



Supply Chain Expertise

Competing to win.



Optimizing distribution – leveraging network partners

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3M EMEA



MARLO

3M

Agenda Optimizing distribution – leveraging partners

- 3M
- Customer deliveries
- Challenge
- Solution



Postponed packing & collaboration
Integrated electronic collaboration

- Why not ?

3M Today

\$30 billion
diversified technology
company



**Pioneer 3P – pollution prevention pays
(1975)**

Offering more than
60,000 different products



Health Care



Display & Graphics



Industrial & Transportation



Electro & Communications



Safety, Security & Protection
Services

Customer deliveries

Parcels

<35kg, 1+-15 boxes



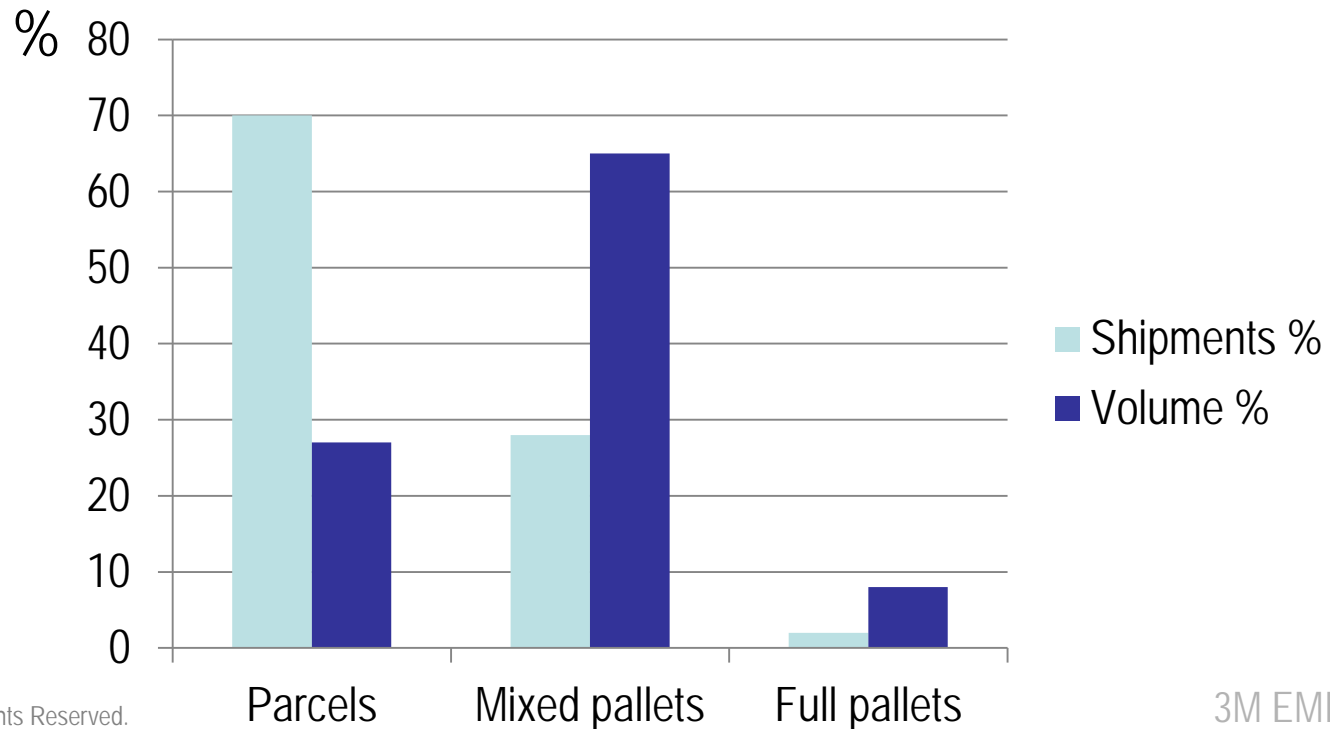
Mixed pallets

>15 boxes



Full pallets

single product



Challenge !!



