

July 10th, 2013

# Greening logistics

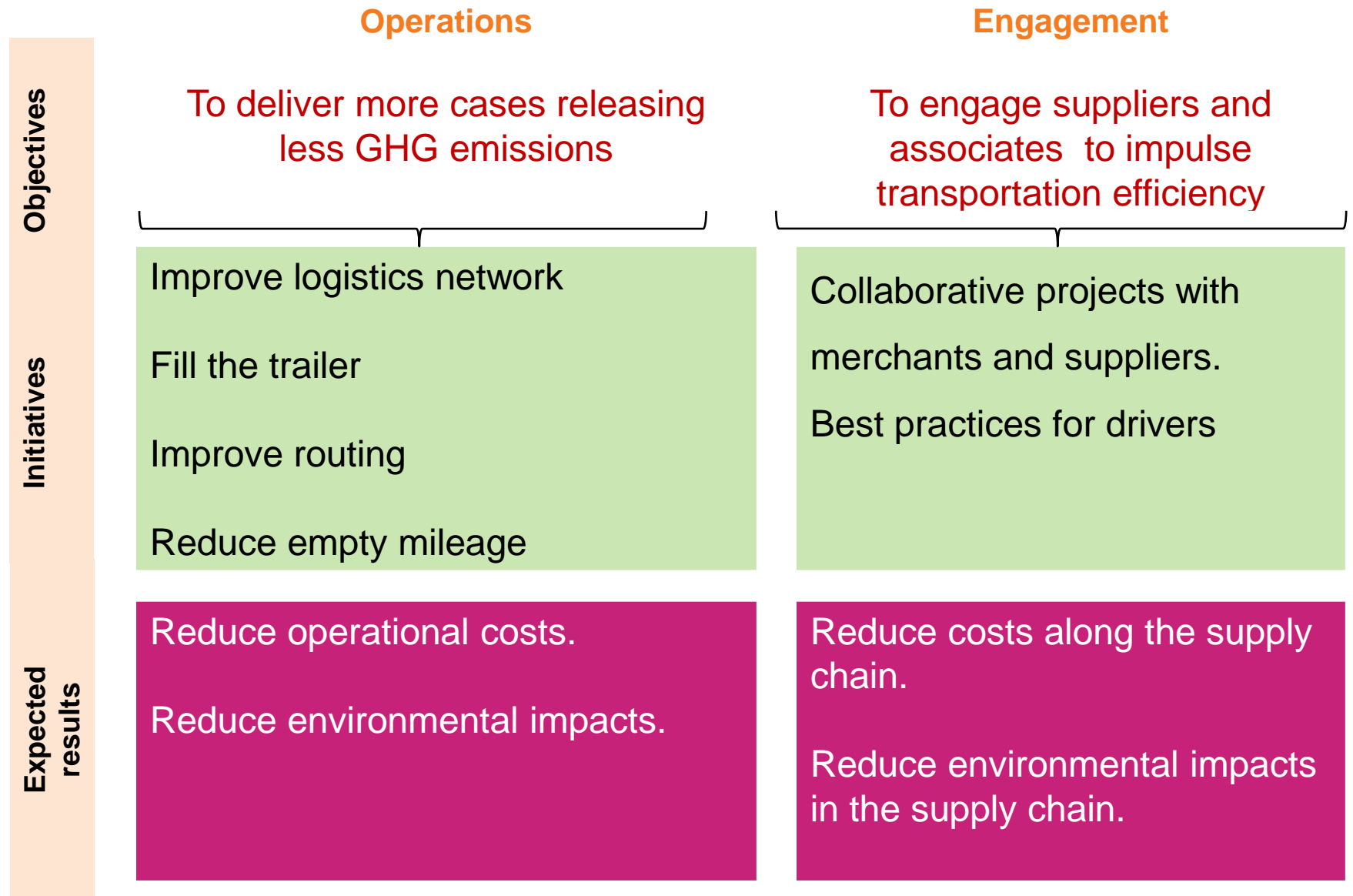
## Walmart México case

Juan Carlos Camargo  
