



Chicagoland Food and Beverage Network and  
Loyola University Chicago Quinlan School of Business  
present



**SOLUTIONS WORKSHOP – “Challenges in Transportation”**

Thursday, February 22, 2018

7:30AM – 10:00AM

# Agenda

**7:30 – 8:00am**

**Registration and Networking**

**8:00 – 8:30am**

**Batory Foods & D&W Fine Pack**

**8:45 – 9:30am**

**Breakout Discussions**

**9:30 – 10:00am**

**Report Out from each Group**

**10:00am**

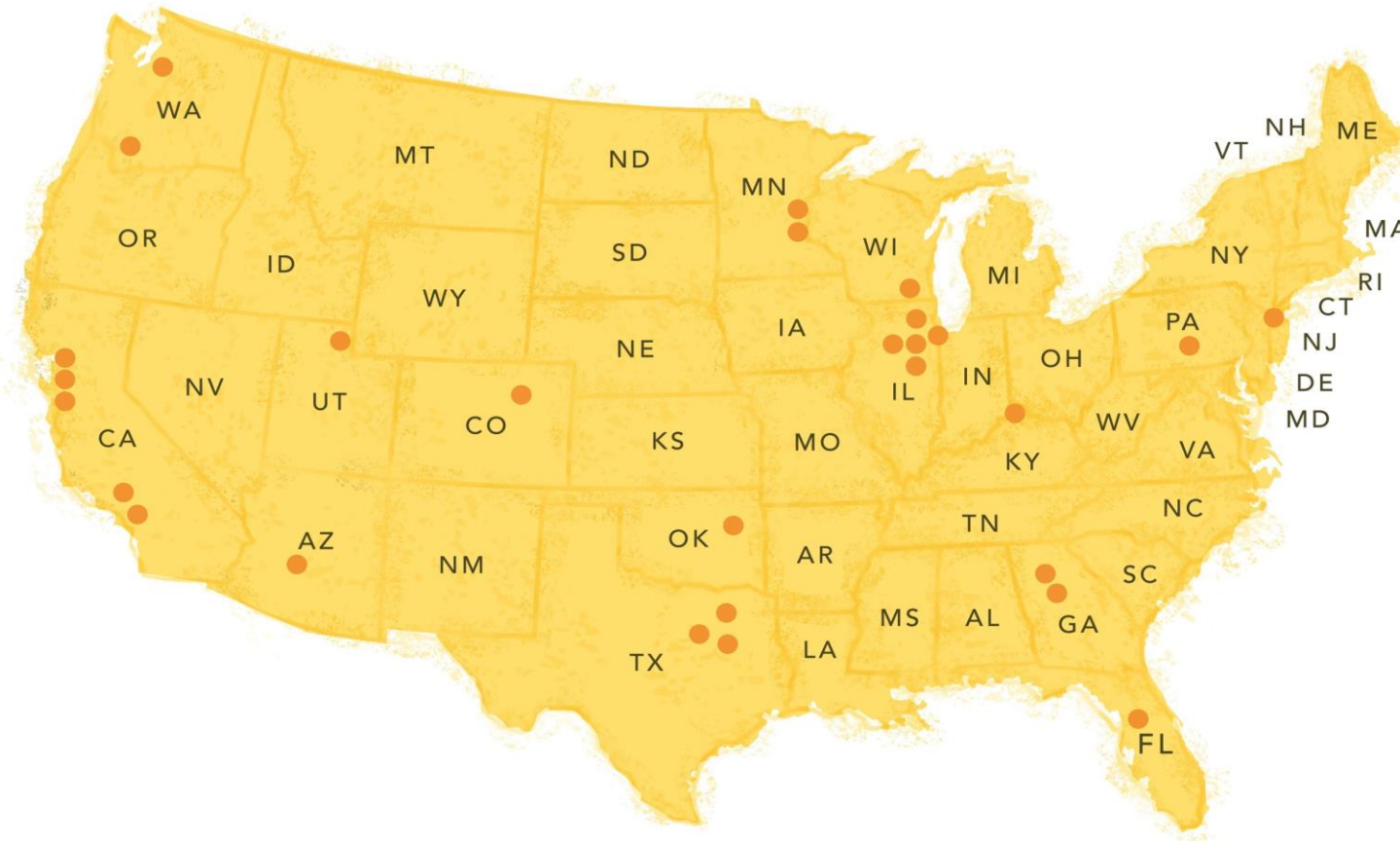
**Adjourn Meeting**





# Batory Foods & 3PL Facilities

Welcome to Batory Foods, a family owned national ingredient distributor founded in 1979. Our business is providing a broad range of high-quality ingredients to food and beverage manufacturers across the United States.



