

# DAIMLER

**Short sea shipments as an alternative for dealing with driver shortages and improve vehicle quality**

Ivan Hernandez – Director of Transportation



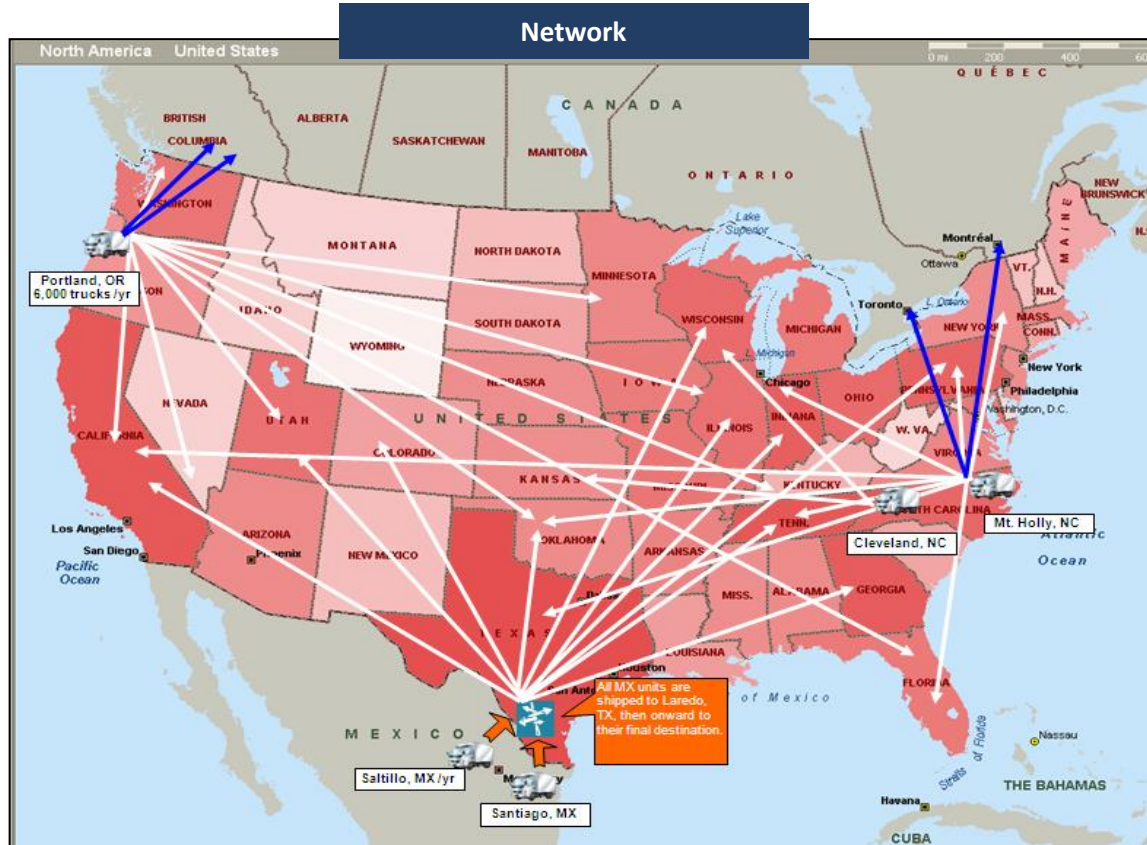


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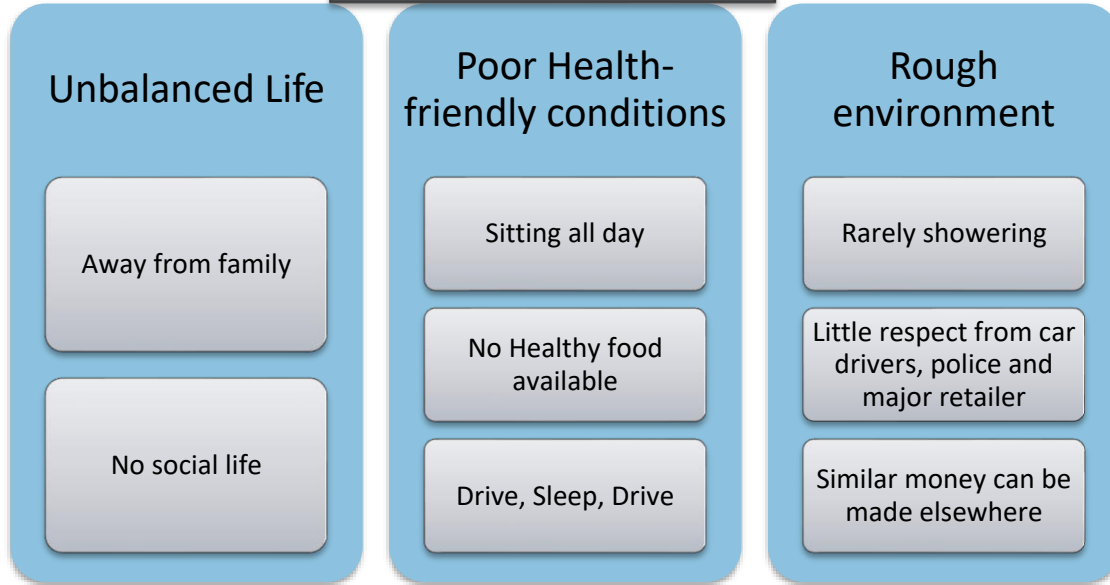




