

Intro/Outro ([00:00:05](#)):

It's time for supply chain. Now broadcasting live from the supply chain capital of the country. Atlanta, Georgia heard around the world. Supply chain. Now spotlights the best in all things. Supply chain, the people, the technologies, the best practices and the critical issues of the day. And now here are your hosts.

Scott Luton ([00:00:33](#)):

Hey, good morning, Greg. You get to the merit. Scott Luton, Greg White, and Karin Bursa right here with you on supply chain. Now welcome to today's edition of the supply chain buzz Karin, Greg. Good morning. Good morning. It's great to be here. Did y'all have full weekends? I did. I learned some new plumbing skills as I, uh, repaired our dishwasher this weekend. So hopefully you found all the spare parts you needed. How about you Karin?

Karin Bursa ([00:01:00](#)):

No, no dishwasher repair here, but I'm glad to hear the spare parts problems have been solved. Hopefully they've been solved in the Luton house also by this point in time. Amen to that

Scott Luton ([00:01:14](#)):

Is here. So I have to have to give him some props, fifth anniversary badge here. So thanks a lot. That's right. Hello, AA. Great to have you here. We're going to say hello to you and a few other folks in community that opportunity lab for today's supply chain buzz and just a second, but Hey, really quick. We've got a full show here today. Back by popular demand. The one only Lee class gal with Bloomberg intelligence is joining us now, Greg and Karin and to our community and our audience there. If you're not following Lee, you need to make sure he's one of the leading industry analysts, especially as it relates to logistics and transportation. So it's neat to have him, I think where this now, Greg, for maybe the fourth or fifth time now. Yeah. Uh, started in Austin right in November 19. I know. Is it November 19? Yeah. Was it 18? 19? That sounds sounds good. Let's go with that

Karin Bursa ([00:02:12](#)):

Before. COVID for sure.

Scott Luton ([00:02:13](#)):

Yeah, definitely. Definitely that. Yeah. We had to work through his team of agents to getting booked. I'll tell you he's got a, he's got a tough scheduling mechanism. Of course I'm kidding. But he always offers hard hitting commentary. He knows what's going on and it's got all 10 of us, eight fingers and two thumbs on the pulse of global supply chains deed. All right. So let's say hello to a few folks. And then we've got a couple of quick announcements on the front end, a couple of things we want to keep in front of everybody. Gosh, a lot of folks here today. [inaudible] great to have you here via LinkedIn from India. Welcome to today's live stream Caven and prayed teak or both with us. Great to have you let's see here, Sam Olson. I'm going to put this out to the community here. He's looking to be part of the produce business as a wholesaler and he's looking for any tips. Hey folks, if you know the industry, be sure to connect with Sam and see if you can't help him along in his journey. Nealon shell. And I apologize if I'm getting that wrong. Great to have you here via LinkedIn. Tommy is with us. Hello from Chattanooga man rocking and rolling.

Greg White ([00:03:15](#)):

It's warmer up there than it is in Atlanta.

Scott Luton ([00:03:18](#)):

No kidding. I doubt it. Latif and fide and the Cole and Mark Preston Mark. I appreciate your, your message out. Uh, last week we are circled back. Uh, we appreciate what you're doing as you lead the, the champions club at AME. So great to have you with us here today. AA, which hails from where Greg

Greg White ([00:03:40](#)):

From Wichita, Kansas, of course a professor at Wichita state university.

Scott Luton ([00:03:46](#)):

Outstanding. We're probably going to touch on at least one story that, that, uh, that, which about Wichita probably has, uh, has a role in Gary. Great to have you back with us here, Prince Caggana. Hello? Hello. Hello. Via LinkedIn Sylvia of course holding down the Fort in Charleston, Lee meas for Marie. Uh, let's see here. Happy Monday. We're supposed to fly from Atlanta to Philly today, but he's, she's leaving the snow for Gary Smith. It's awful conduct Marie. All right. Full house here today, Greg and Kerryn, but who would expect? So with, with, uh, Lee owned, the docket used to sell a bunch of tickets for his appearances. So you already

Greg White ([00:04:27](#)):

And Korean too. I mean, we don't have her every Monday, so, you know, everybody, who's a fan of tech talk. I'm sure it was tuning in right now.

Scott Luton ([00:04:35](#)):

That's a great, um, since we rub elbows with Kerryn all the time, I, I took that for granted and I shouldn't because this is a special feature for today's supply chain bus. So Corinne, great to have you here. Once again, it's like, you're a friend and neighbor now and part of the family so great to have you,

Greg White ([00:04:53](#)):

You know, she always, she always gets the best dressed award, much more creative than we are.

Scott Luton ([00:05:02](#)):

That is right as always, well, let's do this. I want to, um, we're gonna start off with kind of a, more of a somber note. Uh, February, 2021 of course is black history month recognizing and honoring and celebrating all the many countless contributions to really our global journey, our global community African-Americans. And of course we're also also recognizing just how much more change still has to be made. So we're gonna be celebrating this throughout the month and really hopefully throughout the year, it's a very special year, especially seeing a lot of the movements in conversations and discussions we've had in the last 14 months or so here in the state. So definitely want to recognize this and Greg and Kerryn, if y'all don't want to share anything, uh, owned black history month this morning, please feel free.

Greg White ([00:05:51](#)):

I, you know, I love looking back on some of the really impactful historical figures, Douglas, Harriet Tubman, and, uh, Dr. Martin Luther King, of course, frankly, it's great to be in Atlanta this time of year,

because this was the core of so much that was going on during the civil rights movement, but not just then, you know, there's just so much that so much history is w when you live in one of the original 13 colonies that is really uplifting. So, you know, I just love studying the history of it and the impact that black people have had on, on America, on the world, frankly. Right?

Karin Bursa ([00:06:31](#)):

Yeah. Yeah. And I think it comes into play as we think of supply chains is global in nature, right? The, the ability to impact and really have influence around the contributions that are made. And, and I, I look forward to the day where we don't have to mention specifically somebody's race or heritage or, or gender as a part of the contributions that they bring. But, uh, living here in the Atlanta area, we certainly have a lot to, uh, to celebrate locally. And, uh, and progress is being made. Maybe not as fast as any of us would like, but, but certainly progress, which, um, is encouraged.

Scott Luton ([00:07:09](#)):

Yeah, well said. And a couple of questions from Kayvon, and pre-teach asking about number 44, Hey, that is a big tip of the hat to the one beginning of history, right? Thinking history, uh, Hank, Aaron, who unfortunately passed away about 10 days ago. And, uh, we're hoping we're banging the drum here that the Atlanta Braves and major league baseball, they're going to do something bigger than, than a shoulder patch for not only an icon of the game, but really an icon of the, the, the civil rights movement. Um, there's so much he did behind the scenes and in front of the scenes, you name it. So thanks for that question though. That's the whole reason I put that there.

