



2/13/2018

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Hello.

I want to take a quick minute to say **THANK YOU** to the men and women who serve our Country. I live in **WESTERVILLE, OHIO** and I must say I am proud of how the community has come together to show support for [Office Morelli](#) and [Officer Joering](#).

I am also very appreciative to all of you for your support of the newsletter and Columbus Logistics Conference. I am amazed by the efforts. **THANK YOU** for being the leaders!

I hope we can keep **GROWING, LEARNING and INSPIRING** each other!

For your reference, this will be on the website:

[www.servinglogistics.com](http://www.servinglogistics.com)

Enjoy!

Thanks and best regards,

\*Beth

## A Global Glance:

### NWSeaport Alliance:

<https://www.nwseaportalliance.com/#/maps/overview>

### Port of NY/NJ:

<http://www.panynj.gov/port/>

### Port of Nansha:

[www.portofnansha.com](http://www.portofnansha.com)

### Port of LGB:

<http://www.polb.com>/<http://www.polb.com/>

### Port of Virginia: [www.portofvirginia.com](http://www.portofvirginia.com)

### Port of Panama Canal:

<http://www.pancanal.com>





January 5, 2018

Number 18-003

## Modern Logistics Education: Keeping Up with Rapid Change

**Steve DeNunzio**  
**Senior Lecturer | Director, MBLE Program Department of Marketing & Logistics**

Things are currently buzzing in logistics! With national unemployment at 4.1%<sup>1</sup>, and Columbus unemployment at an even better 3.5%<sup>2</sup>, it's truly a sellers' job market for graduating students. In Columbus, we have the advantage of being one of the world's logistics hubs, with benefits like:

- Being home to major retailers like L Brands (Victoria's Secret, Bath and Body Works), Ascena Retail (Lane Bryant, Justice, Ann Taylor), Abercrombie & Fitch, DSW Shoe Warehouse, Express, and many others.
- Sitting within a 10-hour drive of 47% of the U.S. population, more than Indianapolis (36%) or Atlanta (27%).
- Large CSX and Norfolk Southern rail hubs.<sup>3</sup>
- Rickenbacker Inland Port, with two parallel 12,000-foot runways, and service by at least six large air cargo companies (FedEx, UPS, Cathay Pacific, Etihad, Emirates, and Cargolux).<sup>4</sup>

Columbus was selected in the summer of 2016 as America's prototype Smart City, and an incubator for the connected and intelligent "city of the future".<sup>5</sup> And finally, Columbus was selected as a node in the developing Hyperloop One Midwest hyperloop route, running from Chicago to Pittsburgh.<sup>6</sup> All of this makes Columbus an exciting place to be!

A logistics hub and a smart city requires a steady influx of new talent, and the Max M. Fisher College of Business at The Ohio State University works to fill that critical role. Established in 1916 as the "College of Commerce and Journalism", Fisher was "rebranded" in 1993 and moved onto its current campus in 2001. Today, Fisher houses over 7,500 undergraduate and graduate business students. Of those, approximately 400

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<sup>1</sup> <http://www.ncsl.org/research/labor-and-employment/national-employment-monthly-update.aspx>, retrieved 4 February 2018.

<sup>2</sup> [https://www.bls.gov/eag/eag.oh\\_columbus\\_msa.htm](https://www.bls.gov/eag/eag.oh_columbus_msa.htm), retrieved 4 February 2018.

<sup>3</sup> <https://columbus.org/about/councils/columbus-region-logistics-council/>, retrieved 5 February 2018.

<sup>4</sup> <https://rickenbackerinlandport.com/air-freight>, retrieved 5 February 2018.

<sup>5</sup> <https://www.columbus.gov/smartcolumbus/home/>, retrieved 5 February 2018.

<sup>6</sup> <https://hyperloop-one.com/blog/states-across-midwest-support-hyperloop-pittsburgh-chicago>, retrieved 5 February 2018.



undergraduates and 60 graduates are studying logistics at a given point in time. Due to its strong focus on logistics & supply chain management education, the quality of its curriculum and faculty, and the success of its alumni, Fisher is ranked in the top ten logistics & supply chain programs at both the undergraduate<sup>7</sup> and graduate<sup>8</sup> level by U.S. News and World Report.