## Batory Owned Facilities

- Chicago, IL
- Elk Grove Village, IL
- Wilmington, IL
- Commerce, CA
- Union City, CA
- Lithia Springs, GA
- Hopkins, MN
- Garland, TX

## Corporate Office

1700 E. Higgins Road  
Des Plaines, IL 60018



# Batory Foods - Markets



Bakery



Beverages



Dairy



Candy &  
Confectionary



Dressings,  
Sauces,  
Condiments



Health and  
Nutrition



Meats



Proteins



# Batory Foods – Some Data

## Annual Shipments

	<b>55,000</b>
<b>(TL) Dry, Temp- Controlled</b>	<b>29,300</b>
<b>(LTL) Dry, Temp-Controlled</b>	<b>21,500</b>
<b>Intermodal</b>	<b>1,600</b>
<b>(TL) Bulk Liquid</b>	<b>2,000</b>
<b>(TL) Bulk Dry</b>	<b>100</b>
<b>Railcar</b>	<b>400</b>

Average  
Pallet Weight  
2,500 Lbs.

Shipments  
Travel  
throughout  
Continental  
United States

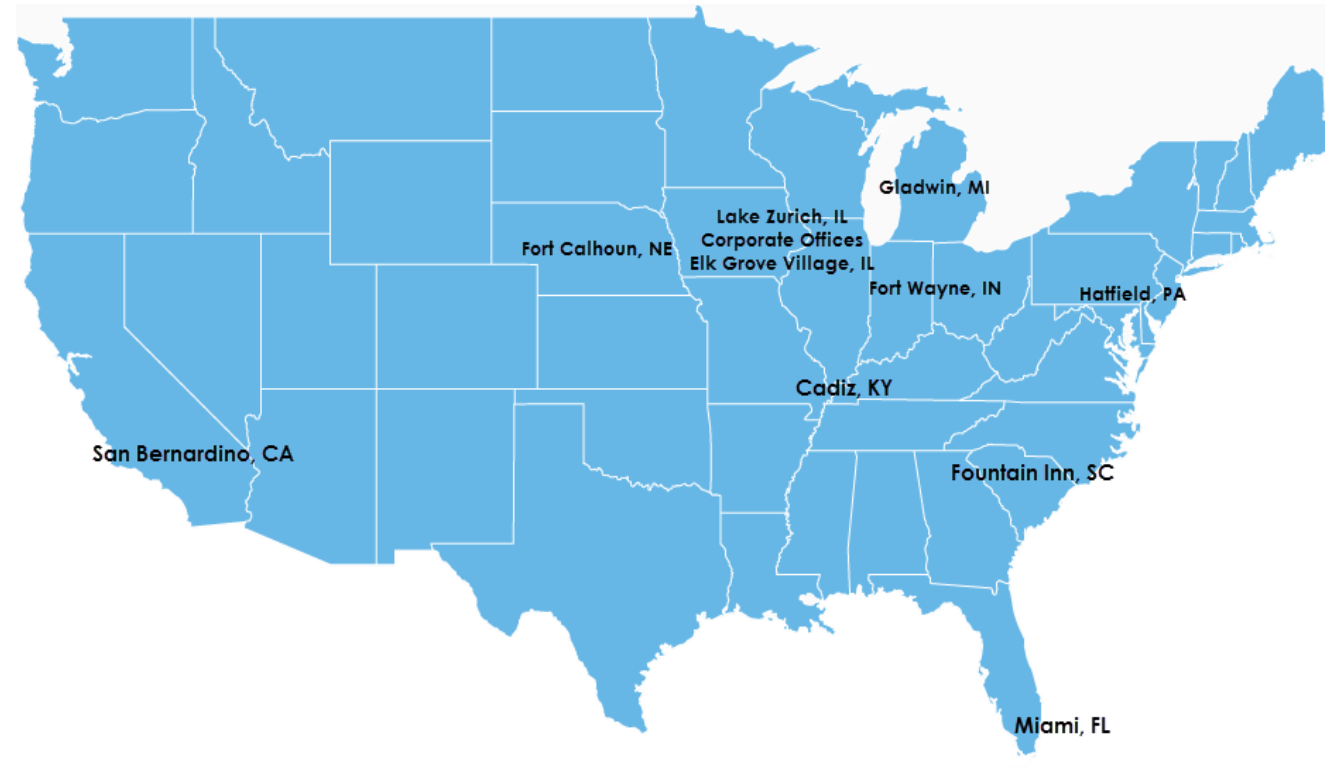
# D&W Fine Pack

D&W FinePack  
Corporate  
777 Mark Street  
Wood Dale, IL 60191  
847-378-1200



## Our Locations

Each facility has a place on the PORTAL for news, events and info. **Select a location.**



# D&W Fine Pack

## PRODUCT LINES



# D&W Fine Pack

## SOME DATA...

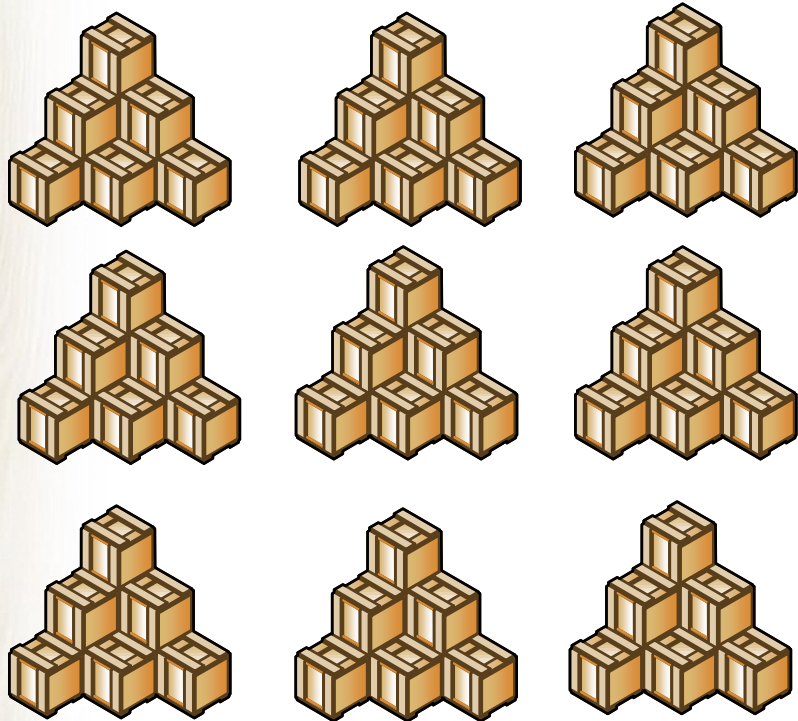
- **We sell over 12 MM cases per year across Food Service, Grocery Processor and Distribution.**
  - **You might recognize these end users - Chick Filet, Chipotle, Dunkin Donuts, Panda Express, etc.**
    - **We ship to 30+ states, we ship all modes!**
- We are light weight product – cube is everything for us!**





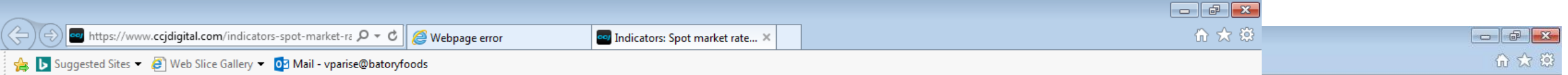
DECEMBER 2017

For Every 9 Shipments...