Greg White ([00:07:47](#)):

Well, it'd be great. Scott, just think about this. If they just put a 44, wherever one of his, wherever, every single one of his home runs crossed the wall or landed in the stands or outside the stands is may have been the case. Agreed. That would be, that would be a very cool I'm with you. 744 is what he finished with. Correct. Any, anything more?

Scott Luton ([00:08:10](#)):

The shoulder patch is what we are holding out for. So, I mean,

Greg White ([00:08:15](#)):

So is there some movement in that direction? Have you heard anything about an initiative there?

Scott Luton ([00:08:19](#)):

I have, in fact, there's, there's a petition. One of the, one of the initiatives I've heard about is a petition circulate and it's garnered tens of thousands of signatures already to rename the Braves franchise, the Atlanta hammers after the one only Hank Aaron. So Amarin Hank. I do it, man. I love it. So, but nevertheless, you know, one month doesn't do it justice. We definitely wanted to feature this month as much as we can across all of our live stream programming. So very, very grateful here. All right. So let's talk about moving to a much, much lighter note. Last week we had Frank Hurst with red runner and by our friend, Bobby Holland from us bank, Greg, as we tackled the Q4 freight payment index and Holy cow an hour, did not do that conversation justice. However, we've got a ton of highlights that have both nationally and regionally about the freight markets. And the greatest thing Greg is you can sign up for their analysis@nochargeatfreightdotusbank.com. And you can also find Greg [inaudible]. Where do you

think folks can find that live stream and kind of hear the key takeaways that Frank and Bobby shared?
Golly,

Greg White ([00:09:29](#)):

[inaudible] Scott, I don't know where they get their podcasts from supply chain now.com or YouTube.

Scott Luton ([00:09:39](#)):

Right. All right. I want to acknowledge one more quick thing for hit these, uh, these news stories here today. There's a couple of comments if I can get my mouse to work, right. But I'd like to share a few folks here. Let's see here. T squared black history is American history app. Absolutely. I take this step to that is global history, right? I mean, global, we gotta keep in mind, not only have the huge contributions in a part of this country, but across the globe. Uh, Gary says he just finished reading his truth is marching on about the great John Lewis recommend that to everyone. That's a great call-out. And by the way, kind of referencing what you mentioned, Greg, you know, a few weeks back, I took a deeper dive into what I had either forgotten, or didn't never knew about the MLK, uh, stories.

Scott Luton ([00:10:23](#)):

Fascinating there. I mean, um, letter from Birmingham jail that Oh yeah. Huge. Um, let's see here, Rhonda is with us. Good morning. [inaudible] again. Uh, David is back with us. Great to have you here, Dave. Now AA, uh, is talking to you here. Kerryn well said you're right. There'll come a day when we really do not need to attach gender race age to recognize someone's achievement and contribution to society will set their AA and Kerryn. Thanks, AA. All right. Visionary as you would expect. That's right, right. Agreed. All right. So let's talk about some headlines here. So Greg and Kerryn today's buzz is going to be counted. The planes, trains, and automobiles version of the supply chain buzz. So we're going to start with the seven 37. So a couple of quick hitters here. Boeing continues to get things cranking for the seven 37. The FAA cleared the aircraft to come back into service in November the company, get this. If they had accumulated 450 aircraft and inventory using a variety of stores locations across the country, especially in Washington and Texas from this article via supply chain DOB the afternoon 450 aircraft.

Greg White ([00:11:40](#)):

These are not all seven 37 max, right? Does that include the 408, 800 as well?

Scott Luton ([00:11:45](#)):

No, I do not know. That's an excellent question. We'll see if we can look at the article,

Greg White ([00:11:50](#)):

They stopped production on the max for awhile, right? So

Scott Luton ([00:11:54](#)):

Now they're down after December, they're down to 410. Aircraft's still in inventory. So a good month, but can you imagine the inventory carrying costs for 400 passenger planes?

Greg White ([00:12:04](#)):

I can't imagine it, but I know somebody who can calculate it in Korean versa.

Karin Bursa ([00:12:10](#)):

That is exactly where my mind went. Greg carrying costs associated. So I'm with you, I'm with ya.

Scott Luton ([00:12:18](#)):

It's really need to see this program, get back, you know, this, this is such a, not for, only for the S the States, but also the globe, a huge economic boost. We'll get this line going again. So hopefully they can work through their inventory backlog and be confident in whatever fixes they made to the aircraft. So let's keep driving.

Karin Bursa ([00:12:36](#)):

They will probably be the safest planes out there. They've been through so much testing and validation now that, uh, that hopefully consumers will feel very comfortable being on board. Uh, those flights.

Greg White ([00:12:50](#)):

Well, I can tell you if it's the 400 or the 800, you can, you can rest assured you'll be comfortable. I mean, I've flown along long distances on 807 37, eight hundreds before those are long haul aircraft for smaller markets. So they're, they're fantastic birds. I think the max is, you know, has probably tarnished all the seven 37, but the truth is that was really the only one that had the issues. Isn't it?

Scott Luton ([00:13:15](#)):

Yeah. The article also pointed out that seven 87 is, had, had had, uh, some issues that were kind of impacting production across both, both airframes. So we'll see this regardless. It's great to see Boeing get back into the swing of things and correct, or make the fixes happen. All right. Moving from Plains to class eight orders. Now here's a little, a little factoid. Uh, some, some of y'all may or may not know. So the FAA or the, um, regular regulatory agencies rank eight different classes. So if it's class eight, it means it's a, it's a truck heavy truck over 30 3001 pounds. So that's what class eight means. So anytime you see class a that's sort of talking about December was the fourth, highest month ever for orders over 50,000 net orders in December, 2021, compared to just over 20,000 in December, 2020 pandemics impact on goods related freight demand is a major factor pointed out via the story here via transport topics and act research. Vice-president Steve tan told transport topics, quote fleets are looking at the freight environment in the coming year and are clearly willing to order more trucks in quote. So that's a great sign and then great.

Greg White ([00:14:31](#)):

Yeah, I mean, freight move. You know, that's really interesting that it's still moving in December because as most of us who've been in the industry where you deal with manufacturing and retail, a lot of movements, ceases, or really declines in December because people are focused on selling, not moving goods. And as we saw with the freight payment index last week, there were some areas where freight was down substantially and you would think it would be in this class, a category, things like energy, so an agriculture. So, yeah, that's a really interesting number there. Yeah.

Scott Luton ([00:15:07](#)):

Excellent point, Greg Kerryn, any, any quick comment there?

Karin Bursa ([00:15:11](#)):

Well, I, I think it just underscores the pent up demand as well that, um, there's lots of opportunity in the marketplace for drivers and bringing new equipment, you know, in, into production or into, into use, I think is, is a really good sign.

