



Supply Chain Resilience



Gebrüder Weiss

Transport and Logistics



Bill Hohenadel

Trade Lane Manager - Germany
Chicago Head Office

+1-847 828-7450

Bill.Hohenadel@gw-world.com

www.gw-world.com



Yesterday



It all started more than 500 years ago.

Commissioned by German and Italian merchants, we launched a courier service across the Alps.

That half-millennium makes us the world's oldest transport and logistics company.

📍 Lindau, DE ↔ 📍 Milan, IT





Our logistics network: global and connected

8,600
employees

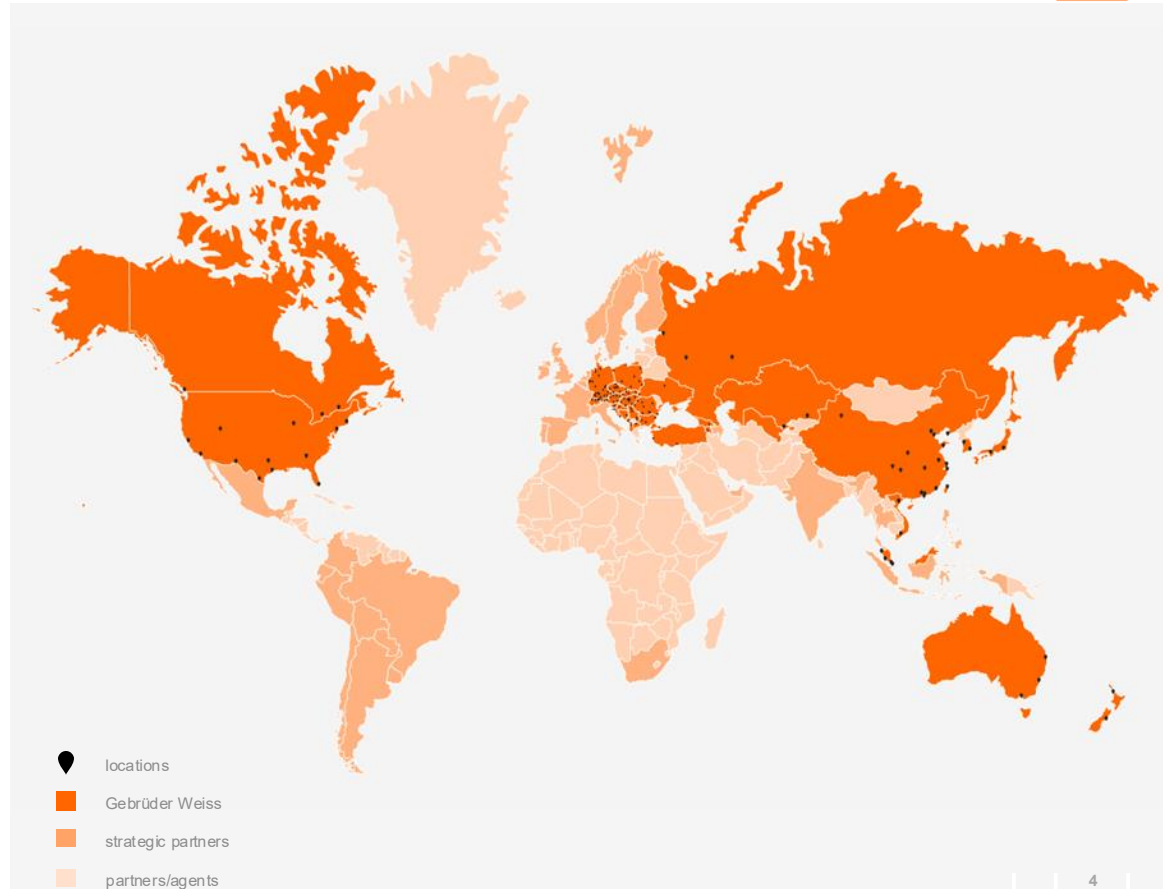
180
locations

34
countries

40,000
customers

54
strategic partners

110
partners/agents



A Decade of Disruptions

The ability to anticipate, respond, and recover from disruptions effectively

- Covid-19
- Chip Factory Fire
- Ever Green Shipping Container Blockage
- Low Water (Panama)
- Houthi Rebels
- Weather (Tsunamis, hurricanes, Flooding etc.)
- Wars (Russia-Ukraine)
- Strikes (France, Germany, Canada, USA etc.)
- Geopolitical (Brexit)
- Lithium-Ion Explosions (Port of Ningbo)
- E-commerce Boom in Europe (Air capacity movements from NA to EU)
- Baltimore Bridge Collapse
- Tariffs (section 301 and others)
- California Wildfires

