



X MARKS THE SPOT FOR ECOMMERCE

JAXPORT - an international trade seaport in Jacksonville, Florida, USA - is your partner for ecommerce.

Optimize your ecommerce supply chain through JAXPORT with speed to market, global options, competitive shipping options, skilled labor and low warehousing costs.



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SAMPLE OF ECOMMERCE COMPANIES IN NORTHEAST FLORIDA





A MESSAGE FROM JAXPORT

In our industry, disruptions to the supply chain are now the norm, creating challenges to your usual operating reality. We understand these challenges and how to help resolve them. To start, this means keeping our terminals open, congestion-free and running smoothly. It is our commitment to help you seamlessly connect your cargo with your customers. We also are modernizing our terminals, deepening our harbor to handle the industry's growing vessel sizes, and putting technology in place to offer visibility into the supply chain.

As consumer demand pushes your supply chain to evolve, we understand the value of a forward-thinking partner who can offer innovative solutions. JAXPORT's Commercial Team – with a combined 175-years of experience in the industry – stands ready to be that partner.

As Florida's largest container port, we have learned a lot along the way. We can help you take advantage of Northeast Florida's extensive transportation and logistics ecosystem, including Jacksonville's strategic location at the crossroads of the nation's rail and highway network and the fastest growing consumer market in the Southeastern United States.

In the pages that follow, you will find some examples of information we are glad to share, all designed to help you position your ecommerce operations for success – from critical supply chain elements to certifications for your team and cost savings opportunities in a Foreign Trade Zone.

This guide is a great start. For a personalized review of your cargo needs and the solutions that our network can provide, please connect with a member of JAXPORT's container team. We look forward to speaking with you.

ROBERT PEEK

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CUSTOMIZED SHIPPING SOLUTIONS

JAXPORT's experienced sales team can help you develop a personalized plan to benefit your business.

Contact us to explore the U.S. seaport you've been seeking, and seamlessly connect your cargo with your customers today.

[JAXPORT.COM/ECOMMERCE](https://www.jaxport.com/ecommerce)

SUPPLY CHAIN ELEMENTS CRITICAL TO YOUR ECOMMERCE OPERATION

From sourcing to final mile delivery, building a global supply chain is essential to the success of your ecommerce business.

Your logistics strategy should be flexible to accommodate changes in the global market as well as consumer trends, and offer a cost-effective solution that efficiently delivers your product to your customer.

Let's take a look at eight critical elements of the supply chain for ecommerce shippers and how the right partner can optimize your operations.



SUPPLIERS

With uncertainty in the market, now more than ever it's important to find, evaluate and maintain a diverse supplier base to ensure continuity and cost efficiency in production.

Since many trade shows are currently virtual or postponed, use resources like [Global Sources](#), [TradeSparg](#), [Alibaba](#) and/or [JungleScout](#) to evaluate suppliers.



PORT OF ORIGIN

One of the most cited factors in port selection by shippers is geographic location. Choosing a port of load that is logistically viable from your suppliers will streamline your production land-side costs.



OCEAN CARRIERS

The collaboration of today's ocean carrier alliances provides a comprehensive global shipping network for shippers.

JAXPORT offers service aboard the 2M (Maersk, MSC, Zim & Hamburg Süd) and THE Alliance (ONE, Hapag Lloyd, HMM & Yang Ming) as well as other liner services.

[Access the full list of container services.](#)

Find shipping rates for your container shipment using freight calculators from [iContainers](#) and [Freightos](#), or contact a [freight forwarder](#) or [customs broker](#) for a detailed quote.



PORT OF ENTRY

Consumer expectations are driving more stringent performance metrics for retailers and suppliers, increasing the need for an efficient supply chain. While many shippers will focus on the final mile component – U.S. inbound port selection can set your supply chain up for success.

The U.S. Customs and Border Protection offers [a tool to help you locate a port of entry](#) near your distribution center or warehouse operations.