Scott Luton ([00:15:26](#)):

Excellent, good stuff there. Great sign. Let's see here. We're going to move on to general motors. Country's law largest automaker make some big bold bets. General motors has set a 20, 35 target date for offering all fully electric vehicles. One of the first major auto makers to commit to a target date. And I'll get this a little context, but about 98% of all GM sales right now are everything they're looking to eliminate. So we're talking about moving mountains in 14 years, the company also says the transformation will depend on government incentives and other programs are out other than asking,

Karin Bursa ([00:16:05](#)):

Teaching it just a little there.

Scott Luton ([00:16:08](#)):

And I think, I think the release last week even called it an aspirational goal, but nevertheless, here's, here's one thing I thought about from a practical standpoint, you know, if you look at a variety of organizations and just for that matter reports that weigh in on infrastructure or costs across the States, think about, let's say, let's say, let's say they hit the goal and consumers make the big shift, which is a big, huge, massive IPP. Imagine the demand on the power grid. If everyone that drives goes home and plugs in their vehicle overnight. So they can head back out to work the next day. I don't, you know, beyond all the other bridges and, and water infrastructure and all the other and highways and byways, all of the things that we need from an infrastructure standpoint. I'm not sure if the power grid could handle maybe even a quarter of the shift right now. I don't know. I'll defer to the, uh, electrical engineers in our, in our community. Maybe Greg.

Greg White ([00:16:59](#)):

Yeah. Yeah. Well, and, and look, let's face it some enormous percentage, which I won't quote, cause I don't know of all electricity produced is produced by coal. So what is really the net impact? And I mean, we've seen, there's a lot of work to do in order to make an electric vehicle less unsustainable than a, even a fossil fuel vehicle in its production because of the production of electric vehicles is, is completely unsustainable if you've ever watched it. And then the issues around providing enough electricity, which is still predominantly coal-fired, it's a heavy lift. It's a very complex environment. You know, there was a segment of that statement where it looks like kind of a cash grab by the industry, which we can't put past anymore because we know they do it to challenge the new administration, to provide funds for the, for these, these big automakers for the goals that the new administration has put forth. Right. They're basically saying if you want it, you're going to have to pay for it.

Scott Luton ([00:18:04](#)):

So Kerry, I'd love for you to get your way. And I want to call this out really quick. And the picture, this is a 2022 Hummer promises, a thousand horsepower via three electric motors. Holy cow.

Karin Bursa ([00:18:16](#)):

Yeah. So I think this is exciting. I think, you know, for a big company like general motors to, to put a stake in the ground is very positive. Even with all of the, you know, the couching that we're talking about

here, what I think is really exciting as this is going to push the battery manufacturers, right? It's going to continue that innovation in that area so that the use in storage or storage and use of electricity to power, these heavier vehicles is going to evolve that much faster. So I think that that's, that's really exciting. Yeah.

Greg White ([00:18:51](#)):

Yeah. Yeah. I mean, there, there are already half a dozen new battery technologies that are less environmentally impactful and store for longer zinc air solid state sodium, and they're more reusable.

Karin Bursa ([00:19:07](#)):

Right? Sustainable reusable. Yeah. Yeah, absolutely.

Scott Luton ([00:19:12](#)):

All right. So let's keep driving and got two more articles we want to, we want to knock out really quick before we welcome on Lee class gals. If you joined us late, we've got Lee class scout teed up to join us here in about five or 10 minutes. So y'all sit tight. Yeah. And Tom, great, good morning. And the statement by Jim. Yeah. Aspirational, I believe so. We'll see how much progress is made. Okay. So Greg, on the heels of a, of a lively livestream leveled off stream last week with RLA all that returns and reverse logistics, let's talk apparel sizing. How can we give us more?

Greg White ([00:19:44](#)):

Well, so last week we talked on Friday about returns and the challenges around returns. And one of the areas of biggest challenge is, uh, is in apparel. Actually it is the luxury and apparel goods are the biggest challenge in terms of, and we talked about the numbers on Friday, huge, huge percentages, upwards of 90% of that goes straight into the garbage, especially for luxury goods. So I think I have a new favorite rider at the dive publications car. And Vembar so listen to this. I have to read this because this is in the pretext of the study. Okay. So it's called skewed. I think her editor probably wouldn't let her use the word that rhymes very closely with that. But think about this. She says clothing, retail needs to do the boring work of helping customers understand what they're purchasing online. And can I get an amen there, right?

Karin Bursa ([00:20:36](#)):

Yes. You can. For me, I'll I'll give you an amen on that one.

Greg White ([00:20:40](#)):

Yeah. Uh, Kerryn is absurd. Sorry, Caren. Sorry. So the Korean is probably obsessed as well with apparel and luxury markets. She also has a sassy, sassy mouth self-described sassy mouth. So she got it. Tell them to spout off from her editor, check this out. She reports the peak retail sales were well, let's just say, okay. Sales were up to 10% year over year in November 6.7 in December. And I don't know if anyone recalls the national retail Federation forecasting sales up 14% for peak. So we didn't didn't come anywhere near getting there. And then she goes on to note that nearly this was a staggering number. Okay. It's \$428 billion of returns occurred. So, and then she puts it in the context of that's approaching half a trillion dollars in returns. When you think of it in terms of trillion. Yeah. It, it really kinda hits home, right?

Greg White ([00:21:37](#)):

So 10% of total retail, 10.6% of total retail sales. Right. And of course we all know that online means more returns, but she's, what's great about this writing of hers, which is it's spirited. It's a spirited style of writing. I think you'll enjoy reading this article. Um, but she's not really satisfied just to report in her PSAT pre described sassy style. She talks about the woeful state of apparel fitting. Um, when you're online shopping things like, you know, sizes are different brand to brand. They can be different store to store even season to season. And as someone who has a particular brand of jeans that I like to wear, I found they're good quality and, and a great fit. Usually, you know, they're okay. Couple of grades above probably a hundred dollars a pair more than your usual Levi's I expect really good and consistent quality I've even experienced color to color size differences, which tells me that they were likely there.

Greg White ([00:22:37](#)):

My suspicion is they were likely produced in different factories and I have kind of fat thighs and one pair fits perfectly in the others. I just can't get my legs into. So yeah, they're the, exactly the same model now. And you know, so these, these become issues, right. And you know, we talked about this last week on tequila sunrise with Paul Noble, from Harrison about how factories are often left to their own devices for doing all of their operations. That could mean setting machines or having policies around setting tolerances on machines and things like that. So, you know, that causes inconsistency in data. As we talked about performance quality and yes, course fit. So Darren talks about how frustrated consumers can get. She said, when she was working in stores, she actually saw them crumpled to a pile on the floor, just so frustrated with their fit and I can empathize.