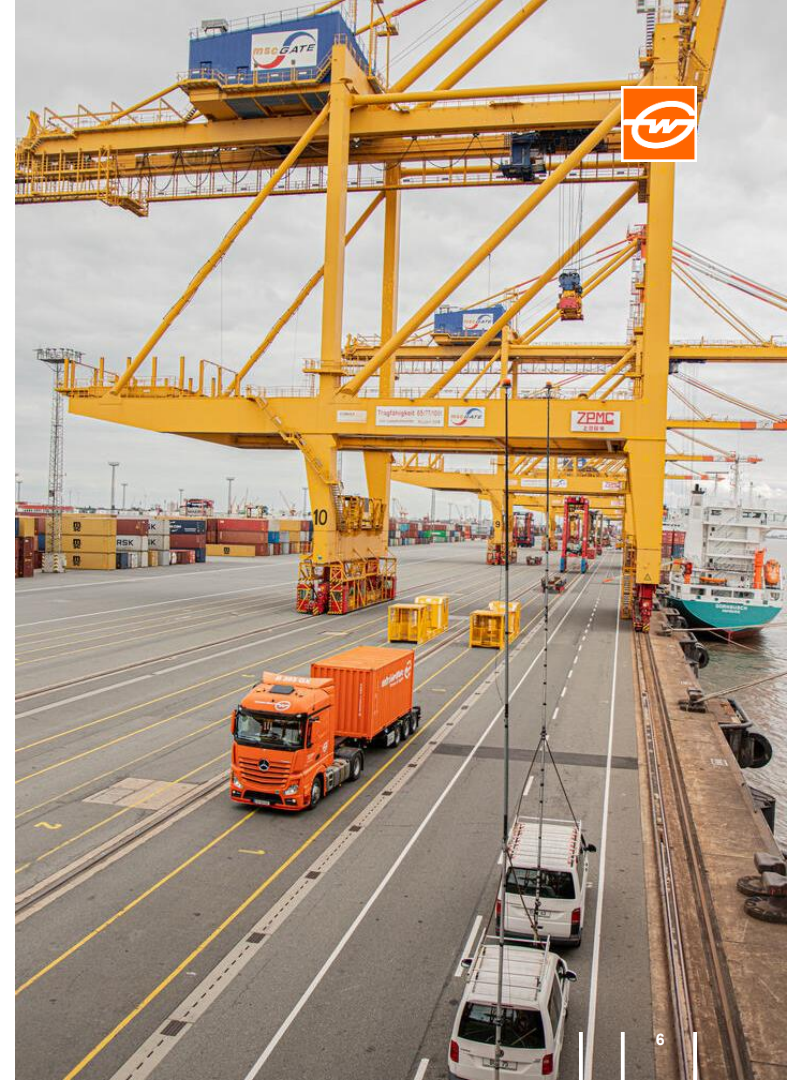


Current State of Supply Chains

Key trends and challenges

1. **AI-Driven & Automation:** Supply chains are increasingly adopting AI and autonomous systems for optimization, predictive analytics, and real-time decision-making
2. **Sustainability Focus:** Companies are prioritizing sustainable practices, ethical sourcing, and compliance with ESG* regulations
3. **Geopolitical Impacts:** The re-election of President Trump has led to continued protectionist trade policies, affecting international trade routes and costs
4. **Energy Transition:** There's an increasing focus on sustainable energy solutions and future-proofing energy infrastructure in logistics