TERMINAL OPERATOR

Your terminal operator – usually determined by your carrier selection – controls the velocity of your cargo once it arrives at port.

In Jacksonville, terminal operators work with shippers to find creative solutions for picking boxes to maximize efficiency and cost savings.

[View how to track your container with JAXPORT's terminal operators.](#)



INLAND TRANSPORTATION

Utilizing a strategic mix of rail and truck transportation can optimize your product delivery network and yield cost savings.

Northeast Florida offers service from two Class I rail lines, CSX and Norfolk Southern, as well as regional rail line Florida East Coast Railway.

[Review the service map and rail schedules for each line.](#)

Connect with trucking firms in Jacksonville via JAXPORT's [online business directory at JAXPORT.com](#).



THIRD-PARTY LOGISTICS PROVIDER (3PL)

[A 3PL partner can serve as a logistics supply chain partner for your ecommerce business](#) handling the management of your inventory and warehousing needs as well as order fulfillment. Retailers can also consider a 3PL partner to open new fulfillment centers near growing consumer markets.

InBound Logistics provides an [online tool to assist you in finding a 3PL partner that meets your needs](#).



FINAL MILE DELIVERY

A final mile delivery partner helps shippers meet consumer expectation for next-day and – increasingly – same-day delivery. There are a number of parcel delivery service providers located in Jacksonville with sort centers in close proximity to major warehousing centers as well as port terminals in Northeast Florida. Get to know the final mile parcel delivery partners in Jacksonville:



TECHNOLOGY

Within each of these areas, technology is increasingly becoming a hallmark of a successful operation providing visibility into the supply chain and

3 ADVANTAGES OF OUTSOURCING YOUR ORDER FULFILLMENT



Scott Weiss,
Vice President of
Business Development
for Port Logistics Group,
a leading provider

of warehousing and order fulfillment services, shares three advantages of outsourcing your order fulfillment.

NO MORE HR HEADACHES

Labor is the biggest cost for a 3PL – so they excel at managing this aspect of the business as efficiently and productively as possible. Most 3PL-owned distribution centers are shared allowing for a communal labor force, spreading the team out based on the needs of the shipper. With this model, your labor costs match your volume needs whereas running your own DC requires a fixed labor force despite

FLEXIBILITY WITH SPACE

A 3PL either operates a shared warehouse or a dedicated warehouse – or in some cases both. Partnering with this service provider allows unlimited opportunities to grow your business by eliminating the space constraints of your own facility. Another advantage – your 3PL will often have a national network of facilities allowing your business the ability to maintain multiple inventories and

DO WHAT YOU DO BEST

Your focus should always be on what you're selling and how you can grow your share of the market. You are not in the warehouse business – unlike your 3PL partner who is. Keep your focus on the product, sales, and customer satisfaction and let a 3PL partner focus their time and money investing in all the aspects of running an efficient fulfillment center.

For retailers looking to establish an ecommerce presence for the first time or for a business looking to outsource fulfillment needs to a new consumer market – a 3PL partner can add value to your logistics strategy.

WHY PORT OF ENTRY MATTERS FOR RETAIL

“Jacksonville is a critical component of our national network with strong access to the Southeast through next-day ground delivery from Atlanta to Miami, furthering our strategy to reach 45% of our end customers via same-day ground and 75% by next-day ground,”

**BRIAN LEMERISE, QUIET LOGISTICS,
PRESIDENT & COO**

in a statement to the Jacksonville Daily Record

The margin of error in the supply chain continues to shrink as industry giant Walmart implemented new key performance metrics for on-time delivery in 2020. Changes in delivery standards come as no shock as retailers look to meet consumer expectations for next-day and in some cases same-day delivery. It’s a trend other major retailers are likely to follow, said JAXPORT Director of Foreign Trade Zone (FTZ) and Container Development Aisha Eccleston. “We have seen this before in other aspects of ecommerce and retail operations – when a leader in the industry evolves, it tends to have a ripple effect,” she said.

