

# *Further Connecting Businesses to Unsurpassed Infrastructure*

August 19, 2009



# Agenda

**Outbound Air Advantage - RFD**

**Inbound Air Advantage - RFD**

**Ground Advantage - CACH**



**Unique Solutions:**

***Rockford Capabilities***

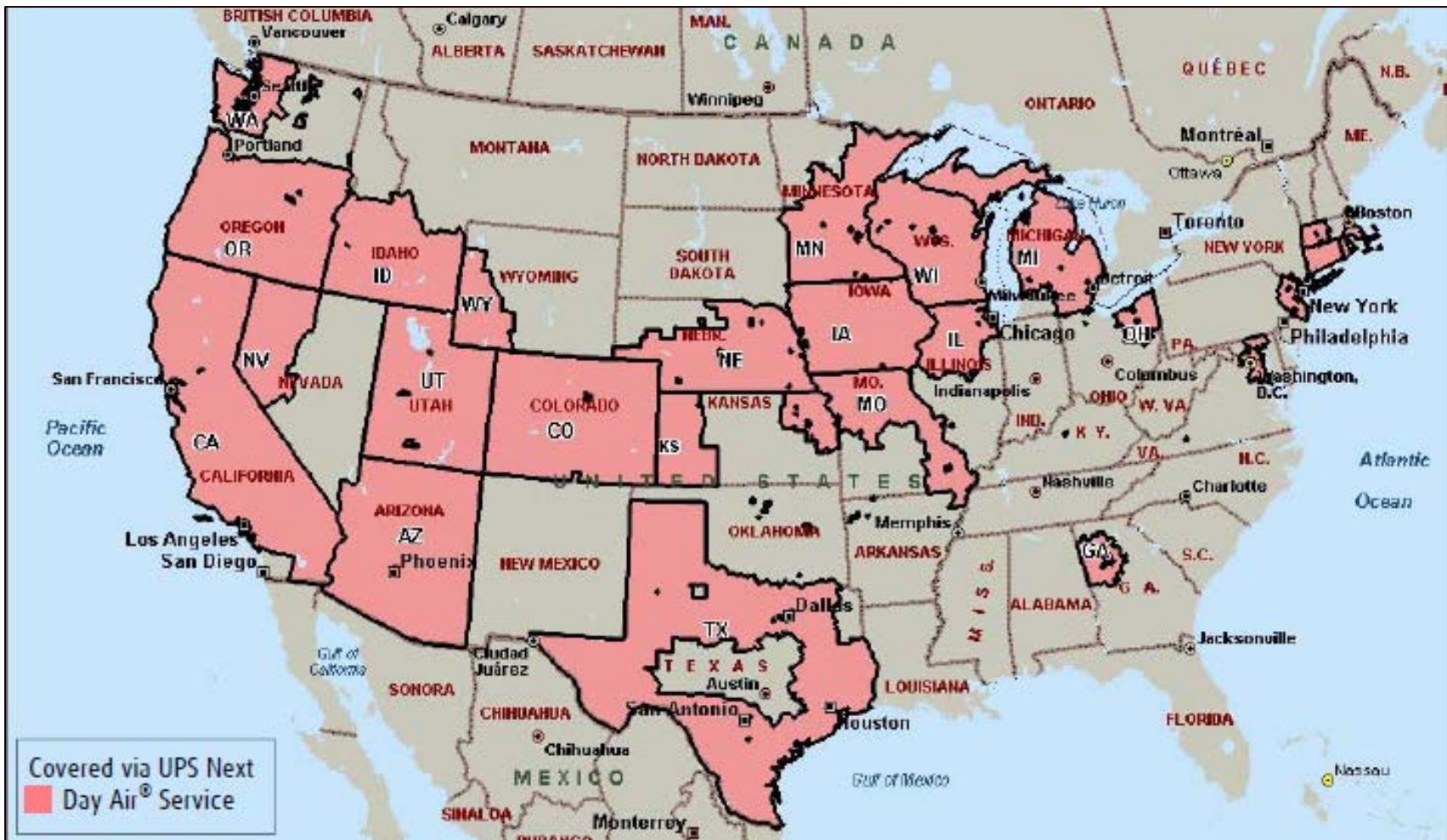
# Rockford Capabilities (UPS)

Employees.....	1,600
Total Site Area.....	89 acres
Total Square Ft.....	586,000
Conveyor Belts.....	15 miles
Capacity.....	120k/hour
Aircraft Positions.....	40



# Rockford's Unique Capability - Outbound

UPS' Rockford Air Hub can accommodate small parcels dropped-off as late as 12:30 a.m. and reach many business centers the same morning.