Greg White ([00:23:32](#)):

And some of the solutions that that retailers take on, right. It's kind of, uh, you know, they, they have size guides, but it's kind of an afterthought. If you've ever shopped online for clothes, consumers are really inattentive to that guidance. I know for me, it feels, it feels sometimes hard to find a size guide. And then does it really tell you enough? And you know, I think that I think the size guides that you get, by the way, let me just say this really quick, the size guides that you get, they're pretty satisfactory for the average guy. Who's just happy if the clothes don't hurt when you put them on. Right. I mean, I'm pretty much down to, if it doesn't hurt my legs and cut off the circulation, that that's, that's a good enough fit for me. And, you know, we've talked about how these issues cause bracketing, people who buy a size bigger, the size they think is right, and a size smaller to try and make that fit.

Greg White ([00:24:24](#)):

And of course, that just exacerbates the problem. In fact, check this out. Caren says it's 62% of consumers did bracketing in 2020. I still have not done it, but I acknowledge the brilliance of the methodology for you, industrious consumers out there it is. It's a smart strategy absent any other solution, but that's really what she goes into next is she, she would be really popular with our buddy Tony Sharona from the reverse logistics association because she challenges retailers to figure out a way to prevent returns rather than to Gert up to accept and process returns. So, you know, some have videos, some even have really, really creepy technology. And I bet you can get w guess which river in South America company that would reflect as if Amazon doesn't already know what your size is and what your body type is. And then there, there are other apps and some other things like that, but she is my spirit circular Rista I think when it comes to circular economy because of preventing that and eliminating these enormous amounts of waste and environmental impact though, she doesn't go into that much, but imagine this half a trillion dollars of dirty laundry, and she is advocating that we do something to prevent it rather than, rather than accommodate it.

Scott Luton ([00:25:50](#)):

Excellent. And, uh, so Lee, 62% had used bracketing and also in the comments, there's a ton of, of activity, both on returns and automotive. So I appreciate that, Greg, Hey man, if you've got thick thighs, I'm, I'm scared of what I, how I described myself. Cause you're Mr. Svelte. So, uh, thanks for bringing me down and not your two today, but it's so fascinating. I think the whole, and we talk about this a lot. Retail in general is just a fascinating aspect of all things global business right now. So I appreciate your take here on apparel. I hate to move fast from this.

Greg White ([00:26:25](#)):

That was kind of long, but I have to tell you because, because of the spirit of it, I seriously would encourage everyone to read that article. So yeah.

Scott Luton ([00:26:32](#)):

And Lee, yes, it was 62% of customers admitted or confessed to bracketing. So yeah. Alright. So Kerryn, tell us about coffee. One of our favorite topics around here. Yeah. Yeah.

Karin Bursa ([00:26:44](#)):

I hope I can mirror the passion about coffee that Greg had about returns, but, uh, I'm definitely a bracket or just so you know, for, for the record, I'm probably part of the problem on that apparel side.

Greg White ([00:26:55](#)):

I don't see how you could not be. I mean, I guess I feel kind of dumb when I heard about bracketing, I felt kind of dumb Kerryn that I had not thought of it. Right. I think it's genius, but it does. And I think it, you know, we talked about this Friday with Tony and I think it is, that is the one thing up to the retailers is to figure out a way to, to prevent this without being invasive and even creepy. Like some of the other solutions can be.

Karin Bursa ([00:27:23](#)):

I agree. I agree. I'm going to switch this over to coffee though. So, um, so I saw this press release from Nestle last week and then it was followed up by an article that a supply chain dive also did, but Nestle's giving an update on their goal to be 100% responsibly sourced by 2025. So Scott, this goes right along with some of the big initiatives like you just shared from, from GM as well. I'm a coffee lover. I like to know where my coffee comes from. Um, and that it has been responsibly sourced as a part of, uh, of the process as well. And, uh, and this is progress for Nestle over about a decade over 10 years that they've been moving forward and today they're actually ahead of plan. So I think that their original plan for 2020 was to be right at about 70%.

Karin Bursa ([00:28:16](#)):

Uh, the article and supply chain dive says they're at 75% against their plans. Good. Yeah, good. 5% above. And, and certainly there are a lot of other elements that come into play and the Nescafe Nestle plan to look at packaging reductions and carbon emissions. I think their carbon emissions, just to dovetail back to the GM story, the goals around carbon emissions are net zero around 2050, so 2050, so well after what we're seeing from, um, from the GM team, but, uh, but it's good for them to have those goals and hopefully they'll continue to meet or exceed those. But, you know, guys, I think this is important, both of these stories because it really indicates that consumer preferences are starting to

shift what companies are talking about and bringing to the marketplace. And these industry leaders are really taking some very bold actions are putting that stake in the ground and trying to build their corporate culture or maybe pivot their, uh, corporate culture around purpose and value. And I think there are really two elements here. The first is the customer and serving the customer and being in tune with what the customer wants. But I think the second one is attracting talent and retaining talent and making sure that they can participate and help drive future innovation as because we all know that culture is becoming the secret sauce and that younger generations are very, very interested in understanding the circular economy and the impact and, and really looking at taking care of the world. As we know it,

Greg White ([00:30:00](#)):

I read just glanced past something about the coffee industry in particular, 25 million people employed in the co in the coffee industry. Think about that. That is huge. And they're expecting demand for coffee to go up two to three X in the next. I can't remember exactly how many years, but I couldn't believe that any, there could be more coffee drunk on this planet than there is now, but that's pretty substantial. And you know, we talk often Korean about companies who are doing it right from a environmentally environmentally sustainable methodology and just a pure fair trade because the coffee industry has been rife with unfair trade practices for so long. And I love that companies are acknowledging and enabling that. Yeah, clay just mentioned a company called Z beans that we've had on Enrique show, right? Logistics with purpose and, and a couple of others that, you know, that are getting on the ground. And then we talked to Jackie Robinson's family who is doing a similar thing in Africa and companies in central America and South America who were, who were doing similar things. So it's good to see somebody have that initiative on a grand scale. You'd be hard pressed to be more impactful on the, on the coffee industry than Nestle

Scott Luton ([00:31:17](#)):

Agreed. A lot of good stuff there, but Hey, we're running over. And now we got to get Lee on here before he falls asleep. Greenroom want to feature, we'll introduce our featured guests here. They leak class gal sector, head and senior analyst for freight transportation and logistics with Bloomberg intelligence. Good afternoon. Welcome aboard Lee. Good afternoon. How is everybody?

Greg White ([00:31:44](#)):

It was an afternoon when, when we started it is now since we met

Scott Luton ([00:31:48](#)):

Well, Greg, I kinda, you know, I just want to ask this gestion for you, you know, you might want to try like a ThighMaster or maybe jogger pants. They're they're a little more looser and they kind of taper down at the bottom and it is quarantined. So we don't know what you're wearing waist down anyway. Yeah.

Greg White ([00:32:05](#)):

Yeah. I think, I think the squats and the ThighMaster Mike.