Data Source: Dial-A-Truck, (DAT) Solutions,  
December 2017

# Transportation Industry Challenges



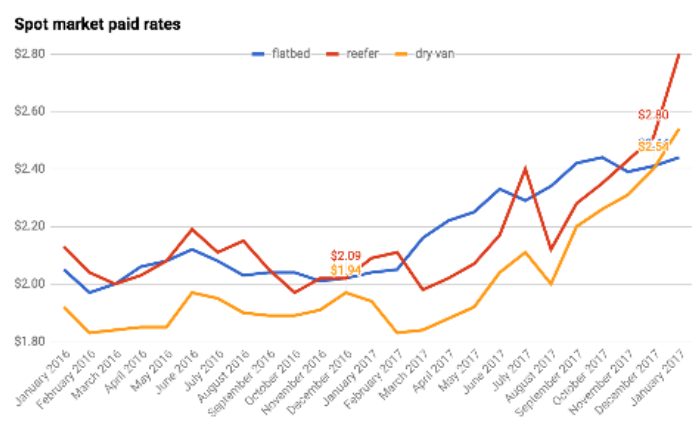
## Indicators: Spot market rates sky high in January, trucking employment ticks up

James Jaillet | @trucknewsjj / February 2, 2018



CCJ's Indicators rounds up the latest reports on **trucking business** indicators on rates, freight, **equipment**, the economy and more.

**Spot market rates leapt to record-highs in January:** Per-mile rates on the spot market in all three major truckload segments gained again in January, according to monthly rates data from Truckstop.com. Reefer and dry van rates hit at least 7-year highs, according to Truckstop.com's data.



Chasing aerodynamic gains with trailer add-ons



Fleets retooling to meet the expectations of e-commerce



Judge denies former Arrow Trucking CEO's request for early prison release



TomTom Telematics rebuilds fleet management product, in-cab driver terminals

Magazine

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## Electronic Log Devices (ELD's)

- The [Electronic Logging Device \(ELD\) rule](#) is intended to help create a safer work environment for drivers, and make it easier, faster to accurately track, manage, and share records of duty status (RODS) data. Start date: December 18, 2017. Audit begins April 2018. Changes transit times, shipper's inventory.
- **SHORT TERM** – the number of available trucks could drop as the rule is implemented over the next two years and beyond. That could send truckload rates higher, perhaps by double-digit percentages, as pricing decisively shifts to carriers. Smaller carrier's drop out of the marketplace due to higher technology costs.
- **LONG TERM** – data explosion that would revolutionize how the flow of freight is managed as it moves through North America supply chains.

## Hours of Service (HOS) Rule – effective date: July 1, 2013

- Reduces weekly driver time by 12 hours.
- Based on weekly hours reduction, additional 250,000 drivers needed to equal 2012 productivity.

