

New options for supply chain efficiency from Asia to the Americas

For decades, shipping routes from Asia to the Americas have been dominated by a few well known logistics hubs—southern California in the west, and, in the south, shipping centers in the Caribbean—on trade routes passing through the Panama Canal.

As global shipping volume has increased, these destinations have been put under increasing pressure. Congestion has grown, causing costly delays that extend total transit times, while tariffs and other fees continue to rise.

As global trade continues to expand, these pressures will only worsen. As a result, many of today's shippers, retailers, wholesalers, and third-party logistics companies are looking further afield. They are seeking new options—new ports and new logistics hubs—that escape the well-known bottlenecks. They are looking for more flexibility, faster transit times from Asia, and easier access to the Americas, with greater logistical support for near-sourcing and multi-destination shipments.

Fortunately, new alternatives are arising to meet this growing demand. For shipping to the US, some of the most time-saving and cost-effective solutions are in Canada's Northwest. For the US, Latin America and the Caribbean, the Dominican Republic offers a fully-equipped logistics platform that can open new supply chain options for multi-cargo and multi-destination shipping.

The Northwestern alternatives offer:

- 3 to 4 days faster ocean shipping from Asia
- no port congestion
- skilled, reliable labor
- efficient, convenient rail connections into the US Midwest
- security

The Caribbean offers:

- strategic location on Panama Canal trade routes
- 21 to 45 days less time from Asia to the US east coast
- a secure logistics platform where products can be relabeled and repackaged for all the Americas
- value-added services that improve or regionalize the final product
- no port congestion
- efficient air-sea connectivity
- low-cost, skilled labor

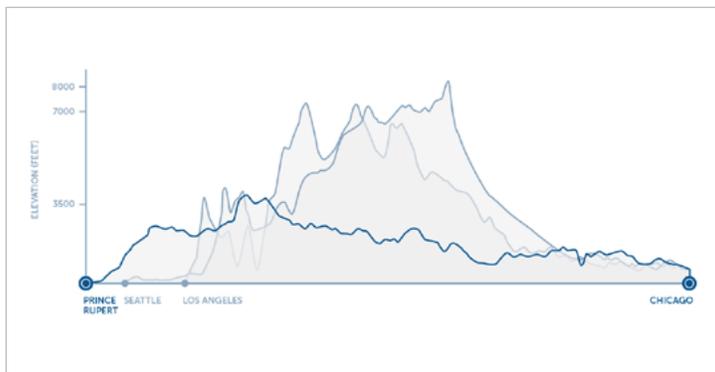
For faster, easier connections to the Midwest, look North

Port of Prince Rupert

On the west coast of North America, far to the north of Los Angeles, is the port of Prince Rupert. The most northerly ice free major port, it is a fully-equipped, uncongested facility in the deepest natural harbor in North America. With a 35m channel depth and 17m berth depth (deeper than Los Angeles or Seattle), it's capable of serving the largest container ships afloat.

Prince Rupert's northern location puts it more than 72 hours closer to Asia than southern California—a real advantage for high-value and time-sensitive cargo. The port was specifically designed as an intermodal container transfer facility, with super post-Panamax cranes, reefer capability, and a massive rail yard. The labor force is highly skilled and reliable, and port fees and other port-related costs are far lower than is typical further south.

When it comes to security from theft, Prince Rupert's remote location is a benefit: theft and other security issues are almost nonexistent. From Prince Rupert, containers can be quickly offloaded to rail cars—and Prince Rupert's rail connections provide direct access into the US Midwest. CN Rail, for example, is the only North American railroad offering direct connectivity from the west coast to Detroit, without interchanging to an east coast railroad. Cross-border transit is seamless and expedited with minimal delays. For further cost savings, the railway passes through the Canadian Rockies, where elevations are lower, and fuel surcharges are less.



In summary, Prince Rupert is a viable alternative for shippers, retailers, wholesalers, and third-party logistics companies seeking faster shipping times, less port congestion, flexibility, security, and significant cost savings.

