



## Expanding Your Connections - Transloading

Dan Price, VP Business Development & President of Transload Distribution of NA



# Who We Are



- Founded in 1946 by the Savage family
- Transportation, logistics, materials handling and industrial services company
- Nearly 5,000 Team Members in over 280 locations across North America & Saudi Arabia
- We safely move and manage critical materials & operate systems that enable their production
- We develop solutions to help our Customers optimize their supply chains



# **SAVAGE** | OUR PURPOSE

—— TO ENABLE OUR CUSTOMERS AND PARTNERS TO ——

**FEED THE WORLD**

**POWER OUR LIVES**

**SUSTAIN THE PLANET**

—— ACROSS THE FOLLOWING SECTORS ——

**AGRICULTURE**

**ENERGY & CHEMICAL**

**ENVIRONMENTAL**



# Industries We Serve



Food & Agriculture



Oil Refineries



Oil & Gas



Railroads



Power Generation



Mining



Ports & Terminals



Chemicals & Petrochemicals



Construction

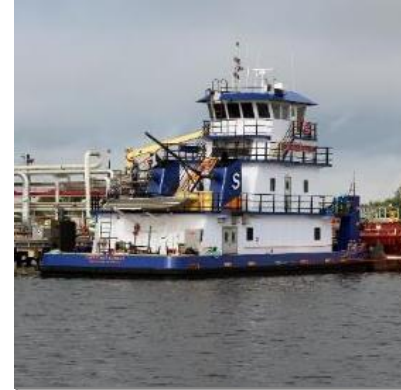
# Energy & Chemical Sector



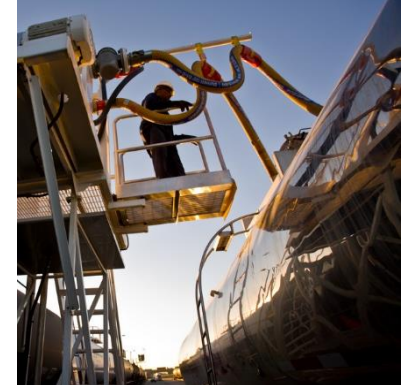
Truck  
Transportation



Rail  
Services



Marine  
Services



Terminal &  
Transload

In-Plant  
Operations &  
Maintenance



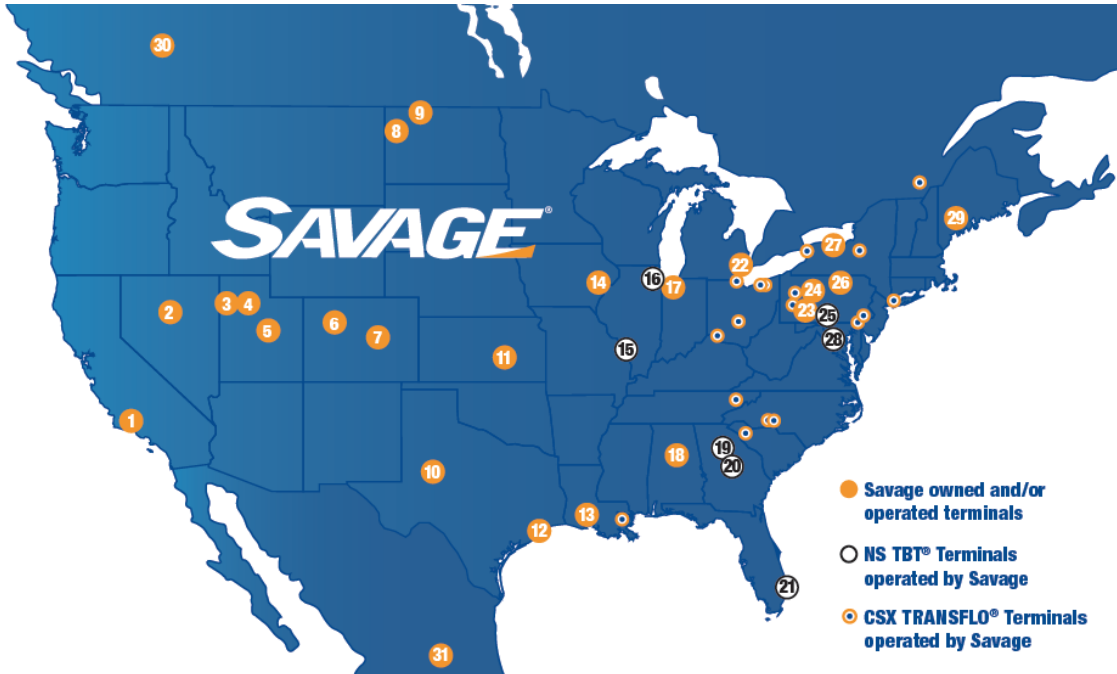
Oilfield  
Services



Construction  
& Project  
Management



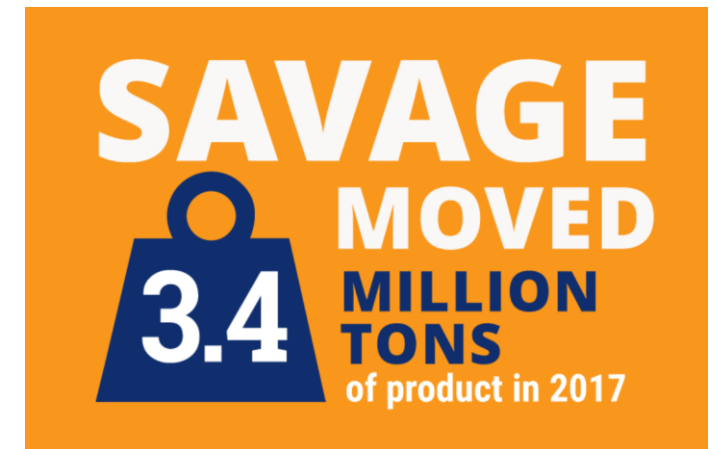