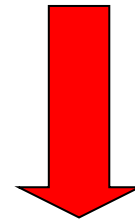
Truck utilization

Pallets



- mixed product deliveries
- groupage trucks
- typical EDC deliveries (distance)

Volume utilization : ~~-40%~~



- parcel deliveries (linehauls)

Volume utilization: +90%

Parcels



Palletization postponement



Mix



Move







Match

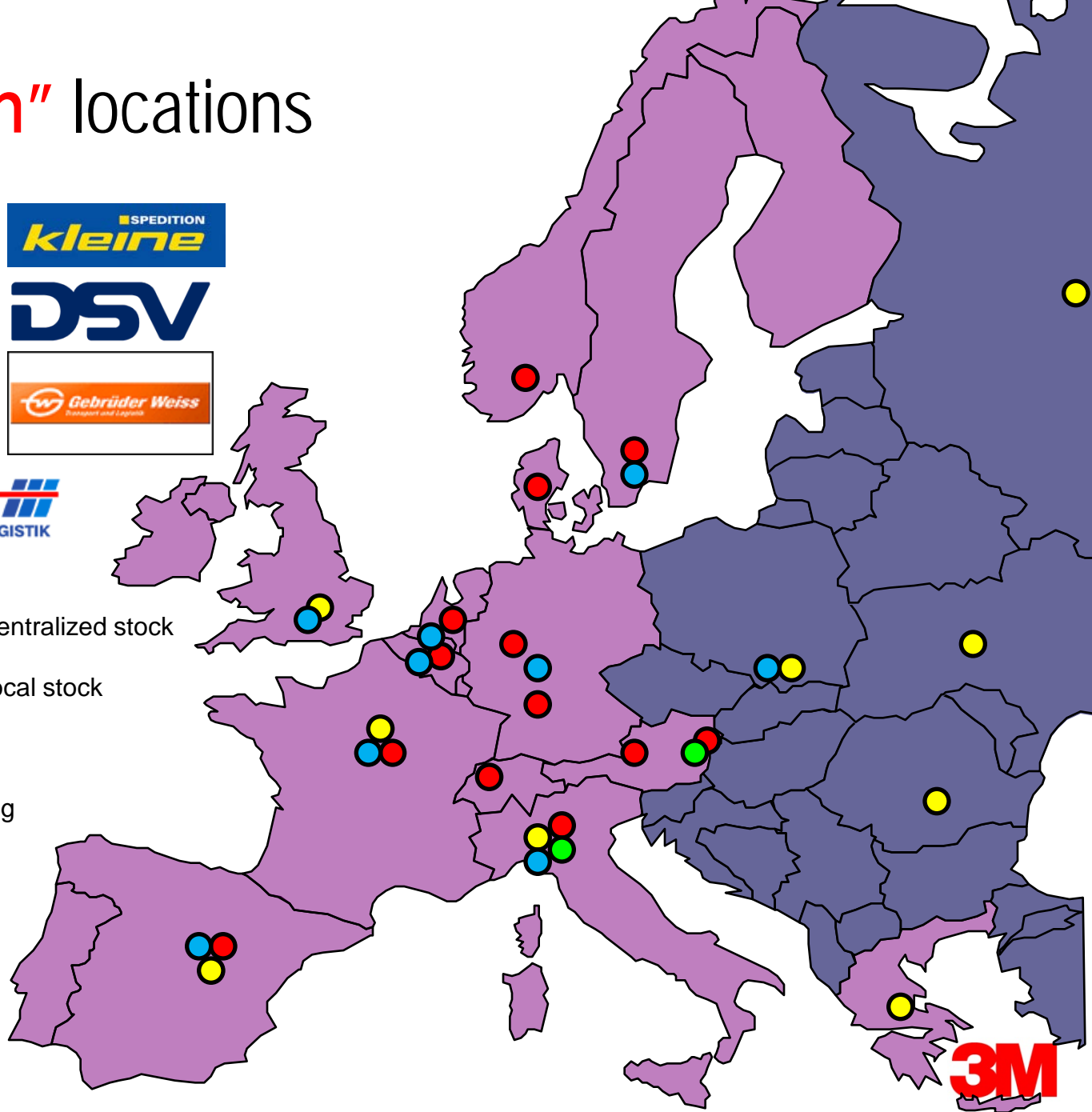
3M Europe

Current "Match" locations

8X



-  Customer palletization – centralized stock
-  Customer palletization – local stock
-  Product receipt sorting
-  Reship hub volume splitting

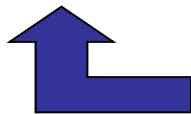


Local "MATCH" process

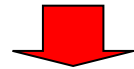
Manual



Conveyor / sorted automatically



