

Smoother moves

Transportation Research Forum



Tampa Florida

March 16, 2012

Trends and issues in the Container Transport Operations

Agenda:

- **Pacer Overview**
- **Equipment Flows / Potential Impacts**
- **Chassis Landscape**
- **Drayage Capacity**

Pacer International Overview

- Founded in 1997 through the acquisition of several logistics companies and the APL Linertrain which was renamed Pacer Stack train
- Headquartered in Dublin, OH
- 1,100 employees in our global operations
- Comprehensive transportation and logistics portfolio
- Best-in-class service delivery model
- Publically traded (PACR on NASDAQ) financially sound and positioned for growth

Capacity & Control Across All Transport Modes

Centralized Capacity Procurement and Contract Negotiation for all modes.



INTERMODAL

- Access to 42% of the Domestic Equipment Fleet
- Over 100,000 mile rail network in North America
- Collaborative rail operations with all carriers



HIGHWAY

- 3,000+ Truckload Carrier base
- 950+ Pacer Cartage owner operators
- 2,000 + additional dray carrier base
- MobilCom equipped



OCEAN/AIR

- NVO Contracts with 20+ major ocean carriers
- IATA Licensed with full air carrier access
- OWL 360 for full shipment visibility
- RFI 360 for visibility & control



WAREHOUSING

- Over 800,000 SQ FT of space
- 100+ trucks to cover pick and deliveries within Southern California
- WMS for inventory visibility



LOGISTICS MANAGEMENT

- Load Control Center to manage customer's and Pacer's capacity throughout your network
- Complete dispatch control and shipment visibility



Intermodal Segment (\$1.1B)

- "Retail" (Door-to-Door)
- Automotive
- Ocean Carrier Services
- Drayage



Logistics Segment (\$0.4B)

- International Import/Export
- Highway
- Warehouse, Port, & Transload Services
- Logistics Solutions

Equipment Flows Potential Impact

➤ Trans Pacific Trade Lane:

- **Land Bridge VS All Water Services**
- **Ancillary fees**
- **Labor Impacts**
- **East Coast Capacity**

Chassis Landscape

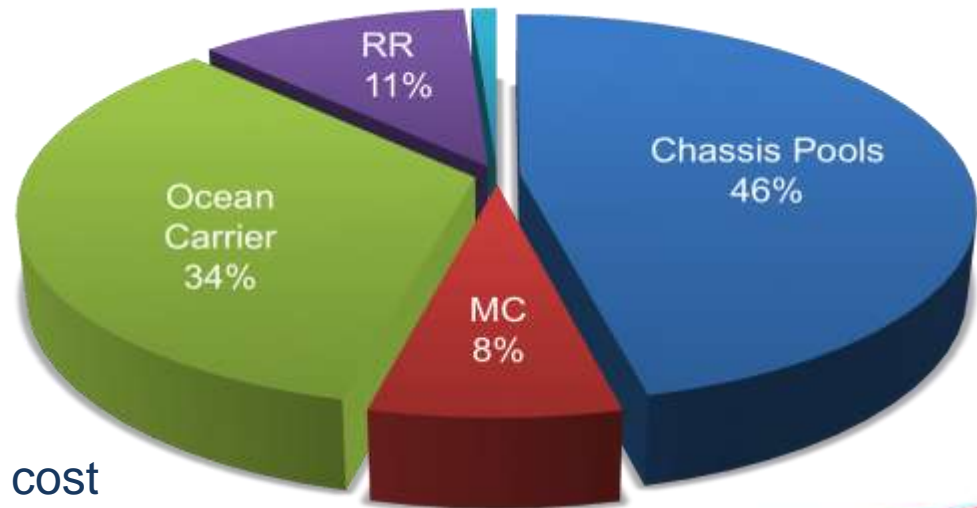
- **Ocean Carriers in / out of chassis**
- **Establishment of numerous chassis pools**
- **Equipment quality and age**

