



# RISK MANAGEMENT

## CONCERNS IN CAPACITY PROCUREMENT

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[WWW.HUBGROUP.COM](http://WWW.HUBGROUP.COM)

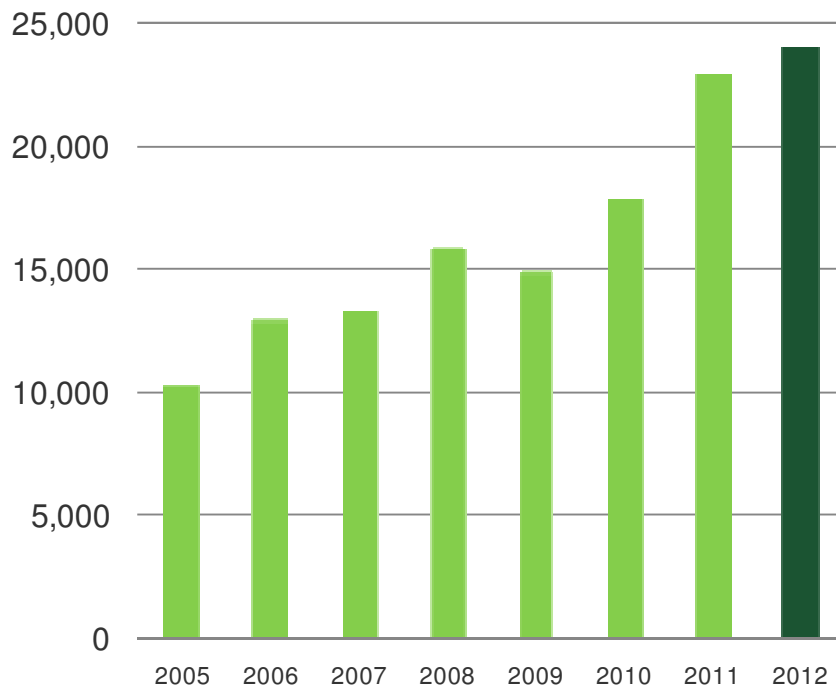
# WHAT DOES SUCCESS LOOK LIKE...



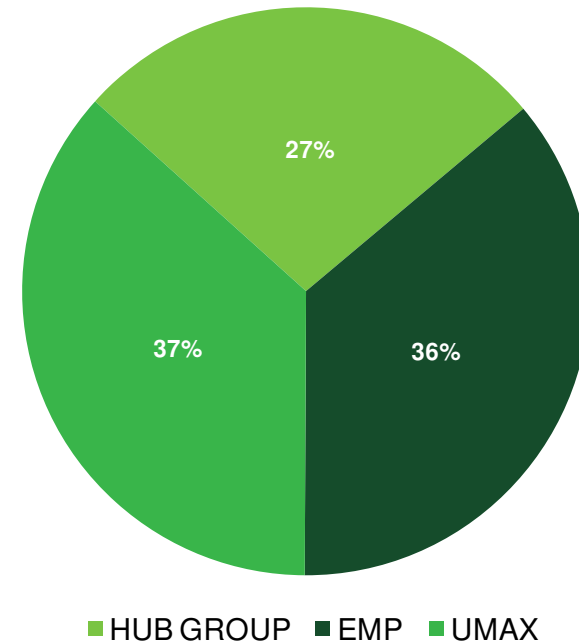
# MULTIPLE SOURCES OF EQUIPMENT

Hub Group continues to grow its fleet adding 4,000 containers in 2011 and 2,100 in 2012, which translates into more than 150,000 additional loads.