# Target Customers

- **High Tech**
- **Pharmaceutical**
- **Business Services**
- **Entertainment**
- **Fulfillment**
- **Repair Centers**

# Rockford's Unique Capability: Inbound

- Shipments Arrive Early – 5:45am
- No Congestion = Availability

## Target Customers:

- Diagnostic Testing
- Repair Centers



# Rockford Capabilities

Rockford's unique operation can enable businesses to:

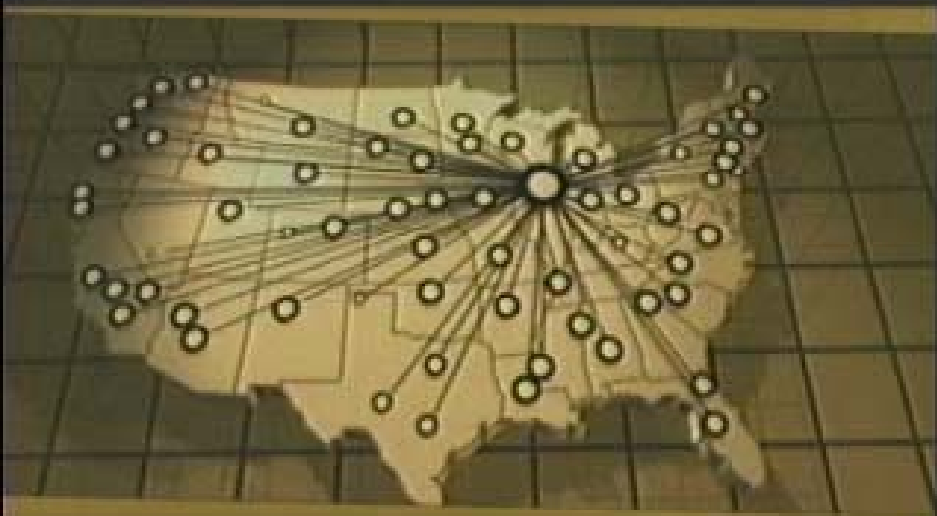
- Utilize a more flexible operating model (second shifts)
- Process additional orders each day
- Have adequate turn around time for 1 day turns
- Hold a competitive advantage





# Unique Solution - *UPS CACH Facility*





# CACH – Unique Facility/Unique Opportunity

- **UPS's main domestic consolidation point**
  - 1.3 to 1.5 million packages/day (increases in December)
  - Receives and dispatches more than 4,000 trailers/day
  - 1.5 million sqft with 65 miles of conveyors and rollers
  - Over 1,000 outbound doors, 316 tractors
  - Most packages pass through the facility in under 15 minutes
- **Employment for over 7,000 area residents**
- **Industry's most advanced computerized package handling/sorting technology**