Conveyor belt sorting



Kick off - standard Aug 31st 2011



3M Europe

Country/
Carrier
HUB's

MATCHING

SSCC



Shipper 1

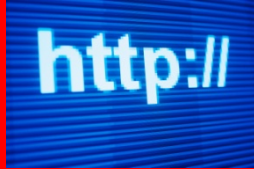
Shipper 2

Shipper 3

3M

Shipper n

EDI
GS1



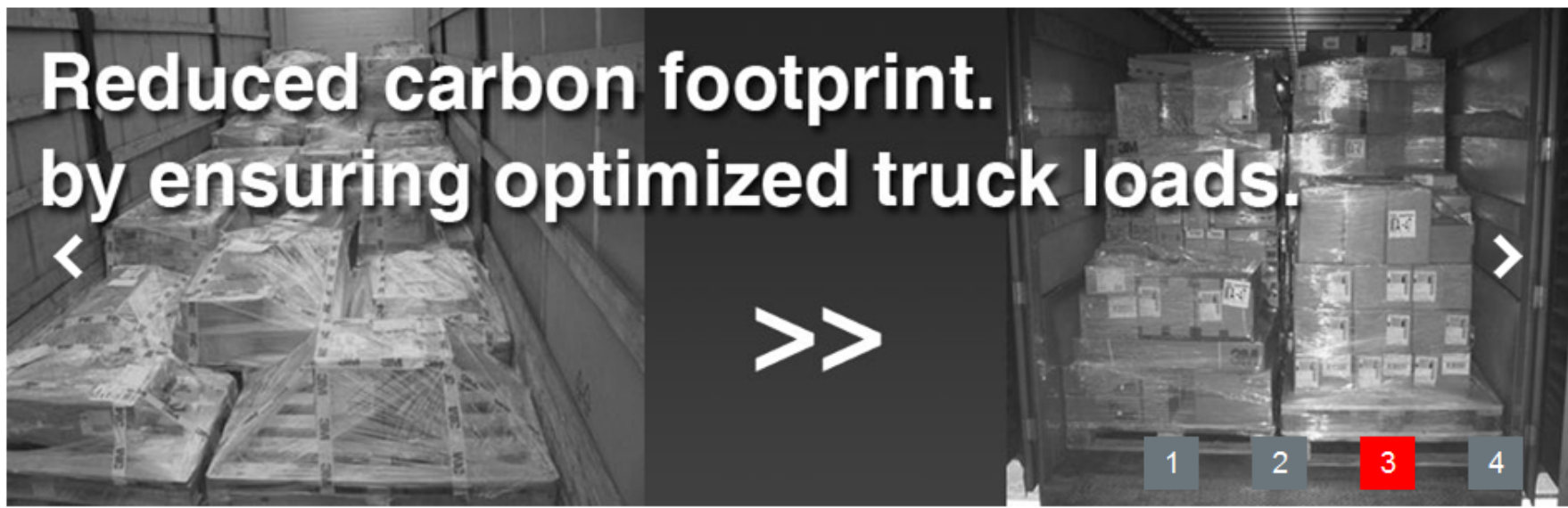
Online
disconnected



Mix Move Match

Username Password

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The Mix, Move, Match System

To be competitive, Logistic Providers and Shippers constantly face the challenge to streamline and optimize their operations. A typical Logistic Provider or a large scale Shipper deals with transport flows between many locations across several hubs and distinct