**HUB GROUP FLEET  
OVER 24,000 CONTAINERS**

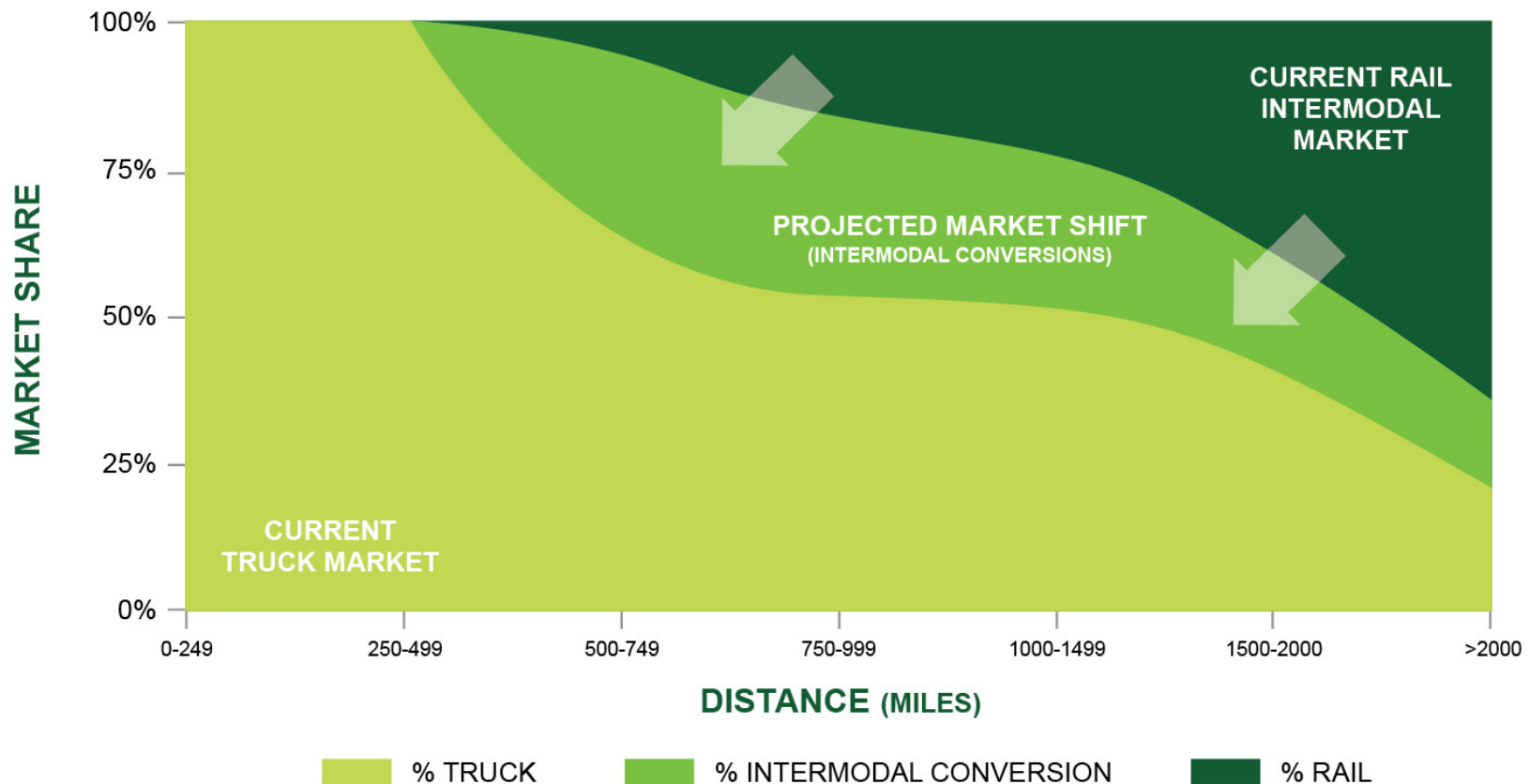


**ACCESS TO NEARLY  
89,000 CONTAINERS**  
2012 ESTIMATES



# MODAL SHIFT OPPORTUNITY

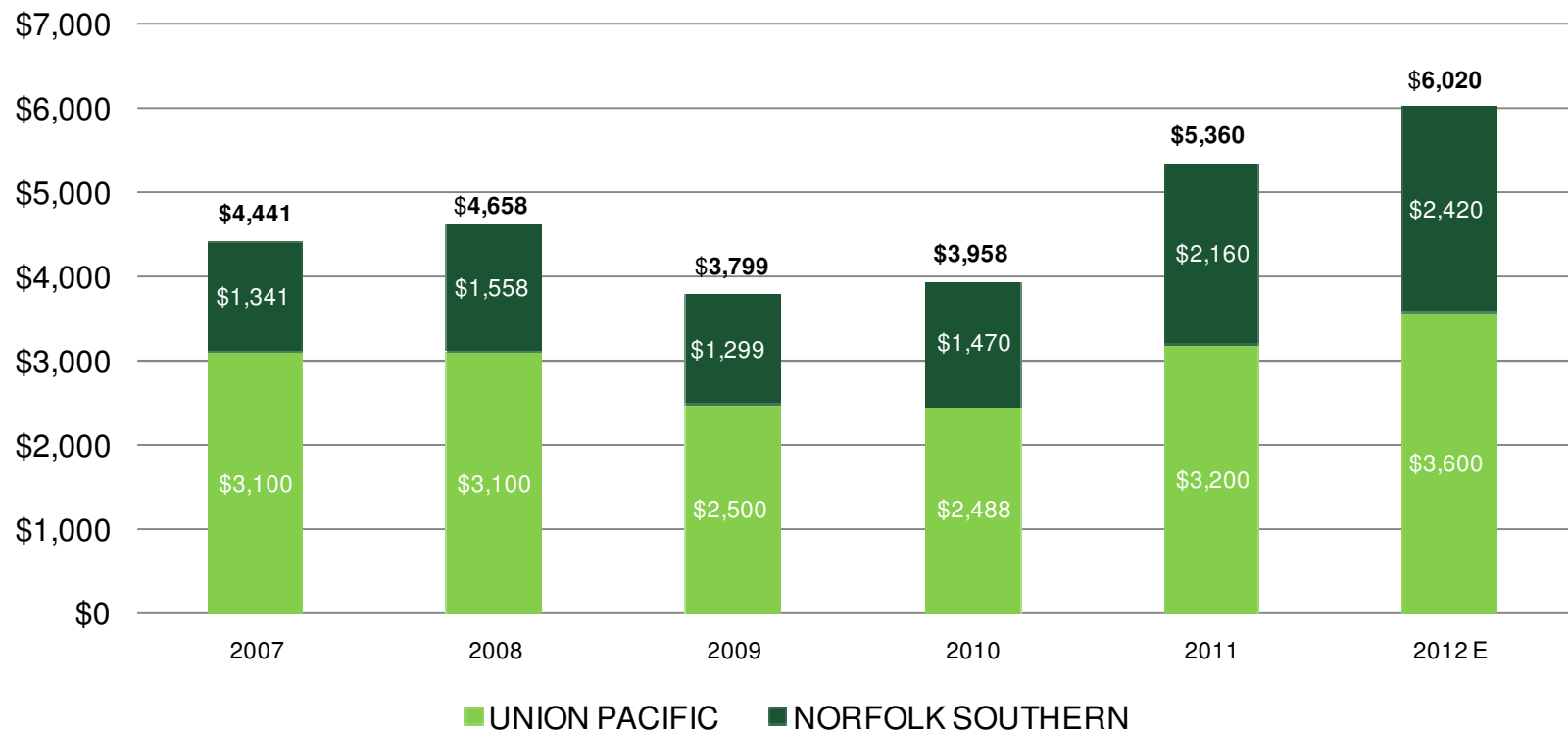
With improvements in service and facilities, Intermodal is becoming more competitive in shorter distances, absorbing more of the projected growth in freight.



