

Americas Business Forum

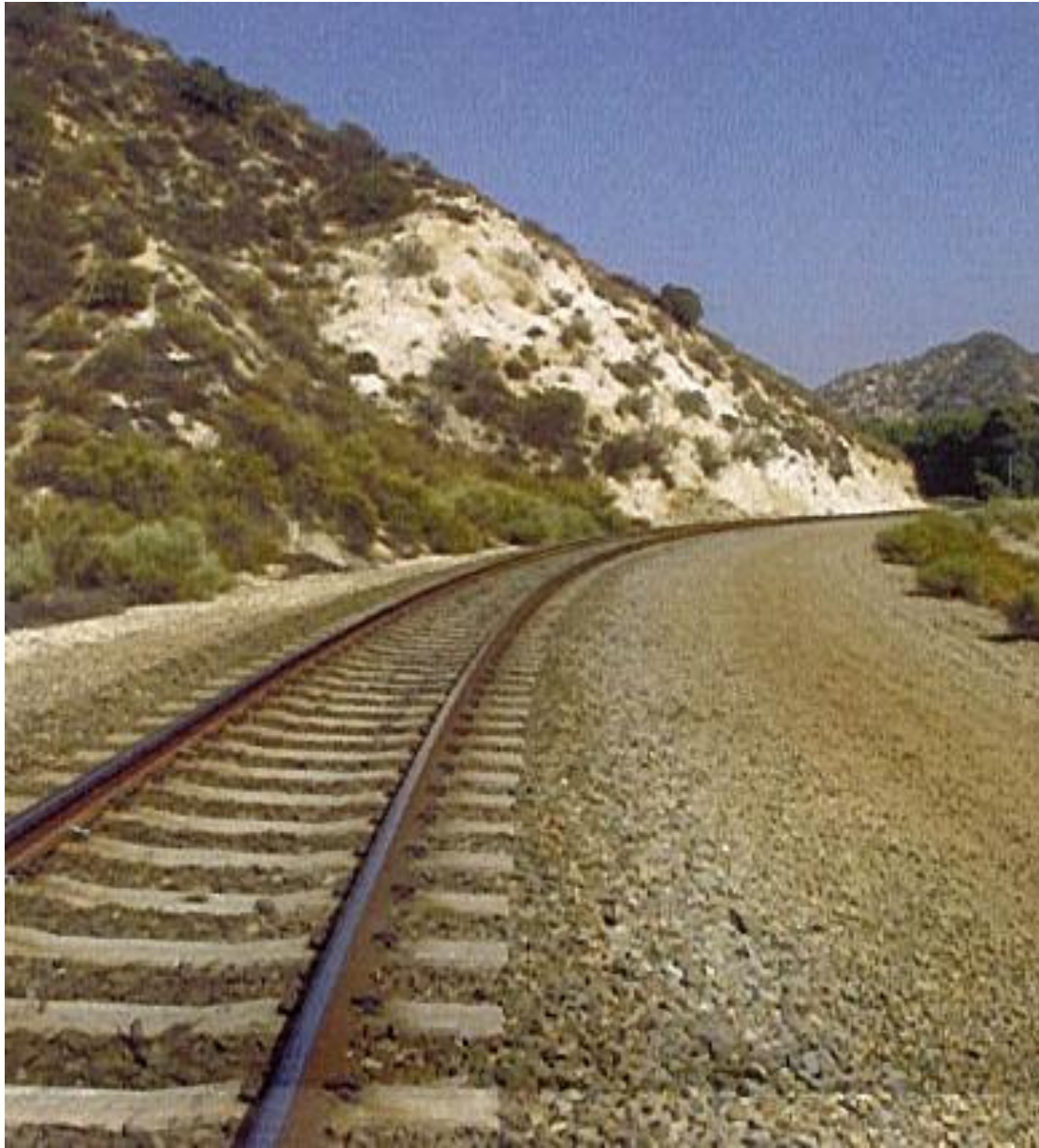
Global Logistic and Supply Chain Management