*ESG = Environmental, social and governance



Current State of Supply Chains

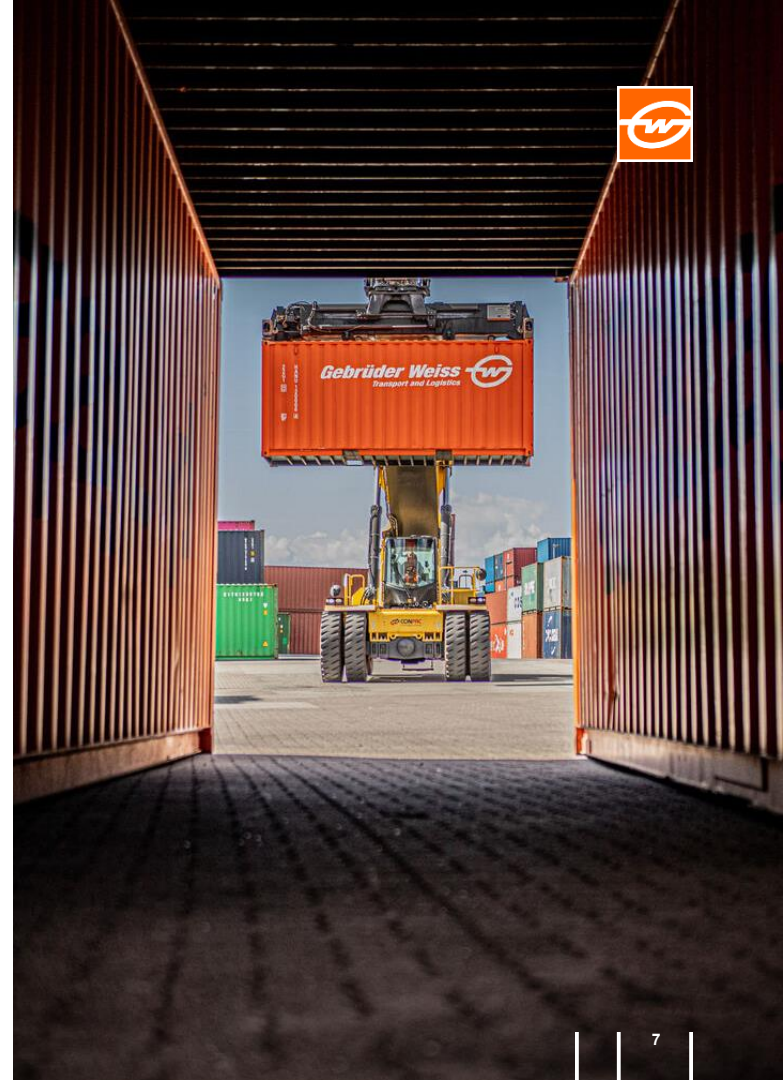
Key trends and challenges

5. Technological Integration: Advanced data tracking, IoT* sensors, and innovative logistics solutions are being widely implemented

6. Talent Challenges: The industry faces persistent talent shortages, particularly in digital skills needed for supply chain digitization

7. E-commerce Growth: The continued surge in e-commerce is reshaping supply chain strategies and consumer expectations

*IoT = Internet of Things



Relevance of Resilience



Resilience is crucial for sustaining operations during crises,
ensuring business continuity amid global uncertainties.



Anticipation

- Proactive risk assessment and scenario planning
- Continuous monitoring of potential disruptions
- Investment in predictive analytics and early warning systems

Adaptability

- Flexible operational processes and infrastructure
- Diversified supplier base and sourcing strategies
- Agile decision-making protocols and cross-functional teams

Recovery

- Robust crisis management and response plans
- Quick mobilization of resources and alternative solutions
- Effective communication strategies with stakeholders



Strategies for Building Resilience



According to research by the Capgemini Research Institute, **89% of the executives it surveyed in 15 countries in 2022 regards supply chain disruption as the greatest short-term risk to their organization.** It's report also revealed that 72% of organizations are looking to reshore (or nearshore) production bases closer to sources of demand.

Diversification of Suppliers and Routes

Strategies for Building Resilience

Supplier Diversification Benefits: Reducing reliance on single suppliers to mitigate risk, enhancing supply chain resilience and responsiveness to disruptions.

Transportation Route Alternatives: Multiple transportation routes ensure continuity, enabling swift rerouting in the event of logistic disruptions.

Significance of Friend-Shoring: Friend-shoring strengthens partnerships with reliable countries, reducing geopolitical risks and ensuring stable supply chains.

Cross-Border Initiatives: Engaging in cross-border initiatives fosters collaborative networks, enhancing adaptability amidst evolving global supply chain challenges.



China Plus One Strategy

Strategies for Building Resilience

Diversify manufacturing and sourcing operations beyond China to additional countries.

Objective: Reduce reliance on a single country and enhance resilience to disruptions.

Why Adopt China Plus One?

- **Geopolitical Risks:** Mitigate risks from trade tensions and tariffs.
- **Cost Optimization:** Access competitive labor and operational costs in other regions.
- **Market Access:** Expand into emerging markets and improve proximity to key consumers.





