



2009 Logistics Conference & Expo



“When the Going Gets Tough...”

Charles W. Clowdis, JR.

Managing Director, North America

IHS Global Insight

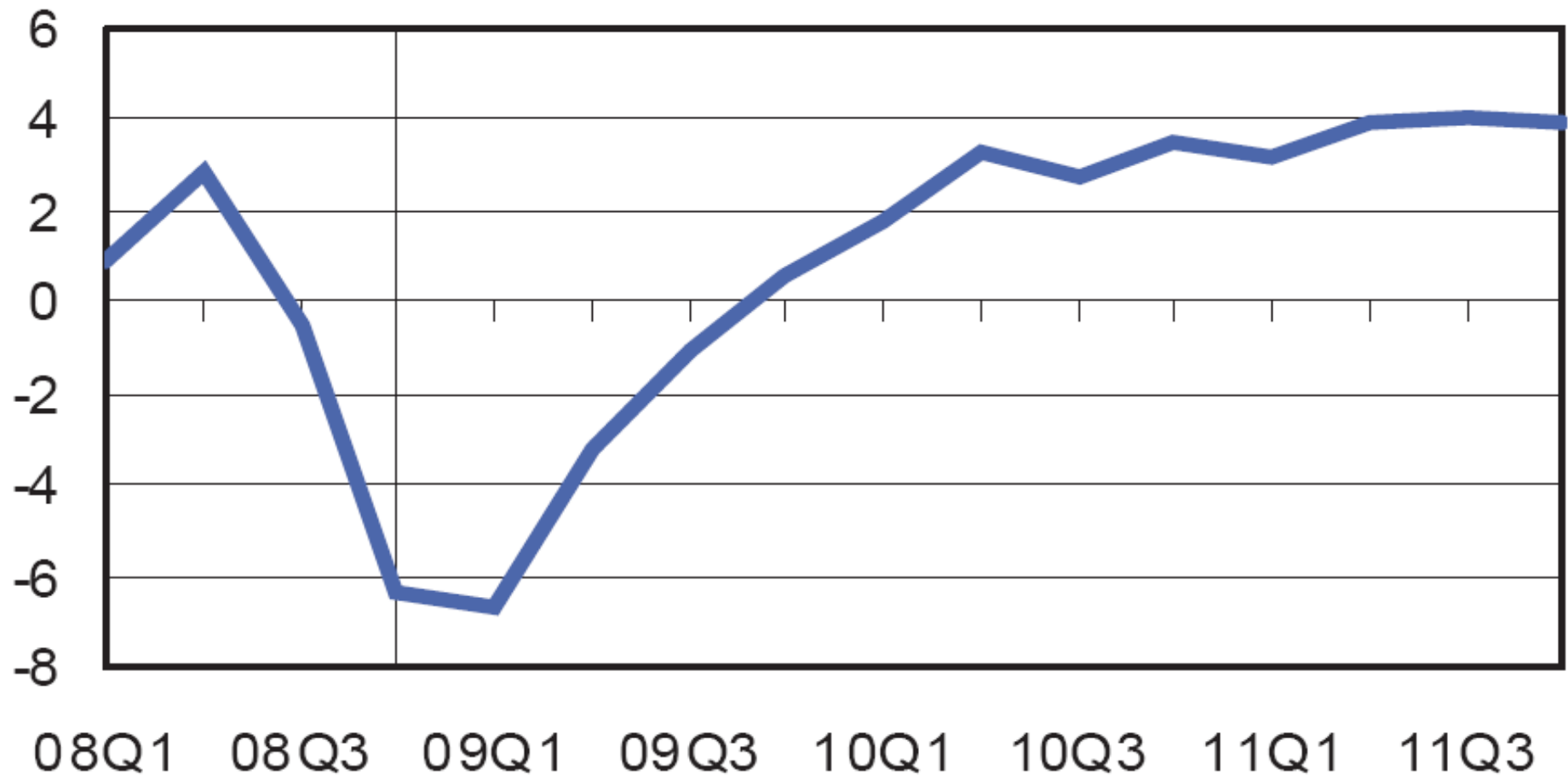


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Steep Downward Momentum Still in Q1

(Real GDP, annualized percent change)



A Sharp Inventory Adjustment Is Needed

(Inventory/sales ratio, manufacturing and trade)



