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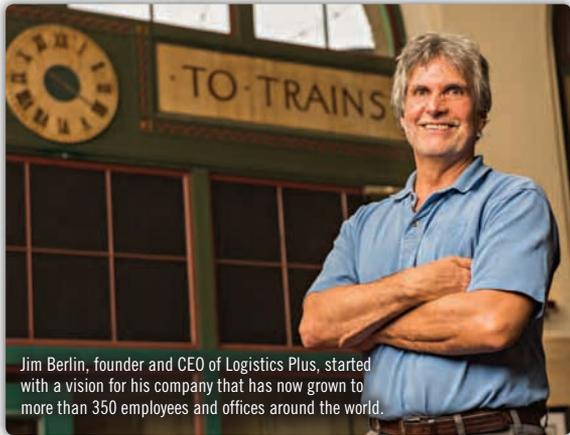
PASSION FOR EXCELLENCE

Solutions Provider, Strategic Partner
Growing in Services and Support / Page 10



Solutions Provider, Strategic Partner
Growing in Services and Support

At Logistics Plus, transportation is their business, helping companies with project cargo and project management, import/export services, air and ocean freight forwarding, warehousing and distribution, global trade compliance services, LTL and truckload transportation, rail and intermodal services, and logistics and technology solutions. The company is headquartered in the historic Union Station building in Erie, Pennsylvania.



Jim Berlin, founder and CEO of Logistics Plus, started with a vision for his company that has now grown to more than 350 employees and offices around the world.



Big ideas require big thinkers — visionaries who can look outside the box and see the possibilities ahead.

But to be successful in the highly competitive logistics industry, you also have to be a leader who can surround yourself with the right people — go-getters ready to make things happen at any time.

At Logistics Plus Inc. in Erie, Pennsylvania, Jim Berlin is that man. Over the years, the founder and CEO of Logistics Plus — a worldwide freight management and logistics solutions company — has assembled a team of more than 350 employees who are standing out in the logistics industry, both globally and in its hometown. In fact, now approaching its 20th anniversary, Logistics Plus has secured its place on the Inc. 500|5000, an exclusive ranking of the nation's fastest-growing private companies, and as a dynamic employer operating out of its global headquarters and retail space in the historic Union Station.

Since moving into its current corporate offices in 2004, a lot has changed — both for Logistics Plus' operations worldwide and locally in its quest to create a diverse and vibrant downtown.

Restaurants, a hookah café, and now a wine room and hair salon, occupy Union Station, while the old Skinner Engine Warehouse, purchased a year ago, is providing warehousing space and a home to an airsoft recreational business.

Still, the cornerstone of Logistics Plus' success is its logistics and supply chain management business, which has experienced explosive growth in recent years. With offices in about 10 U.S. cities and nearly 20 countries, the \$100 million-plus operation is a small but rising player in the competitive \$703.8 billion global third-party logistics market.

"In the last eight years," Berlin explains, "Logistics Plus has continued to grow organically by expanding its customer base into more industries, hiring and training more new employees, building relationships with more carriers, refining our technology, and expanding our offerings to include more domestic transportation capabilities and a stronger global trade compliance service."

The most recent domestic growth came from the acquisition of Horizon Logistics three years ago, establishing new Logistics

Plus offices in Dallas, Houston, Los Angeles, North Carolina and San Francisco. Internationally, its newest offices are in India where Logistics Plus plans to open five more locations by year's end. According to Berlin, the company also is beginning to venture further into South America — one of the world's emerging logistics hotspots.

"Overall," states Berlin, "our growth has come mostly through diversification into other industries, such as energy, manufacturing, chemicals and retail — and in world markets with big energy projects in Turkey, Brazil, Eastern Europe and Indonesia."

Expertise and Support

Logistics Plus has certainly evolved since 1996 when Berlin was given a one-year purchase order to manage domestic inbound logistics for GE Transportation Systems, Erie's largest employer. Today, Logistics Plus has services that are as diverse as its customer base, offering solutions to both large and small businesses looking for a strategic partner to help them with their transportation or logistics needs.

"We're at our best when we can learn more about our customers' businesses," says Berlin, "and then do our thing so that they can focus on their core business."