Logistics changes almost daily, largely driven by the rapid change in the technology that supports it. This makes it difficult for both educators and their students to both keep tabs on those changes, and to adapt it into an academic curriculum. And so, it is perhaps worth providing an overview of how academicians accomplish this challenging task.

ONGOING EDUCATION. President Harry S. Truman once remarked, ““Not all readers are leaders, but all leaders are readers.” Academic faculty are in a constant state of absorbing information, and finding ways to build it into curriculum and to bring it into the classroom. This may include:

- Books, periodicals, peer reviewed journals, and digital newsletters.
- Conferences like those hosted by CSCMP, TED, SXSW, NRF, ASQ, PMI, APICS, WERC and the Columbus Logistics Conference.

RESEARCH. Schools like Fisher have a long history of partnering with corporate partners and “think-tanks” to generate new thought leadership and findings. These are then wrapped into published case studies, books, lecture material, and student labs and exercises.

CORPORATE VISITS. Business faculty are in an ongoing state of looking for facilities and operations they can visit to stay current on trends, challenges, projects and opportunities. Due to the academic calendar, as an example, I tend to focus these visits in the May-to-August time frame. This works well to help me stay current on what companies are dealing with in “the real world”, and bring those examples into the classroom. If you'd like to offer up your facility for a visit, feel free to reach out to me at [denunzio.4@osu.edu](mailto:denunzio.4@osu.edu)!

EXPERIENTIAL LEARNING. There's no substitute for getting your hands on something, and learning by doing. At Fisher, we have a strong focus on our students (both undergraduate and graduate) expanding their learning by interacting with professionals and executing real-world projects. Students take courses like “Marketing Projects” and “Field Problems in Logistics” to build their skills by conquering real problems for real companies. Many degree offerings also have active mentorship programs, where professionals can volunteer to mentor students outside the classroom. In addition, we

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<sup>7</sup> <https://www.usnews.com/best-colleges/rankings/business-supply-chain-management-logistics>, retrieved 5 February 2018.

<sup>8</sup> <https://www.usnews.com/best-graduate-schools/top-business-schools/logistics-rankings?int=aa6b09&int=acf809>, retrieved 5 February 2018.

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take students on field trips to logistics operations, so they can see first-hand what they're learning in the classroom.

**MEDIA.** Faculty have an ongoing connection to national and global media. In recent months, Fisher faculty have been featured as experts in channels like the Wall Street Journal, New York Times, Washington Post, CNBC, CBS, NBC and Forbes.

**CURRICULUM DESIGN.** As faculty work to stay connected to manufacturers, retailers and other partners, those learnings are used to continuously evaluate the curriculum and to keep it relevant and fresh. Through a process called "Assurance of Learning", all academic curriculum are assigned learning goals that then must be met-or-exceeded by the program. It is in this way that the curriculum meets the needs of both students and the companies that hire them as they graduate.

Hopefully, this peek into the workings of a logistics education program has been insightful. The one constant is change, and one of the major challenges for administrators and faculty is to ensure the best possible outcome for both students and hiring companies. I encourage you to reach out to your local university wherever you might be, and extend to you an open invitation to tour Fisher and meet its faculty.



**Save the DATE:**

-Check out pricing and sponsorship opportunities at [www.servinglogistics.com](http://www.servinglogistics.com)

**If you have a particular area of interest for the CLC, please let me know!**



## **WHAT IS INDUSTRIAL PACKAGING?**

**By Larry Fulton, owner and President of LEFCO Worthington, manufacturers of custom wood crates.**

If you are like most manufacturers or international shippers, you may be concerned about safely shipping your products to its final destination. Obviously, making sure your product arrives without damage is critical. This process ensures your customer is happy, they pay their invoice, supports additional orders, and that you get to start the entire process all over again. Although debatable, I believe that one of your first steps (during the design of your product) should be planning the correct industrial packaging. Searching for an industrial packaging solution should be a forethought, not an after-thought. Getting this important step right will ensure that your product will successfully make its journey around the corner or around the globe.