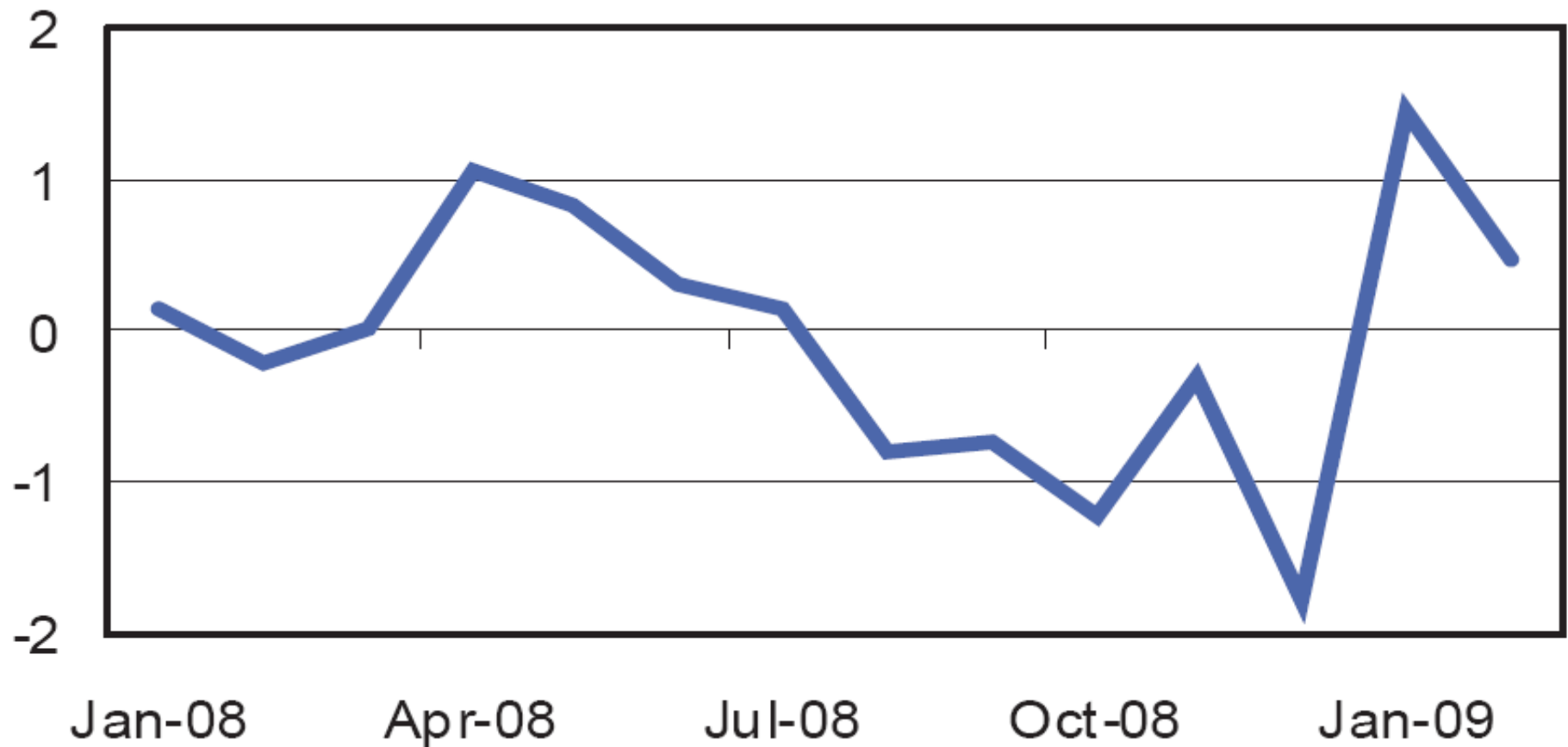
The Challenges

- ✓ Fewer/smaller Raw Material Orders
- ✓ Fewer/smaller Customer shipments
- ✓ DC Locations, #'s
- ✓ Pressure on cost of transportation
- ✓ Carrier/modal uncertainty
- ✓ Supplier pressures and concerns
- ✓ Inventory Carrying Costs under pressure
- ✓ Many other issues.....