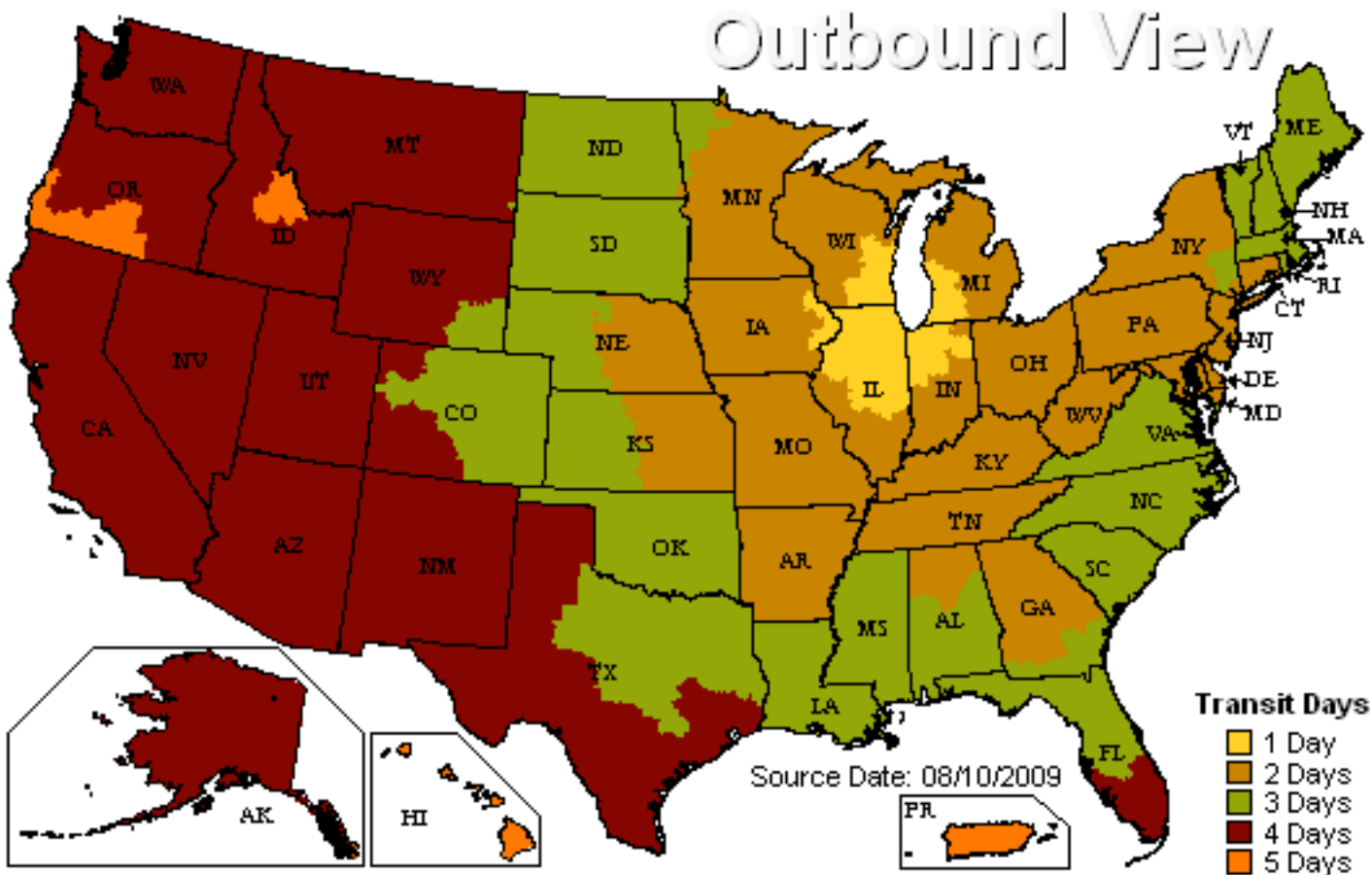
Our value-added services can meet specific customer demands for companies whose products require extra handling and/or customization before the sale.

# What People Don't Know About CACH

- **Availability to drop off packages directly**
  - Skid-only Drop Ship
  - Unloaded by CACH employees
  - Customers can drive their own trucks on premises to drop off
- **TNT advantages using CACH Day** if packages are received by noon.