**“Searching for an industrial packaging solution should be a forethought, not an after-thought”, says Larry Fulton, owner of LEFCO Worthington.**

### **What is industrial packaging? -**

Industrial packaging is simply packaging that is used to protect your product during shipment to its final destination. The application of the industrial packaging is typically, but not always, assigned to the product at the production site. In some instances, products are shipped to the industrial packager for final assembly, packaging and shipment. For example, products are sometimes received at LEFCO Worthington for final assembly, cleaning, wrapping or labeling and are then finally packed inside custom crates designed specifically for the product.

It can be a team effort, where the industrial packager performs its core competency and allows the manufacturer to do the same. When companies focus on their core businesses the end result usually is a more efficient and profitable process.

### **Protection and Preservation -**

Industrial packaging differs from other types of packaging in several ways. It provides:

1. A maximum level of protection due to the thickness and strength of the materials used (typical examples are foam cushion, protection from transportation damage, tip and shock indicators)
2. The ability for extended storage (examples are moisture indicators and barriers)
3. Unparalleled product safety and security from potential external environmental contamination (fully enclosed plywood crates)

### **Customized Materials –**

Industrial packaging is normally customized or engineered from:

1. Wood materials (crates, pallets, plywood or OSB, skids, lumber)
2. Corrugated containerboard
3. Plastics (containers, heavy--duty shrink wrap)
4. Steel

Foams, films, wraps, etc. are often included in the broad term, but are secondary packaging materials. Their purpose is very important in the overall protection strategy of the industrial packager. It's the primary materials, the protective outer shell, that are the materials that are designed to withstand tow motor traffic and other harsh outside conditions.

Industrial packaging must adhere to international packaging standards of the country of destination. It must also adhere to the country's quality standards. It is suggested that the industrial packaging provides both protective elements necessary for transport as well as match with the product's brand and company image. At a minimum, the industrial packaging should be durable, and able to fully protect the product. Some companies require that the industrial packaging be airtight and watertight, depending on the method of shipment.

**“LEFCO produces stencils that showcase our customers’ brand on our wooded crates. They love it and their customers love it. It definitely differentiates their products and increases their brand value.” Larry Fulton, president, LEFCO Worthington.**

### **International Shipping Standards ISPM #15 Requirement -**

Another requirement that must be met for all industrial packaging is the specification pertaining to ISPM #15. This is probably the single largest issue that impacts the efficient global transfer of shipments. If you don't get this right, your shipment will more than likely be stopped for further inspection or correction, potentially costing thousands in fees and wasted time.

ISPM #15 is one of the measures developed by the International Plant Protection Convention. The ISPM acronym stands for International Standard for Phytosanitary Measure, Number 15 (out of 37 standards). Phytosanitary means the sanitary of agricultural goods crossing borders with regard to pests and pathogens.

**“If you don't get...ISPM #15...right, your shipment will more than likely be stopped for further inspection or correction, potentially costing thousands in fees and wasted time”, says Larry Fulton, president, LEFCO Worthington.**

Established in 1952, the international community formed The International Plant Protection Convention (IPPC). IPPC is an international plant health agreement that aims to protect cultivated and wild plants by preventing the introduction and spread of pests. The Convention extends beyond the protection of cultivated plants and includes hardwoods like timber, firewood, and even softwood forests. It covers vehicles, aircraft, vessels, containers, storage places, soil and other objects or materials that can harbor or spread pests and pathogens. As of September 2015, the Convention had 182 countries, including 179 United Nations members. The US Dept. of Agriculture (Animal and Plant Health Inspection Service) authorized the American Lumber Standards Committee to administer the ISPM #15 program.

