

Transportation Management Asia Summit

Global Transportation Strategies for Process and Profit
Improvements in an Inflationary Global Economy

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KAG



Global Strategy

○ What is your global corporate strategy?

○ What is your logistics global strategy?

With whom are
you
partnering?

In which
regions of the
world are you
partnering with
them?

What does
success look
like?

Which
metrics and KPIs
are you using to
determine if
you're achieving
your logistics
goals?

○ Is your global strategy cascaded to all operational level in your company?

Corporate Culture

- Does your corporate culture promote innovation?
- Does your corporate culture give free hand to your executives to use their expertise to challenge the status quo and make beneficial and necessary changes to achieve logistical and financial targets?
- Does your organization hire, train, and promote super stars organically?



Systems, Communication and Visibility

Do your associates communicate freely? Or are they in silos?

1

2

Do your systems communicate freely? Or does your company use multiple systems and platforms to communicate and process shipments?

Do you have visibility of all links in your supply chain?

3

4

Do you share your corporate and supply chain goals with all your logistics partners for network and supply chain as well as operational and financial reasons?

Human Resources



Do you have the best experts of the logistics industry on your team?



Best in class teams are inspirational, insightful, trustworthy leaders whose knowledge of the industry as well as their contacts will allow them to save you millions of dollars, not only by negotiating lower shipping rates, but most importantly, by optimizing the network, routings, duplications, etc. while eliminating or managing disruptions to your supply chain.



First-in-class leaders can “connect the dots”. They are always “ahead of the curve” instead of being reactionary. They are on top of global trade, transportation and geopolitical events which may affect their company strategically and operationally. As a result, they devise strategic plans to mitigate any possible risks.

Process Improvement & Transportation Cost Reduction

1

Are you moving cost down the supply chain, or out of the supply chain?

2

Are you reducing cost by simply negotiation lower contract rates which may increase your lead time and decrease your service level? Or are you reducing cost by continuously improving processes?

3

Do you have accurate, timely and relevant forecasts and data that you share with your transportation partners continuously to avoid disruptions to your transportation and supply chain?

4

Do you monitor your inventory continuously and give your transportation associates and partners ample lead time to avoid last minute, very costly shipments by air?

Offshoring, Reshoring and Nearshoring

1

Has your company considered offshoring, reshoring and nearshoring for trade, geopolitical, cost reduction reasons? Or possibly to avoid supply chain disruptions?

2

Did your company conduct a feasibility study?

3

Would you be starting with a brown field or a green field?

4

Would you be starting with a brown field or a green field?

5

Does your company have a what-if scenario and have and alternative procurement sources should trade sanctions, tariffs and other trade restrictions be imposed on your industry of should war break out?

6

Does your company have a what-if scenario and have and alternative procurement sources should trade sanctions, tariffs and other trade restrictions be imposed on your industry of should war break out?

Offshoring, Reshoring and Nearshoring

7

Does your cargo carry additional insurance coverage to mitigate war risk?

8

Do you avoid carriers whose ships carry the flag of the conflicting countries?

9

Do you monitor the financial stability of all links in your value chain frequently, especially the stability of ocean, air and inland carriers given the consolidations and reorganizations that have been taking place lately?

Trends Shaping Global Transportation Outlook in 2023

- Geopolitical events
- Rising oil prices
- Inflation
- Global economic slowdown affecting the global transportation market with a possibility of back to “normal” toward the end of Q1, 2023?
- Labor shortage in some markets
- Technology, Digitization, data, visibility



Trends Shaping Global Transportation Outlook in 2023

- Automation, AI, IoT, Blockchain
- Mergers and Acquisitions
- Reshoring and nearshoring for manufacturers
- Sustainability and governmental environmental regulations
- ESG (Environmental, Social, & Governance) performance



Omar Kazzaz specializes in global supply chain and transportation strategy, design, planning and execution as well as BPI (Business Process Improvement). He has 32 years of experience in international trade, global logistics and supply chain management.

Omar is a trusted advisor based on his insight and ability to connect global events to strategic and operational transportation decisions. Using his extensive knowledge and experience in international transportation and trade, and his negotiation skills, he optimized the business processes and supply chain designs and execution of multiple, multinational corporations saving them millions of dollars. He advised them on global trade and transportation issues such as off shoring, reshoring and near shoring taking into consideration the most current global economic environments, geopolitical events, and technological advancements.

Omar has been involved in numerous global trade and supply chain panel discussions. His comments have been quoted in publications such as The Charlotte Observer and The Journal of Commerce. His articles have been published in Global Trade Magazine, American Shipper and Supply and Demand Chain Executive among other professional and educational organizations.

Omar holds an MBA in International Management from Thunderbird, The American Graduate School of International Management in Phoenix, AZ, and a bachelor's degree in Economics and German from The University of North Carolina at Charlotte. Besides English and his native language Arabic, Omar speaks French and German.



Omar Kazzaz

Events that marked and continue to mark 2022

1

Supply chain disruptions

2

Covid lockdowns

3

Geo-political events,

4

Trade sanctions

5

Oil prices

6

Inflation

7

Quantitative Easing

8

Demand and supply imbalance

9

Record profits

10

- M&As

11

Natural disasters

12

Cyberattacks

13

Labor shortage affecting every link in the supply chain

14

Labor negotiations (ILW, rail in the USA), strikes

15

Warehouse space shortage



Steps to implement immediately to minimize transportation and financial risks as demand and supply will continue to be erratic:

- Know your product and transportation costs and profits up and down the organization and supply chain
- Get cost out of the supply chain, not down the supply chain by improving your business processes
- Implement precision pricing in an inflationary, unstable period. Precision pricing is targeted. It allows you to base your price on each product's latest cost and value as well as your profitability by customer
- Know your customers: Which customers are profitable to serve, and which ones aren't?
- In a business environment marled by product and transportation price volatility, your contracts with your customers and suppliers should include provisions to ensure that the terms address transportation and product significant cost increases especially if Force Majeure has been invoked.
- Is dual sourcing beneficial to you financially and operationally?
- Is reshoring or nearshoring beneficial to you operationally and financially now that freight rates went down as low as 60% on some trade lanes?



Thank You