Glimmers of Hope: Retail Sales

(Retail sales excl. autos/gasoline, monthly percent change)

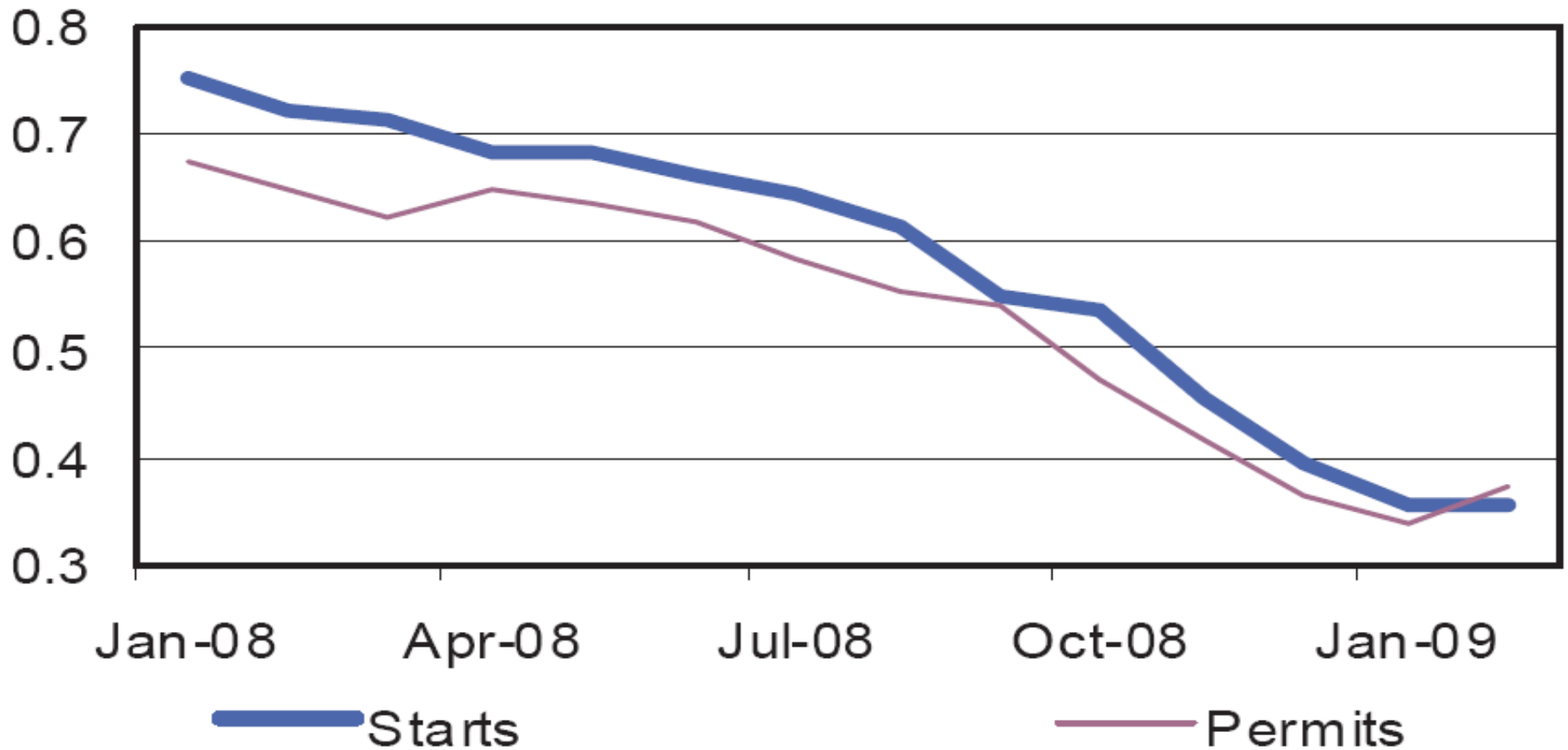


- Paradigm Shift in Spending
- Purchase definitions changing
- Major Purchases reconsidered

Will the “stimulus package (s)” help?