March 3, 2010

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Latin America & Caribbean



They Thought They Were in the Railroad Business



An Idea Becomes Reality – Industry is Transformed



The Beginning



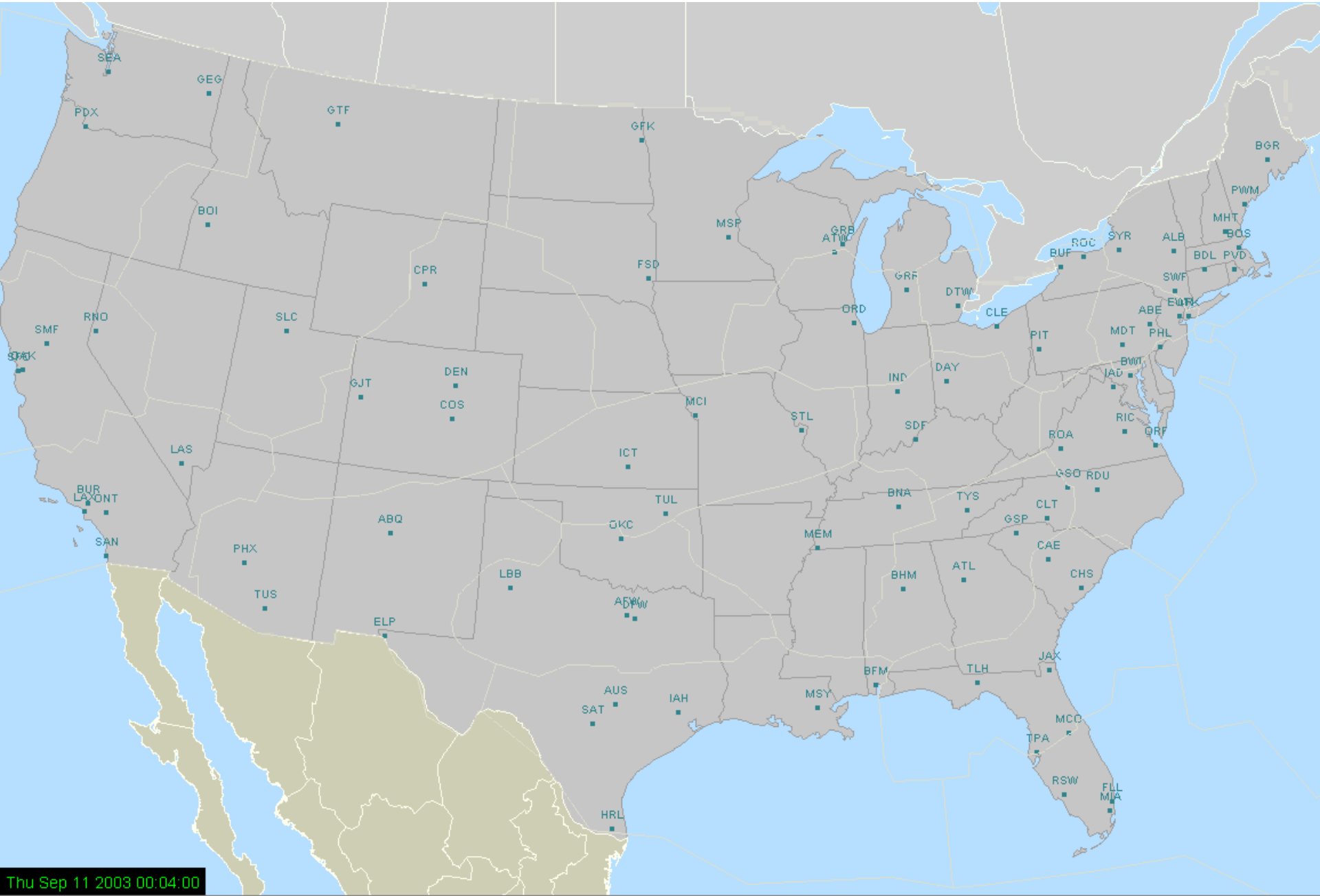
Modern Day Fleet – Memphis SuperHub



The Sort at the SuperHub – 7M packages / day



Hub and Spoke Concept



FedEx Ground

History

Founded 1985 to respond to customer demand for ground alternative solution.