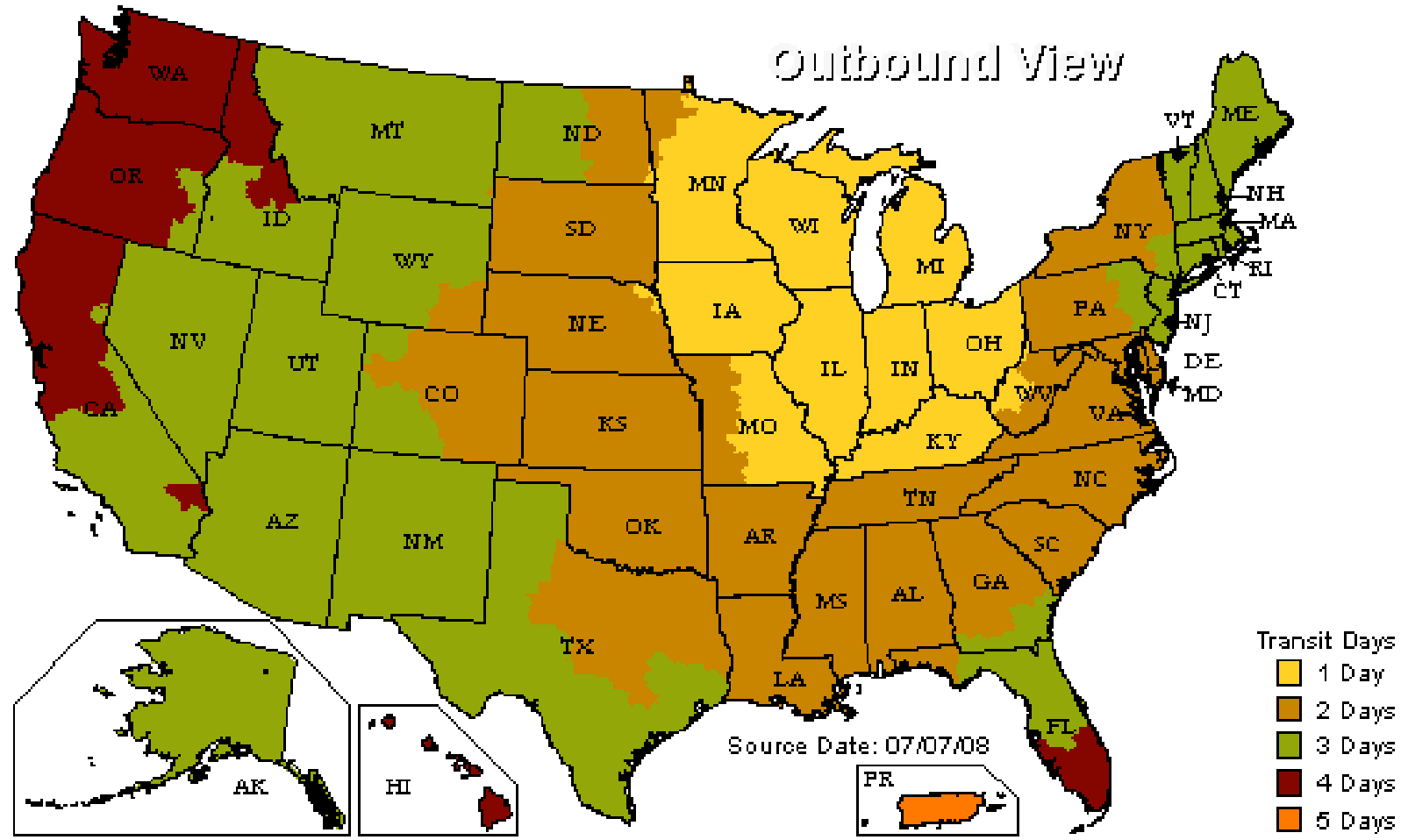


# Ground Time In Transit – Dekalb, Illinois

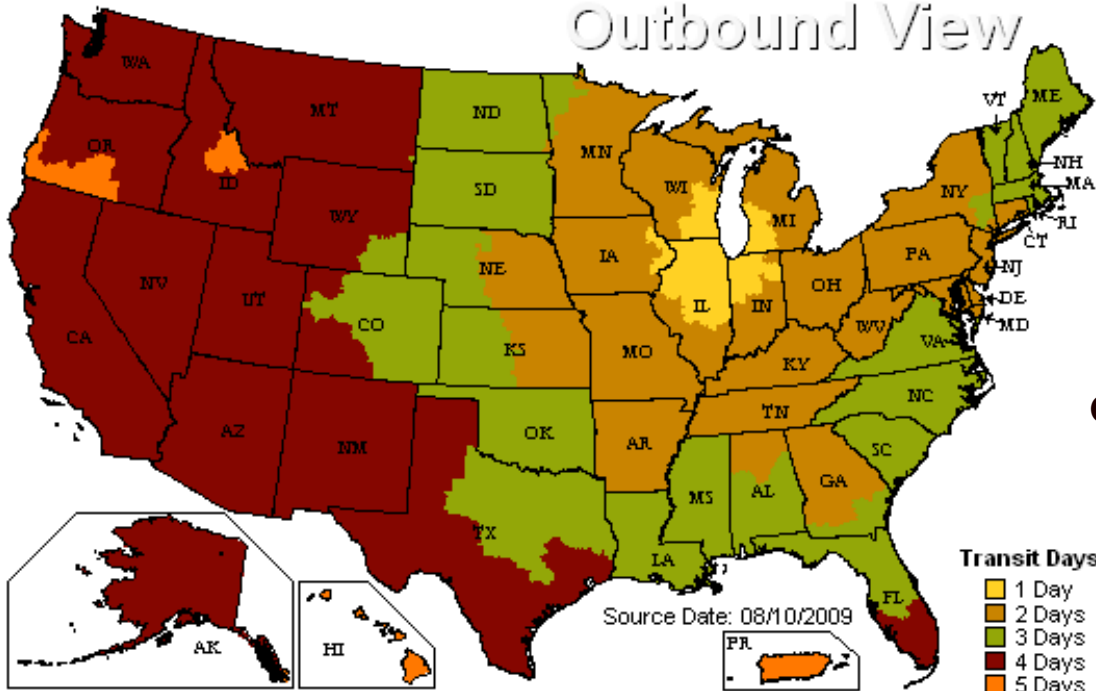


# CACH Day Sort Ground Time In Transit

UPS Origin Official: US06093 US06057



# Outbound View

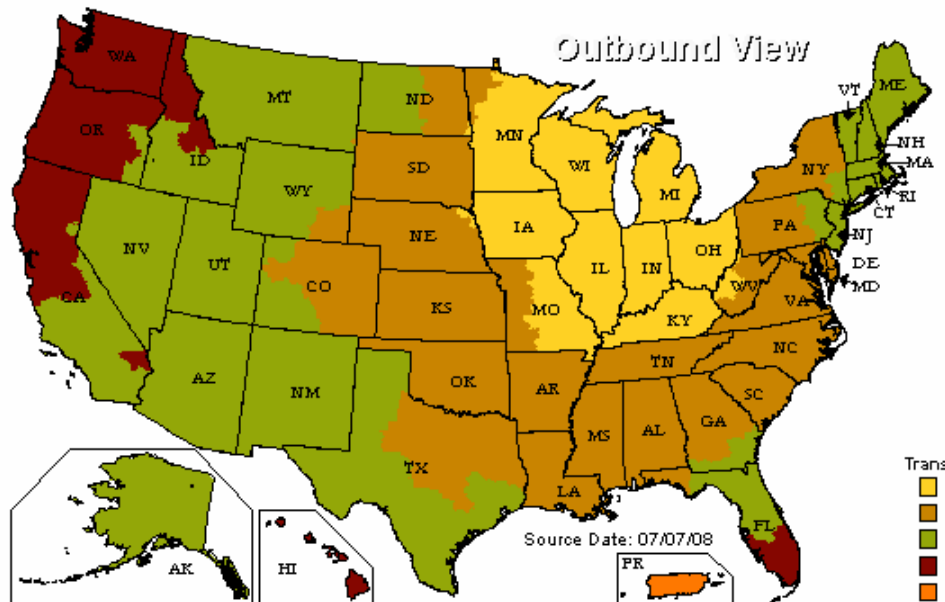


**Ground Time In Transit – Chicago Area**

### Transit Days

- 1 Day
- 2 Days
- 3 Days
- 4 Days
- 5 Days

**CACH Day Sort Ground Time In Transit**



- ### Transit Days
- 1 Day
  - 2 Days
  - 3 Days
  - 4 Days
  - 5 Days

# Zip Code Comparison

Number of Zip Codes by TNT Days

	1	2	3	4	5
Traditional UPS Service	2,173	16,228	14,342	8,565	225
CACH-a-Day	10,037	16,832	11,384	3,280	-



# Customer Benefits

*Unsurpassed Infrastructure = Opportunities:*

- **Open New Markets**
  
- **Gain a Competitive Edge**
  - Provide Fast Delivery
  - Upgrade Weekend Orders
  - Upgrade Holiday Orders
  
- **Offer an Opportunity to Reduce Costs**
  - Facilities
  - Air Surcharges
  - Freight Surcharges



# Target Customers

- **Internet**
- **Retail**
- **Wholesale**
- **Food**
- **Promotional**
- **Fulfillment**

**The key is understanding and leveraging the timing of the order process.**

# I-39 Corridor Uniquely Positioned

- **Outbound Air – Rockford Night**
- **Inbound Air – Rockford**
- **Ground – CACH-a-Day**
- **Intermodal – Global III**

*Thank You*

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