



NNR's ability to hook into client and carrier data gives customers a better view of their supply chain

AN INTERVIEW WITH AN EXPERT

In the logistics world, the ability to move quickly makes all the difference to customers. NNR's ability to forecast and adapt to fluid supply chains has made it a leading supply chain partner for clients across the world. "It's staying ahead of that curve that lets us add value," says Tom Pampillonia, NNR USA's director of eastern and southern regions.

Take the extensive congestions that clogged the Ports of Los Angeles and Long Beach last year during union negotiations, causing some ships to wait weeks before they could dock. NNR foresaw the issue and created contingency plans to re-route customers' cargo by sea and air to other ports.

NNR is a wholly owned subsidiary of the Nishitetsu Group, a global conglomerate with 92 companies and more than 18,000 employees. The company was founded in Japan in 1908 and NNR is part of Nishitetsu's logistics division but its parent company also operates in the rail, bus, leisure, construction, real estate and travel industries. Pampillonia says NNR's goal is not to be the largest logistics company, but to be the best in terms of the service it provides. "We want to be synonymous with quality."

"we have to make sure our clients maintain supply chain continuity"



The company is achieving its goals and is now considered to be a holistic logistics provider and supply chain solutions partner

“We increase productivity and drive efficiency through our clients’ supply chain”

The NNR Global Logistics is a non-asset based logistics provider that coordinates with carriers to provide transportation over air, ocean and land. Since 1948, until the turn of the century, the group cargo network companies had been known as NNR Aircargo Service. In 2001, the decision was made to change name and reflect the increasing demand to provide a wider range of logistics services. NNR’s vision is to equalize its revenue driven from the three main service areas, whilst maintaining strong organic growth in each sector. The company is achieving its goals and is now considered to be a holistic logistics provider and supply chain solutions partner.

For example, a plot to explode a U.K. jet with a bomb disguised as an ink cartridge in 2010 created increased scrutiny of toner shipments. On behalf of a client, NNR successfully lobbied for an exemption to move products classified as toner cartridges, securing the client’s supply chain needs. “We’re trying to increase productivity and drive efficiency through our clients’ supply chain,” Pampillonia says.

Within the United States, NNR USA has 18 facilities separated into four regions: Western, southern, Midwest and east coast. Every NNR location runs NNR’s in-house system, PowerNet. Most NNR locations have warehouse capabilities, allowing NNR to offer 3PL services for clients. Pampillonia says the more clients that utilize a NNR facility the better the economies of scale, which can lower the customer’s variable costs through better efficiencies.



Supply chain transparency and the commoditization of logistics are the two biggest shifts in the industry

Any logistics company can move an item across the world, but it's in the data and transparency where NNR makes the difference. PowerNet is a continually improving system that can tap into a carrier's data and a customer's records to track shipments and access information such as on hand inventory, P.O. data, supplier booking tools and electronic invoicing. Pampillonia says transparency and the commoditization of logistics are the two biggest shifts in the industry. The Internet is making business relationships more transparent but less personable, he argues, as e-bidding and social media tools make it easier to share information on the customer experience.


The drive to lower logistics costs has led to many mergers and acquisitions in recent years and supply chain partners must change with the market. "In order to adapt, the most important thing we have to do is listen to our global clients, our partners and to remain flexible, agile and lean," Pampillonia says.

NNR strives to cut through the bureaucracy that can handcuff other logistics providers.

Pampillonia says it does not take long for a problem to escalate up the chain of command before customers are talking to a region's president.

Communication is important internally, as well. The company holds yearly meetings for staff members in Japan, and each region holds their own regular gatherings and monthly telephone conferences. The company's global viewpoint is also an asset, as most senior managers have international experience.

"We must listen to our customers and remain flexible, agile and lean"



NNR prefers to provide tailored solutions for its customers, believing that one-size does not fit all

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Pampillonia himself was an expat for the company in Sydney, Australia and Hong Kong during his 23 years at the company. “The company empowers employees and encourages them wear many different hats to gain experience,” he explains.

Where some competitors take a cookie cutter approach to developing logistics plans, NNR prefers to provide tailored solutions for its customers. “What we’ve learned is one size doesn’t fit all,” Pampillonia says, adding that NNR’s goal is to provide confidence, comfort and enjoyment to customers, employees and stakeholders.

“The development of our people is the most important aspect of our business”

“At NNR, we see value as never being stagnant, therefore we are constantly focused on creating value for our customers,” Pampillonia says. That comes through NNR’s ability to develop plans that fit the clients’ specific needs. The collaborative approach is instilled at every level of the organization. “Our people are the most important aspect of our business,” Pampillonia adds. “It’s the corporate culture of our company that’s very important to us.”