Significant changes in performance metrics require suppliers and other retailers alike to take a hard look at their supply chains. And while many will focus on the final mile component, Eccleston says finding efficiencies goes beyond that segment. “Port selection is crucial,” she said, “as it sets your supply chain up for success, especially for those ecommerce retailers looking to execute next day delivery.” From the production source to the targeted consumer, Eccleston says there are four ways U.S. port selection can speed up your ecommerce supply chain.



GLOBAL OPTIONS WITH FAST TRANSIT TIMES

In response to trade tariffs and the coronavirus pandemic, retailers are adopting a “China Plus One” sourcing strategy – one that includes more Asian and European markets according to a CBRE study. Selecting a port with diversity in its ocean carrier options is key.

“A port partner with a variety of ocean carrier services to markets around the globe ensures that as retailers modify their sourcing strategy, they can quickly adapt their ocean transit without a major change to their supply chain,” Eccleston said.

JAXPORT offers services to more than 140 ports worldwide, offering connectivity to the areas benefiting the most from the shift in sourcing, such as Vietnam and Thailand aboard The Alliance’s EC5 service. This is just one of multiple options shippers can use at JAXPORT for their import volumes, Eccleston said.



PROXIMITY TO CUSTOMERS

The World Population Review reports there are more than 97 million people living in the Southeastern United States with Florida accounting for nearly 22 million of those residents.

Florida’s population is only expected to grow – with a projected population of 26.5 million people by the year 2030, according to the Bureau of Economic and Business Research (BEBR) at the University of Florida.

By selecting a port in the heart of the South Atlantic, ecommerce shippers can strategically position their cargo in the epicenter of the fastest growing consumer market in the Southeast U.S. This deliberate placement of cargo on the front end of the supply chain can cut days off delivery times in the final mile.

With its strategic location as well as rail and highway connections, shippers using JAXPORT are quickly delivering their product to key markets such as Orlando and the rest of the I-4 corridor, Atlanta, Memphis, Chicago and more.

“For one online furniture retailer, a distribution center in Jacksonville reduced delivery times to the Southeast by three days,” said Eccleston.



VELOCITY OF CONTAINERS THROUGH THE PORT

“Another important factor is port efficiency,” said Eccleston. This segment of the supply chain is critical and many factors play a role such as port congestion, terminal operator performance, and traffic flow in and around the port.

From the time the vessel arrives at the sea buoy to the time the container leaves the terminal – the velocity of cargo through the port can either support an efficient supply chain or hinder it. Shippers should take all these factors into consideration when selecting a port of entry, says Eccleston.

JAXPORT’s largest terminal is located 12.5 nautical miles from the sea buoy and its channel offers freedom of movement for vessels – speeding up arrival to port and discharge of cargo. The port also offers fast turn times, low congestion at its three container terminals and proximity to major interstates.



PARTNERSHIPS WITH LOGISTICS EXPERTS

From third-party logistics providers to parcel delivery partners – an efficient supply chain requires a high level of expertise, “especially in today’s climate where retailers are shifting operations to adapt to ecommerce demands,” says Eccleston.

Consumer trends are transforming retailers’ supply chains, and Jacksonville’s transportation and logistics ecosystem is helping shippers optimize their networks, according to Eccleston.

“We have seen a national handbag brand partner utilize a local 3PL to assist with inventory management during COVID-19, as well as brands developing a custom pick strategy with JAXPORT’s terminal operator to speed up delivery of containers to their DC.”

As suppliers and retailers continue to respond to evolving industry standards and consumer expectations, selecting the right port of entry is one of the drivers of success.

JAXPORT CONTAINER CARRIERS





SUPPLY CHAIN CERTIFICATIONS TO HELP IMPROVE OPERATIONS & PLANNING

Supply chains are evolving as consumer expectations and global influences drive a new normal.