FY09 Revenue

\$7 billion

Average Daily Volume

More than 3.4 million packages

Ground Fleet Today

More than 22,000 motorized vehicles



FedEx Freight

History

Established 2001 in response to market demand and opportunity

FY09 Revenue

\$4.4 billion

Average Daily Volume

More than 74,000 shipments

Ground Fleet

More than 60,000 pieces of equipment, including more than 15,000 tractors



FedEx Trade Networks

2000

Created with acquisitions of Tower Group International and WorldTariff to offer customs brokerage

2002

A new subsidiary of FedEx is created: FedEx Trade Networks Trade Services

2009

Global expansion brings offices to Brazil and Mexico



Information Technology

FedEx iPhone



FedEx shipments processed thru an account show up on Iphone with the FedEx Mobile App



FedEx SenseAware



- Precise temperature readings
- Shipment's exact location
- Real-time alerts and analytics regarding vital signs of a shipment

FedEx PowerPad



- Near-real-time, wireless access to FedEx network
- Bluetooth wireless technology and General Packet Radio Service (GPRS) connectivity network provide immediate information access

The Market in Transformation



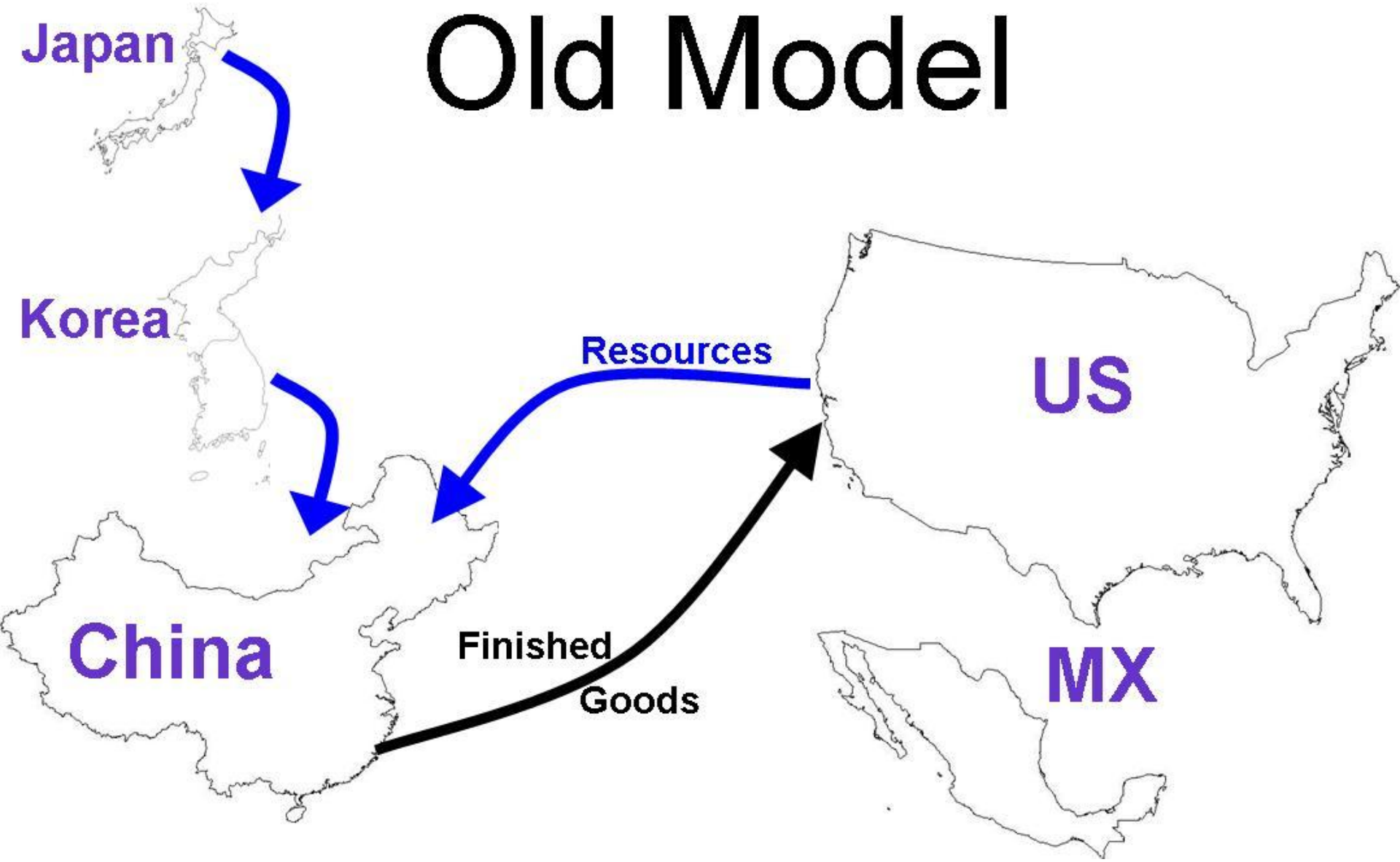
A decade ago, only 20% of manufactured goods crossed a border.