# Terminal & Transload Services



- Operation of **40+** transload terminals owned by Savage, Customers or Third-Parties
- Product handling (loading/unloading)
  - Chemicals, petrochemicals, resins, fuels, food-grade, dry bulk, construction materials
- Specialized solutions for moving materials by rail, truck, barge or pipeline
- Warehousing, inventory management, design and construction of custom facilities

# Scope of Savage Transload Operations

- Established transload relationships spanning decades
- Broad terminal network provides safe and reliable shipping connection sites across North America
- We operate multiple facilities each handling 50+ rail-and-truck transloads daily
- In 2017, we connected 375 shippers to 3,330 consignees and loaded 148,000 truckloads of materials

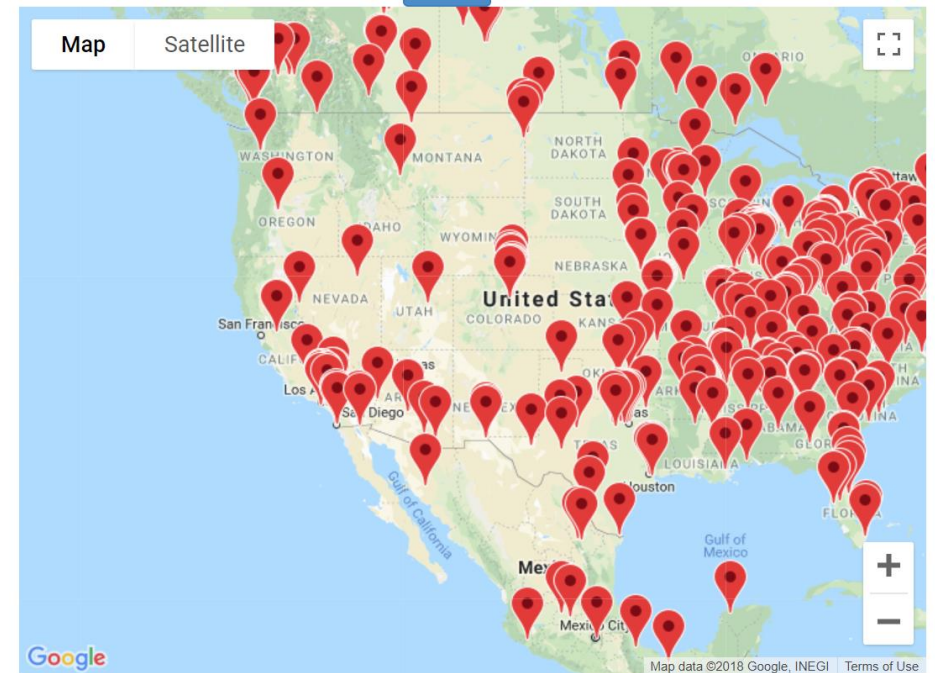


WHAT IS  
TRANSLOADING



# Transload Distribution Association of North America (TDANA)

- TDANA represents the interests of the transloading industry to business and political leaders
- Advancing technologies, standards, and visibility
- Promoting growth for the industry and sharing best practices
- Represents all the major commodity groups: agriculture, forest products, building materials, machinery, mining, chemicals, raw materials, food, and consumer products