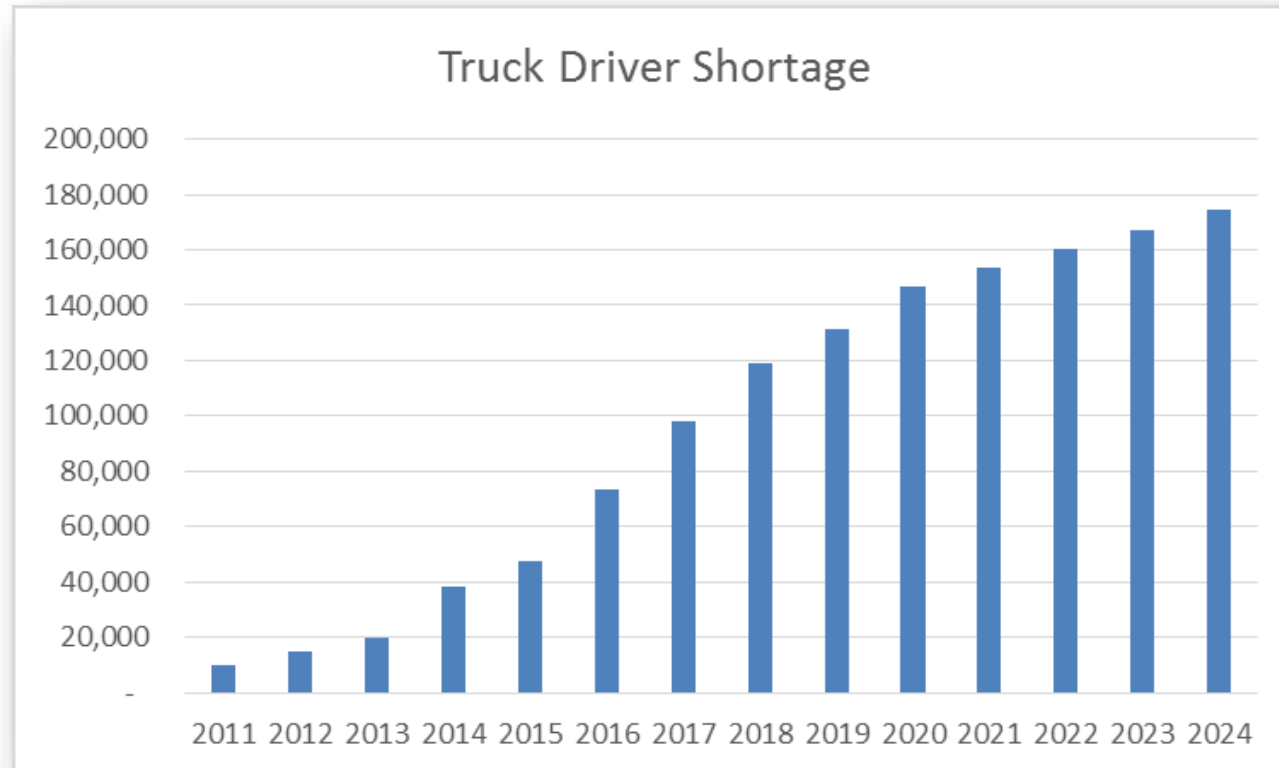




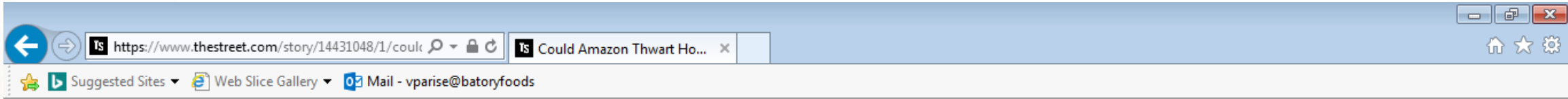
# Transportation Industry Challenges

## Truck Driver Shortage (100,000 in 2017) Class 8 Tractor / Trailer

- Today one of six drivers are 57 years and older. (American Trucking Association) ATA
- 2017 Driver Turnover – 1<sup>st</sup> Quarter: 74%; 2<sup>nd</sup> Quarter: 90% (ATA)
- JB Hunt – 3<sup>rd</sup> Quarter 2017 – 1,000 trucks sitting across JB Hunt Service Centers.



# Transportation Industry Challenges



NASDAQ 25.62 (0.35) Updated Feb 1, 2018 4:42 PM EST WE PUT THE EDGE IN HEDGING Ameritrade LOG IN NEWSLETTERS SUBSCRIBE KEYWORD/QUOTE

TheStreet JIM CRAMER INVESTING PERSONAL FINANCE RETIREMENT MARKETS ETFS FUTURES VIDEO

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Active Matters: Life isn't a passive activity. Investing shouldn't be either. At T. Rowe Price, we take an active approach to helping you reach retirement. [Learn More](#)