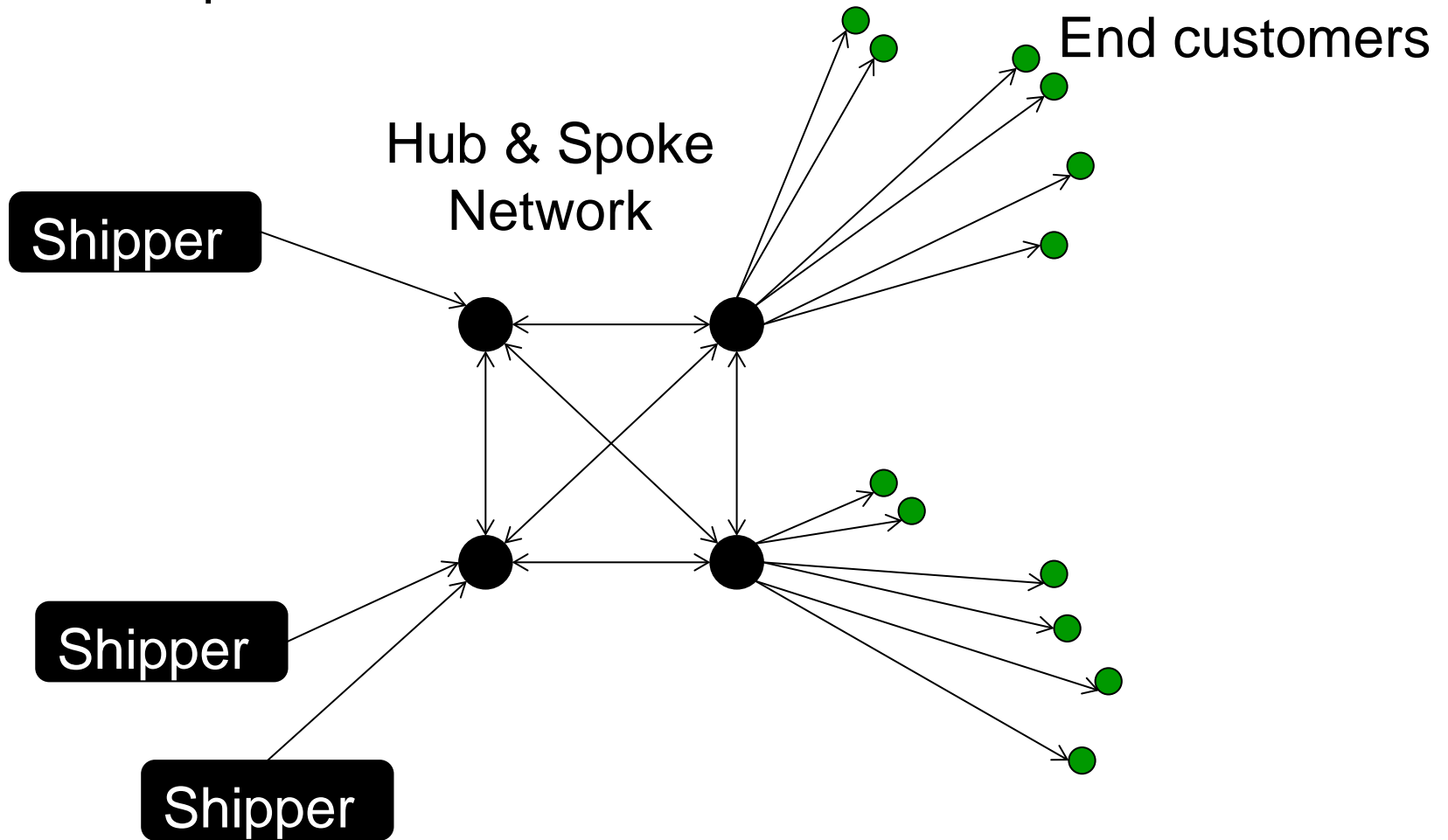
Key features

- Provides a cost efficient and neutral platform to manage the entire supply chain
- Supports holistic supply chain planning, by ensuring