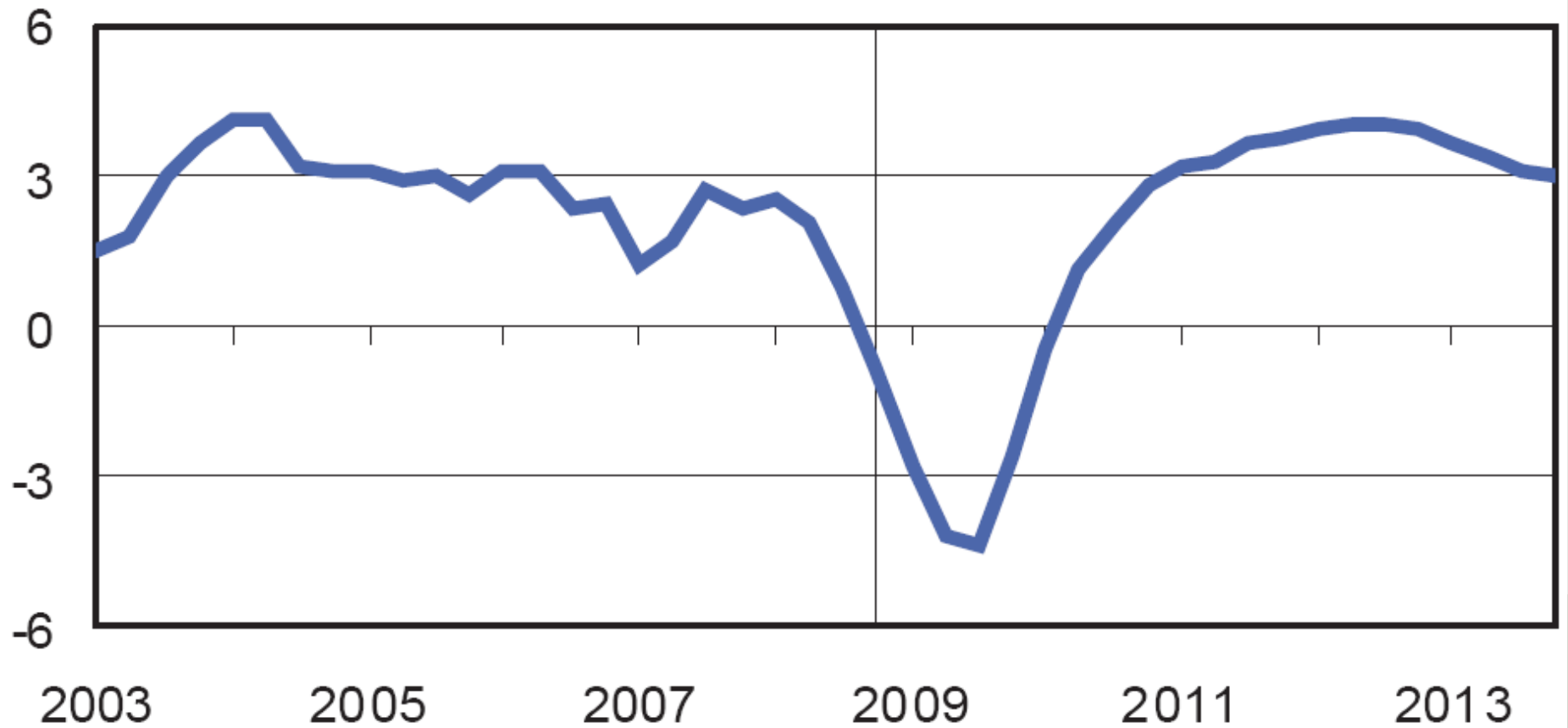
Glimmers of Hope: Housing

(Single-family units, millions, annual rate)