Now more than ever, logistics professionals are tasked with developing strategies that increase efficiencies, manage costs and deliver results.

To meet these expectations, consider studying and earning a supply chain certification. Here are six certifications that can help you optimize your network in today's changing market:

**CERTIFIED IN PRODUCTION AND
INVENTORY MANAGEMENT (CPIM)**

**CERTIFIED IN LOGISTICS,
TRANSPORTATION AND DISTRIBUTION (CLTD)**

**CERTIFIED SUPPLY CHAIN
PROFESSIONAL (CSCP)**

**SUPPLY CHAIN OPERATIONS REFERENCE PROFESSIONAL
ENDORSEMENT (SCOR-P)**

SIX SIGMA CERTIFICATION

SCPRO™ CERTIFICATION

[Learn more about each of these](#)

LEVERAGING AN FTZ TO FIND COST SAVINGS

As retailers import goods to stock store shelves and fulfill ecommerce orders – there is one program helping retailers find cost savings, reduce risk and increase efficiencies. It's known internationally as a free-trade zone – but in the U.S. it's called a Foreign Trade Zone, which is a secure area under U.S. Customs and Border Protection (CBP) supervision where product is not subject to U.S. duty or excise tax.

“Depending on the size of the retailer – operating in an FTZ can generate millions of dollars in savings annually,” said Amanda Wyatt-Ward, Director, Foreign Trade Zone Compliance & Warehouse Operations for North Florida Warehouse FTZ. “The FTZ also supports healthy cash flow and inventory management in a duty-free zone.”

In her experience, Ward says the three benefits of using an FTZ that stand out for large and small businesses alike are Duty Deferral, Duty Elimination and MPF Savings.

MANAGE YOUR CASH FLOW WITH DUTY DEFERRAL AND EXEMPTION

The FTZ allows importers to receive cargo into the zone and defer duty fees until the product is distributed to the store or consumer. “This allows the cash to remain in the bank gaining interest while the company manages the inventory and prepares it for distribution throughout the U.S. market,” said Ward.

In addition, with an FTZ there are no duties or quota charges on re-exports – saving companies who may need to bring multiple product types into a singular distribution hub for order fulfillment.

CONSOLIDATE YOUR MERCHANDISE PROCESSING FEE

Within an FTZ, shippers report their shipments weekly rather than individually and significantly reduce their Merchandise Processing Fee (MPF) expense – an administrative fee CBP charges on imports.

For high-volume shippers the savings are significant. For a retailer operating in an FTZ and shipping product weekly, the maximum annual MPF payment would be approximately \$27,000.

In addition to the savings, the payment is delayed until the product leaves the zone.

**IF A RETAILER
SHIPPED OUT
ALL 52 WEEKS
OF THE YEAR
@ \$528.33/WEEK
THEY WOULD
SPEND
\$27,473.16
ANNUALLY IN MPF,
RESULTING IN
\$247,258.44
IN SAVINGS**