Scott Luton ([00:32:11](#)):

Ah, okay, well, Hey, we, we got real ambitious with what we going to tackle before we had to join us in the, in the stream here, Lee. So no shortage of big topics and really appreciate, you always love what

you bring to the table for our community and our audience, and really want to start there. What are a couple of stories that you're tracking a li uh, right now more than others? Yeah. Well, I mean, you guys inspired me. So if I can just dovetail with some of the things you talked about. Cause a lot of the things you've talked about was about,

Lee Klaskow ([00:32:40](#)):

And you know, one of the reasons why companies are really interested in being more sustainable is there's been a huge rise in something called ESG investing. So environment, social governance investing, and there are large pension funds out there or institutional investors that require companies to meet a certain benchmark. So GM's goals and Nestle goals might not be just tied because they want to make the world a better place. It might be tied because they want to have access to capital and uh, you know, maximize their share prices. So, I mean, that's something to think about, but outside of that, you know, what we're been thinking about most recently is, you know, the rails just finished up their earnings season. Uh, last quarter for the fourth quarter, they gave us some insights in terms of what they're expecting for this year. You know, what's really been impressive with the rails is they've been able to get an operating margin below 60%.

Lee Klaskow ([00:33:35](#)):

And for those that don't know, an operating margin, is this your cost over your revenue? So it's a, it's an inverse of your, uh, your profit margin or your EBIT margin, uh, and the lower, the number the better. So, you know, there are generating an operating margin, you know, in the mid to high fifties, that's kind of their goal. And they're able to even do that when, when volumes are coming down and revenues are coming down, you know, next year, uh, expectations are for volumes rail volumes to probably increase mid to high single digits. A lot of that's going to be determined by intermodal. And the really incredible thing is that they're not going to be bringing costs back as quickly as they are in terms of when the volumes coming back. So they're not going to like, you know, increase their train starts or their cruise starts as quickly as volume is growing.

Lee Klaskow ([00:34:25](#)):

Uh, and that's gonna generate extreme, um, high incremental margins about 70%. So, um, you know, the rails is a phenomenal, uh, business. There were a couple of rails that are just on the kind of newer, uh, implementation of precision scheduled, railroading or PSR. Uh, those rails are like Kansas city, Southern Norfolk, Southern Indiana Pacific. They have a lot of margin expansion opportunity this year where some of them are chore PSR stories, especially the Canadians Canadian Pacific Canadian national. Now CSX, they're more pivoting towards growth and not trying to like increase productivity to reduce costs. They've kind of have a good baseline. I mean, they're always trying to increase productivity, but it's not going to be stairsteps. It's truly probably going to be driven by technology. So that's of extreme interest to us and how they're going to be able to generate probably double digit earnings growth in 2021.

Scott Luton ([00:35:23](#)):

Okay. Let me ask her a quick follow-up question. Lee railroads, probably where I have the least amount of experience and I've never, I've never ordered it to ship anything when I was a manufacturing via rail. W what I understand about this whole PSR initiative for that really

Lee Klaskow ([00:35:38](#)):

Seemingly came in limelight a few years back was it's. In fact, we heard one railroad CEO speak publicly in Atlanta about the need to really focus on smart business. And in some cases, let low margin customers go. And now I hear you talking about how it really is, is, is driving a ton of profitability. It seems like it's really played out like, uh, like they had planned it to, is that a fair assessment? Yeah. I mean, you know, it's, it's kind of a proven operating system, uh, for the manufacturers out there, it's kind of like, you know, six Sigma. It's just really always trying to get better. And, you know, it's not just really about productivity. Um, it's about safety, um, safety, you know, when you run a safe railroad, it's actually a more profitable railroad. So not only is it obviously good cause people aren't getting hurt, but it's also reduces, you know, detours that trains have to make.

Lee Klaskow ([00:36:32](#)):

And the downtime that occur when, you know, when a derailment happens or something like that. So it's not just productivity, it's safety. And when they're able to operate a more reliable service due to all of these productivity and safety measures, you know, they're also able to offer a more truck competitive product, you know, we'll never be equal. And that's why there is a discount to, you know, shipping in our model versus, you know, going over the road love that it's kind of different version of a triple or quadruple bottom line, a really deep Greg Kerryn, any, I don't want to hog the followup questions here, at least fascinating.

Karin Bursa ([00:37:09](#)):

Yeah. So I, I think that this is a good indicator, as Lee saying, it shows the companies are making the adjustment and tapping into intermodal where, where appropriate as well. And that business is continuing to move products. So I look at those as, as hopefully very positive indicators of future growth or return to more normal market conditions in the future. Greg, what do you think?

Lee Klaskow ([00:37:35](#)):

Yeah, I'm, you know, I wonder if these initiatives aren't making up for some of the challenges they've had in the past and in the industries Lee that you cover, it can be kind of feast or famine. Right? One year is really good or one segment of a year is really good in terms of profitability. And one is really terrible. And I think they're, you know, they're trying to sort of balance that because they've had some challenging or may see some challenging years coming up in the future as is that lend any to the dynamic that you're seeing today. You know, I've been covering transports from like a, a, a market standpoint for, I don't know, maybe 15 years might be exaggerating by a year or two it's, something like that. And, you know, the rails have never had a bad year. Uh, there, they've just, that's why the Carnegies and the Rockefellers are all gazillionaires, they've gotten better at operating.

Lee Klaskow ([00:38:27](#)):

They've been gotten better at, you know, to your point. I mean, they used to be big before they were deregulated. They were fat bloated companies and the ones deregulation happened in 1980, the, the, the industry consolidated significantly, I believe there was something like 35 class, one rails. And in 1980, now there are seven. And you know, that is lent itself to more profitable and better fluidity for their networks. You know, when you were talking about intermodal and one of the opportunities for rails this year and intermodal, at least in the foreseeable future, which is probably the first half of the year, you know, the really tight trucking, uh, market conditions, uh, should push some freight over to the rails. And it might make some purchasing managers a little more, or transportation managers consider rail, uh, more closely, uh, as an alternative because, you know, you know, rates are up in the

spot market, something like 32% upload, uh, at least this year we expect on the contractual side, double digit rate increases.

Lee Klaskow ([00:39:32](#)):

So, you know, call it low teens. And so, you know, costs are going up. And that really has to do with, uh, limited driver availability, which is a head-scratcher. Cause, you know, earlier in the program, you guys were talking about truck orders, you know, there's all these new shiny trucks that are coming out, but I don't know, you know, necessarily how they're going to seat them. If people are buying trucks to expand their fleets, you know, as many people know in the industry, you know, a truck driver or it's a, it's a difficult job. And, and a lot of people go into it thinking one thing. And usually they get churned out because it's not what they expected with. You know, driver turnover can be as high as a hundred percent. And so, you know, it is a, is a tough industry. Then you have some federal mandates that happen with the drug clearing house that is kind of like people that are, that they get like a check Mark next to their name for drugs or alcohol.