# Transload – Destined for Growth

- Transloading is a smart move for large volume shippers
- Using rail for long hauls and trucks for local routes – connected by transloading - leverages the economic benefits of rail with the flexibility of trucking
- Driver Shortage, congestion and highway infrastructure has made transloading a very viable option to move commodities via rail closer to the market/consignee
- Technology and real time inventory systems are giving customers live data and increased visibility to operational performance



# Challenges Facing Long Haul Trucking

- Driver and carrier shortage
- Can be expensive and logistically challenging
- Limited operational availability
- More affected by weather and traffic
- High turnover rate for drivers

THERE'S A  
**94%**

*driver turnover rate  
for large truckload  
carriers and*

**73%**

*for small truckload  
carriers*

TRUCKS CARRYING  
FREIGHT HAVE AN  
**11-HOUR**  
DRIVING LIMIT

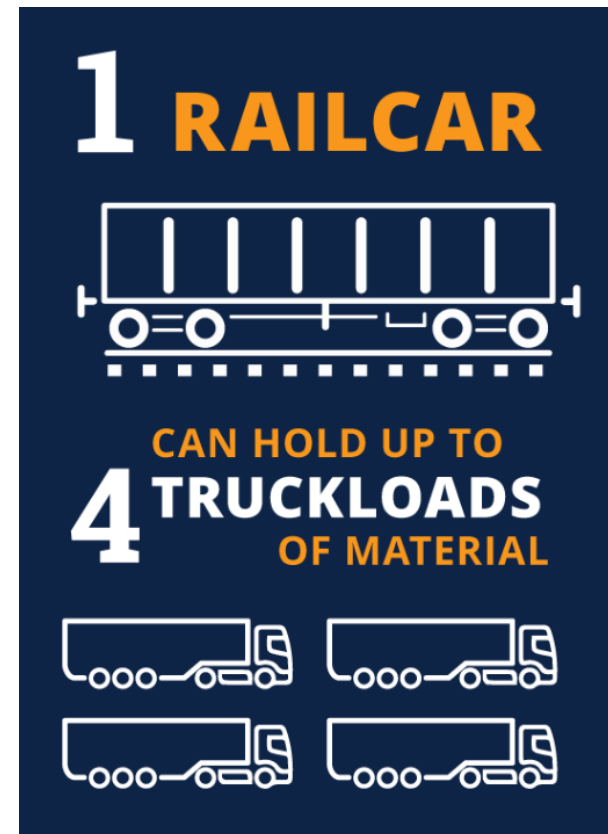
FUEL PRICES  
HAVE  
INCREASED AN  
AVERAGE OF

**36%**



# Benefits of Connecting to Rail

- **Reduce Shipping Costs**
  - Can save up to 50% on shipping costs vs. only using trucks
  - More capacity and better fuel efficiency
- **Increase Efficiency**
  - Working with an experienced transload partner simplifies shipping logistics
- **Reduce Carbon Footprint**
  - Utilizing rail means less trucks on the road and fewer emissions



# Forward Placement of Inventory

- The on-time arrival of goods at their destination is key to having an efficient supply chain
- Rail-to-truck and truck-to-rail transloading allows shippers to leverage just-in-time inventory, reducing costs of creating on-site storage
- Using rail for long hauls, shippers can transload and transport products on an as-needed basis
- Using rail facilities to hold products until they are ready to be received helps avoid unexpected storage fees and last-minute schedule changes



# Transload Savings Potential

## Transload versus Trucking Sample Comparison – Hazardous Liquid

### Transload

- 100 tons: Houston to Chicago
- Rail Freight to Chicago: \$6,400
- Transload: \$2,000 per railcar (est.) (includes accessorial charges at terminal)
- Truck Freight (to Consignees): \$1,000 per railcar (est.)
- *Total Cost: \$9,400.00*



### Trucking

- 100 tons: Houston to Chicago  
(includes FSC and Tank Washes)
- *Truck Freight: \$26,200.00*



***Transload Savings = \$16,800 per railcar***