The IWLA Sustainable Logistics Initiative

Presented by
Joel Anderson, President & CEO, International Warehouse Logistics Association (IWLA)
Richard Bank, Director, Sustainable Supply Chain Foundation
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The Practice of Sustainability

- Planet
- People
- Profits
Translating it into the ‘Box’

• Environmental Responsibility - Planet
  – Electrical consumption
  – Fuel consumption
  – Water consumption
  – Recycling

• Social Responsibility – People
  – Community service
  – Employee safety

• $$$ - Profit
  – Savings from technology and efficiencies
  – Savings from operational excellence
The IWLA Sustainable Logistics Initiative

• What is the IWLA Sustainable Logistics Initiative (SLI)?
  • SLI background
  • Continuous-improvement sustainability assessment tool
  • Individual facility focused
  • Measure per-facility, year-over-year improvement
  • Independently verified
    • Essential to overcome “greenwashing” perception/claims

• Objectives:
  • Improve IWLA 3PL-member sustainability practices by providing a standardized metric and benchmark to measure improvements both environmentally and socially.
  • Chart, recognize and verify self improvement.
SLI Process – Participant Steps

1. Enter data into the IWLA website on each facility’s sustainability indicators.
   – Data points include: energy usage, recycling quantity, water consumption, safety statistics, etc.
   – Data becomes the baseline for each indicator.
2. Set improvement targets for each facility and each indicator.
3. Attend educational seminars on sustainability improvement strategies & techniques.
4. Implement improvement targets.
5. Measure results against targets.
   – Note: Recent changes in facility operational profile will be accommodated.
6. Report improvement results biannually via the IWLA website.

Independent Verification
 SLI Process – Independent Verification

• **Independent verification is the key.** Otherwise risk “greenwashing”

• SLI participant data are reviewed and verified by IWLA’s independent verification contractor, the Sustainable Supply Chain Foundation (SSCF).

• SSCF verifies per-facility sustainability baseline, based on supporting data analysis.

• SSCF verifies improvement program results, based on supporting data analysis.
Who Is SSCF?

• Sustainable Supply Chain Foundation:
  • SSCF is a neutral, third-party verifier of supply-chain sustainability programs.
  • SSCF conducts research related to supply-chain sustainability with the Supply Chain Management Center, Robert H. Smith School of Business, University of Maryland.
  • SSCF identifies and assesses best practices, metrics, and emerging technologies that advance supply-chain sustainability.

(www.sustainable-scf.org)
SLI – Important Notes

• SLI assessments are not cross-industry comparative or cross-company comparative.
  • Instead, they provide the baseline for continuous improvement internal to each participating facility.

• IWLA-SLI website/data entry:
  • User friendly, easy to complete
  • No heavy administrative burden
  • Low cost to participate
  • Strict facility data confidentiality maintained at all times by IWLA
Sustainable Logistics Initiative
Program Details
SLI Environmental Indicators

**Electrical Usage**

Metric = electricity kW/h per square foot/operational hours or FTEs hours (annual)
(dry, refrigerated, conveyor, light manufacturing)

**Recycling**

Metric = annual lbs./tons paper/cardboard, plastic and wood packaging waste/facility sq. ft.
SLI Environmental Indicators

**Liquid Fuel Usage**
Metric = annual propane BTUs used by number of forklift hours

**Water Consumption**
Metric = gallons per facility square/FTE - hour (refrigerated versus dry)
Social Responsibility Indicators

**Employee Safety**
Metric = OSHA 300 Total Recordable Incident Rate (TRIR)

**Community Service**
Metric = facility community service participation
A partnership with ALAN, financial, in-kind and personnel contributions to ALAN satisfy this indicator.
SLI Value Proposition

What is SLI’s value proposition – for IWLA members AND their customers?

– Your customers – current and potential
– Your bottom line
– Your investors
– Your industry leadership role
– Your brand
– Your people
– Environmental stewardship
– “Keeping the regulator from the door”
– Continuous improvement/operational excellence
– GSA and DoD requirements – largest purchasers of 3PL services in the United States

SSCF is working with other supply chain organizations, including those whose members maintain proprietary warehousing facilities.
Thank You