Implementation Steps

1. **Risk and Opportunity Assessment:** Identify critical supply chain dependencies.
2. **Location Evaluation:** Analyze countries based on cost, infrastructure, and political stability.
3. **Partnership Building:** Establish reliable relationships with local suppliers.
4. **Monitoring and Optimization:** Continuously assess performance and refine the strategy.

Challenges to Address

1. **Infrastructure Limitations:** Gaps in manufacturing capabilities in alternative locations.
2. **Cultural and Regulatory Differences:** Adapting to new legal and business norms.
3. **Initial Costs:** Higher short-term investment for transitioning operations.
4. **Coordination Complexities:** Managing a multi-country supply chain network.

Options to Consider

Strategies for Building Resilience

- ACH/PMS with CBP to increase cash flow (15-45 days) and eliminate the Duty outlay fee
- Use a Canadian port of entry to save ISF cost and HMF fees (0.125% of Commercial Value)
- Look at alternative routes (some longer routes might be more cost - effective) depending on which country the cargo goes to
- Transloading at the port of entry (to avoid rail disruption)
- If Air cargo and height can be under 160cm, you'll have a lot more shipping options (lower deck cargo vs main deck)
- Consolidate at the country of origin for air and sea cargo if feasible
- Have your provider consolidate with other cargo (dense and fluffy cargo)
- Utilize multiple facilities for warehousing to reduce transit time and cost (ABC analysis and heat map)



Technology Integration

Strategies for Building Resilience

- **Real-Time Monitoring:** Continuous monitoring of supply chain activities allows for immediate responses to evolving geopolitical threats.
 - Solutions: TURVO, FourKites, Project 44, Geotab
- **Geopolitical Pattern Detection:** Advanced technology facilitates the identification of patterns in geopolitical events, informing strategic supply chain decisions.
 - Solutions: Everstream Analytics, Resilience 360, Stratfor
- **Predictive Analytics:** Using predictive analytics helps organizations anticipate disruptions, enabling proactive adjustments and enhanced resilience.
 - Solutions: SAP Integrated Business Planning, Blue Yonder, Kinaxis
- **Leverage 3PL Software** that integrates seamlessly with existing supply chain systems, enabling real-time data exchange and improved visibility
 - TMS systems: TURVO, Cargowise, MercuryGate



Inventory Management

Strategies for Building Resilience

Just-in-Time vs Safety Stock: Balancing just-in-time inventory methods with safety stock aids in managing unexpected demand fluctuations effectively.

High-Tariff Preparation: Organizations must strategize safety stock increases to mitigate financial impacts from high-tariff environments unpredictably.

Adaptive Inventory Strategies: Flexible inventory approaches enable rapid adjustments, maintaining efficiency during fluctuating global supply chain conditions.

Utilize Demand Forecasting and Supply Planning Technologies: Accurately predict consumer behavior and optimize inventory levels.