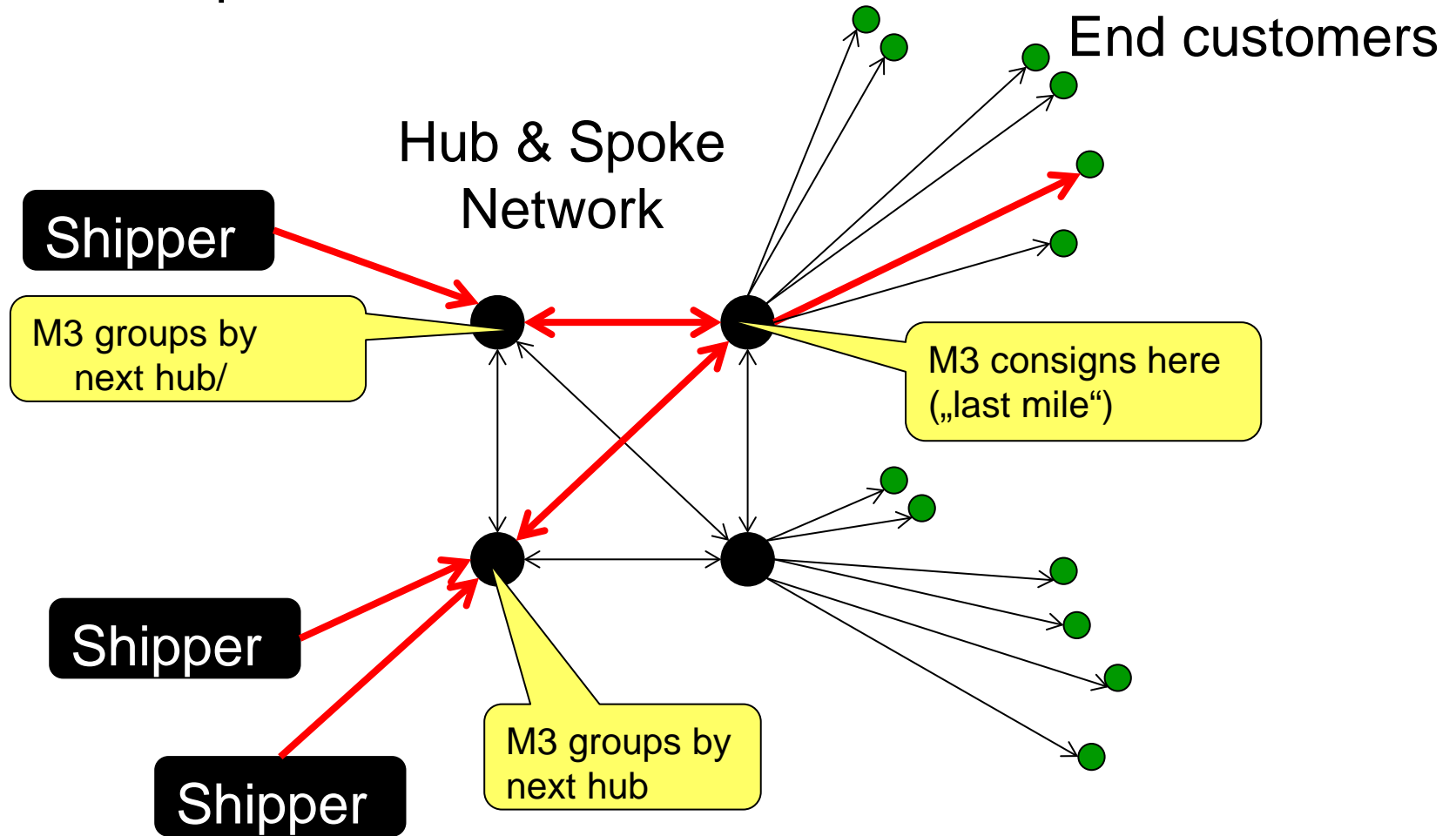
Innovative Solution

mixmovematch.com is a breakthrough IT service that supports integrated order planning and execution management across different hubs, shippers and consignees. Provided by MARLO on software as a service format. The key components of this service

