

KDL Sponsors CSCMP College Challenge

Each year the Council of Supply Chain Management Professionals (CSCMP) sponsors a college challenge for students to participate and compete against each other in a friendly format. On Thursday, March 27, 2008, Jerry McConnell, the President of the Pittsburgh Chapter Roundtable and colleagues hosted the 22nd annual Pittsburgh Roundtable College Challenge. The competition was hosted at Robert Morris University in Moon Township, PA. In the College Challenge, teams of Supply Chain Management Majors from ten major universities such as Michigan State, University of Maryland and Duquesne University competed for a winners trophy and bragging rights as the CSCMP's top school in Supply Chain Management. The actual competition was several rounds of four teams competing against each other to answer questions on supply chain management and logistics. The 2008 College Challenge winner was University of North Texas.

The CSCMP was also fortunate enough to have guest speaker William Gus Pagonis attend the event. Mr. Pagonis was President of Sears Logistics Services, Inc, a wholly subsidiary of Sears. While at Sears, he functioned as the single point of contact while directing logistics for more than 2,500 stores, in addition to a network of strategically positioned distribution centers. Finally, on day two of the event, 40 students took a boat tour of the Port of Pittsburgh, the second largest inland port in the country. Special guests such as the Army Core of Engineers, The US Coast Guard, and the Port Master of USX spoke to the students on the importance of river transportation. Overall, the 22nd annual CSCMP College Challenge was a great success.

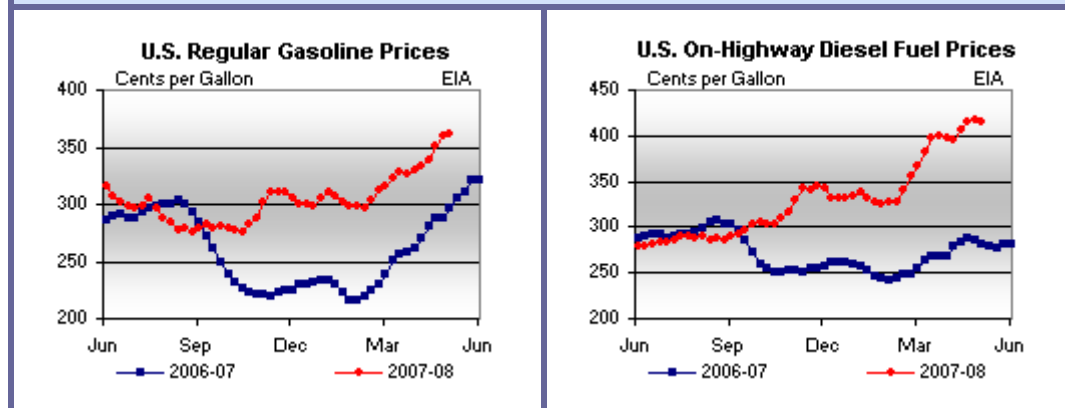
U.S. Customs Requirements

During the week of January 4, 2008, the US Department of Homeland Security issued a Notice of Rulemaking looking to adopt a new, more strenuous security screening program for ocean shipments destined to the United States. Although this is a rule, not a law, the implementation of this would place an additional burden on importers and carriers. Customs is planning to require additional commercial information known as 10+2. Ten of the elements will come from the importers describing the cargo, and two of the elements will come from the carriers bearing information regarding the containers and conveyances in which the cargo is loaded. This rule states that carriers would be required to electronically submit a vessel stow plan and container status messages regarding specific events relating to containers loaded on vessels destined to the US as well as requiring importers to submit an importer Security Filing containing the following 10 data elements:

- | | |
|---|--------------------------------|
| 1. Manufacturer (or supplier) name and address | 6. Consolidator name & address |
| 2. Seller name & address | 7. Container stuffing location |
| 3. Buyer name & address | 8. Consignee number |
| 4. Ship to name and address | 9. Country of origin |
| 5. Importer of record number/ FTZ applicant ID number | |

Customs stresses that membership in C-TPAT will be viewed highly and C-TPAT members shipments will be clear faster than those by non-members. If customs adopts a more flexible XML data structure, if this rule were to pass, then getting all of this information would be much easier and cheaper to attain.

U.S. Gasoline and Diesel Fuel Prices, 05/05/08



The Year of the Rat

The Chinese New Year 4706, also known as The Year of the Rat, began on February 7, 2008. It has been said those born in the "Year of the Rat" are clever, ambitious, creative, hard-working, fastidious, charming and sociable, but can be a bit stingy when it comes to sharing their wealth or possessions.

In China, people take weeks of holiday to prepare for and celebrate the New Year as it is the most important of the traditional Chinese holidays.

The time just before and just after the Chinese New Year have historically resulted in extremely heavy shipments.

Employee Highlights

KDL is pleased to announce a few new additions to the rapidly growing team. At the beginning of January, KDL hired two Business Development Managers: Rob Moore and Matt Dove. Rob and Matt will be working with the sales team where their primary responsibility is to develop new business opportunities selling the KDL portfolio of services.

