

THE SHIPPING STANDARD

OUR EXPERTISE YOUR ADVANTAGE

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THE FINAL FRONTIER

CONTAINER HAULAGE AND LAST MILE DELIVERY

The last eighteen months have been full of supply chain challenges. However, container haulage issues may be some of the most difficult as many disruptions continue to occur after a container leaves the port that can dramatically impact when a shipper either sends or receives their shipments.

Nevertheless, last mile delivery for e-commerce is also subject to many potential disruptions that can and have occurred over the past few years. The World Economic Forum (WEF) is projecting that global demand for e-commerce affiliated last mile delivery to increase by 78% between now and 2030. Like it or not, last-mile delivery has become a necessary step when it comes to fulfilling every single order—and collecting every single dollar in potential revenue.

“Much of the importance of last mile delivery has to do with an explosion in the e-commerce sector during COVID-19 that has shown little signs of slowing down,” explained Anthony Fullbrook, President of OEC Group’s Northeast Region. “This is a major market shift. Retailers and other organizations looking to accommodate this explosion in e-commerce and capitalize on their supply chain will not reach their full potential if they do not have a handle on their last mile logistical strategy.”



Despite the public's clamoring for faster delivery, many retailers have not yet mastered the last mile and its subtleties. Whether it's managing the cost of rapid delivery services, organizing a distribution network that gels with both their inbound shipping strategy and outbound order fulfillment, or simply developing relationships with last mile truckers, the final leg of a shipment has proven to be difficult—especially for international clients trying to import goods and bypass their DCs into the United States.

Importers should also look to partner with companies, like OEC, who are well-versed in integrating with last mile providers and offer round-the-clock technical services because if there is a problem with a shipment while it is in the final stages of transit, having a team of technical experts that is always available to fix the issue can significantly limit delays.

“Understanding how to navigate last mile delivery, especially for internationally based importers, is arguably the most crucial element of helping businesses remain competitive in the world of ecommerce,” said John Ogilvy, Station Manager of OEC Group’s St. Louis office. “Partnering with international logistics experts that understand the last mile and have a proven track record of successfully integrating with providers to ensure that your business does not miss out on all the potential profits out there for the taking.”

**PETER HSIEH**

Vice President of Sales and Marketing for OEC Group's Northeast Region

INTERVIEW WITH AN EXPERT

Peter Hsieh, Vice President of Sales and Marketing for OEC Group's Northeast Region, discusses the market's desire to diversify sourcing and supply lines as well as the importance of relationships for forwarders when providing high-quality reliable services for shippers around the world—not just a specific trade lane.

Q: How has OEC Group adjusted to the current market strategy of clients using many different regions to source their products?

A: Our global network of agents and offices has allowed us to do what we've always done—follow the needs of our clients. It's nothing we haven't done before. I remember visiting Vietnam in the late 1990s and again recently. In that time, Vietnam had developed into a formidable manufacturing force, and some of our clients shifted production efforts or primary supply to Vietnam. We adjusted to their needs then just as we are doing now. As a result, our strategies have helped clients diversify and spread their manufacturing operations across different locations around the globe—just like Nike, Uniqlo, and Apple have recently done.

Q: Is OEC Group's established global network robust enough to accommodate growth trends in a more diversified group of popular trade lanes?

A: Yes. Because OEC Group has that infrastructure in place and has remained private, we are in an extremely advantageous position. As those familiar with the industry already know, mergers and acquisitions have become extremely common over the last

several years. Many carriers are reinvesting pandemic-era profits in new ships, trucking organizations, air carrier partnerships, and even NVOCCs. That consolidation leaves certain countries without clear market leaders. The continued consolidation of global forwarders is leaving behind many agents in smaller markets. They no longer have representation in the global market. OEC has been able to step in representing national coverage in the United States and giving them a partner that is well-established globally, embedded in the US market, and capable of handling shipments of any size. Additionally, as a private and more family-oriented organization, OEC Group can relate well and work effectively with smaller agents in countries that are still developing their production power.

Q: How do strong relationships with international carriers translate across different trade lanes?

A: Our network has to work hand-in-hand with established carrier partners to provide high-quality space in both old and new markets. For example, developing relationships with manufacturers in the Mediterranean region means we need to develop access to services that reach those locations and others around the globe. We use our decades-long standing with the largest global carriers to get the space we need on established and emerging lanes—allowing us to become an essential fixture in trade lanes on every continent. To put it simply, our well-established relationships allow us to help shippers get the access they need.

Q: Outside of trans-Pacific trade, on which lanes have you seen the most growth?

A: We've seen some significant manufacturing shifts to the Mediterranean, North Africa, Eastern Europe, and Central and South America. As a result, lanes from these regions to America have experienced major growth over the past year.

Q: What advice would you give to shippers looking to send freight along some of these lanes that are still emerging?

A: What I'd tell those shippers is that it's *your* supply chain strategy. We work for *you* to deliver local service on a global scale with an international vision. If manufacturing in these locations doesn't gel with your overall plan, we aren't going to suggest or otherwise try to influence any kind of supply side shift. But, if you do decide to change your sourcing or production strategies, we strongly suggest that you partner with a logistics expert that knows and has strong relationships in these locations where trade lanes are still emerging.



SEE, THIS IS A PAPERWORK PROBLEM! BETTER CALL IN MY TEAM. HANG IN THERE, KAI, WE'LL BE DONE IN FIFTEEN MINUTES...TOPS



THAT'S MY TEAM. THEY WORK VERY FAST WITH INCREDIBLE PRECISION. A JOY TO WATCH.

WHAT IS THAT!?

THEY ARE INCREDIBLE! HOW MANY ARE THERE?

I HAVE NO CLUE. ALL I KNOW IS THAT THEY LOVE PAPERWORK!



THANK YOU, MATT, FOR EVERYTHING! I OWE YOU BIG TIME.

TIME TO END THIS DISPUTE ONCE AND FOR ALL

YOU AND EVERYONE ELSE.



STOP! YOU'LL NEVER GET AWAY WITH THIS!

IT'S MUCH TOO LATE, KAI! I'VE ALREADY TRICKED THESE FOOLS. THE GLOBAL SUPPLY CHAIN WILL BEND TO MY WILL!

THE SUPPLY CHAIN IS OURS!



WE'LL SEE ABOUT THAT!

AAAAHHH!!



I'M NOT SURE WHAT YOU'RE THINKING, BUT I WON'T LET PAYDAY FOOL ME. LET'S WORK

YOU'RE GOING AWAY FOR A VERY LONG TIME. I'LL GET HEADWIND LATER.

FOR THE FIRST TIME IN MONTHS, I COULDN'T AGREE WITH YOU MORE. LET'S WORK SOMETHING OUT!



WELL, WELL, WOULD YOU LOOK AT THAT? I LOVE THIS POWER!



HMMM... THIS COULD BE FUN...

OEC GROUP

French Fries FUN FACTS



The average American eats almost 30 pounds of fries a year



Thomas Jefferson is credited for introducing French fries to the United States

"Husky chips of potato fried with some reluctant drops of oil."

One of the earliest literary references to French fries was in Charles Dickens' *Tale of Two Cities*



French fries are the national snack in the Netherlands



1/3 of all the world's fries are produced by McCain Foods



More French fries are consumed in Belgium than anywhere else in the world



Bruges, Belgium is home to a museum entirely dedicated to French fries



Between 5-10% of all the potatoes grown in the United States are used to make McDonald's French Fries

ABOUT OEC GROUP

At OEC Group, we have demonstrated our commitment to customer service in trans-Pacific trade for more than 35 years. Founded in 1981, OEC Group had a vision to provide comprehensive logistics services to clients. Today OEC Group serves destinations throughout the world and has grown into one of the leading logistics providers in North America. With over fifty offices worldwide, we take pride in being close to your cargo at all times.

OEC Group is monitoring and adapting to the changing market. We are well positioned to make continuous improvements to your supply chain using the fastest, most efficient and cost-effective services available. We work tirelessly to stay on top of the ever-changing logistics industry with the goal of delivering the most current information and services to you, our customer.

Our business is making our logistics expertise, your competitive advantage.