Senior Manager, Environment

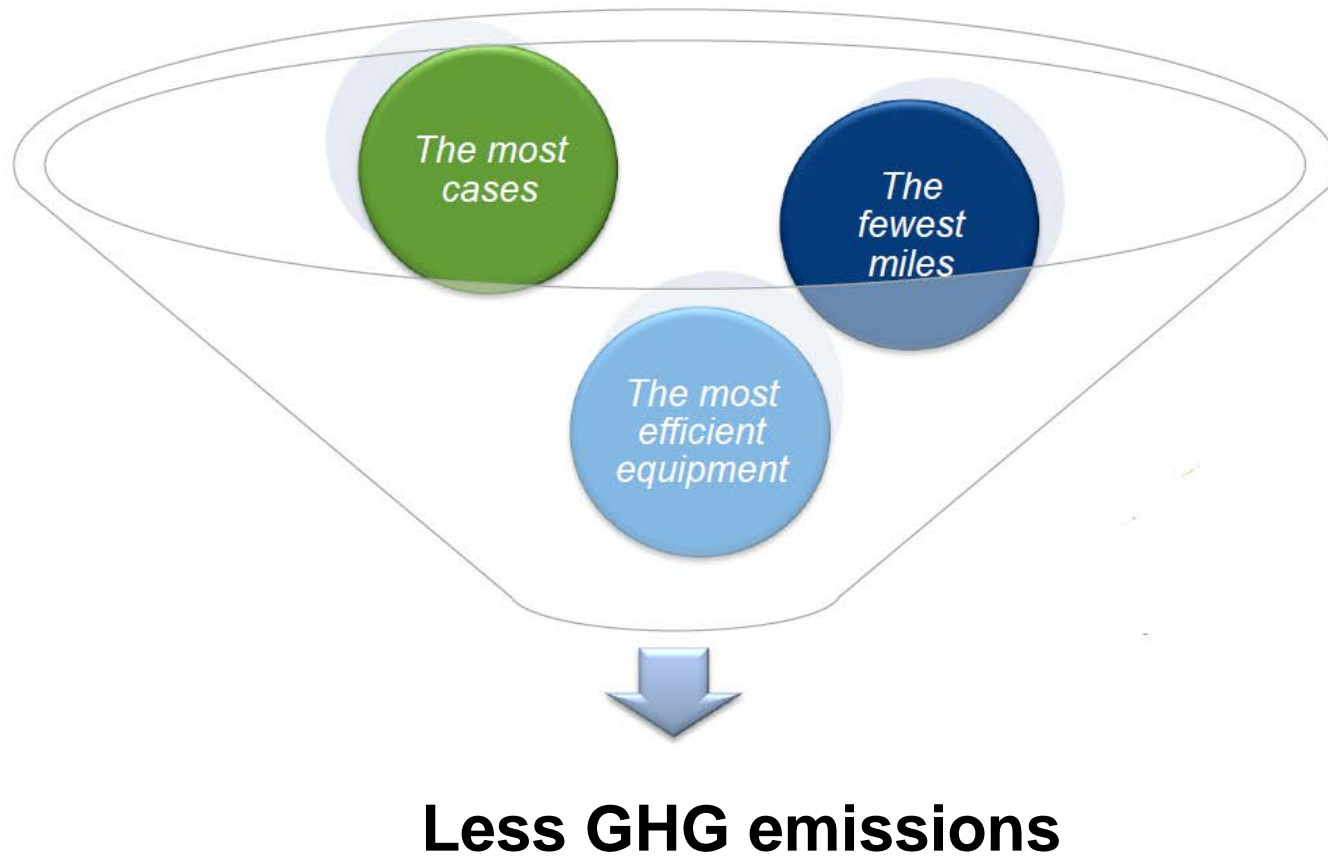
Can Logistics contribute to sustainability and add value to the business?