Numerous examples exist of environmental and economic harm associated with non-native invasive species to United States. Believe it or not, most examples are traced back to non-qualifying wood packaging materials used shipping. The highly pervasive emerald ash borer (EAB) is one example. Since its discovery in 2002, the EAB has:

1. Killed hundreds of millions of ash trees throughout North America
2. Caused the USDA and other regulatory agencies to enforce quarantines and fines to prevent potentially infested ash trees and wood from moving out of infested areas
3. Cost municipalities, property owners, and product industries hundreds of millions of dollars

### **How Do You Treat to Meet the ISPM #15 Standard?**

There are known methods that are used to meet the ISPM #15 standards.

Currently, there are 3 types of treatments:

1. Heat treatment (HT) – lumber core temperature heated to 133 degrees for 30 mins
2. Fumigation with methyl bromide (MB) – gas fumigant used against pests
3. Dielectric Heating (DH) – new '14 – electronic heating, radio wave or microwave

Heat treatment is, by far, the most popular method of meeting the ISPM #15 standard. Its method is applied by almost all industry professionals due to cost and wide availability of heat treatment equipment. Essentially, the manufacturer or heat treatment company places the wood (pallet, container) inside of a heat treat chamber and heats the materials to a core temperature of 133 degrees for 30 minutes. This treatment has been proven highly effective in destroying insects, mold and other pests that may harbor within the wood.

### **Customized Solutions -**

Industrial packaging should be product specific, designed to perfectly carry the product's weight and dimensions. Some examples of typical industrial packaging are wooden crates (where the crate protects the bottom, sides and top), pallets, heavy-duty

wood bases for extreme weight requirements, corrugated cardboard boxes and sheets, bubble-wrap, industrial shrink-wrap, and polyethylene foams.

**“Industrial packaging should be product specific, designed to perfectly carry the product’s weight and dimensions”, says Larry Fulton, president, LEFCO Worthington.**

### **Handling, Transport and Storage -**

Properly engineered industrial packaging should take in consideration how the product will be handled throughout its entire journey. There are many questions to consider when planning. Here are some:

1. What conditions will the package travel through?
2. Where is it going?
3. Will there be smooth roads or pot holes throughout the trip?
4. Will the trucks be equipped with air-ride vans?
5. Will the product go on air, land, rail, or sea? Or a combination?
6. How many times will the product be touched or cross-docked by a material handler?
7. How many warehouses will the product go to before it reaches its final destination?
8. Will the product be subjected to static and climatic conditions (humidity and temperature differences)?
9. Might the product be inspected throughout its journey?

Industrial packaging must consider how the product is handled and stored during transit, what conditions it will travel in and where it is ultimately headed. There may be security concerns to focus on as well. The industrial packaging should make it easy to handle the product and allow for transport variability as well as variations in infrastructure and climatic conditions. There are many considerations. A professional packaging firm will help talk through which ones may be imperative and how to analyze the best method for protecting your valuable product.

If you have questions about industrial packaging or ISPM #15 requirements, contact the customer service experts at LEFCO Worthington at [InsideSales@LEFCOworthington.com](mailto:InsideSales@LEFCOworthington.com) or visit our website [www.LEFCOworthington.com](http://www.LEFCOworthington.com).