Lee Klaskow ([00:40:25](#)):

Um, you know, a large company like S like Knights Swift or Schneider is probably not going to take a close look at that driver because, you know, they are focused on getting the best drivers for their fleets and, you know, uh, really big drivers I've is someone that takes safety very seriously because insurance costs are rising and exp and, you know, accidents, obviously they're horrible, but they have a high financial toll. Uh, there were really a large lot of large settlements that we saw in 2000, 19 and 20, and that's pushed insurance rates up and a lot of insurance carriers, which like, we don't wanna, we don't want to insure this business anymore. And so that market's a tight market. And so, you know, if you're an owner operator, uh, that's another additional higher costs that you're dealing with. And if you're kind of older, you might think that, well, maybe I'll just drive for another year and then, you know, I'll go retire. So

Scott Luton ([00:41:17](#)):

We've got a couple of questions from the audience. I want to pose to you here in a second. I want to start with the autonomous question that, that we get a lot. Everyone gets a lot. In fact, I was watching golf Sunday, came here the name of the tournament, but there's a for, I mean, maybe I hadn't watched golf in a while, but it had a drone capture, a wonderful high quality shot of a green. And it was very dramatic. I've seen drone shots here and there, but it was one of those long panoramic. And there's like, man, the high quality TV cameras and drones finally really come together for some neat stuff. It wasn't a wire. I was like, like so often happens, uh, Greg and football stadiums, which we might touch on Superbowl here in a minute. But, uh, let's get this question from Tom. So Tom and, uh, good morning, uh, Tom rafter. Good afternoon rather. Uh, how will autonomous trucks impact the rail industry given autonomous long distance trucks will crater the cost of truck freight? Any comments there early?

Lee Klaskow ([00:42:09](#)):

Sure. You know, I'm not a futurist, but I think the key is it's in the future autonomous trucks. I, I, I used to joke that I don't think it's going to be in my lifetime. Um, now that I'm over 50, I don't like to say that anymore because it might be sooner than later. You know, there is a place for autonomous trucks in the next 10 years, but I don't think that place is widespread adoption on our highways. I think they, they make sense for maybe some line haul. They make sense for, you know, inside yards. But I think there's a lot of regulatory hurdles that the industry has to get over, to make them adopted. I mean, they are the

future, um, you know, Schneider and us express and someone else just made a big investment in, um, true something.

Greg White ([00:42:56](#)):

There's dozens of them, Lee. Yeah. It's hardly worth one out, but there are a lot of test routes being run right now, running test routes between Texas and New Mexico, right.

Lee Klaskow ([00:43:09](#)):

The traditional industries, investigative, because it is the future. But like, you know, I think that the rails don't have to worry about that because you know, the rails can run autonomous rails. Anyway. I mean, if you think about it, that's a closed loop system and there's really not a lot of safety concerns, at least for the general public, with an autonomous rail. I mean, it's really kind of a union work rule, uh, issue more than it is a technology, excuse me, issue. So that's good

Greg White ([00:43:37](#)):

Know that the profits of railroads are sustainable so that the robber barons and their progeny can maintain their trust funds saying, know, you're

Scott Luton ([00:43:48](#)):

Not having a good week unless you hear Greg say Robert

Greg White ([00:43:50](#)):

Barron's. So I want to,

Scott Luton ([00:43:54](#)):

Is this question to you and, and, uh, not trying to cut y'all so Lee, any commentary on the PPE transportation market and, or the container, you know, let just last week we were talking about the containers that, you know, they're, they're going back to China, uh, empty and, you know, adding to the container shortages. Of course, January was a really interesting, interesting just when it comes to containers because of all the container losses, any comments around the PPE supply chains and, or the, you know, container dynamics we're seeing right now.

Lee Klaskow ([00:44:24](#)):

I mean, nothing says specifically on the PPE supply chain, but I mean, obviously PPE demand has been a real win for, uh, the

Scott Luton ([00:44:32](#)):

Supply chain in general knows that services, especially the trucking industry, you know, and we see those kind of, that, that demand really not letting up, uh, as well as restocking activity, you know, inventories are really kind of low across the country. And that coupled with, you know, the hiccups that you're talking about, the supply chain at the ports, it should drive pretty robots, freight demand, at least through the, uh, the first half of the year. All right. So, so much to tackle. So little time, uh, Korean w you know, as you hear some of these, some of these different dynamics when it comes to transportation, any additional questions or comments on your end while we still have some elite class called class cow's precious time?

Karin Bursa ([00:45:14](#)):

Well, I think, I think some of the data that Lee's shared with us is fantastic. And actually, I want to thank you, Scott, in the supply chain now team, because that's how I got introduced to Lee. So he, wasn't an analyst that I was familiar with before. So thanks for bringing that to me and bringing it to the community as well, because it's definitely good information. And there's some important data points here. I'm probably a little more bullish on automation, but, uh, I haven't looked at it quite as closely as Lee at this point in time.

Scott Luton ([00:45:42](#)):

Excellent point. And I think too simple was, uh, the Chinese referring to earlier Lee. Greg, what about, you know, your take here, uh, on some of the stuff we're hearing from Lee and any other questions you might have? Well, I love when Lee can bring us information on transportation, particularly railroad, because I don't know much more than what I've said, right? Rockefeller's Carnegie's you got to buy them a monopoly. They're like, that's, that's the foundation. That's about it. That's about all I know. Um, know my family was on the back of the train and waving the Lander. And so seriously, I, I only know what I've read and it's good to understand this because, you know, as Tom said, and, and we all know, regardless of what the timeline is, things are changing in terms of all, all sorts of ground transportation. So interesting to put this into perspective agreed.

Scott Luton ([00:46:35](#)):

And you know, this is going back to the driver comments that you were making early. That was a big thrust of our conversation last week. And you would just think that with how much of a, a problem that is and how much it's costing the industry there, it's only gonna accelerate how quickly technology can require less drivers and help speed it up in a very practical, beyond what's already taking place, speed it up in a much more practical, sustainable manner. So it's going to be, I think I'm no future either, but these next 10 years, five years, maybe these next 10 years is going to be, I think in the even further intriguing time to be in supply chain, especially as automation continues to take root and transform how business is done, ton of comments. And, but there's a lot of back and forth still on the Evie and some of the GM news. And then that's the news. And I wish we curious while we've got Lee, I'd like to ask this question around automated transportation.

Greg White ([00:47:31](#)):

What do you think is really the driving issue around transportation? Is it really energy consumption? Is it safety? Is it, you know, the limitations to work hours and, and, you know, the ability to park these things anywhere when they could be moving virtually all the time? I mean, what, what do you see as the driving force behind automated transportation,

Lee Klaskow ([00:47:52](#)):

Prophet and that a boy plain and simple, I mean, people want to make money. So it's either you want to make money because you want your assets running all the time, because you don't have hours of service rules when you want your assets to be more productive, because you don't have to deal with people calling in sick, or God forbid getting into an accident. If you know, this technology truly works. Yeah. You know, I think it's just, it's just profitability and, you know, one of the largest costs for, you know, outside of the actual truck itself or the people though we eliminate the driver again, I think we're, we're along off for that. I think truck drivers out there. Thank you actually, for all that you do for the

economy. You know, I think that, you know, they don't have to worry about their jobs, uh, quite yet, you know, because I think there's always going to be need for trucking.