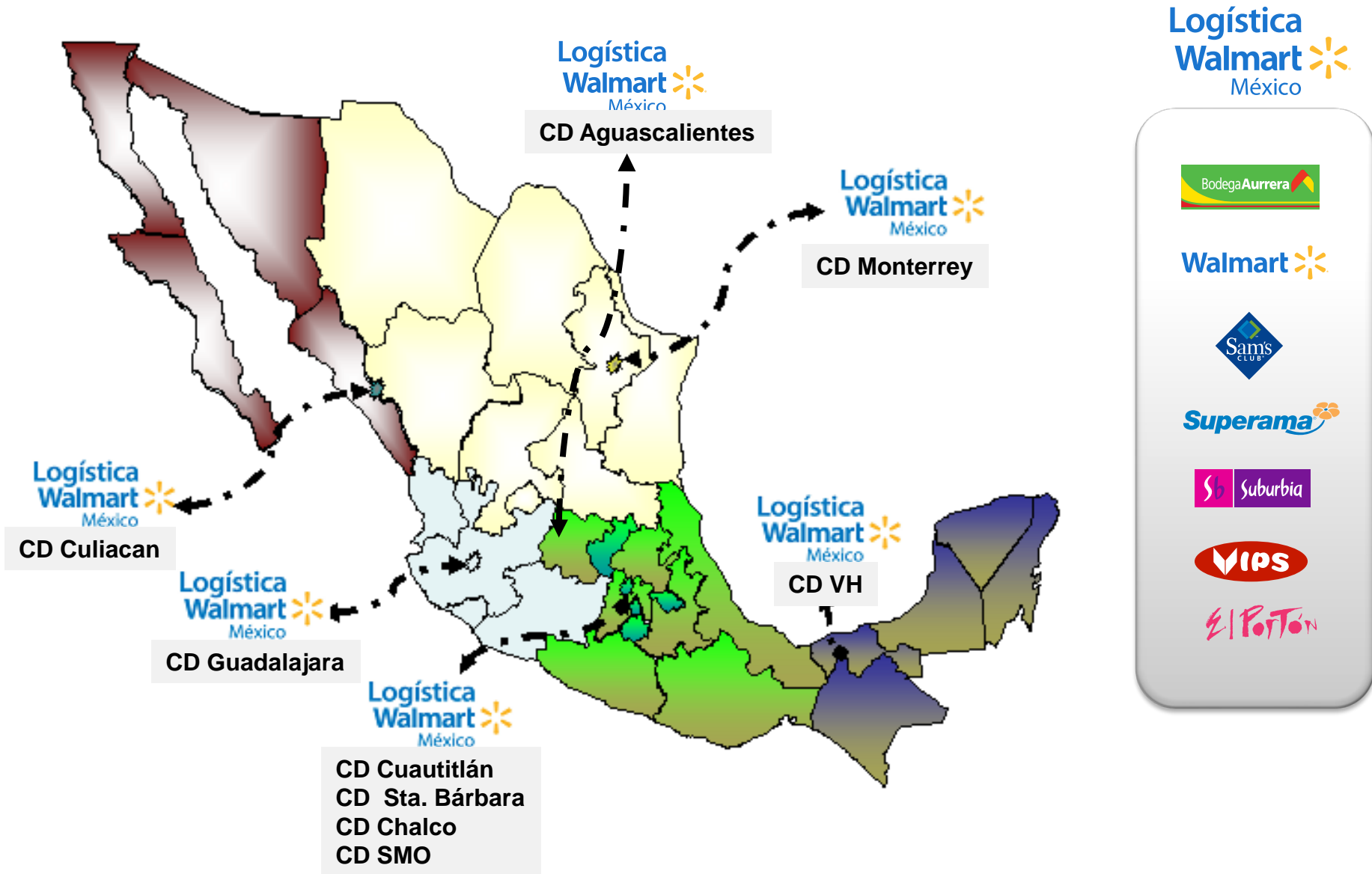
# Green logistics strategy



## Transportation efficiency



# Walmart Mexico Distribution Network





# What we are doing to achieve our goal?

 Buffer  
PBL Fast

 Buffer  
PBL Slow



# Current initiatives



## CENTERPOINT

- Transport synergy



## Bulk delivery

- Transport optimization



## CUBIC UNIT

- Transport optimization



## BARRA CROSSBY

- Transport optimization



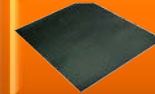
## Pallet above 1.60 meters high

- Transport optimization



## BACKHAUL

- Transport synergy



## SLIP SHEETS

- Pallet reduction



## DROP & HOOK

- Cost reduction



## FULL

- Transport optimization



## TETRIS

- Space optimization



## Pallet consolidation

- Time reduction



## FRONTHAUL

- Transport synergy



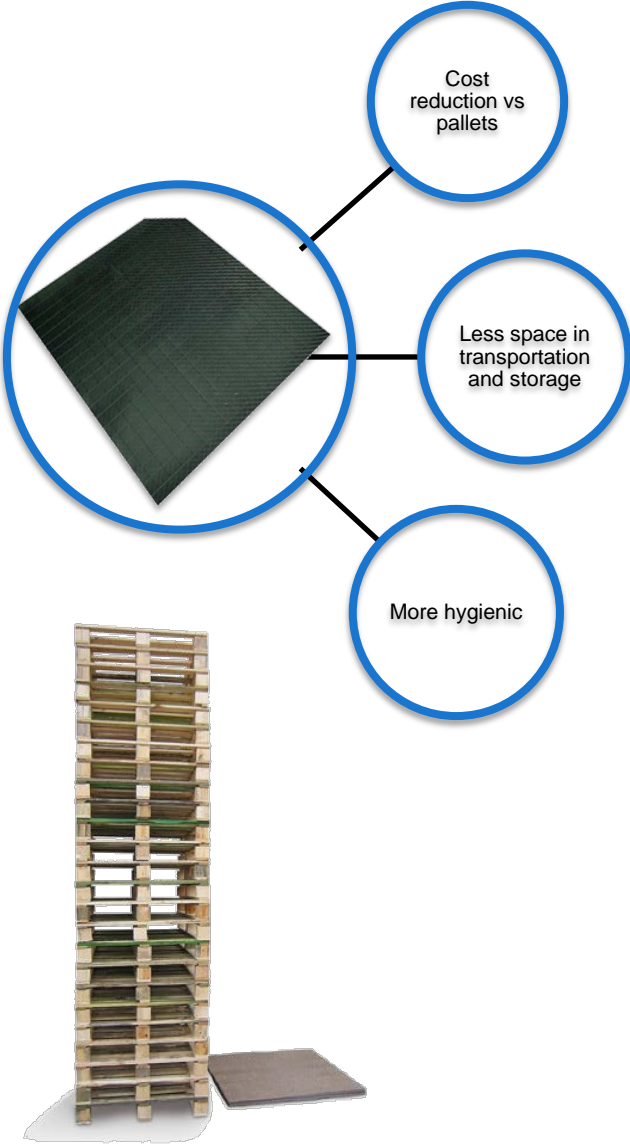
## Crossby bar

- 40% improvement in the use of trailer space.
- 30% costs reduction.
- 35% reduction in CO<sub>2</sub> emissions.





# Slip Sheet



# Tetris project



After



After

# Back Haul / Front Haul

- Synergy with suppliers to avoid empty trips.





# 2012 achievements

- Increased fleet efficiency from 2010 baseline by 5.64%
- Network efficiencies:
  - Delivered 268M more cases driving 1.15M less kilometers.
  - Avoided emitting almost 151 tons of CO2





# Challenges

## External

Size & weight restrictions

Resources

- R&D
- Incentives

Regulations

- One size & inconsistent

Traffic congestion

Alternative fuels

- No clear leader
- Infrastructure
- MPG & maintenance
- Feedstock

Lack of industry collaboration

OEM resistance

## Internal

Low hanging fruit picked

DC capacity constraints

Resources

- People & capital
- Trade group lobbying

Pallet builds

Small format stores

One touch

Reverse logistics

Products

- Packaging
- Mode choice
- Ordering