## Could Amazon Thwart Home Depot With Competing Bid for Logistics Giant XPO?

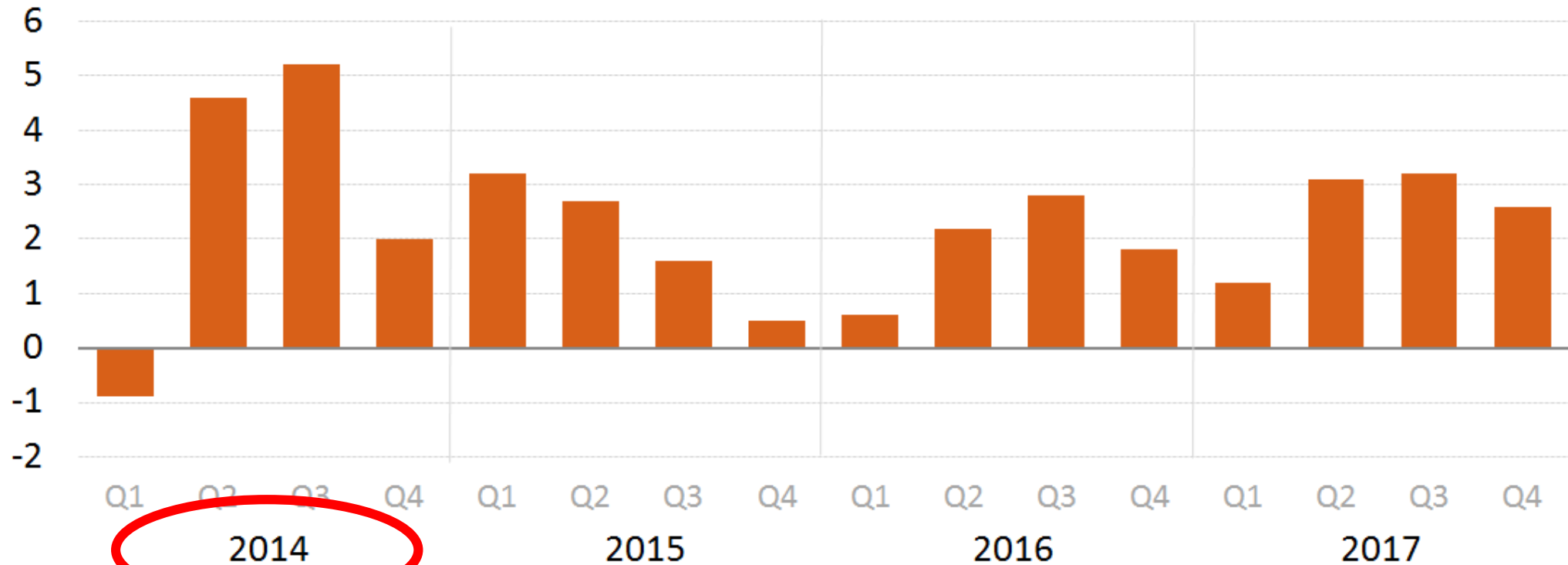
*Logistics and trucking company XPO could be a good fit for Amazon as it enters new e-commerce categories like furniture and large appliances, according to analysts.*

By [Annie Palmer](#)

