

Leading Edge Logistics

Top 15 RFI Questions

- 1. Provide a brief history and overview of your company. How do you differentiate your company from your competitors? What do you consider your greatest value - add for a customer? Describe your company's strength and relative position within your industry.**

Knowing the history of a company is an important indication of the company's stability. Past strategies, structure and growth, shape current practices and are key components in a customer's impression of its ability to deliver the promised product or service. Customers want to know that a company will be there for them in the future if they have questions or concerns regarding their product or account.

Asking how a company is different from competitors allows prospective customers to determine if those unique differences are of value to them as a consumer. Differentiation is about creating profit through increased sales because your company can deliver its services in a way that competitors cannot. Identifying your company's greatest value is important because communicating it effectively can be the defining difference that sets your company apart.

Describing your company's strength and position in the industry is important to ask because it is an indicator of how well a company knows itself as well as how it views itself within the industry. The response may indicate whether the company is overselling or making honest claims based on available data.

For more than 15 years Leading Edge Logistics has delivered Guaranteed Logistics savings without fees to our customers. Our Risk Transference Strategy allows us to provide measurable year on year guaranteed savings to our customers. We couple JDA i2 Technology, the most sophisticated supply chain software to manage and optimize shipments supported by the finest Dedicated Customer Service Personnel to deliver your product on time and under budget. LEL customizes a logistics solution for each customer to achieve the goals of:

- Cost Reduction-Service Improvement-Visibility
- We track and trace 100% of the shipments that we manage.
- Technologies include:
 - JDA i2 Supply Chain Manager
 - JDA i2 Transportation Modeler
 - PO Portal - An Inbound Portal tool that supports PO fill rate notification for more efficient inventory management & planning
 - Web Based Track and Trace
 - Customized Monthly Reports

Leading Edge Logistics creates an extensive implementation plan for each new customer. This plan includes designing and deploying specific SOP's, defining metrics/ benchmarks, project plans, site visits, and detailed reporting. We also put in place detailed Corrective Action and Preventive Action for complete resolutions on any issues that may arise. We also put in place detailed problem solving tools such as; Corrective Actions, Preventive Action plans and 8-D process improvements for complete resolutions on any issues that may arise.

At Leading Edge Logistics, all customers are managed by a Dedicated Customer Service Team and are provided a SPOC (Single Point of Contact). We are a service based culture blending high level technology with the finest customer service in the industry. The Team Leader is charged with the responsibility of ensuring that all planned logistics activity occurs.

Prior to implementation we publish an SOP with each customer to confirm all customer expectations are met. As mentioned above, you will be provided a dedicated Customer Service Team that includes Operations, IT, Reporting and Value Added Services as well as Financial. Your Customer Service Manager will be available to you 24 x7 and maintains access to our operating systems should an afterhours need arise. Leading Edge Logistics ***does not own voice mail***. Each time you call any of our operations personnel, you will speak to a person who is knowledgeable about your company and will receive immediate response to all shipment requests or potential issues. As a Performance Based Company, LEL literally assumes Risk in providing Guarantees in both costing as well as service. We provide Logistic Resource as opposed to outsource... we manage claims, track freight, and dynamically manage each shipment with twin goals of service improvement and cost reduction. There are not many 3PL's in North America that perform this type of service.

At Leading Edge Logistics, our strength is first and foremost our people. Leading Edge Logistics has the finest collection of service driven people in the industry. Without question it is the service that we provide that makes our organization successful. Secondly the JDA i2 Technology we employ is used by some of the largest companies in the world and for good reason. JDA i2 technology gives us a much clearer picture and creates cost saving advantages not used by other 3PL'S. Thirdly, our customer will never be put into box. We can and will fully customize any aspect of our operation to meet your supply chain requirements.

2. Is your company asset based or non-asset based?

Asking whether a 3rd party logistics provider is asset based or non-asset based affects how services are provided. Asset based carriers own the means of transportation, often shipping lines, but frequently outsource the services they don't own. Non-asset based logistics providers rely on relationships and their internal process of tracking, communication and accountability providing 100% of the resources customers need to get product from point A to B.

Leading Edge Logistics is Non-Asset Based. As a Performance Based 3rd Party Logistics Company, LEL does not act as a broker. We provide logistics resource and solutions to our customers and guarantee our service without the potential of financial penalty when spikes occur.

Leading Edge Logistics only manages asset based carriers that we have long term partnerships. We commit to utilizing asset based carriers that can guarantee high service levels and capacity to meet the needs of this project.