Lee Klaskow ([00:48:40](#)):

Maybe it's going to be less over the road and more local delivery. Maybe it's going to be more in a short, shorter length of haul that they might be, you know, working, uh, in the future. And again, I don't know when that future is going to be. I am not a very, uh, somewhat bearish, I guess I would say in terms of widespread adoption in the next 20 years, it'd be nice if we had electric trucks first. Right? Well, I'm going to be talking about alternative energy for trucks for zillion years, uh, whether it's compressed gas, uh, hydrogen, you know, durables, uh, they've been talking about that for, for worlds.

Greg White ([00:49:14](#)):

It's got enough on his window right now that he could run a small seminar.

Scott Luton ([00:49:20](#)):

Wait, I'm making a big, bold bet. I'm going to predict that the future is in the future and Hey, I'll hold me to that. Okay. You'll hold me to that.

Greg White ([00:49:26](#)):

Let's make a note of that. Yeah. Li futurist future is in the future.

Scott Luton ([00:49:32](#)):

Sure. Isn't in the future. All right. So, uh, li there's never enough time every time you ha we have yet w we hope to be back in person. You know, we've interviewed you here in Atlanta.

Lee Klaskow ([00:49:44](#)):

Yes, that's right on down, brother.

Scott Luton ([00:49:46](#)):

Let's do it. We've seen the out in Austin. We really enjoy your, your smart, informed perspective, but also your sense of humor, which really keeps, it makes things more approachable. You know, you don't take yourself too seriously, although you could, and it makes, makes your point of view, very approachable and making it while making us all of us much more smarter. So again, to our, to our community, if you're not following Lee already, please do check out what he writes. He keynotes quite a bit. He sits on panels. He has podcasts, you name it. But Lee, the tray. Now the question for you is how can folks connect? What's the, what's the one good point where you can direct people to connect you and all the cool things you're doing at Bloomberg intelligence.

Lee Klaskow ([00:50:24](#)):

Sure. They want to connect with me personally, um, you know, the best

Scott Luton ([00:50:28](#)):

Way. Um, you know, I answered most of the emails that I get just don't sell me anything, please. And, you know, always happy to chat about transports. Uh, so LinkedIn, again, my last name is right there. I know. Right? Yeah. And you know, you're interested more about Bloomberg, obviously it's

bloomberg.com. Uh, Bloomberg intelligence is, uh, Bloomberg's research arm. And, you know, we, we cover about, um, 2000 companies close to 300 different sectors around the world. So, you know, if you want to find out more, you can go to bloomberg.com. Awesome. Lee, always a pleasure. I believe we've got your LinkedIn profile in the show notes, make it really easy. You know, that one click we're offering to our community. We look forward to reconnecting with you again really soon. Always love what you share with us in our community and wishing you all the best Lee class gal with Bloomberg intelligence. Thanks a lot, guys. Thanks. Bye-bye we forgot to ask him about Bailey, but I'm sure he'll forgive us. This go around.

Greg White ([00:51:26](#)):

I love having you on the show. When I say something where he can't even acknowledge where the facial expression, you see him sitting there going, did he really say that about the Rockefellers

Karin Bursa ([00:51:41](#)):

Good spirited conversation? So I really liked that and it looks like our community has been really active with some commentary too. Hey, Scott, I see that, um, that Tom Raftery, a futurist, we were asking for a futurist, a futurist was with us today, but I want to give a shout out for an upcoming episode of tech talk actually, where we're going to bring this topic of digital supply chain and sustainability together. So I want to invest just to get that applied, but let our audience invite them to, uh, to give a listen. Um, because we'll be talking more about some of the things we've tapped on today,

Scott Luton ([00:52:17](#)):

Greed and, you know, Manda and clay. Uh, if y'all got that email that came out, uh, there's a link that Tom shared as we're going to put that conversation in our community. If you could share it, the comments that would be wonderful and Kerryn, if, if you can forward it to them here in the last few minutes, we'll make sure it hits the comments. So be looking forward to that and look forward to, I think you're going to be interviewing Tom, as you mentioned, uh, here in the coming week. So appreciate that. Let's do this as well. We've got some other upcoming items we want to tackle, right? Thank you.

Greg White ([00:52:46](#)):

Can we just acknowledge one more thing that Lee said that is brilliant as usual, and that is profit. How often are we on these shows, talking about the altruistic things we'd love to see happen, but the truth is that it always come back, comes back to economics. And I think the sooner we all recognize that and then figure out how to help companies combined sustainability and fair trade and, and good human rights practice with economics. Then that's when things really change. So excellent,

Scott Luton ([00:53:19](#)):

Excellent point. And as Fred Tober said, profit is not a dirty word. It's not a four-letter word and it things happen. So let's also talk about speaking doc

Greg White ([00:53:28](#)):

Day of supply chain.

Scott Luton ([00:53:33](#)):

I'm not a great Whistler. Otherwise I would have done like the, uh, the,

Greg White ([00:53:37](#)):

There you go. Yeah.

Scott Luton ([00:53:41](#)):

All right. So let's talk about some other resources. I've got a little challenge. I want to put out to our community and they always step in and appreciate the kind of comments, Rhonda. Great to have you here with us. We've got two great webinar sessions, chock full of perspective. What we'll touch on both of those as we wrap here today, and we've got a newsletter that goes out, Oh, which is kind of a clearing house of our content and other content. And it's in the process of being transformed. So here is a neat little challenge. So we all our team here really enjoyed gift gift back bags by gift boxes of light cheeses and cured meats. And sometimes while I'm not sure if we're going to send one out, but hot sauce. Yes, we got, we had a family of hot sauces that we're still experimenting with and our favorite barbecues and whatnot.