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## Carrier Thoughts

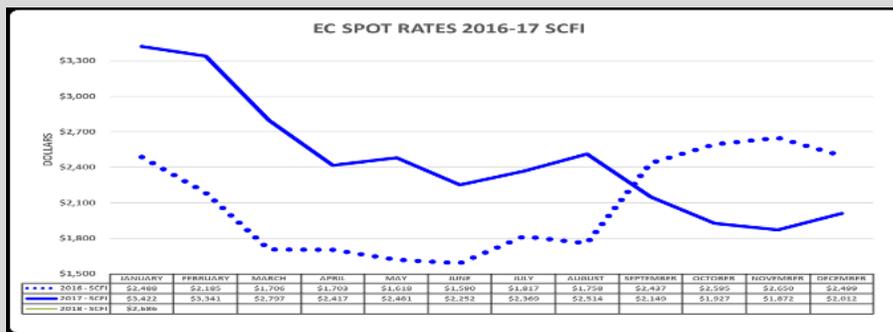
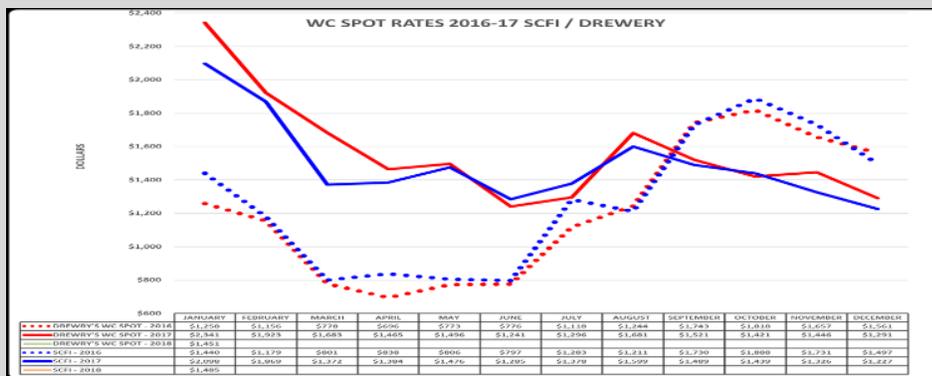
### Notes from the Flight Home

- Bob Fredman | Director, Global Logistics |  | Big Lots Stores, Inc.

At the time of writing, I'm returning from container liner meetings in Asia, amidst pre-Chinese New Year buoyancy in spot rates and healthy volumes in the Trans-Pac eastbound to both US coasts.

Coming out of the December slack, carriers were hoping for January GRI's to stick and prop up rates for Chinese New Year. Vessel utilization remained strong to the West Coast and strengthened pre-Chinese New Year over more modest levels in the first half of the Peak

Source: Big Lots Stores, Inc./SCFI/Drewry's



Timing is always important to note in a volatile ocean shipping environment, particularly where economic outlooks seem to change almost as frequently as spot rates. Year-over-year trade growth looks to finish this year above 5% and carriers are optimistic in seeing supply/demand achieving near-balance by 2020, based on the latest reports and commentaries.

I met with the Japanese line, ONE, in Singapore. Don't expect a lot of changes in 2018, as they focus on just getting the transition right. I spotted some magenta (official liner

color) containers at a container depot in Yantian – I really thought they were kidding about painting that color!

In carrier meetings across the alliances, as well as independents and NVO's, it appears East Coast capacity will increase significantly in 2018, as Alliances are upsizing from 8,500-10,000 TEU ships to upwards of 13,000 TEU ships. Some are projected capacity increases to the PNW, but Gulf and PSW capacity should remain fairly flat.

Where does this leave us, heading into contract discussions? First, carriers continue to express optimism for rate increases, a perspective shared by nearly half of BCO respondents to a recent JOC survey. However, it is not clear how volumes will grow to the extent needed to fill all the ULCV strings that will be sailing under the new Bayonne Bridge (and into Norfolk, Charleston, Savannah). The economic outlook reports I've seen are somewhat mixed and not specific as to port. This imbalance could very well lead to softer rates to the East Coast. Carriers may have more success taking increases – or just holding rates flat – on PSW strings that have remained strong, but that is far from guaranteed.



If you sign direct ocean contracts, watch for early signers to see where the market is going. Many NVO's tell me that the differentials between the largest and mid-sized shippers are not as significant as they used to be. For smaller shippers, balancing an NVO strategy to take advantage of soft spot rates while ensuring delivery of critical product is a tough, but necessary, balancing act. We all want competitive rates, but I don't think any of us can afford being left on the dock if our rates are too low. What seems like a competitive and attractive rate in March or April can leave you with a lot of explaining to do if next Peak is strong.

### **Conference Talk:**

We have secured some great speakers, and want to make sure the topics are covering the specific needs you have. I will be sending out a survey monkey but also wanted to encourage all of you to drop me a line and let me know if you have a particular area of interest. Now is the time to let me know...