- LEL Preferred Carrier Team Selection
 - Confirm all procedures and requirements are understood to ensure success
 - Provide drop trailers when needed
 - Confirm capacity and schedule requirements
- Communicate Real Time Shipment Updates/Visibility
 - Manifest transmission to border - PARS – PAPS
 - Track/Trace www.leadingedgelogistics.com
- Deliver Precise Communication Solutions Between Shipper and Receiver
- Guarantee Direct Driver Contact
- Provide Contingency Plan Support As Needed

At the outset of a customer relationship, we analyze the capacity needs of each customer. Once complete, primary and secondary carriers are assigned for each traffic lane regardless of mode. As such, we can provide drop trailers anywhere in North America, and proactively provide equipment when needed. Capacity flexibility is one of the distinct advantages of employing a 3rd Party Logistics. The Leading Edge network of over 10,000 asset partner carriers allow for us to respond to spike demands if needed. We can be agile in situations where asset carriers do not have any alternatives.

- Best Value
 - Operations Infrastructure – Service Excellence
 - Capacity Flexibility
 - Provide Additional Resource to Our Customers
- Lower Risk
 - Clear Understanding of Customers Expectations
 - We Are Experts in Logistics Management
 - Long Term Multiple Carrier Relationships
- Guaranteed Performance
 - Performance Based
- Logistics Expertise
 - Effective Metrics Measurement
 - Dedicated & Experienced Project Staff

3. What is your company's success/recovery rate for damaged shipments?

Success/recovery rates for damaged shipments are an important indicator of a company's willingness and ability to work with a customer if a shipment is damaged. A higher recovery rate means better accountability but more importantly, it means documenting and tracking shipments is a priority. Proactive preparation, proper documentation, accurate tracking and timeliness win damage claims and a higher rate indicates a more professional provider.

At Leading Edge Logistics, our success rate for damaged freight recovery is 99.4%. However, more importantly, our ratio of claims to shipments is less than .001%. This is due to two major factors. First, prior to implementation we review with our carrier base the methods by which freight will ship as well as the expectation of service for our customer. We review any dynamics, packaging methods and provide and SOP for each shipping location. Second, within our service commitment, Leading Edge Logistics tracks and traces 100% of the shipments we manage. This pro-active approach to shipment management enables us to avoid potential delivery failures associated to lost or damaged freight.

We have a documented Claims Process that we employ to ensure that all claims are managed properly and have a dedicated Claims Manager on staff.

4. Summarize the implementation strategy you propose for a new client that has multiple businesses and many sites. Is it a formal documented process? Provide a proposed timeline with key dates and milestones.

This question is important to ask because it determines the provider's ability to preplan and document the shipping process for a prospective client with multiple businesses or locations. Providing this information helps the prospective client determine if the provider is capable of handling complex transactions.

At Leading Edge Logistics, an overall Team Leader supported by executive oversight coordinates our service team, 24 x 7. The asset providing carriers who perform under LEL leadership are provided with detailed planning tools to ensure maximum service. The applicable technology is in place to maximize overall performance. Standard Operating Practices specific to the customer are employed. We utilize advance planning tools and technology to ensure continuous improvement, with an overriding goal of achieving perfect service coupled with cost reduction.

5. Describe your procedures for training customer staff. Are guidebooks available? Do you provide toll free live customer service on a 24x7 basis? If not, please explain alternative.

Asking about training procedures for a customer's staff is an indication of the provider's dedication to the customer's business. Informing a prospective client how its staff is trained reflects your commitment to the client as a logistics partner. Training a customer's staff is an investment in time and money that the provider brings to the relationship.

In today's world of computer generated voices and complicated phone tree systems, offering live 24x7 customer service is a key indicator of the provider's responsiveness to a client's needs. Although using electronic voices and automated systems is not necessarily evidence of the converse, knowing in advance how easy or difficult it is to reach a live person can be a sales asset to emphasize or a challenge to overcome.

At Leading Edge Logistics, the procedures for training the customer's staff begins with clearly defined SOP's and Service level agreements. Once defined, we form implementation teams with the appropriate personnel from each party. LEL will bring in our implementation team to meet in person with your staff and established the day to day operations to implement. The Leading Edge implementation process has proven to significantly reduce work load for our customers. By having our staff manage day to day carrier operations enables you to focus on manufacturing and order fill ratio improvement.

Leading Edge Logistics provides toll free service that is available for all of our customers 24 x 7 and 365 days per year.

6. How does your company recruit and retain quality personnel?

Knowing how a company recruits and retains quality personnel is a prospective customer's barometer on how that company will treat them as a customer. If a company invests in its people they will provide a higher level of service to the customer. Retraining programs are important to a client because they are an indication of that company's ability to remain current in a dynamic transportation market.

At Leading Edge Logistics, all new recruits are subjected to an extensive 3 day interview process to insure their backgrounds and knowledge accompany the present atmosphere within our present employees. We strive to continually interview candidates throughout the year in hopes of keeping our hiring pool fresh. LEL's present retention rate is 95%. This is accomplished by allowing our employees to be leaders within their accounts and taking care of them by giving them a working environment second to none.

7. How will you inform us of breaking industry news, security advisories and market updates in a timely manner?

How a customer is informed of breaking news or changes in the law and other relevant issues is important in determining the responsiveness of the provider. A provider that uses current technology and communicates regularly will be more responsive than one that does not.

At Leading Edge Logistics, email is utilized from both a dynamic daily advisory communicator as well as to provide updates on issues like spikes in fuel or weather advisories. We also use email in the shipment notification process (particularly on inbound).

LEL uses Video Conferencing on a monthly basis for most of its customers. VC insures all our updated and aware of any and all changes within your organization and the logistics industry. VC is used to go over monthly cost savings, new routing information, cost saving opportunities or to have more than one plant on line at any given time. All equipment is sent to the customer from LEL and its one click from our web site.

Conference Calls- LEL can set up weekly phone conference calls in order to update each week's issues. This is a good means of keeping information up-to-date and fresh. All parties will be given a conference number and log-in supplied by LEL which will allow for any problems, opportunities and issues to be investigated immediately.

Leadingedgelogistics.com - Our website is utilized as our "News Room" providing company and industry updates. Also, as needed our Customer Service Managers, General Manager and President provide instant notification of breaking news, new laws or mandates that may affect your logistics operation.

8. What formal quality initiatives, if any, are underway to streamline operations and deliver tangible benefits to your customers?

The importance of formal quality initiatives and efforts to streamline with an eye toward tangible benefits to the customer should be self-evident. A provider that regularly evaluates the needs of its client and matches that need to the most efficient process is more likely to retain a client in the long term.

LEL Corporate philosophy is one of constant and continuous improvement both internally and for our customers. That said, through the review process (discussed above) and in conjunction with our customers personnel. LEL's objective is continuous review of the joint operations and cost improvement/ efficiency enhancement potentials.

Quality initiatives take many forms. Within each customer we have found that the streamlining of operations falls within the culture of each operation. The first thing Leading Edge Logistics does is to assess the product. An air filter, oil filter and water filter have different characteristics in packaging, shipping and handling. The customers for each are different type of business entities and require different methods of measurement. It is the reason why we place such high value on our Customer Service Management. It is also the primary reason why we do such a detailed analysis of our customer's logistics scheme. Once the baseline is established, and the first "cut" of savings guarantee is in place; we then formalize the project and begin development of "Year 2" benefits.

9. How do you measure and report on customer satisfaction?

Understanding how a provider measures and reports on customer satisfaction is an indication of whether that company really cares about the needs of its customers. Adequate feedback, followed by careful evaluation and implementation of new strategies, where appropriate, are hallmarks of customer oriented businesses. Regular customer feedback is essential to anticipating client need.

LEL sends out a customer survey to each of its accounts on a monthly basis. This survey will inform the respective account rep on what areas of our commitment need to be improved. LEL insures its customers that we measure ourselves on a daily basis through continuous, communication.

10. Describe your company's carrier selection process. Describe your company's measurements for carrier service levels.

Your company's carrier selection process is an important question to ask because it tells the customer what your core requirements for a carrier are. These core requirements should coincide with or augment a client's requirement in selecting a logistics provider. Detailed requirements and thorough vetting of carrier capabilities indicate attention to detail, which is another hallmark of successful logistics companies.

How your company measures carrier service levels tells the client how important tracking vendor quality is to you. Receiving regular and detailed reports in key performance areas tells a client that you are "on-top-of" your vendors, which translates directly to staying on top of a client's shipment. However, tracking criteria must be relevant to the vendor's ability to perform in order for it to have meaning to the client.

LEL utilizes many of the same criteria as stated above when selecting a carrier. Carriers are the heart and soul of our operation. Besides our own employees, they are the second most important aspect of insuring that our service levels are met or exceed the metrics established at implementation.