Port of Vancouver

To the south of Prince Rupert—but still in Canada—is the Port of Vancouver. 36 hours closer to Asia than southern California, Vancouver is a mere 30 miles from the US border. Its port is a major gateway for trans-Pacific trade.

Vancouver offers many of Prince Rupert's advantages, plus its own unique benefits. Vancouver is a multi-transport hub, linking ocean transport to the highway system and rail carriers, with efficient links to Minneapolis and elsewhere in the US Midwest. Various port operators offer comprehensive container-port services such as advanced cargo loading and storage technologies, stevedoring services and highly-skilled labor. The fee structures tend to be lower than those seen further south. A rapidly-growing city of 3 million, Vancouver also provides access to the Canadian market.



North American railroads offer direct connectivity from the west coast to the US Midwest. Cross-border transit is expedited with minimal, if any, delays.

Between the port pair of Prince Rupert and Vancouver, shippers can dig deep into the American heartland faster and more efficiently, with real cost advantages.

For a logistics hub on Panama Canal trade routes, look to the Dominican Republic

For ships using the trade routes that connect Europe, Asia, the US and Latin America—in other words, the routes that pass through the Panama Canal—the Dominican Republic offers a powerful combination of logistics services.

Port of Caucedo

Near the capital city of Santo Domingo, the Port of Caucedo sits on the east of a peninsula; on the west side is the Las Américas International Airport. As retailers and other logistics experts understand, global logistics planning is all about efficiency, and that's what Caucedo offers. The Port of Caucedo is only one component of the Caucedo Logistics Center, where seaport, airport, and warehousing operations are combined in a single site. The entire zone was designed to serve near-sourcing and multi-destination shipments in a strategic Caribbean location that is 27 days, or more, closer to the final market than Asia.



The Logistics Center offers a single, seamlessly integrated solution: containers are offloaded and transported from quay to warehouse, within a bonded tax-free zone. From the warehouse, container cargo can be broken out and go through light assembly, relabeling, repackaging and/or rebundling. The options are unlimited: products can be relabeled in various languages, for example, or repackaged to meet national standards of the US, Caribbean or Latin American countries. The flexibility and savings are significant.

The port's proximity to the international airport adds new options for time-sensitive marketing: seasonal or other 'special' promotional labels can be flown in, and delivered to the assembly-warehouse facility. Since the airport is in the same free zone as the seaport, the entire process takes place with no multi-jurisdictional delays and costs. The Port of Caucedo represents the only port within the Caribbean which has all activities within the same free zone.

Caucedo offers skilled, low-cost labor, congestion-free convenience, and hectares of warehousing space. For shipping from Asia or Europe into the Americas—or shipping agricultural and other goods from the Caribbean or Latin America to Europe and Asia—no other port or logistics facility in the Caribbean is comparable.

The port also provides access to major regional markets in the nearby Caribbean/Central America, and in the Dominican Republic itself. The Dominican Republic has a growing population of 10 million, and is a significant market for industrial and consumer goods. Another 11 million people are in neighboring Haiti, which depends on the Dominican Republic's logistics platform.

The Port of Caucedo is the only port within the Caribbean which has a seaport, airport and assembly-warehouse facilities, all within the same free zone.

Looking to the future—and Panamax-capacity ships passing through the enlarged Panama canal—Caucedo will only increase in strategic importance. To maximize the economies of Panamax ships, the large ships must be filled. Larger ships mean fewer ships (assuming that the current rate of growth remains steady) and possibly less frequency of call and fewer ports of call. These factors point to multi-cargo and multi-destination ships, and the supply chain options of a true free zone become invaluable.

As shippers, retailers, wholesalers, and third-party logistics companies continue to seek new alternatives in delivering goods from Asia to the Americas, they are well advised to look north—to the west coast of Canada, and south—to Caucedo in the Dominican Republic. They may well find new flexibility, savings, and time-to-market advantages.