**Topics:** Air, Local Govt, Domestic, Systems, Technology, HR, Ecommerce, Exports, Legal, Drayage/ Carrier review and Customs

Email me with any thoughts: [beth@servinglogistics.com](mailto:beth@servinglogistics.com)

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## **Nonstop service to Austin takes off with Allegiant, Frontier**

### ***Columbus airports offer travelers nearly 160 daily departures to 43 destinations***

**COLUMBUS** — Airline passengers in the Columbus Region can add Austin, Texas, to a growing list of markets served by nonstop flights.

Allegiant will launch nonstop service to Austin on Feb. 16 from Rickenbacker International Airport (LCK), while Frontier will begin its nonstop service April 8 from John Glenn Columbus International Airport (CMH).

Regarded as one of the most exciting and fastest growing cities in the U.S., Austin touts itself as the "Live Music Capital of the World." An increasingly popular tourist destination, the Texas state capital is similar to Columbus in many ways. It has a thriving economy, a large state university, a dynamic technology sector, a diverse cultural scene and an abundance of recreational attractions.

"Austin was one of our community's most in-demand destinations for nonstop flights. We are very pleased Allegiant and Frontier established this service to connect our two vibrant state capitals," said Joseph R. Nardone, President & CEO of the Columbus Regional Airport Authority, which operates John Glenn International and Rickenbacker International airports. "We thank these airlines for recognizing the opportunity to provide this service and for their commitment to our region."

Allegiant flights will run Mondays and Fridays from LCK to Austin-Bergstrom International Airport (AUS). Frontier's nonstop service is scheduled for Sundays, Tuesdays and Thursdays from CMH to AUS.

With these new flights, there will be nearly 160 daily departures to 43 destinations to serve the needs of the growing Columbus Region.

About the Columbus Regional Airport Authority  
With its vision to connect Ohio with the world, the [Columbus Regional Airport Authority](#) oversees the operation of passenger-focused [John Glenn Columbus International Airport](#) (CMH), cargo-focused [Rickenbacker International Airport](#) (LCK) and general aviation airport Bolton Field (TZR). An independent economic impact study found that the three airports and select businesses with direct ties to the airports account for more than 54,000 jobs, \$1.8 billion in annual payroll and \$6.6 billion in total annual economic output.

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## Tidbits.....

### 10 Tips for Dealing With Everyday People at Work

By [Susan M. Heathfield](#)

<https://www.thebalance.com/dealing-with-everyday-people-at-work-1919405>

1. Demonstrate Respect
2. Trust and be Trusting: Trust Rules
3. Positive Feedback that has Impact
4. Receive feedback with Grace and Dignity.
5. Show Appreciation
6. Build Alliances
7. Play well with Others: Develop Effective work Relationships
8. Overcome Your Fear of Confrontation and Conflict.
9. Hold a Difficult Conversation.
10. Consciously Create Team Norms

- Click below the authors name to go directly to her full article for more info.

"I didn't get there by wishing for it or hoping for it, but by working for it."

~Estee Lauder

"Darkness cannot drive out darkness; only light can do that. Hate cannot drive out hate; only love can do that."

If you can't fly then run, if you can't run then walk, if you can't walk then crawl, but whatever you do you have to keep moving forward.

Free at last, Free at last. Thank God almighty we are free at last."

~Martin Luther King

## CALENDAR

**Feb 16-21: Chinese New Year**

**Feb 19: Washingtons Bday**

**April 10-12: CONECT's 22<sup>nd</sup>**

**Annual T & T Conference:**

<https://conect.site-ym.com/>

**May 16, 17- CLC 2018 – Columbus Logistics Conference**

[www.servinglogistics.com](http://www.servinglogistics.com)

**SAVE THE DATE/ SIGN UP:**

**May 21- Bouncin Buckeyes Golf Classic:**

[http://www.bouncinbuckeyes.org/2016\\_Golf\\_Welcome.php](http://www.bouncinbuckeyes.org/2016_Golf_Welcome.php)

**May 28: Memorial Day**