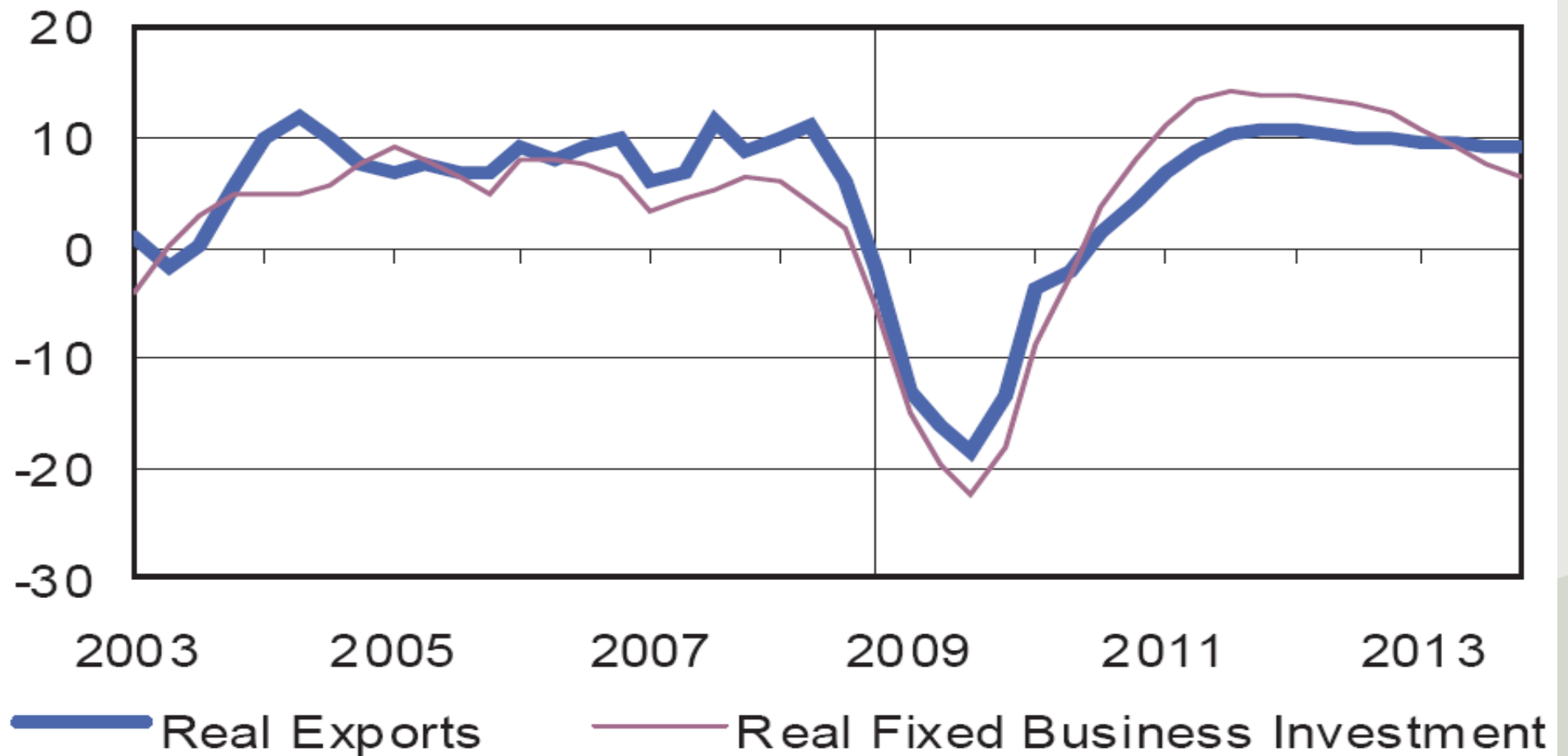
Severe Recession

(Real GDP, percent change from a year earlier)



Steep Declines in Exports and Business Investment

(Percent change from a year earlier)