Chassis Landscape

- **Pools – Neutral / COOP / Ocean / Trucker**
- **Ocean Carrier provided equipment**
- **Shipper provided equipment via CCM**

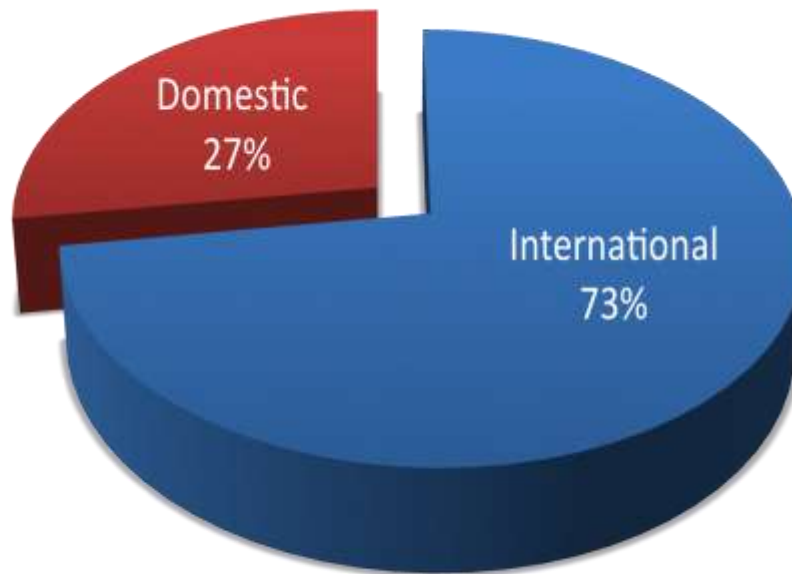
- **International Chassis Pools**

- Many different pools
- Street Complexity
- Unproductive time and cost



Chassis Landscape

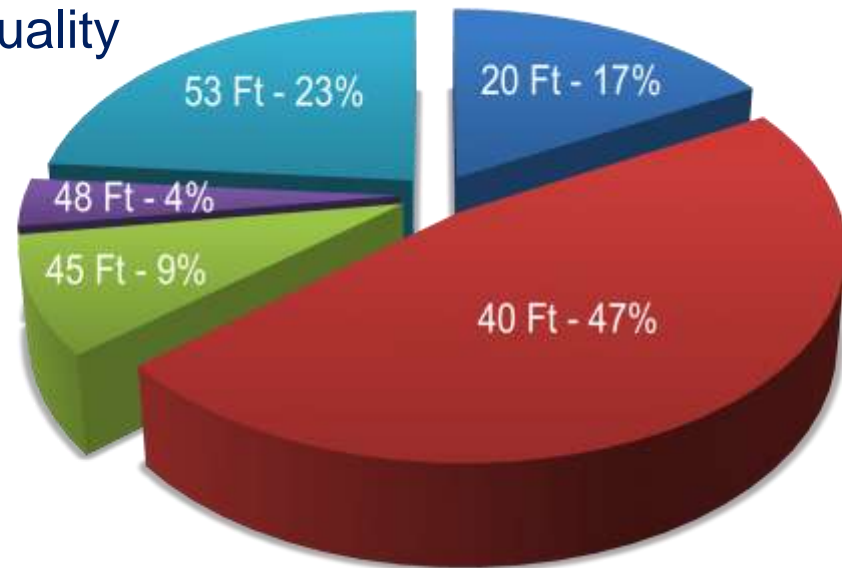
- **Many different types of equipment**
 - INTL chassis versus Domestic chassis