Hub & Spoke Network



Hub & Spoke Network





Check out Trailer

What does it do ?

Consolidate

Parcels



Pallets by customer by product



Mixed pallets for next hub



Forward full pallets for next hub

Customer instructions

Pack lists

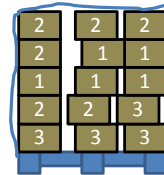
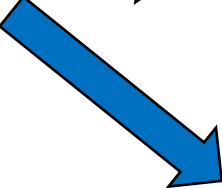
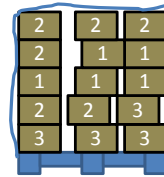
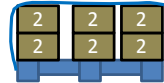
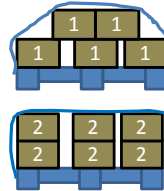
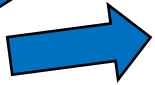
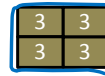
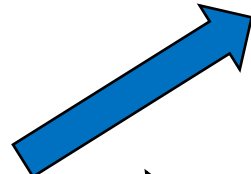
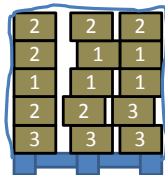
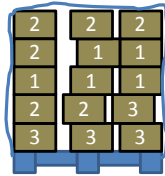
Pallet Carrier Labels

Messages

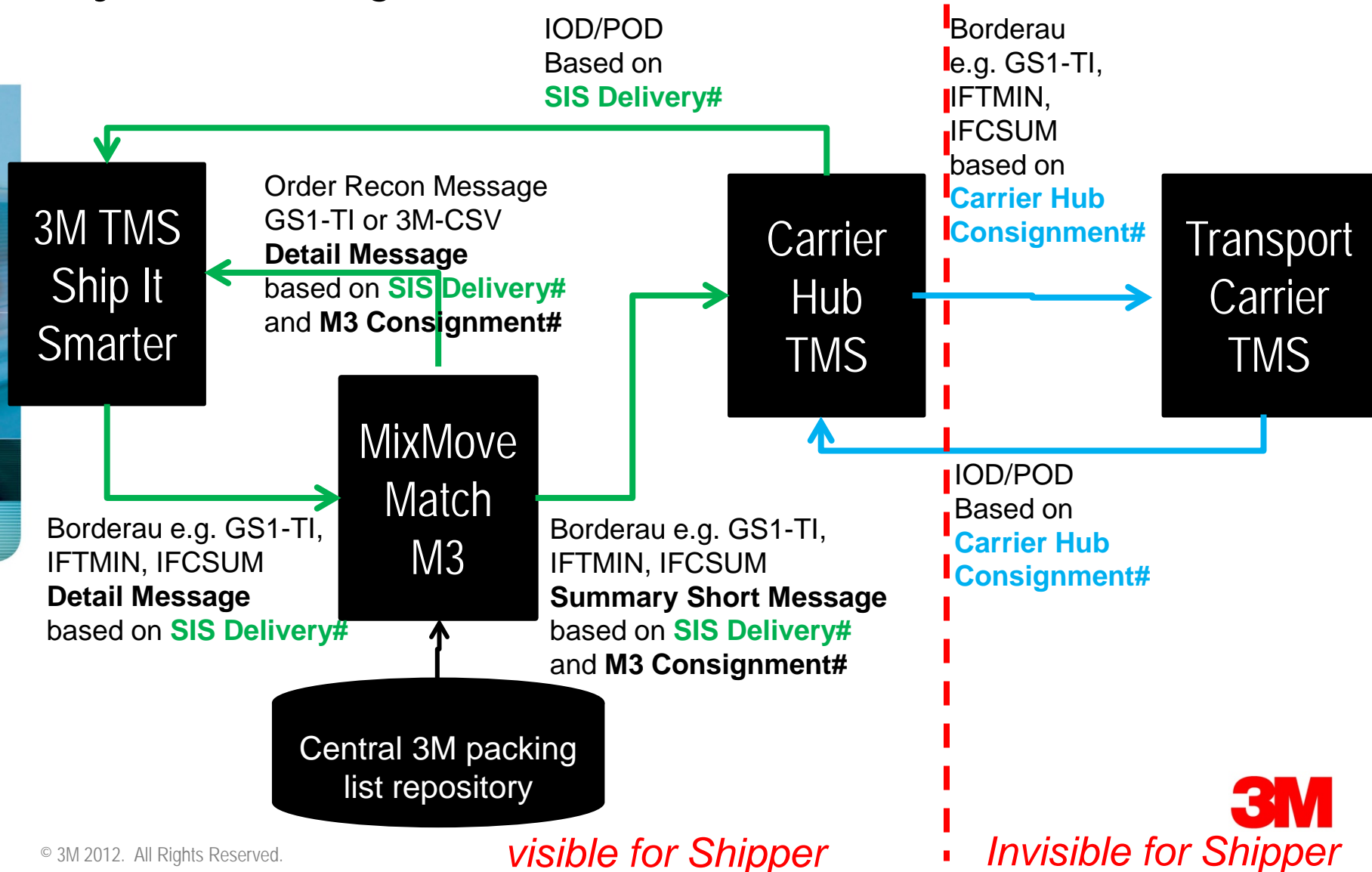


Build recon wave

Data transfer to RF Terminal



Systems Integration connected to 3M



Sustainability paradigm shift ?

Mix

Move

Match

Cartons



Pallets (heavy/light)

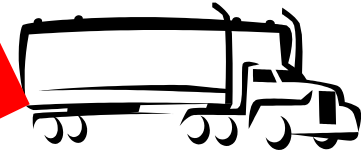


Shippers (heavy/light)

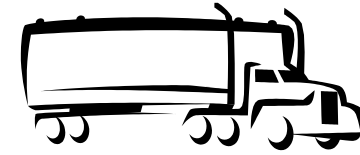


Customers

Warehouse receipt



Next



50% reduction CO2
35% cost reduction



