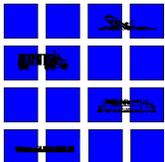
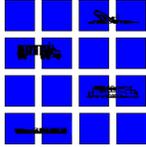


E-COMMERCE: USE AND RESPONSES BY FREIGHT CARRIERS



REEBIE ASSOCIATES

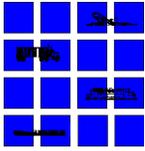
**NATMEC CONFERENCE
AUGUST 2000**



ORIENTATION

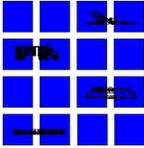
The Internet Is At Least 4 Things:

- *MARKETPLACE* for transacting business
- *MEDIUM* for communication, marketing, software application
- *CATALYST* for supply chain integration
- *DISTRIBUTION CHANNEL* for goods, services, jobs



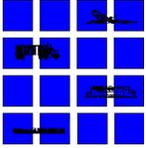
CARRIER USES AND RESPONSES

<u>Function</u>	<u>Market</u>	<u>Medium</u>	<u>Catalyst</u>	<u>Channel</u>
■ Orders	■		■	
■ Procurement	■			
■ Spot & Contract Bid	■			
■ Promotion		■		
■ Customer Service		■	■	
■ Intranets		■		
■ Fulfillment Services				■
■ Exchanges	■	■	■	■



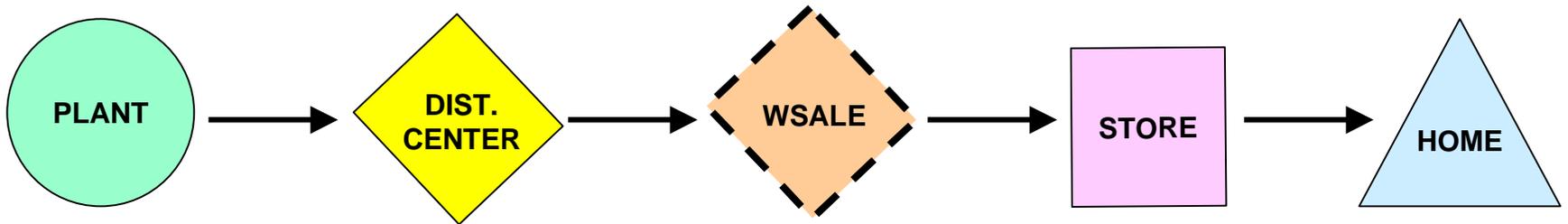
DISTRIBUTION CHANNEL FUNCTIONS

- **Fulfillment Services:** “Truck Drivers are the Face of E-Commerce”
- **Exchanges:** Control of Economies and Counter-Leverage
 - *Purchasing Cooperatives* for cost reduction
 - *Load Matching* for yield and utilization management
 - *Intelligence Exchange* for developing network efficiency
 - *(Quasi) Merger* for consolidation economies
- **Change of Operations:** Patterns and Composing of Physical Volume
 - Information propels efficiency
 - Society transforms distribution
 - B2B conversion

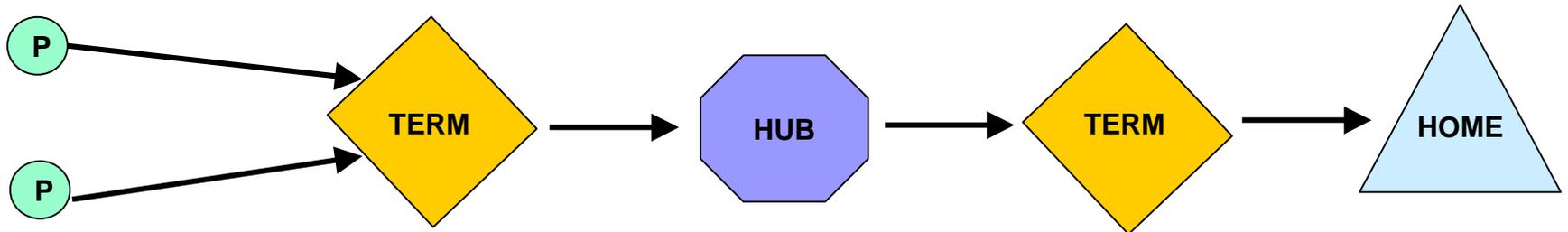


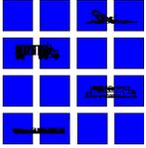
DISTRIBUTION ALTERNATIVES

Traditional



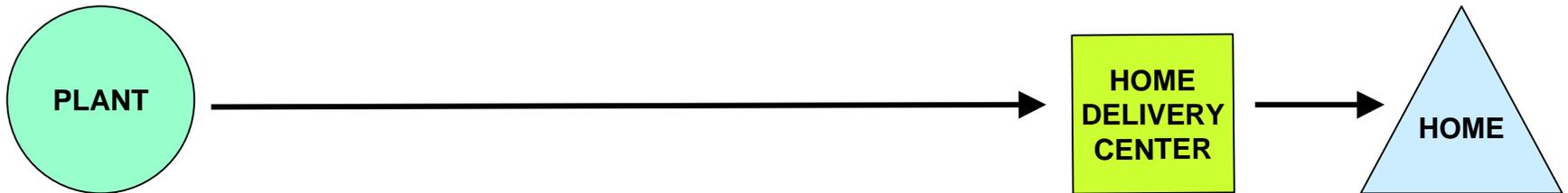
E1: Small Package





DISTRIBUTION ALTERNATIVES (cont'd)

E2: Forward Distribution



E3: Linehaul