Chassis Landscape

➤ International Chassis Fleet

- Many sizes and shapes
- Fleet age and quality

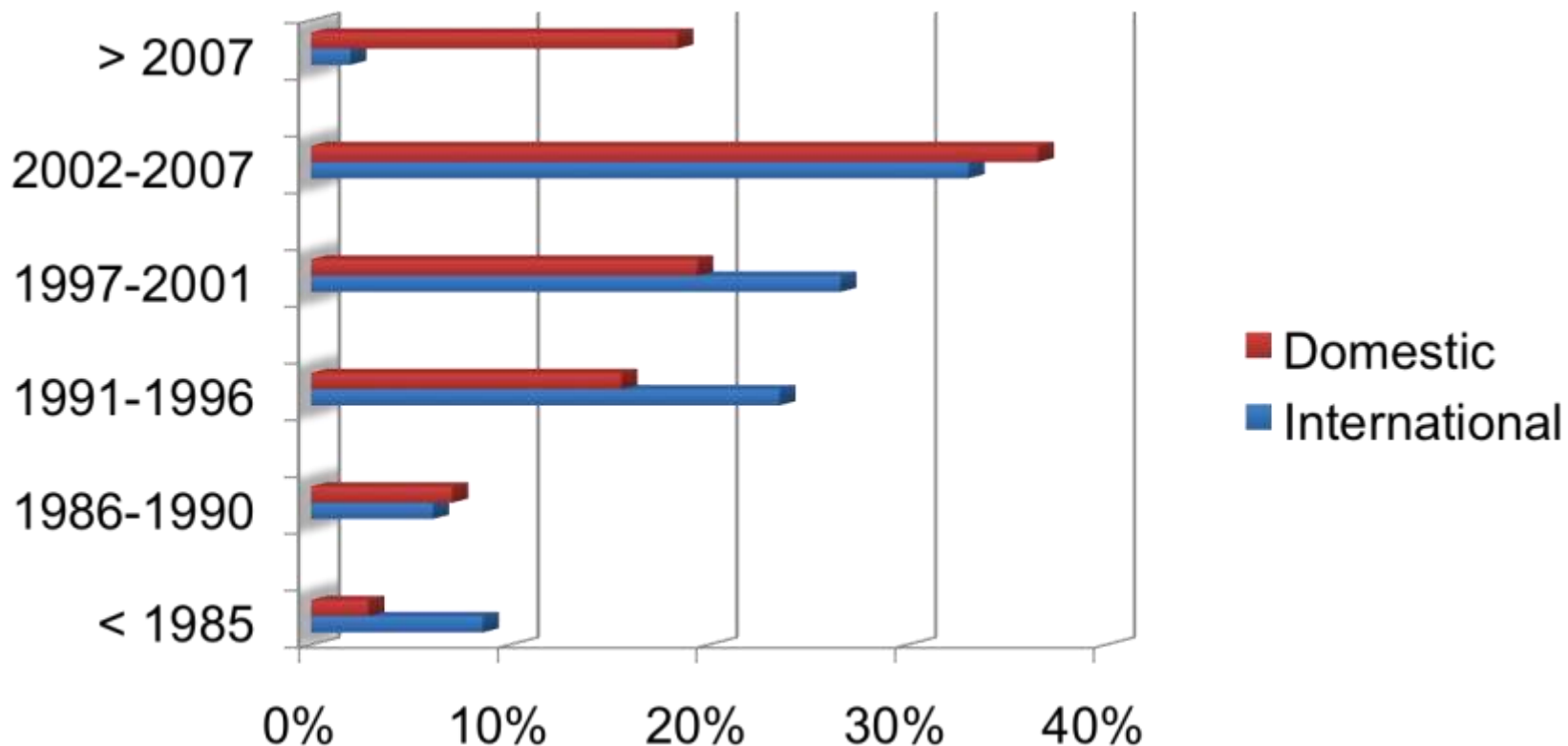


➤ Domestic Chassis Fleet

- More standard, less complexity
- Fleet age and quality

Chassis Landscape

Equipment Age



Drayage Capacity

- **Owner Operator Model**
- **Driver Capacity**
- **Regulatory Impact**
- **Environmental Challenges**