Segregated delivery

Paradigm shift ??

Full traceability at unit level/multi legs
Basis for cost allocation

Mix Move Match

Standard service of 3PL's ?

YES

NO

Parcels

**Consolidated parcels
Dedicated linehaul (?)
One delivery multiple shippers**

Pallets - Groupage

**Pallets as loose parcels
Scanning cartons/pallet
Prioritization
Postponed VAS eg labelling
Packaging by customer
One delivery multiple shippers**

Shippers – groupage

**Full trucks heavy & light
Combined deliveries**

Mix

Move

Match

Win / Win / Win

Shippers

Carriers

Corporate

Freight costs

Higher margin
more value added

CO2 reduction

Warehousing costs

Reutilize depreciated
equipment
(conveyor belts)

Collaboration

Capacity increase

City distribution

Service segmentation

New service offer

Flexibility

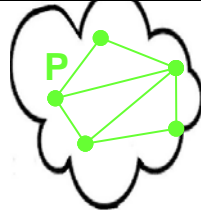
Customer loyalty

Why not ??

European truck load utilization

Our/Your? dream

Collaboration

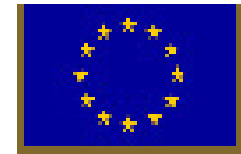


Open to any carrier
& shipper

Standardized process



Promote



Substantial reduction CO2 / congestion/costs

SOON

