



FedEx International Priority DirectDistribution

Automotive

Driving efficiencies in global trade.

These days, more vigilant customs security, confusing tariff and documentation regulations, and the mandate for corporate global reach place pressure on any automotive company trying to manage its own delivery. There are also the potential losses from excess inventory, which, by the sheer size and weight of the parts, can hit the auto industry harder than most. Furthermore, manufacturers must have fast, reliable access to multiple markets to stay competitive. Without streamlined supply chain planning that takes into account the complexities of global trade, you could end up in the breakdown lane. Which may be the best reason of all to choose the simplicity of a single, turnkey solution with customs experience all over the world.

FedEx International Priority DirectDistribution is a contractual service that allows the automotive industry and its partners to consolidate multiple pieces to multiple recipients in one shipment that clears customs as a single unit, under one international express air waybill. Once it clears, the shipment is

electronically deconsolidated into individual packages, ready for FedEx world-class, on-time delivery. And instead of the potential for missed delivery dates or excess inventory, you'll have the certainty of:

- Cutting your costs for transportation, inventory, and order management.
- Increasing speed-to-market and reducing inventory carrying costs.
- Cutting your costs between the production facilities and distribution channels, regardless of location.
- Improving the collaboration process between you and your trading partners.
- Decreasing order-to-delivery and cash-to-cash cycles.
- Automating your supply chain to focus on your core competencies.
- Getting clear, real-time visibility across your entire supply chain.

Multiple deliveries to global markets? FedEx International Priority DirectDistribution will keep your engine running smoothly.

How does FedEx International Priority DirectDistribution work?

Simple integrated processes



Process 1

At the shipment origin, FedEx automation device works with the customer's order processing system to transmit final destination information.

Process 2

FedEx automation device electronically consolidates the shipment and uploads customer information in the FedEx information systems.

Process 3

Customs-clearance procedures begin inflight using a Consolidated Commercial Invoice transmittal for a single customs entry and clearance of the packages under the master air waybill.

Process 4

Electronic deconsolidation occurs at clearance gateway, and shipments are delivered to final recipients.

Get from customs to customers. Fast.

When multiple packages ship to a single destination country, each individual item must clear customs, then be processed and delivered by a local vendor. All the while, time is of the essence.

Now, change the scenario to one consolidated shipment that's being cleared through customs while in flight, *prior to arrival*, through a Consolidated Commercial Invoice, so it enters your target country and is cleared through customs as a single unit. From there, your products are delivered via FedEx delivery service—reliably, on time, every time.

FedEx International Priority DirectDistribution turns complexity into a competitive edge, as you meet your promised delivery dates and demonstrate the added value that your trade partners expect today. By meeting your delivery goals, you've helped your partners meet *theirs*—with shorter cycle times, enhanced manufacturing capabilities, better production planning, improved fill rates and all the other economies of scale that will drive greater efficiencies.

And FedEx International Priority DirectDistribution extends your capability wherever you are in the world, with service available to the U.S. and Canada from several origin countries, and outbound from the U.S. to Asia, Europe, Canada, and several countries in Latin America and intra-Asia, and Asia to Europe. To make global shipping to the European Union even easier, FedEx International Priority DirectDistribution provides you with a Single Point Of Clearance (SPOC) and a consolidated commercial invoice. This gives you the flexibility to clear customs only once and have FedEx distribute your shipments anywhere within the European Union. We leverage our import VAT expertise to help achieve even greater efficiencies. And as always, we maintain the high service levels that you expect from FedEx to provide you with delivery in two to four business days, complete shipment-status tracking, customer support at both origin and destination, and our money-back guarantee.

Seeing is succeeding.

Knowledge is power, and FedEx International Priority DirectDistribution gives you the most powerful tool in supply chain management for automotive manufacturing—visibility. With FedEx International Priority DirectDistribution, you will know where everything is at any given point in time. You will be able to track progress through the system and see how things are synchronizing as they move along. You will be able to plan, predict, and promise, because you will be assured of a speedy passage through customs, with full connectivity to your trading partners, so everybody is on the same page. And with visibility comes scalability, the ability to tailor a system that conforms to your distribution needs as they change, without constantly repositioning your resources in response to changing market dynamics. We do the changing, while you do the business.

The infrastructure to make international shipping "no problem."

Here's the basic question: When customers demand faster service, can your supply chain respond? If you're already juggling different airlines, customs brokers, and freight carriers, how is that going to change? How can you turn fragmentation into integration—fast?

You call FedEx International Priority DirectDistribution, and the capacity—the technology, the infrastructure, the IT support, the human resources—is right there. Suddenly international shipments take days instead of weeks. Inventory stuck in the pipeline gets converted to usable product. Warehousing takes place from one central location, managed by FedEx (some shipments can even bypass the warehouse and go direct to the customer). Supply chain management has its own dedicated, integrated resources. And your customers get the value-added delivery they're looking for.

To learn more about FedEx International Priority DirectDistribution, call 1.800.543.7657, or visit fedex.com.