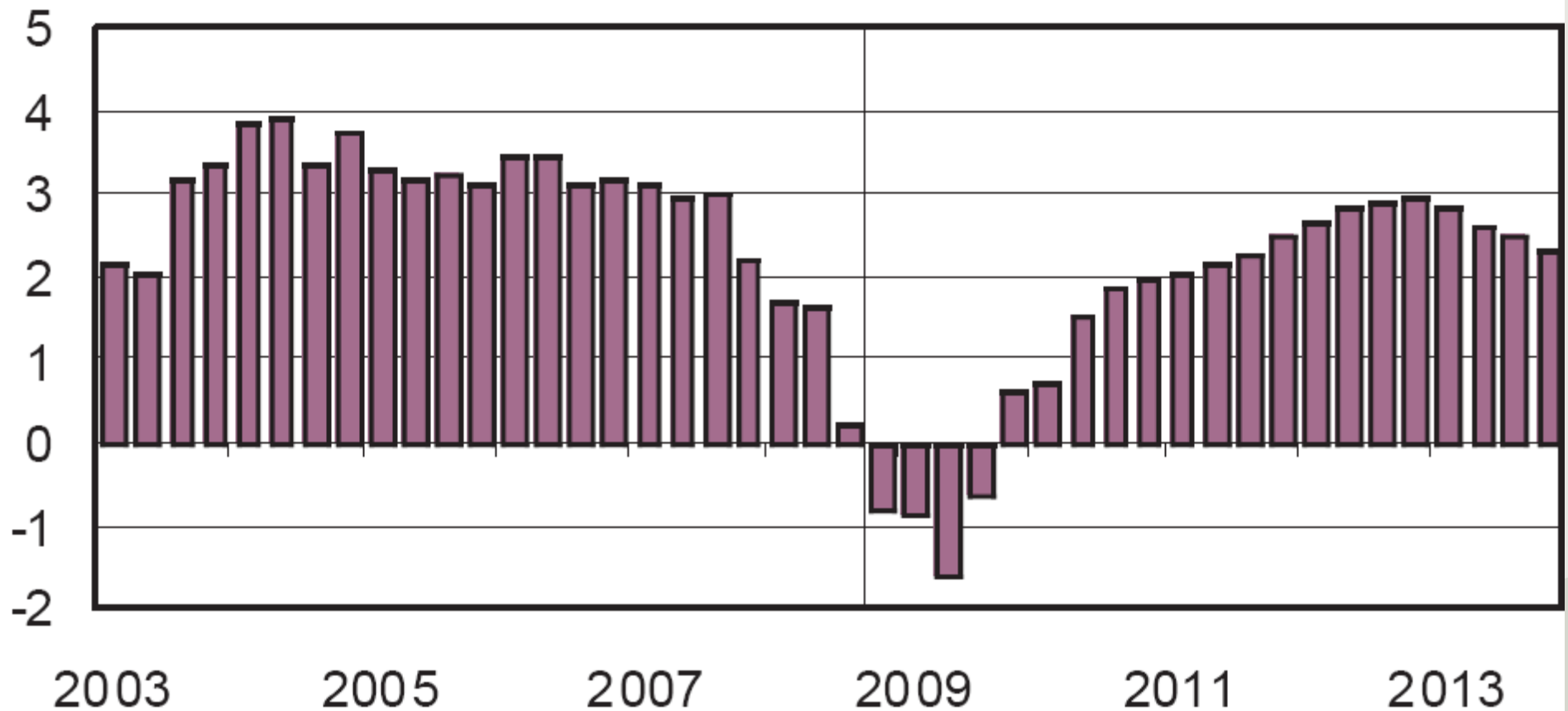
Import/Export Pressures to Continue

Issues

- Transport Costs are much lower?
- Value of the U.S. Dollar fluctuation
- Modal shift to/from Ports?
- Managing risk—new & old
- Visibility factor more important than ever
- “Credit Crunch ?

Consumer Spending in Negative Territory

(Real spending, percent change from a year earlier)