# RAILROADS CONTINUE TO INVEST

Hub Group's rail providers have invested more than \$20 billion over the past five years with 2012 estimates over \$6 billion. These investments continue to improve the overall product and service offerings.

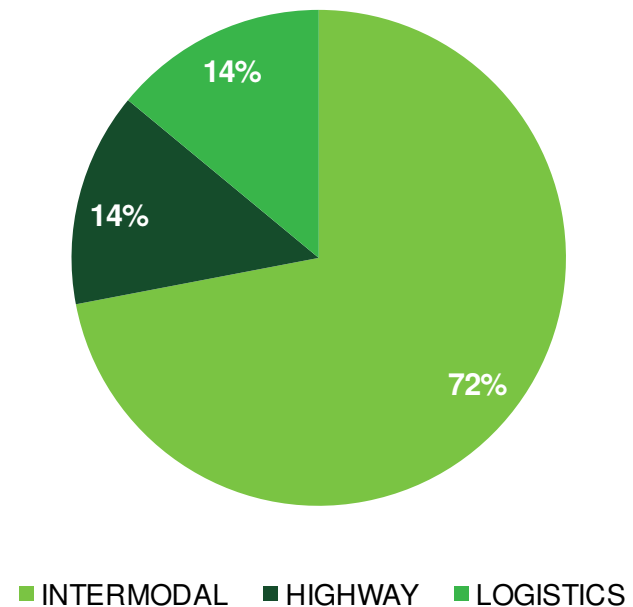
## RAILROAD CAPITAL EXPENDITURES



# HIGHWAY SOLUTIONS

- 29,000 approved carriers
- Asset and non-asset multi-modal solutions
- Core carrier capacity with flexibility to cover any lane
- Secure capacity on a daily basis for critical shipments

PERCENT OF BUSINESS



# ALIGN YOUR INTERNAL SUPPLY CHAIN

- Goal = Inbound/ Outbound Carrier Alignment
- Work with Purchasing Groups to align inbound vendor carriers with outbound finish product carriers
- Use Intermodal inbound containers to handle regional outbound shipments
- Analyze any private fleet lanes to see if they are optimal
- Engage your carriers in the plan to produce more revenue miles
- Expand drop and hook and origin and destination for maximum efficiency







# BECOME A CARRIER FRIENDLY BEST IN CLASS SHIPPER AND RECEIVER

- Review your FSC to see that it is fair for the carrier to recover his fuel costs
- Improve your turn time on equipment by getting carriers unloaded in a timely manner
- Improve your “Check- In” time so carriers are not waiting long periods of time to begin the unloading process
- Expand to weekend drop and hook availability and extend dock hours to multiple shifts
- Have driver waiting facilities that are clean and comfortable
- Set up reasonable payment terms so carriers want to do more business with your company
- Carriers brag about good customers and complain about poor treatment using social media



# SUMMARY

- Foresee economic position to grow current customers organically
- Supplementing Intermodal with Highway
- Forecasting based on historic shipping patterns
- Repositioning equipment to supply constraint markets

