve MPG



Increase Backhaul = Decrease Deadhead



Be More Efficient Shipper/Receiver; Mode Optimization; promote SmartWay brand



Experiment on Energy, Mode, Cube & Weight





Panelist: Stelios Chrysandreas, Kimberly-Clark

Stelios Chrysandreas is a North America Senior Transportation Manager for Kimberly-Clark Corporation. He has responsibility for achieving lowest transportation cost and best service through daily optimization, the modeling of the Network and Operational KPI's, as well as driving sustainability practices in transportation management for K-C.

Stelios started his career with Kimberly-Clark as a graduate of the University of Alabama in 1990 with a Bachelor of Science in Electrical Engineering and a Masters in Business Administration. He has held different roles throughout K-C's supply chain including Planning, Distribution Operations, Supply Chain Analysis and Transportation for the Consumer, Health Care and Global Nonwoven businesses.

Stelios is based at Kimberly-Clark's Shared Service Center in Knoxville, TN.

Who we Are Today

- **Formed in 1872** as a paper and news print company
- **41,000** employees worldwide
- **\$18.5 Billion** in Net Sales in 2018
- **#1 or #2 share position** in 80 countries
- Nearly one-quarter of the world's population use our products daily
- Well-known **global brands**...



Our Businesses



Personal Care



Consumer Tissue



K-C Professional



Kimberly-Clark and SmartWay

- Joined in 2006
 - Opportunity to more actively engage and expand our role in K-C's sustainability plans
- Spread the Word and Lower Operating Costs
 - Influenced Carrier Participation
 - Helped Shippers/Affiliates Become SmartWay Members
 - Redesigned Network Reducing Total Miles
 - Reduced wait time and idling at shipping and receiving docks
 - Increase Intermodal Utilization
- Ten-time recipient of the SmartWay Excellence Award



Intermodal Growth – Environmental leadership & Competitive Advantage



- **Recognized Trends Early On**
 - Driver shortage & retention
 - Hours of Service regulations
 - Fuel Supply & Prices
 - Highway congestion
 - ✓ Railroads making large investments in their networks
 - ✓ Our Customers are focusing on sustainability
- **Developed an Intermodal Growth Strategy**
 - Major Distribution Network redesign
 - Expanded strategic partnership with major Intermodal providers
 - Partnered with customers to optimize lanes and drive growth

Intermodal Growth – A Success Story

- Since Joined SmartWay in 2006 – More than doubled Intermodal utilization
 - 992,000 trucks off the highways
 - 1.3 billion miles
 - Saved 107 million gallons of diesel
 - Reduced CO2 by over 1 million metric tons
 - Saved \$630 Million

- Helpful SmartWay tool: Modal Shift calculator



“At Kimberly-Clark, we see SmartWay as both good environmental policy and good business”



Questions?



SmartWay Hotline
smartway_transport@epa.gov
734-214-4767