## Agreements

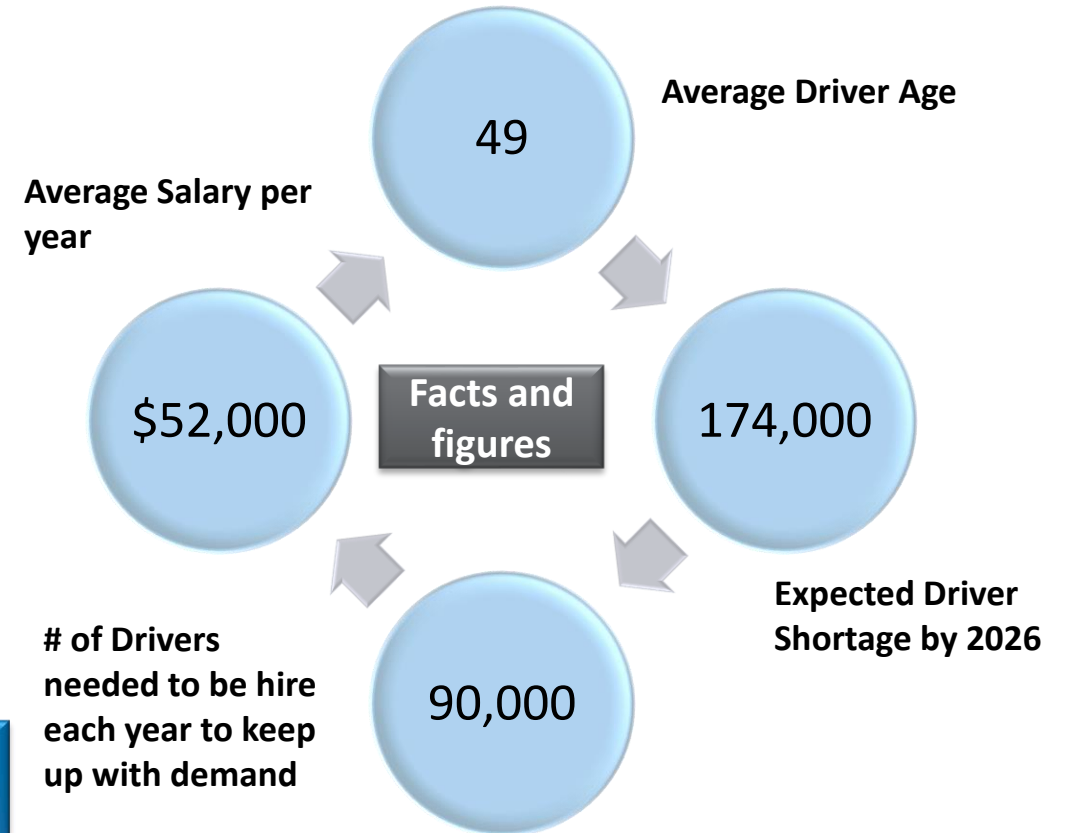
- › Vehicle processing at the plants
- › Decking and storage at dedicated facility
- › Short Haul: Single drive-away for distance < 300 miles
- › Long Haul: Multi drive-away for distance > 300 miles
- › Drivers are responsible for delivering units to final destinations and completing un-decking responsibilities
- › 2 Major service providers on own axles (single drive-away) or “piggy –backing” (multi drive-away)
- › Reverse logistics of saddles, handled by provider
- › Average miles per delivery: 1,400 mile average

