

# HOW TO MAXIMIZE SUPPLY CHAIN VALUE

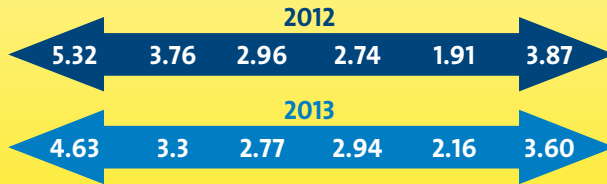
**UNPRECEDENTED CHALLENGES** face companies seeking growth in today's business climate. Uncertainty and constant change force logistics and supply chain professionals to alter how they manage these functions.



To address these challenges and maximize supply chain value, **three guiding principles** are necessary.

## 1 Achieve Visibility

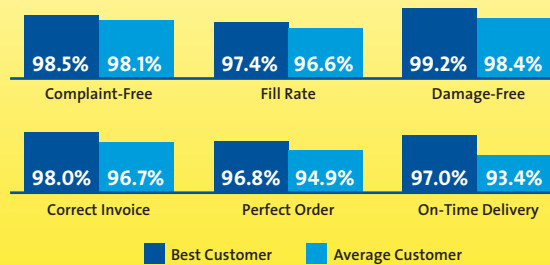
Limited upstream visibility constrains our ability to respond to rapid change. Transportation must provide the highest level of visibility of products that flow in the domestic supply chain.



NOTE: 1 = very visible; 7 = not very visible

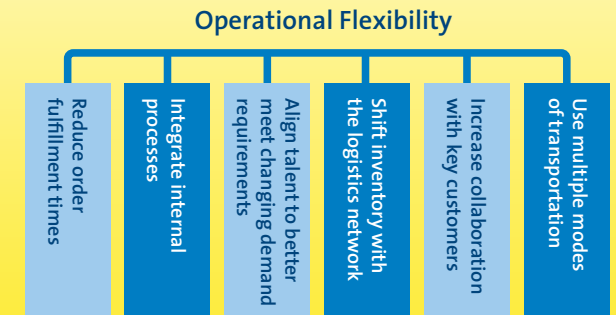
## 2 Deliver Service Excellence

When competing in the global supply chain arena, service is an important aspect. The ability to deliver differentiated service maximizes return for both the company and its customers.



## 3 Attain Operational Flexibility

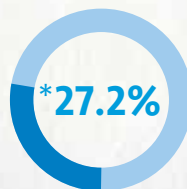
What critical capabilities enable a company to efficiently respond to changing conditions? How is your company putting these essential proficiencies into play?



The results\* of the 22nd Annual Trends and Issues in Transportation and Logistics findings indicate that this "value-added" view of transportation is significantly related to better company performance in areas such as profitability, return on assets, competitive position/market share and customer service.



of respondents cite "changing customer requirements" as the reason to change the way they manage their area of responsibility.



of respondents cite "increasing customer satisfaction" as the primary objective/goal for their division or business unit during the last year vs. 24.3% in 2012.

After these principles have been fully implemented, their value must be communicated to both internal and external constituents. The value proposition consists of:

