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## How the U.S. is Tackling Maritime Security Issues

The Maritime Transportation Security Act is the foundation for tackling maritime security issues and its development in the past few months has shaped the way they handle maritime security in the future. Maritime security is not just an American issue, but a global one that will take the partnership of many nations to execute. The bill was last revisited in 2010.

According to a [press release by Tom Kelly](#), the Acting Assistant Secretary, Bureau of Political-Military Affairs, "Ninety-percent of world trade is conducted on the oceans. Our food, our fuel, our imports and exports all travel on these global economic highways. Maritime trade is our nation's life blood. Keeping the oceans free for commerce – in two words, maritime security – is key to our national security."

Read on to unlock the ways The Maritime Transportation Security Act affects our national.

### U.S. Security and Global Trade



Image via [Flickr](#) by ST33VO

As Kelly outlined, the U.S. has interests in maritime security primarily for safer global trade. Currently, the U.S. is [in talks with India](#) over trade in the Indo-Pacific Economic Corridor. This is just the beginning of many diplomatic dialogues that will help open up the waters for additional, safe trade opportunities for the U.S.

The U.S. must also get another major Asian player on board: China. As the relationship between India and the U.S. develops further, China will likely be the next on the agenda.

## Issues on the Open Sea



Image via [Flickr](#) by Ministerie van Buitenlandse Zaken

The [U.S. Department of State reports](#) piracy as one of the main issues that affect common and trade-related maritime travelers. Somalian pirates present a challenge and an opportunity for the Maritime Transportation Security Act. They are a threat to not only the safety of boat crews, but trade dollars as well. In the past, the pirates have extracted millions of dollars through maritime hijacking.

In a report published on Nov. 19, 2013, [The U.S. Government Accountability Office \(GAO\) released](#) its findings from a study that suggests the Department of Homeland Security should carry out a Small Vessel Security Strategy. Small vessels are especially vulnerable to piracy.

In addition, the U.S. understands that Vessel Tracking or Long Range Identification and Tracking of Vessels (LRIT) could assist in reeling in future, potential piracy.

## The Future for Maritime Security



Image via [Flickr](#) by Official U.S. Navy Imagery

The future for Maritime Security depends on the waters the U.S. can safely navigate both literally and politically. Safer navigation of global waters could decrease the threat of pirates and increase the cooperation and help available from global shores in times of emergency.

Currently, anchors drop, stalling any efforts (or hope) for [North Korean maritime agreements](#), as ships fired dangerous rounds in to water occupied by South Korea as well. Issues like this prove that the U.S. is not only fighting pirates for maritime security, but important global governments. Partnerships and U.S. allies will also help shape the future for maritime security efforts.

What would you like to see included in the Maritime Transportation Security Act? Do you think it's a step in the right direction?

## [Case Study] How Direct Wine Aligned Their Marketing and Supply Chain Initiatives



Image via [Flickr](#) by marystavros@sbcglobal.net

Direct Wine is a wine sales and distribution company located in the UK. The company has recently taken their marketing and business efforts and procedures to a new level in order to reach further and create a better business for their current customers. The company has taken hold of the quickly evolving cloud computing software by Predictix.

The software is able to compute predictions regarding Direct Wine's consumer base, stock needed, financials available and being utilized, and global outreach. The consumer base is mainly in Australia, Germany, the UK and the US.

Since the company is centrally located within the UK, it makes sense for them to utilize a cloud computing software that can help them keep a better count on their consumer base and demands. By looking over the consumer base and demands, the company can later determine if the stock they have available is the right stock for the current consumers they have or if their stock can, in fact, meet consumer demands.

The financial aspect of the software has also grabbed the company due to its ability to compute and project numbers with deadly accuracy. These numbers will give the company an idea of where they need to direct and focus their marketing efforts, their revenue, their expenditures, and where they stand amongst competitors.

The computing further allows the company to reach out to their target audiences and customize their marketing approach since they have so many direct customers residing in different parts of

the world. Each direct customer base has different forms of a cultural adherence that needs appeal. What goes over well in the Australian customer base may not go over as well with those in Germany. Instead of wasting extra time and adequate funds discovering what those differences are by hand, the company can pull from the prediction cloud software. The software can provide them with the numbers that identifies what will work better for them.

Due to cloud marketing and the ability for consumers to reach out and directly influence how they feel about a company's product or convert to their loyalties to their biggest competitors, aligning a company's marketing strategy has become imperative. Keeping marketing efforts high while maintaining low costs is the most efficient way to continue your business success in the eyes of your consumers and your constituents.

Direct Wine needs to stay on their toes to ensure that they are giving their consumers the most for their money without ruining their customer loyalty base. Making sure that they can reach out to the right customers at the right time is imperative to the company as a whole.

Direct Wine CEO Simon McMurtrie stated:

"Direct Wines also has greater visibility into forecasted demand and projected stock requirements across all channels. This will help drive greater inventory efficiency and reduce the need for case and SKU substitution by ensuring that Direct Wines' buyers purchase the right wine in the right quantities at the right time on a global basis."

Direct Wine is taking complete advantage of an eagerly developing software to maintain their grip on their logistics and revenue streams.

## Obama Targets Big Truck Fuel Mileage: What Does This Mean for Business?

On Tuesday Feb. 18, President Obama announced new regulations for big trucks and fuel economy. In his recent address, [the president stated](#):

"Heavy-duty trucks account for just 4 percent of all the vehicles on the highway. [...] But they're responsible for about 20 percent of carbon pollution in the transportation sector. So trucks like these are responsible for about 20 percent of our on-road fuel consumption. And because they haul about 70 percent of all domestic freight -- 70 percent of the stuff we use, everything from flat-screen TVs to diapers to produce to...you name it -- every mile that we gain in fuel efficiency is worth thousands of dollars of savings every year."

President Obama not only outlined the state of eco-friendly transportation, but U.S. trade transportation as well. The speech delves further into legislation that would target big truck fuel mileage. Read on to learn what this means for business as usual.

### Setting Standards



Image via [Flickr](#) by Kolin Toney

Despite the recent speech, the legislation is not new. They introduced the bill in 2011, however, it wasn't set to take effect until this year. The legislation will last until 2018. What are the standards exactly?

The transportation bill now requires that [companies with large trucks](#) (big rigs and semi-trucks) reduce fuel emissions by up to 20 percent. So far, how companies reduce emissions is up to them; however, the push to reduce fuel consumption points to expecting fuel-efficient or hybrid fleets. Many companies will need to update their entire line of trucks to meet the new standards proposed by the bill.

## What Businesses Want



Image via [Flickr](#) by LendingMemo

[According to President Obama](#), Washington isn't the only backer behind the new bill: "And businesses that buy these types of trucks have sent a clear message to the nearly 30,000 workers who build them: We want trucks that use less oil, save more money, cut pollution. So far, 23 companies have joined our National Clean Fleets Partnership to reduce their oil consumption or replace their old fleets of trucks with more fuel-efficient models. And, collectively, they operate about 1 million commercial vehicles nationwide."

What's the major downside for companies not on board? They'll still have to revamp their fleet to meet the new standards, which could potentially impact smaller businesses for which large trucks are a major investment. President Obama did announce the tax credits inclusion in the bill to counteract a possible loss by a company. The tax credit is available for companies with large trucks, as well as large truck manufacturers.

## Navigating the Roads Ahead



Image via [Flickr](#) by Raymond Bryson

According to the [White House Fact Sheet](#) issued by the Office of the Press Secretary companies have already started saving. AT&T, for one, has updated around 7,500 of its trucks to alternative fuel vehicles (AFV). The White House has already begun to partner with large truck manufacturers as well via the SuperTruck program.

Come 2015 tax season, critics and opponents of the bill can assign a monetary value to any dollars lost in small business truck overhaul. Total savings or loss corresponds to the total savings on fuel as well.

Will the new regulations on big trucks and fuel economy affect your business? If so, how? Do you think there are eco-friendly future solutions that could better keep businesses in mind?

## [Case Study] How QVC Utilized Datalogic and Peak-Ryzex



Image via [Flickr](#) by Toolstop

QVC has purchased a significant amount of Datalogic's logistics hardware due to their upscaling in production and the overhaul necessary for their current logistics operations.

QVC selected Peak-Ryzex to aid in changing and upgrading all the systems associated with the company's Merseyside distribution center, Knowsley. Since the company's stock continues to increase, they were in need of more equipment that could optimize the efficiency of their warehouse. Utilizing Peak-Ryzex services allows QVC to deliberately move their focus from configuring devices, uploading hardware, and getting them ready for use to market alignment, supply chain, and how they can better optimize their company.

Those working within the logistics sector of the company's warehouse will not have to waste time looking for the appropriate software, worrying about failures within the warehouse, or keeping up with whether or not backup devices are available. Peak-Ryzex has taken all of that into account and can aid the logistics workers with their jobs should a technical error or malfunction occur.

QVC's acquisition of Datalogic's Falcon X3 scanning device will also boost the efficiency of the warehouse due to their ability to scan and produce a method of picking that does not require paper and can aid in quality stock control.

Datalogic has created a technology known as "Green Spot." Green Spot technology gives users immediate and accurate feedback as to whether or not they accepted a read. If they did accept the read, the user can locate the bright green spotlight on the bar codes before moving to the next

item. Datalogic has also equipped this technology with a beeping sound, however, the Green Spot allows the user to know whether or not they can utilize their read whether the sound is audible or not.

The Falcon X3, created at the cusp of the 2010/2011 turnover, equipped with wireless technology, imaging interfaces with a three megapixel camera, and a varying autorange performance that glides between laser and 1D to 2D wide aspect imager. It also has a sleek ergonomic design that makes its use more comfortable for those working with the technology at several intervals.

QVC's Knowsley facility contains and manages roughly 15 million stock items. The warehouse logistics team's workload is considerable and utilizing the technology created by Datalogic is an impeccable way to minimize the down or idle time and maximize profits within the company. Because the machinery is more advanced, acquiring a contract with Peak-Ryzex is imperative to maximize the profits and expand optimizing the logistics operators within the facility. Allowing another company such as Peak-Ryzex to enter under contract gives the QVC logistics team the edge due to Peak-Ryzex's ability to make sure that the software being utilized and hardware is ready for use upon arrival.

QVC's ability to house and deliver millions of items is nothing short of incredible. Increasing their output by allowing company funds to outsource their logistics configuration and backup to Peak-Ryzex for the next five years under contractual agreement was a move that will benefit and better optimize the company's efficiency.

#### **Related Procurement Events**

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23-27 November 2014 – Dubai, UAE

8-10 December 2014 – Hong Kong

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