## The life of a driver



## What we are currently seeing

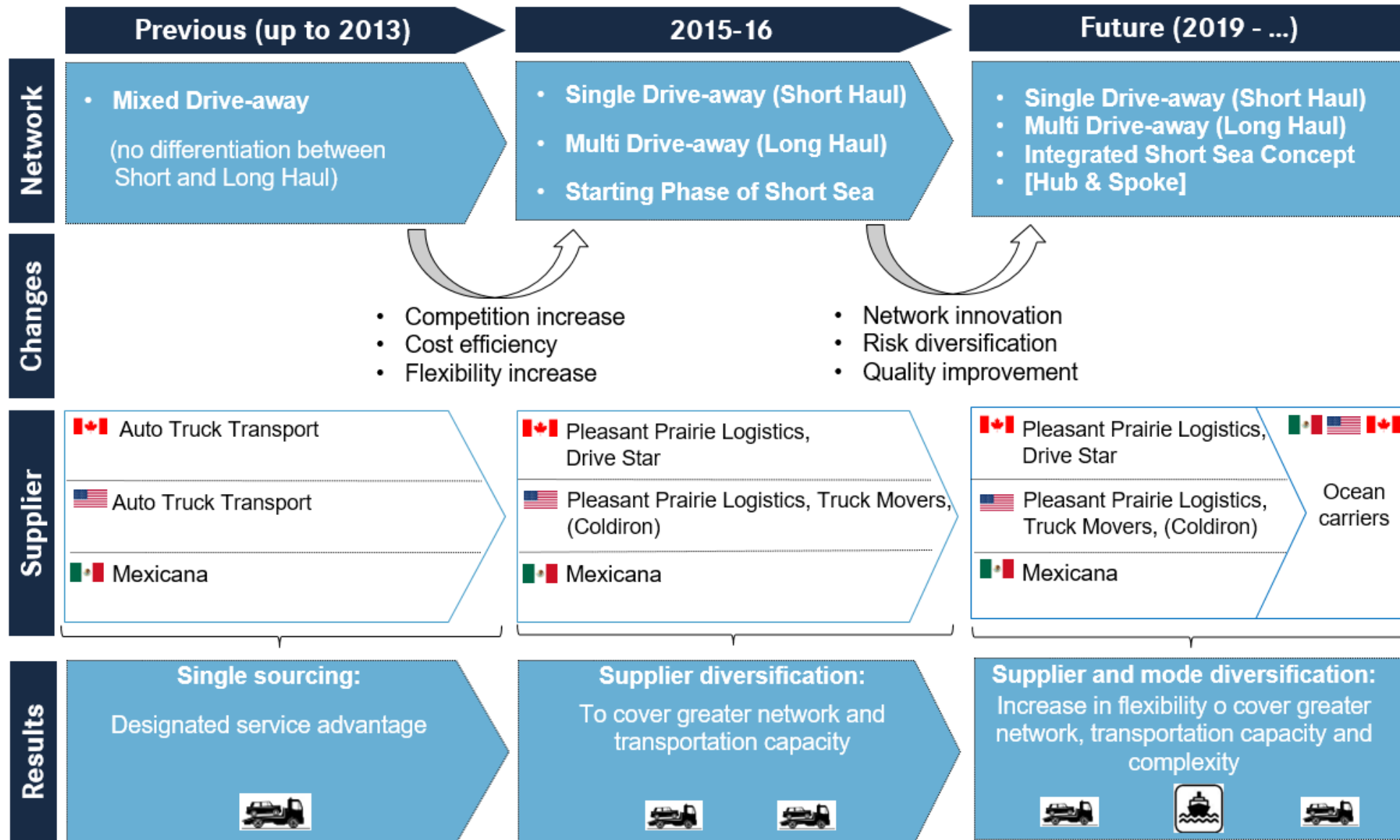
- Shortage of drivers in the USA (Drivers want to be home at night)
- B1 Drivers are being naturalized (Green Card) in the USA by US carriers in order to counteract shortage.
- Decked drive-away drivers compete with other less physical demanding FTL jobs (box trailer moves, bump docks)
- Mexico experiencing driver shortages as well
- New driver workforce looking for more work/life balance



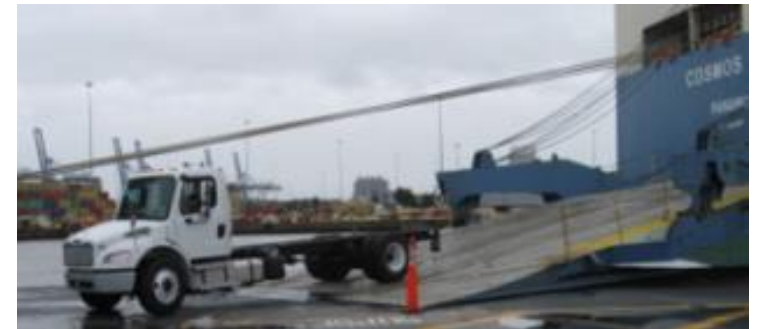
- 1100 drivers required in our network
- Mexican drivers drive on average
  - Saltillo : 276 Miles
  - Santiago: 795 Miles
- B1 Drivers drive additional 100 - 300 miles
- USA Drivers drive on average: 850 miles
- Required to un-deck and inspect trucks upon arrival to the dealer



