SASHTO – The Future of Freight

Bryan Ward
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Company Overview

- Founded in 1978
  - Bernie Marcus and Arthur Blank
  - Atlanta, GA
- Total square footage: 235 million
- Stores: 2,263
  - United States – 1,977
  - Canada - 180
  - Mexico – 106
- FY2013 Sales: $78.8 billion USD
- 300,000+ associates
The Power of a Values-Based Business

Taking Care of Our Associates and Customers

Proprietary and Confidential Property of the Home Depot
The Power of The Home Depot

Interconnected Retail

Passionate About Customer Service

Disciplined Capital Allocation Driving Productivity and Efficiency

#1 Product Authority for Home Improvement

Delivering a Best in Class, Interconnected Multichannel Retail Experience
Current Supply Chain Network

Vendors → Lumber/Bulk DCs → ~ 75% COGS
Vendors → Stocking DCs → ~ 75% COGS
Vendors → RDCs
Vendors → Direct to Store → ~ 25% COGS

Central Replenishment Systems & Processes

Proprietary and Confidential Property of the Home Depot
Use All Modes of Transportation

Spend by Mode

Less Than Truckload: 13%
Ocean: 20%
Delivery: 21%

Truckload: 20%
Dedicated: 18%
Intermodal: 8%

THD shipped 6.4 million loads across the modes in 2013
Intermodal Overview

Strategy
Balance transportation cost effectiveness with inventory carrying cost. Consistency is key!

- Ship 90,000+ domestic intermodal loads annually
- 18% of total inbound shipments
- 1,700 Mile Length of Haul

Benefits
- Cost Effectiveness
- Capacity is Generally Available
- It’s Green
- Relieves Road Congestion
Southeastern Intermodal Overview

Already a Big Player……
- 7,469 Inbound loads
- 20,252 Outbound loads

Growth Coming in 2015!
- FEC intermodal for South Florida store deliveries
- Increased penetration to our McCalla, AL DC
- Increased Use of Bessemer Ramp to Chicago and Beyond
Working Together!

- Support new and expanded terminals
- Access to/from intermodal terminals is key to success
- Private/Public joint long term planning for continued expansion is critical
Questions