Leading Edge Logistics has a vendor base that exceeds 10,000 under contract. To insure we continue to use the best carriers for our customers LEL manages the carrier based on the following criteria:

- Accurate Pick Up Time
- Accurate Delivery Times
- Damaged Claim Issues
- Rates-Fuel
- Operating Authority
- Insurance Coverage
- Fleet Capabilities
- Coverage Area
- Fleet Maintenance

These are just a few areas we monitor on a daily basis. Our IT Systems allow for prompting in certain areas to insure we receive the information on a timely basis. In addition our vendors are long term partners with a customer focus philosophy. Most of our carriers are satellite tracked and possess transportation management technology that link to our company web site. We seek the best in class for each mode of service, and never sacrifice service for price.

11. Does your company provide individual or summary invoices? If so, please explain the process.

Asking whether your company provides individual or summary invoices is important to ask because it shows whether you can provide the level of detailed required by the client. Some clients may want a summary while others may want individual invoices. Regardless, asking the question tells the client that your billing process is client focused (e.g. "How would you like to be billed?") rather than company focused (e.g. "This is how we bill.").

Leading Edge Logistics provides both options and bills according to the customer's preference.

12. Describe your process for reviewing operations, costs, identified opportunities, and performance with clients on a regular interval.

Asking this question will highlight the provider's ability to remain current while consistently seeking areas of improvement. Look for regular evaluation of high value performance indicators as well as clarity of the data and information presented. Knowing the process for reviewing these key areas in advance helps determine the effectiveness and quality of the information when it is presented to the client.

At Leading Edge Logistics, we do what you require. Typically we provide you monthly reports that cover activity and measure the KPI's that we agree on prior to implementation. Included in this process is identifying opportunities of cost reduction or other efficiencies. A high level report is developed and presented on a quarterly basis that will measure our results vs. what was guaranteed.

Leading Edge Logistics provides guaranteed savings to 100% of its customers. We measure what we promise.

Conference Calls- LEL can set up weekly phone conference calls in order to update each week's issues. This is a good means of keeping information up-to-date, fresh and accurate. All parties will be given a conference number and log-in supplied by LEL which will allow for any opportunities or issues to be investigated immediately.

In Addition, LEL has also implemented a Customer Focus Committee (CFC) which analyzes each customer a minimum of one time each quarter (or sooner if needed). This committee analyzes all aspects of the account in looking for cost saving opportunities or other issues that may help streamline the account. This committee is geared to insure our customer receives any continuous improvement opportunities available.

13. Define your track and trace methods. How do you monitor shipment events against the estimated / expected times in the load plan?

How a provider tracks a shipment and monitors shipment events against the load plan will affect the client's perception about the company's ability to meet client expectations. The greater an emphasis the company places on tracking, communicating and reacting appropriately the stronger a client will feel that the company can do what it promises to do: deliver. The converse is also true.

The LEL Value Added Services Team that has the sole responsibility to daily track and trace every shipment every day. If an event has not met the criteria designated by the load plan we will have an action plan in place to recover and notify as needed or required.

14. How would you insure that all shipments actually ship, and at the most favorable cost to us?

To a client or potential client this question really asks, "Can you do what I need you to do and at the best cost for me?" What the answer seeks to define is what processes are in place to assure the client that they will consistently get the best rates with the greatest likelihood of a timely shipment.

Our process calls for Leading Edge Logistics to manage the shipments. As shipments are tendered, our staff monitors shipment activity immediately including verifying that the order actually shipped. We will have direct communication with each of your shipping locations as well as your vendor sites. There will be a robust and active communication between our Operations Center and the shipping location that will verify the shipment.

Our process calls for Schedule A rating that has savings built in to our customer that aligns with the savings guarantee that we provide prior to implementation.

As we are performance based company, it will absolutely ensure the best in service low cost carrier is used for each opportunity.

15. Does your company actively pursue controlling accessorial charges such as fuel caps, tarping, stop charges, demurrage, notification and various other charges that seem to be overtaking the industry?

Asking if a company actively seeks to control accessorial fees is a strong indicator of whether the provider cares about the client's bottom line or does not. It further illustrates whether the provider's emphasis is on profit through customer service, if they actively control these costs, or if they seek profit at customer expense if they do not. This information will also have an effect on client decisions regarding repeat business.

Leading Edge Logistics negotiates a "Rules Tariff" for each customer and historically have eliminated several of the more "frivolous" charges from various types of carriers regardless of mode. We leverage our buying power as well as our industry knowledge to reduce, cap or eliminate most accessorial fees.