# Continuous adaptation - Short sea enable drivers to be home every day



# DAIMLER We continue to investigate and develop new routes and ports

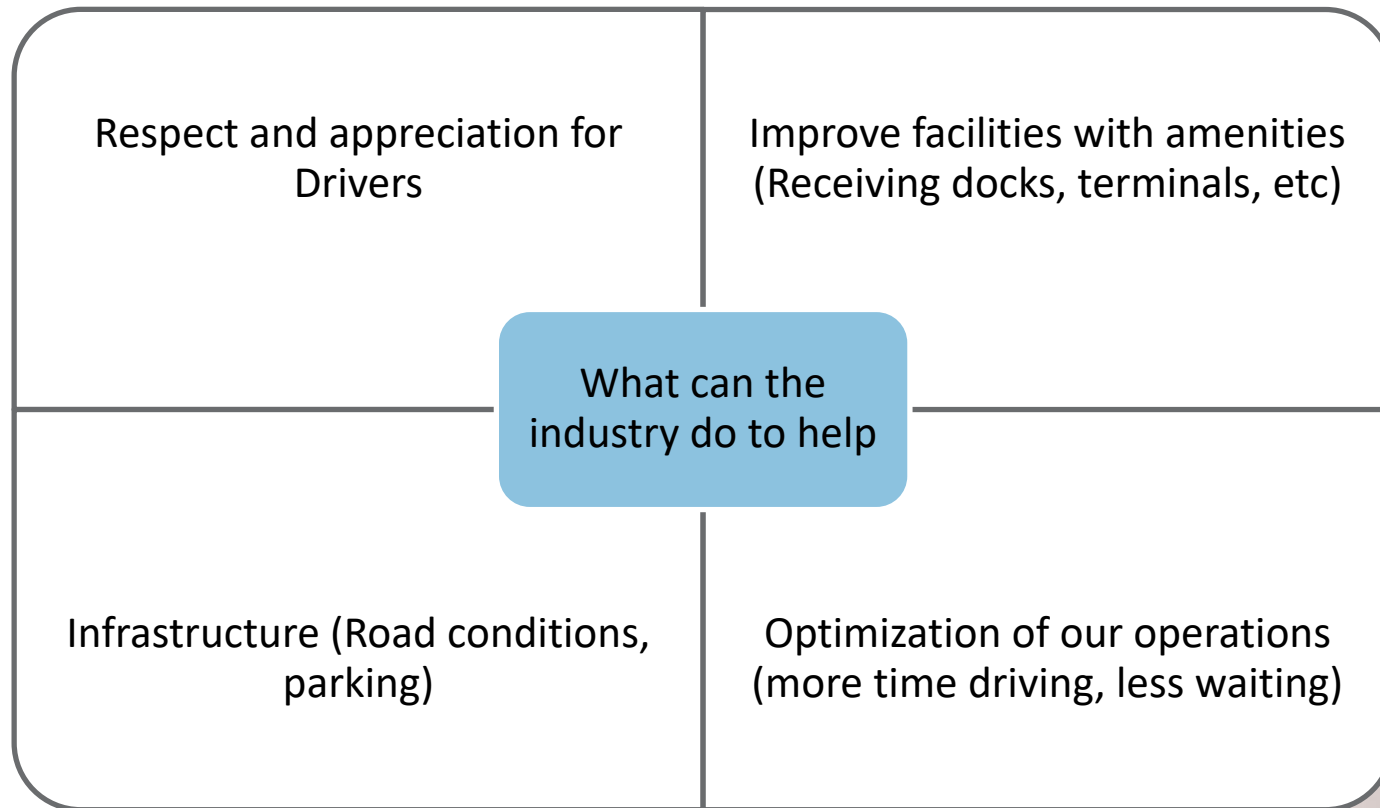




Cost	Quality	Transit Time	Customer Satisfaction
<ul style="list-style-type: none"> <li>• Cost is comparable to over the road transportation</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction of miles driven</li> <li>• Reduction in the amount of damages</li> <li>• No Saddles, Decking or Un-decking required. Shorter distance from port to final.</li> </ul>	<ul style="list-style-type: none"> <li>• Transit time remain the same</li> <li>• 16 days</li> </ul>	<ul style="list-style-type: none"> <li>• Less miles more smiles</li> <li>• Less rework and touch up after arrival of the unit</li> </ul>



# DAIMLER Drivers will continue to be an integral part of our network



## Best Transportation Technology

Daimler Freightliner new Cascadia