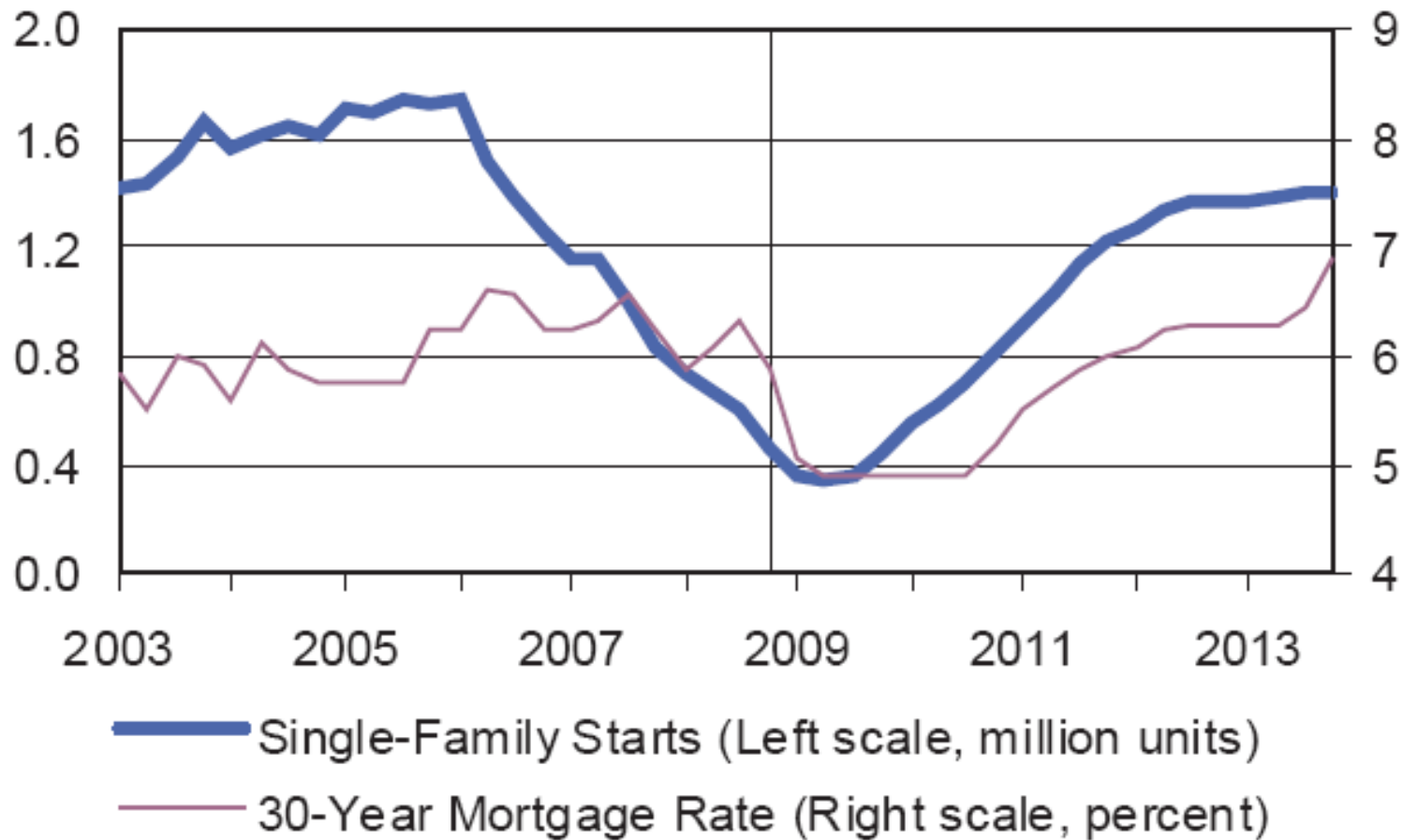


Is the Consumer the Key to Recovery?

What is the Consumer Waiting for?

- ✓ Confidence !
- ✓ Job Security
- ✓ Confidence !
- ✓ Accessible, reasonable credit sources
- ✓ Confidence !
- ✓ Leadership.....
- ✓ Confidence !
- ✓ Stabilization, return to “normalcy”
- ✓ GOOD, POSITIVE NEWS !!!

Housing Starts Nearing Bottom





Thank You for Your Time & Attention

IHS Global Insight Commerce & Trade Services and Offerings:

TRANSEARCH© provides commodity tracking within the U. S. to the county, BEA and ZIP levels

U.S. Inland Trade Monitor (USITM)© tracks import/exports from global origins/destinations to U.S. destinations/origins—volumes & modes, by commodity

Freight Finder© identifies Shipper/Receiver by name, address, size

World Trade Service (WTS)© provides a global view of world trade

Consulting and Advisory Services are available in conjunction with any and all of our offerings.



Contact Information

For More Information, please contact:

Charles W. (Chuck) Clowdis, Jr.—Managing Director

charles.clowdis@ihsglobalinsight.com

Sales Executives—Commerce & Transport Advisory Services

Daniel Lichtenstein at daniel-lichtenstein@ihsglobalinsight.com

Peter Stone at peter.stone@ihsglobalinsight.com

Diana Olney Wyman at diana.wyman@ihsglobalinsight.com



Thank You for Your Time & Attention

We sincerely hope this presentation and overview of the Global Economic impact on both Shippers and Transport Providers has been useful.

Thank you for your invitation,

Chuck Clowdis

Telephone: + 1 781 301 9020