Dec 28, 2017 8:12 AM EST

# Transportation Industry Challenges

Real GDP: Percent change from preceding quarter



U.S. Bureau of Economic Analysis

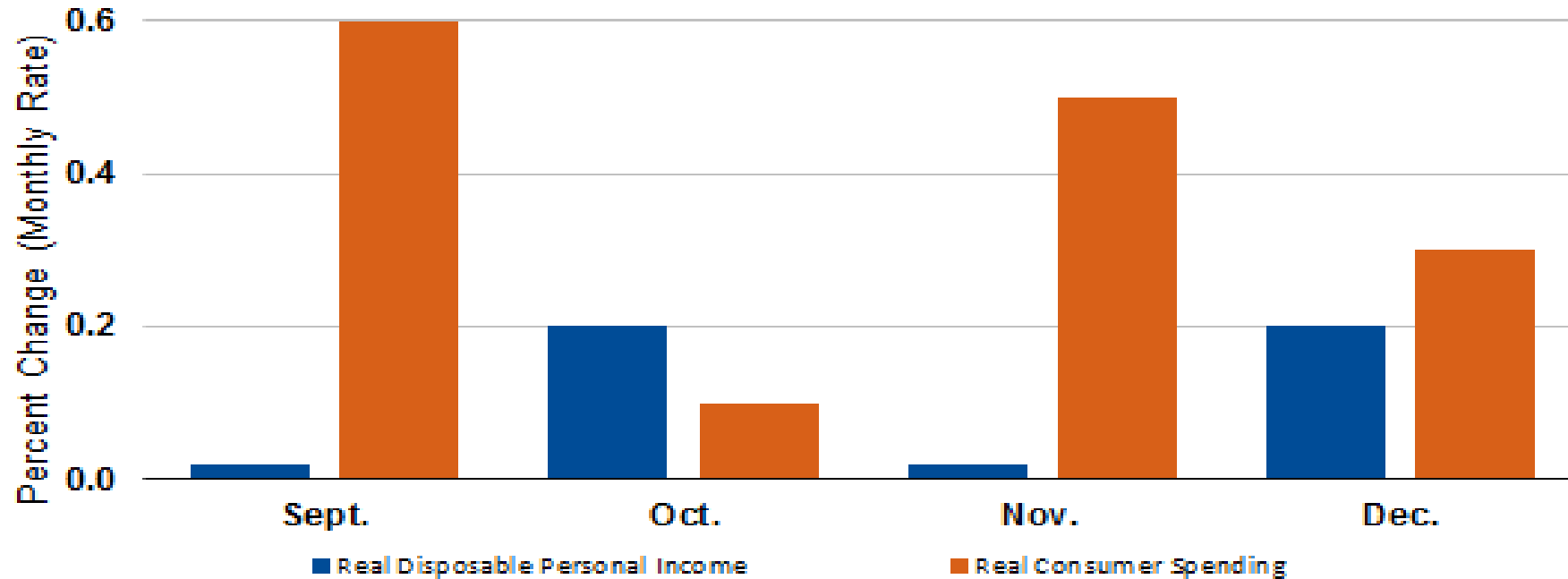
Seasonally adjusted at annual rates





# Transportation Industry Challenges

### Real Disposable Personal Income and Real Consumer Spending

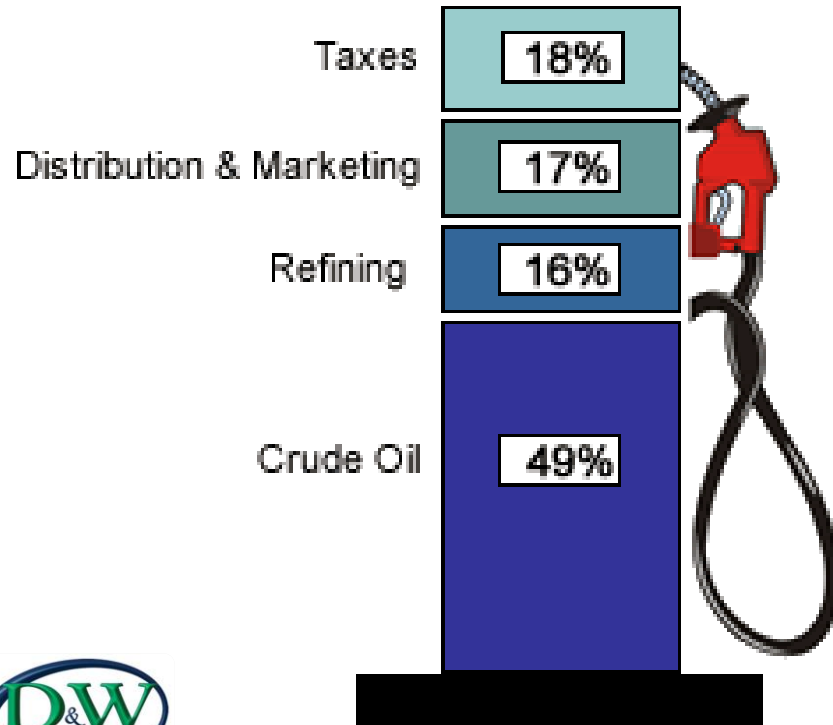


Source: Bureau of Economic Analysis



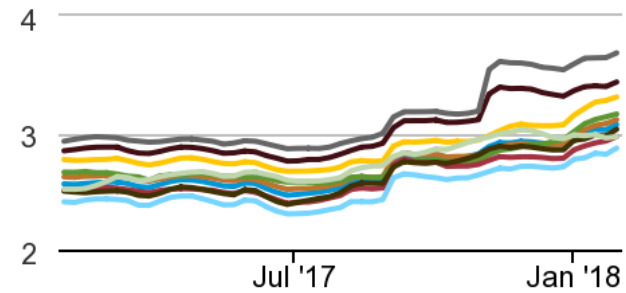
# Transportation Industry Challenges

Diesel (December 2017)  
Retail Price: \$2.91/gallon



## On-Highway Diesel Fuel Prices

(dollars per gallon)



- U.S.
- East Coast
- New England
- Lower Atlantic
- Gulf Coast
- West Coast
- Central Atlantic
- Midwest
- Rocky Mountain
- California



Source: Energy Information Administration



# Breakout Topics

- 1.) In a market with more loads than trucks, how do you ensure capacity to meet customer service levels?**
- 2.) Final Mile Delivery – Better Practices?**
- 3.) What are the next generation freight solutions to Increase capacity and how can we accelerate implementation?**
- 4.) Shipper to Shipper Collaboration? Who can execute?**