The capabilities of Logistics Plus are indeed extensive. Whether it is working as a third- or fourth-party logistics partner, Logistics Plus "can help companies with project cargo and project management, import/export services, air and ocean freight forwarding, warehousing and distribution, global trade compliance services, LTL and truckload transportation, rail and intermodal services, and logistics and technology solutions.

"We consider ourselves 'a solutions company' first and foremost with a reputation for handling all aspects of logistics from cradle-to-grave," notes Berlin.

At Logistics Plus, the trade compliance function is an essential component of its solutions. Adam Mook, Compliance Department manager, and Gretchen Blough, a Licensed Customs Broker, are part of a global team of 25 professionals who ensure that everything coming into or going out of the country does so legally and in compliance with all of the various international laws and customs regulations that govern the shipment of goods.

"Our main goal is to help our customers understand what those global regulations are," explains Mook, "and making sure that they are shipping their product in a compliant manner.

"There's basically two ways to look at it," he says. "If a U.S. company is exporting its product from here to say, Malaysia, they may be able to handle the function of getting out of the United States, but they often don't think about all the documentation requirements, packaging or labeling of the products for the import process in the country they're shipping to. That's where we come in and help, not just in getting it out of the U.S. side, but we also tell them how to prepare their product in order to get it into the country and to clear customs."

For example, if a customer has items that require U.S. Government issued licenses to export, Logistics Plus will go to that company's location to learn about the product, from meeting with engineers who are designing it and what the intended use is, to who it's sold to and who it's end users are. This thorough research helps determine classifications and the appropriate export licensing regulations that apply to that specific product.

"We spend a week or two at the company to learn about the products, develop an export or import compliance program, in the form of a written manual, and conduct work-force training explaining the overall process for the company," notes Mook. "Then, we have services beyond that, which we perform, remotely, after the initial engagement of learning about the products. Ongoing, we classify all of their products for both ECCNs (export control classification number) and HTS



In the area of Global Trade Compliance, Logistics Plus has the consultants to help simplify the complexity of import and export regulations and provide procedures to keep companies in compliance.

(harmonized tariff schedule) code classifications, and we do that on an annual contract basis."

The Logistics Plus advantage is providing customers all the support they need for their compliance and logistics needs.

"We add that expertise, and we add the customer service," notes Blough. "There's a lot of forwarders that have online sites that you can go to yourself, but you're not getting a big picture there. You're not getting someone that's going the extra mile for you to make sure everything's covered."

Competitive Edge

Logistics Plus professionals not only assist in navigating the complex compliance issues of imports and exports, but they also provide the expertise to assist companies with taking advantage of free-trade agreements to gain a competitive edge.

Free trade allows businesses to produce domestically and export to customers in other countries at the same cost as their larger competitors. Companies also can take advantage of lower costs of production or enhanced technologies that may not have been available to them in the United States.

"If you're importing or exporting, it lowers the landed cost of your goods, if those goods qualify for a free-trade agreement," says Blough. "It's much more complicated than people think, but we make it simple. The GEs of the world have their own teams to do that, where we help the smaller companies that don't have that kind of expertise to read through the customs regulations and the country of origin requirements to qualify goods."

To compete globally, a business must also have a working knowledge of Incoterms® (international commercial terms). These internationally



Logistics — A Multibillion-Dollar Industry

A highly integrated supply chain network in the United States links producers and consumers through multiple transportation modes, including air and express delivery services, freight rail, maritime transport and truck transport. To serve customers efficiently, multinational and domestic firms, such as Logistics Plus, provide tailored logistics and transportation solutions that ensure coordinated movement of goods from origin to end user through each supply chain network segment.

How big is this growing industry? According to recent statistics:

- The U.S. logistics market size is \$146.4 billion.
- North American logistics market size is \$176.2 billion.
- Global logistics market size is \$703.8 billion.

2015 Global Trade Compliance Seminars

To assist area employers with their compliance needs, Logistics Plus will, once again, host Global Trade Compliance Seminars at the Manufacturer & Business Association Conference Center in Erie. To learn more or to register for one or more of the following sessions, visit <http://www.logisticsplus.net/Compliance/Compliance.aspx>.