Collaboration and Communication

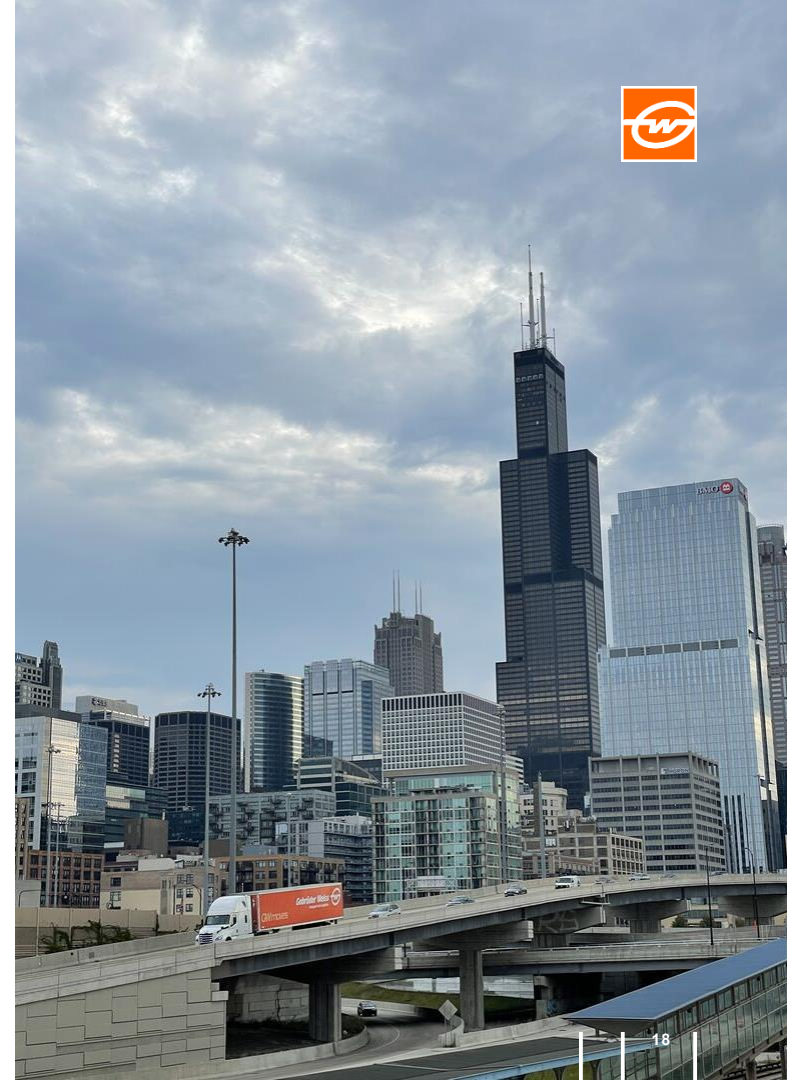
Strategies for Building Resilience

Supplier Relationship Enhancement: Strengthening relationships with suppliers fosters trust and collaboration, essential for navigating disruptions effectively.

Integration of Small Providers: Incorporating reliable small providers diversifies supply options and promotes local economies, improving supply chain resilience.

Utilize a flat-managed 3PL: This approach allows for faster response times and more efficient problem-solving without hierarchical bottlenecks.

Consider priorities of service, communication and cost: Pick two



Selecting Priorities

Cost, Communication & Service



Cost + Service

Prioritizing cost and service may lead to less robust communication



Cost + Communication

Focus on cost and communication may compromise service levels

Service + Communication

Emphasizing service and communication involves higher costs.



Implementation and Challenges



Centralized vs. Decentralized Planning

Leveraging centralized planning enhances standardized processes, while decentralized approaches enable localized decision-making flexibility.

Hybrid Strategy Implementation

Adopting a hybrid strategy combines strengths of centralized and decentralized planning, optimizing responsiveness across supply chains.

My suggestions

- Embrace technology and be in front of it or get left behind (IoT, AI, etc.)
- Have short and long-term plans in place in the event disruptions are possible or started (for strikes, start re-routing cargo early)
- Ask your partners and providers to think outside the box and challenge them, but also reward them (quality above standards, on-time performance, etc.)
- Work with your logistics provider to help find new Vendors (Panjiva list)



Carrer Oppurtunites in Supply Chain



1. **Operations (Coordinating Import/Export: Air/Ocean/Domestic Transportaion/Warehousing)**
 - **Booking, documentation, pick up to delivery is seamless, vendor relationships**
2. **Procurement / Pricing**
 - **Sourcing and purchasing space from Airlines/Steam Ship Lines/Asset based carriers. Manage relationships with vendors.**
3. **Accounting**
 - **Accounts Payable/receivable, Managment**
4. **HR**
 - **Building Culture within the organization**
5. **IT**
 - **Software and process development, system integrations, TMS specialist**
6. **Customs Clearance Specialist**
 - **Compliance with International Trade Regulations, prepare and submit documentation to CBP**
7. **Sales/Business Development**
 - **Generate Business, build relationships, negotiate contracts, and meet clients needs**

■ JOIN OUR ORANGE TEAM!

- Visit our Career Page: <https://www.gw-world.com/career>



**Accounting/HR/Supply
Chain Internships**

Accounting Full Time

Warehouse & Admin



■ Cindy's Case Study

Gebrüder Weiss's internships offer great opportunities!

Introducing Cindy Montes De Oca who graduated with a Bachelor's Degree in Human Resources from Northeastern Illinois University in Chicago in May 2023. She joined Gebrüder Weiss as a Human Resources Intern in July 2023 and quickly proved her skills. By October 2023, Cindy became a full-time HR Administrator. She took on many projects, such as beach cleanups, learning & development, benefits and more! Her hard work led to a promotion to HR Generalist in July 2024. Cindy has been with Gebrüder Weiss for almost 2 years now!

Reflecting on her journey, Cindy says, "I am so thankful for GW to have given me this opportunity fresh out of college. I love what I do and am happy to work for a company that cares about its employees and offers opportunities for growth."





Thank you!



Discover the Orange World.
www.gw-world.com