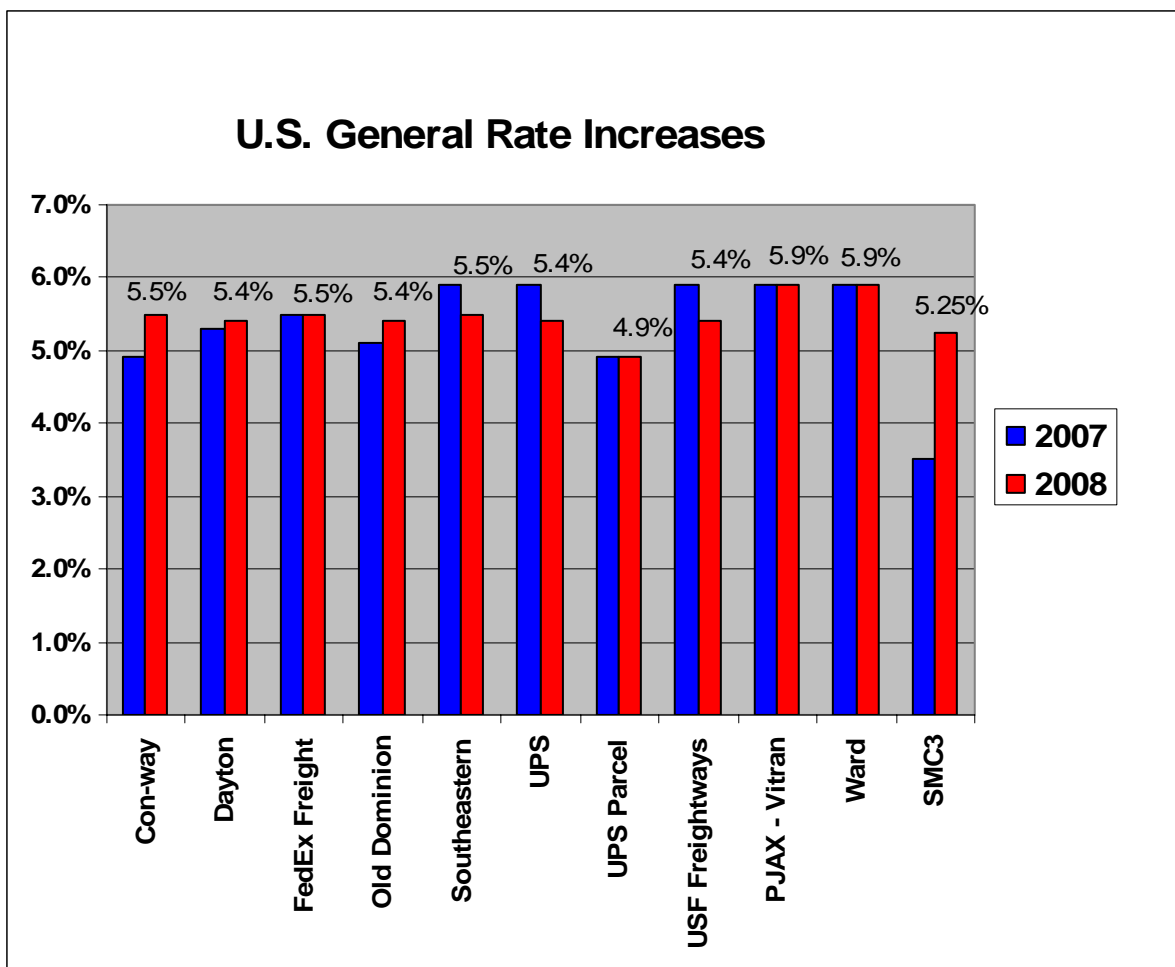
Shawn McCaffrey was also added to the KDL in January. Shawn's position is Logistics Coordinator and his main focus is to support the sales efforts of KTS matching trucks with freight opportunities presented by the sales team

Lori Conway was hired in early March as an Account Manager. Lori brings over 20 years experience in transportation & customer service to KDL.

KDL is also pleased to announce the promotion of Lori Spann to Supervisor of Invoicing & Payables. In Lori's new position she will oversee the entire process as it relates to freight bill audit; carrier payables and invoicing.

General Rate Increases

Many LTL motor carriers and regional motor carrier rate bureaus have begun to release their 2008 General Rate Increases (GRIs). The following general rate increases are those that have currently been published. *Percentages shown are the current 2008 increase



Technology– Distribution Network Analysis

KDL is a full service provider of freight management services, including specialty analysis and application development. With our Information and Technology Services department, KDL is able to handle special requests by our current clients or anyone that would need our expertise. For example, KDL just recently completed a distribution network analysis that provided a plan for where to locate distribution centers within the United States to meet an expected service standard for delivery. KDL offered recommendations for the best locations as well as provided a costing model to compare what is being spent today on transportation versus within the new network.

With our tools, technology, and people, we have been able to answer questions such as...

- Should we add another facility to our distribution network, and if so, where?
- What would be the cost impact of moving our main shipping location?
- How does this carriers pricing compare with our current pricing?
- I have always wanted an application built especially for this task, I wonder if it can be done?

If you would like to ask KDL to help you answer one of your questions, give us a call at 412-429-2179 or email elster@kdlog.com with more information regarding your project!