- **February 12:** Understanding NAFTA and other Free Trade Agreement Compliance
- **April 9:** Export Letters of Credit
- **May 14:** Incoterms® 2010 & Preparing Export Quotations
- **June 16:** U.S. HTS Classification & Import Compliance
- **September 10:** Navigating U.S. Export Control Regulations (EAR & ITAR)
- **October 15:** Automated Export System — Electronic Export Information Filing
- **November 12:** Creating an Export Management Compliance Program (EMCP)

recognized standard trade terms are used in sales contracts to make sure buyers and sellers know who is responsible for the cost of transporting the goods, including insurance, taxes and duties, to where the goods should be picked up from and transported to, as well as who is responsible for risk of loss or damage to the goods at each step during transportation.

However, experts say Incoterms® are often the most misunderstood and underrated aspect of an international shipment transaction. “If you’re negotiating with someone who is much more savvy than you, you’re going to end up paying a lot more for your shipment than you originally anticipated,” notes Blough.

Mook, who regularly hosts training seminars to assist businesses with Incoterms®, says he often hears of companies that weren’t prepared for how to maneuver in the international marketplace.

“There was one seminar attendee who had sold a shipment of steel product to Poland. The seller sold on the Incoterms® rule called ‘delivered duty paid,’ where the seller has to pay for all the transportation costs, any duty and taxes in the country of import and also handle import clearance responsibility. The sale was a \$400,000 sale, and there was a 15-percent duty rate on that type of product in Poland. In addition to that, there was 17-percent value-added tax, and they had to pay for all the customs fees on top of the freight. They actually lost money on the sale.”

As a solutions provider, Logistics Plus can help small businesses understand and negotiate these terms of sale — and any other areas of compliance.

“We provide a tailored approach,” notes Mook. “We care about the companies. We don’t just view them as a customer. They’re part of our team, and we’re accessible any hour of the day.”

This personal level of service is what Berlin describes as the “Plus” in Logistics Plus. “It’s definitely our talented and caring people. We look for imaginative thinkers who are willing to work 24/7/365 because they know that the freight doesn’t stop and that our customers are counting on us to help them be successful within their supply chains,” he says. “When we’re at our best, is when a customer works with one of our people one-on-one, in-person or over the phone. We’re very much a people-oriented business, and I think a lot of companies still appreciate that level of service in an industry that continues to push so much of its interactions online and through less personal channels.”

What’s Next?

With its focus on customer service and customer relationships, plus its expanded domestic transportation capabilities and a stronger global trade compliance service, Berlin and his team hope to take Logistics Plus to the next level. But what’s in store for the future is anybody’s guess.

“I always joke that I don’t know for sure what’s going to happen today, no less a year or two from now, but our overall motto is to grow, and we will continue to do that because of our talent, our energy, our passion and our continued record of success,” says Berlin. “Growth equals opportunity — and more fun — so that is our mantra.”

As far as downtown Erie is concerned, there is also more work to be done.

“When we bought Union Station 10 years ago, we talked about it being the foundation of a renaissance in downtown Erie,” Berlin says. “And, though there have been some missteps I think, I believe that now we are beginning to see a renaissance take hold, and I do predict that a couple of years from now, the Union Station Square neighborhood will be a vibrant community — a long way from where it was when we first got here.”

In many ways, Logistics Plus is a symbol of what’s possible for any business when you have the right vision and the right people working together to make things happen.

“I think we have some of the best and brightest people in the area working for a cool, global company and that we provide an exciting place to be, and to stay and live and work in Erie. We want to continue doing that,” Berlin says. “We are a small company relative to ‘the big guys,’ but we punch well above our weight and have a global presence and cachet that is known around the world. All right here, out of the historic train station in Erie, Pa.” ☆

For more information, visit www.logisticsplus.net.



Logistics Plus is committed to developing strategic partnerships and delivering superior customer service for all logistics and compliance needs.



Logistics Plus is a company poised for growth with locations in about 10 U.S. cities and nearly 20 countries and new offices expected to open in India and South America in 2015.