

Featured Partner: Walmart



ABOUT WALMART

What started small, with a single discount store and the simple idea of selling more for less, has grown over the last 50 years into the largest retailer in the world. Today, nearly **260 million customers** visit more than **11,500 stores** under 72 banners in **28 countries** and e-commerce sites in 11 countries each week. With 2015 revenue of **\$482.1 billion**, Walmart employs **2.2 million** associates worldwide – **1.4 million** in the United States alone.

Walmart's **150+ distribution centers** are hubs of activity for its business. Its distribution operation is one of the largest in the world—servicing stores, clubs, and direct delivery to customers. Annually, Walmart's U.S. fleet drives **700 million miles** on a fleet of **6,200 tractors**, over **60,000 trailers** and more than **7,500 drivers**.

<http://corporate.walmart.com/>

“Every day at Walmart we are proving that sustainability makes business sense and in 2015 we reached our goal to double our US fleet efficiency over a 2005 baseline. Participation in SmartWay as both a shipper and carrier gives us a tool to measure our own, as well as our carriers', progress toward reducing our footprint and helps us identify where and how we can continue to progress. We want to work with companies that share the same ideals and in 2014 over 98 percent of our outsourced miles were on SmartWay Carriers.”

— Tracy Rosser, Senior Vice President, Walmart Transportation LLC

WHY SMARTWAY?

When Walmart joined SmartWay, the retail giant wanted a credible and reliable source from which it could quickly learn about new trends and technologies impacting the transportation industry. Through SmartWay's regularly-scheduled webinars and other Partner resources, Walmart learns of **studies and research** that is occurring in the market. From there, Walmart has the ability to review its operations to see where it can implement some of those processes and technologies and **increase efficiency**. Additionally, the data reports from the tools allow the company to review its annual footprint and the progress it is making towards reducing its impact on the environment.

MAKING STRIDES IN EFFICIENCY

As a SmartWay Partner, Walmart engages in many activities to help increase its transportation efficiency, including:

Reducing Miles

Together with its truck drivers, Walmart works constantly to ensure that it's moving merchandise in responsible, sustainable ways. Drivers follow the most **efficient safe routes** to their destinations, and work to minimize the number of “empty miles” they drive. This way, Walmart's drivers use less fuel, drive fewer miles and maximize the merchandise delivered while minimizing its environmental impact.

Filling the Trailer

By working closely with its store operations as well as replenishment, Walmart is able to ensure that it has optimal delivery frequency and volumes. Its merchants and product vendors use innovative product and packaging design so that the company can put **more cases on every trailer**. Walmart also works with its loaders and gives them the tools they need to get the job done.

Efficient Equipment

Walmart works with equipment suppliers to help drive innovation, thereby **reducing fuel and emissions** while increasing efficiency and safety. Walmart will continue to work with them to push technology. Additionally, we rely on our maintenance team to deliver the needed reliability for its operations.

Effective Driving Techniques

Several factors account for a truck's fuel efficiency. While changing terrain and weather can play a role, there is no greater controllable impact on a truck's efficiency performance than the driver of that truck. Through weekly reporting, Walmart is able to **monitor a driver's performance** in a variety of driving categories. The driver's techniques – from how long they idle to how they accelerate – have a direct impact on the performance of the truck. Tracking them allows the company to have well informed conversations with drivers to better manage the things they can control while delivering a load of freight.

Manage What You Measure

Over the past 10 years, Walmart has tracked the efficiency of its U.S. transportation operations based on the number of cases of product shipped per gallon of fuel burned, and the company has employed a number of complementary **strategies to improve its fleet's performance**. These strategies include increasing trailer fills, decreasing the number of miles per route, and investing in more efficient equipment.



BENEFITS AND RESULTS

In 2005, Walmart committed to a momentous goal: **doubling the efficiency** of its U.S. fleet by the end of 2015. By working with associates to establish more efficient techniques for loading, routing, and driving, as well as through collaboration with tractor and trailer manufacturers on new technologies, Walmart achieved this goal on schedule. With these new efficiencies, the company's year-end results were a **102.2 percent** improvement over its 2005 baseline, with associated savings of nearly **\$1 billion annually**, and avoided emissions of almost **650,000 metric tons** of carbon dioxide. As compared to 2005, in 2015 alone, Walmart moved over 1 billion more cases while driving nearly **460 million** fewer miles.

FUTURE PLANS

Walmart believes that sustainability doesn't just make sense for the environment; it also makes sense for the business. Based on that principle, the company continues to seek out opportunities to **improve its efficiency** and **reduce its footprint**. By running a more efficient, safe operation, Walmart is able to take cost out of its supply chain that it can then return to its customers in the form of lower prices. In turn, Walmart strengthens its relationship with the community as it delivers savings to individuals and families.



WHAT'S NEXT

With today's fast-paced technology advances, Walmart plans to stay actively engaged as a SmartWay Partner. Walmart has found the Partnership provides an avenue where it can gain valuable insight into what others are doing in the industry, and will apply those lessons to its business where they make sense.