Scott Luton ([00:54:30](#)):

So this is what we're going to do at supply chain now. So we love to have our community and, and their POV represented at, at all these webinars, especially the Q and a are my favorite parts. So we're going to little raffle the month of February, we've got two webinars we're going to touch on momentarily. You don't have to register for both. I believe we've got the, the registration links in the show notes, and we've got a newsletter subscribed link. So to register for this raffle, for what I promise, just still to be defined, but I promise it will be a nice gift box, Oh, cheeses meats, and some other things, maybe some gift cards and stuff you can enter as many as three times, right? If you register for both webinars and sign up for the newsletter, that's three entries in this raffle for the month of February. So let let's share the two webinars really quick. So folks know what that's going to be about. So Greg and Corrine, you know, we, we have rubbed elbows with the connections team quite a bit in the last few months, really enjoy what they're doing. Well, Ann Robinson who's our chief strategy officer is bringing Wilbury VP of digital technologies at Mars. Now, Mars, what's special about Mars, Greg or Corrine. Who can, who, what is

Greg White ([00:55:40](#)):

Every single piece of food that they created as Kerryn alluded to earlier,

Scott Luton ([00:55:49](#)):

NIMS, Snickers, skin Twix. My kids are going to be signing up for these webinars, all kinds of really good stuff. And of course that's just a best, that's just the sweet stuff, right? They make a product. But then when we talk about supply chain transformation, and yeah, that's, that's gotten a ton of, of attention, but as always with connects, this is going to be rooted and been there, done that and offer some tips, probably stealing some best practices from what Mars is doing, uh, to, to drive meaningful, uh, supply chain transformation for. So y'all check that out on February 17th. And we also have in this panel that continues to be built out a little bit on February 23rd, we're going to be partnering with Omnia partners and we've got, we've got a panel, we've got four different sectors represented on this panel. And then we talking about kind of how, how our supply chains recovering and regrouping in 2021 is kind of general theme, especially with a lot of procurement thrown in Renison or ACE hardware, Parker Hannifin and SGS North America are all gonna be represented, uh, sharing some, some of their best practices and observations on the market.

Scott Luton ([00:56:57](#)):

So Greg, we just about had to send a flatbed to pick up this massive and get, I mean, I'm going to throw a supply chain stunner out there. And that is that ACE hardware is leading bricks and mortar retail transformation, both digital transformation and getting people actually back into the stores. I mean, it is so impressive what they're doing. They're international, they're growing like crazy in the middle East of all places. And they have long had a substantial, I've worked with ACE hardware for over 20 years, just over two decades Corrine. So that's what I'm supposed to say, isn't it nearly tickets. So I have watched them be the leader in this and, you know, they have tens of thousands of dealers, independently owned stores, and somehow they corral those. And of course, rent a center founded in Wichita, Kansas. Um, now in Dallas, somewhere around Dallas was potentially one of my first jobs out of college.

Scott Luton ([00:57:56](#)):

So I'm very familiar with that. My grandmother worked in the rental store trade and what a challenge it is to rent your products, not sell them. It works. Logistics isn't is a key and core part of your, of your organization. So that'll be a really interesting segment of the discussion as well. Love it. Well, no shortage of, of outstanding best practices and conversations to be a part of, of course, you can learn more about it all@supplychainnow.com the voice of global supply chain. Hey, one other item is the link to sign up for the newsletter. So Amanda and clay, Amanda, or clay, if y'all could drop that into the comments. That's one thing I did not have my hands on this morning, but we'll make sure we give folks that opportunity there. All right. So Corrine, I want to circle back cause we wrap up here today. We cover a wide variety of ground. I mean, again, planes, trains, automobiles, li class gal. Some, uh, we didn't talk about Superbowl yet, but little, little, little dad jokes don't in there. Korean what's, what's one really, really thing. Really a key takeaway that you're, you're going to be the part in the session with,

Karin Bursa ([00:59:02](#)):

I think it's been a great discussion. I think we were able to bring together several different themes, several different news items that, that have some similarities, uh, through them. And, um, in fact, in, in the situation with the returns, you know, companies that are creating problems because of that, they could take in serving the community better. So, or, or their customers better. I think that those, those warrant taking a good, hard look at as well versus, you know, doing the showrooming or expecting your customer to do a bracket purchase and then, you know, a return as well, because all we all know those costs get baked in right there. They're all we're paying for it. And, uh, in many situations the economy or the world from a recyclable and reuse perspective is paying for it as well. So good stuff. But the sub supply chain is at the middle of it, right. In both directions. So you have a huge opportunity, huge opportunity

Scott Luton ([01:00:00](#)):

As Jeff, Jeff would say, supply chain is the business, Greg, same question to you. What's well, hang on, let me, let me share, Oh, clay Luton's comment here. No cuisine or any relation there, Scott, he's a smart one. No coincidence. Greg ACE hardware is another company committed to the customer and employee experience will stay to clay. All right. So Greg what's, um, I, I enjoyed, Oh man, this was, this was my favorite kind of hour, but it's tough to nail it down to one thing, but what's, what's one key takeaway for you. I think this is going to sound odd, but I think the key takeaway is having a third host here and getting some buddies perspective, besides just yours in mind. This is really valuable for me. I mean, of course, Lee, of course we want to have those external viewpoints, but we have so many people who, who are, and we have no talking heads here.

Scott Luton ([01:00:55](#)):

Everyone is a supply chain practitioner in, in this company. So it's great to see these really thoughtful and valuable perspectives from everyone on the team. I hope we keep doing this. I hope we have enough Mondays left to do this right. We know we're adding a host every week. So I don't know if there's enough Mondays. Well, Corinne is a wonderful addition, as we knew as we've enjoyed already. And her, you know, tech talk is, is, has leaped out of the gate with a variety of fascinating conversations. I think beyond our hosts and perhaps some different members of our community could join us and guest co-hosting. So, uh, we'll have to bake on that internally and then roll that out. I want to say, Hey, he's got a great idea. Speaking of adding some sizzle, we need the shoes back here is let's have a let's transform supply chain.

Scott Luton ([01:01:49](#)):

Now he's basically saying how about some live music or band jazz at the show even more Greg is that we can do it's possible, but I will not be playing or, Oh, come on. Oh man. Amanda Karin is the supply chain pro to note. Excellent host addition. I agree, man. All right, Amanda. So we got to wind it down. I really have enjoyed Lee and Kerryn and Greg and all the comments that we could get to some of them we couldn't get to because we, we just, we got a little bit ambitious. I did maybe with how many stories of feature, but well, a well-rounded episode with a nice heavy dose of logistics and transportation. Hey, thanks for bringing it every week on the bus, uh, community that you're the North star while we do, we do be sure to check out our webinars and our newsletter. And I promise you, the raffle is going to be the, the, to be determined, gift boxes. We've got to come with a name, not gift box. What are those things that have the cheeses and the meats and the, you know, I'm talking about Corrine,

Karin Bursa ([01:02:50](#)):

You shouldn't call baskets, but it may come in a box, maybe a basket inside the box.

Scott Luton ([01:02:56](#)):

Uh, we'll come up with some more sizzle next Monday. I promise I'm not, I'm having a, uh, I didn't have my 18th cup of tea this morning, so, but Hey, uh, Greg white Kerryn, bursa love doing this with you. I love your respective series, tequila, sunrise and tech talk, digital supply chain podcast. Look forward to a very busy week here. We're going to challenge our audience. Like we challenge our team every day. Right? Do good. Give forward and be the changes needed. And on that note, we'll see you next time here on supply chain now. Thanks.

Intro/Outro ([01:03:29](#)):

Uh,