By 2020, that number is expected to be 80%.

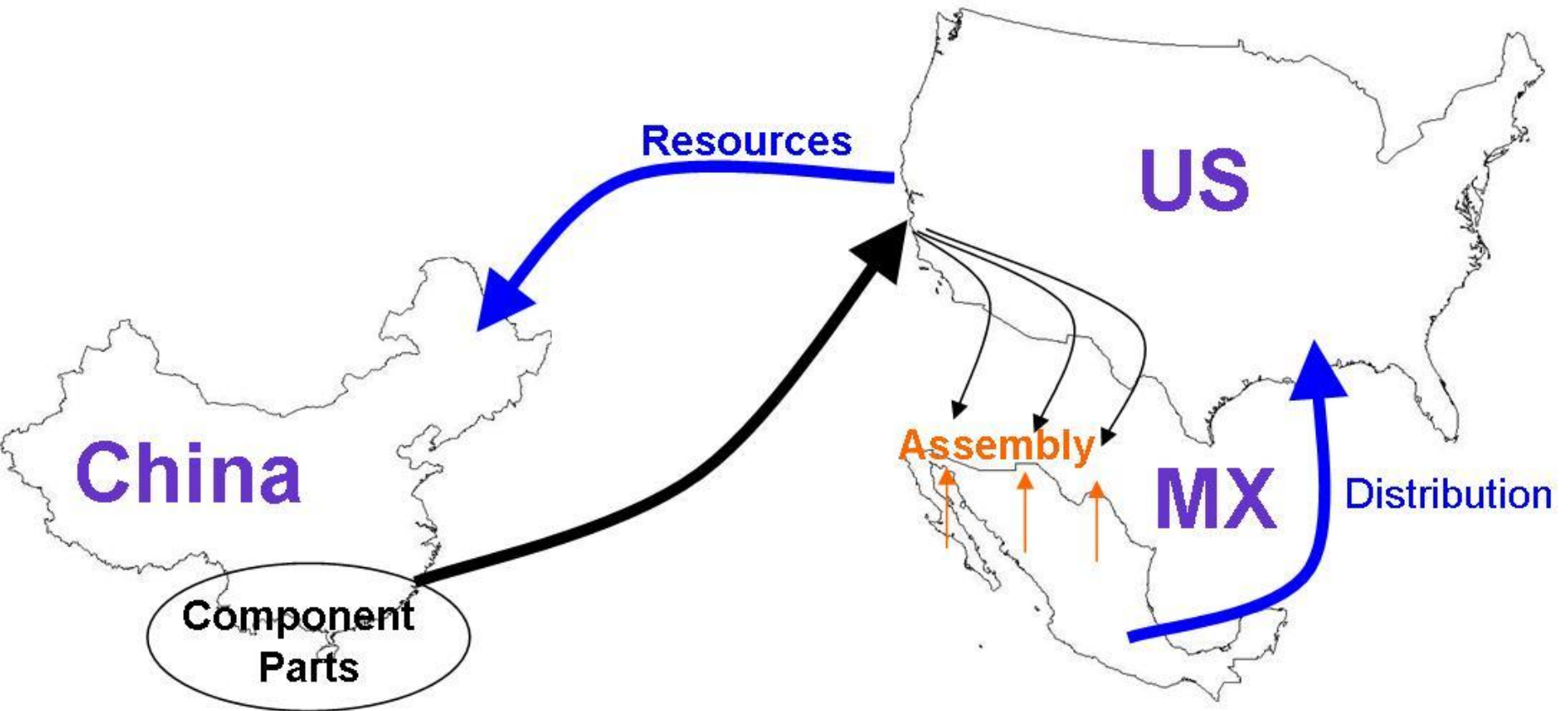
The Evolution of Trade



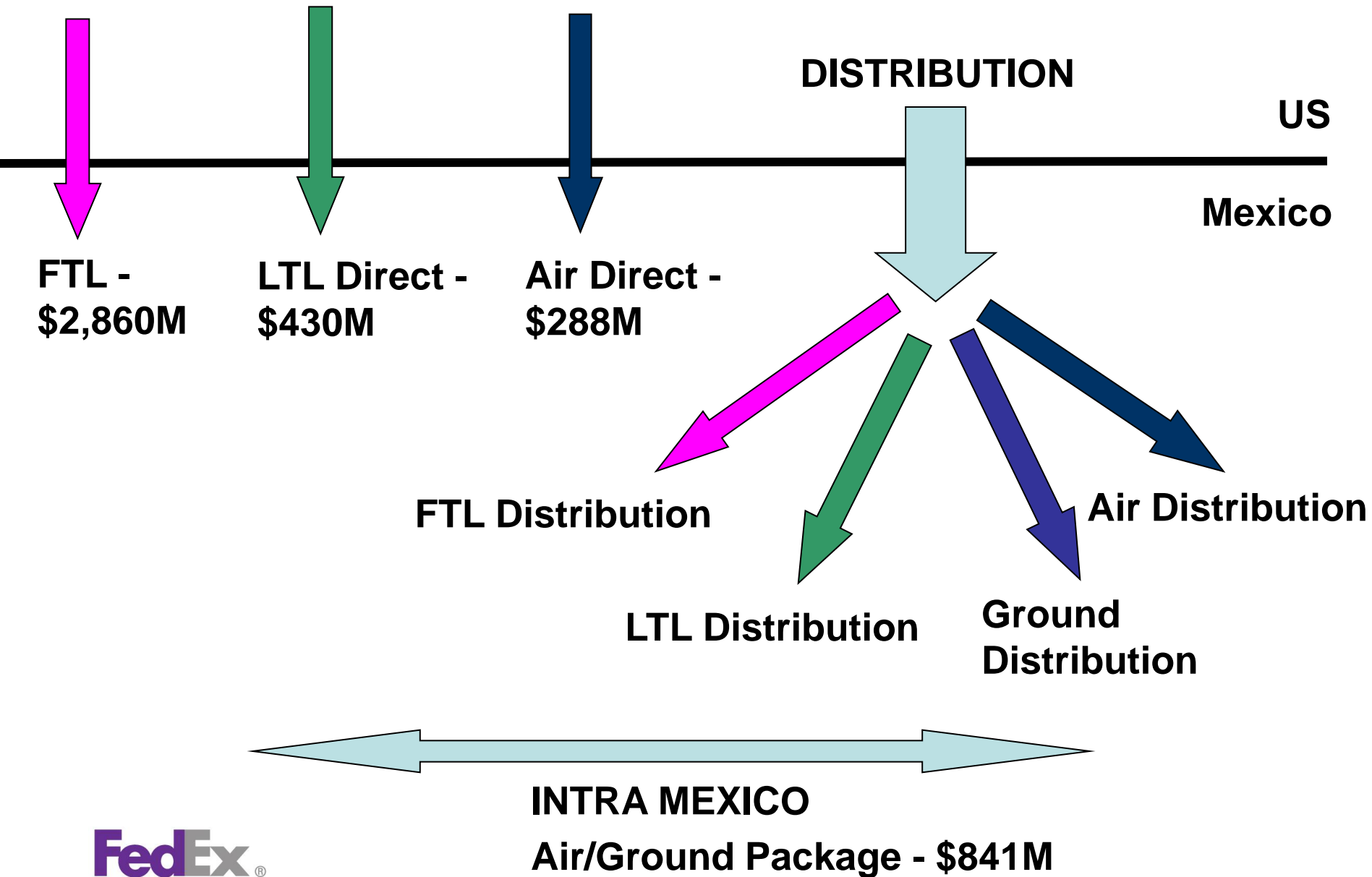
Old Model



New Model



Market Size (FY08) - Southbound



FedEx Express Line Haul



Multi-Modal Solutions Simplify Supply Chain Logistics