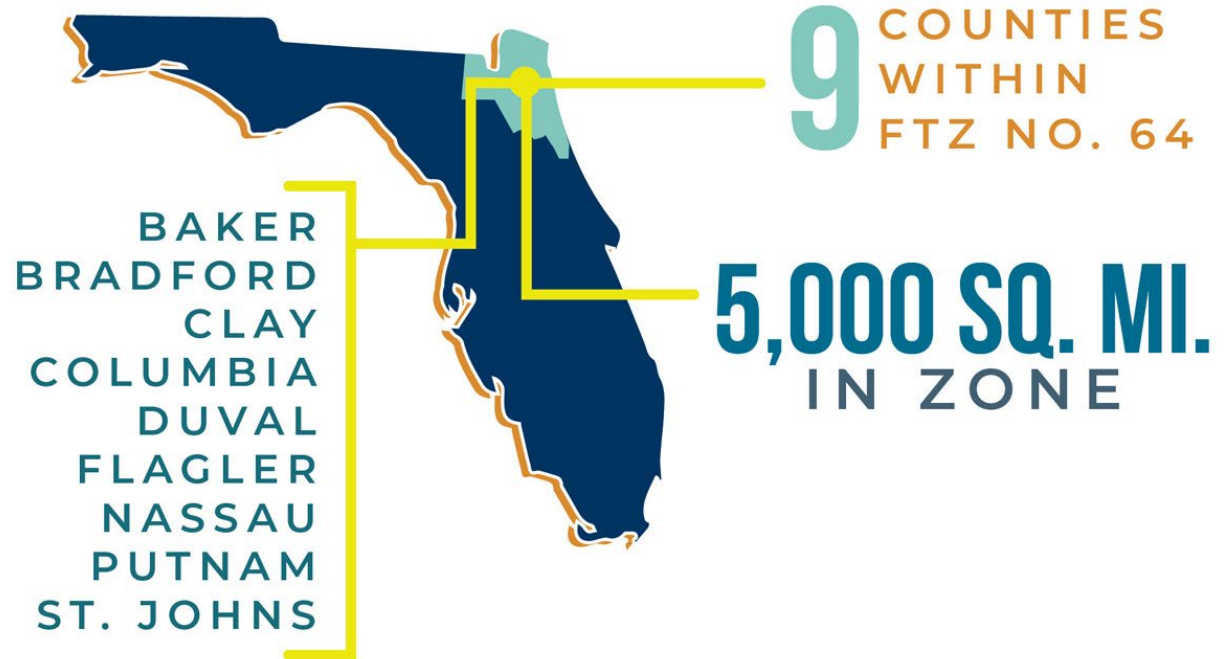
ELIMINATE DUTY ON EXPORT OR DAMAGED PRODUCT

Product that enters the zone damaged or rejected can be destroyed, under the supervision of CBP, and no duty is paid. This is referred to as Duty Exemption. In addition, any imported foreign merchandise received into the FTZ can be exported to a foreign destination duty-free, creating huge savings for exporters.

For those importers operating outside an FTZ – the duty fees are paid when the cargo is received. If the product is damaged, the company can then try to recover those fees through the duty drawback process and can take months, according to Ward.

As brands look to increase efficiencies and reduce costs, the FTZ program offers a solution to accommodate both goals.

JAXPORT's FTZ No. 64 encompasses 5,000 square miles across 9 counties in Northeast Florida. Brands currently leveraging the FTZ to find cost savings in Jacksonville include Tapestry, Michael's, Sysco Foods, Bridgestone Tires, Mazda and Bacardi.



"JAXPORT has been a reliable partner for years, and has helped introduce us to other local trusted service partners. JAXPORT works to bring solutions to help facilitate trade and business."

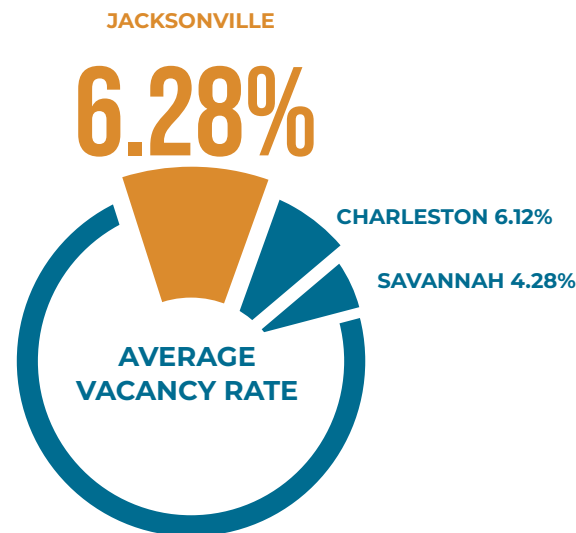
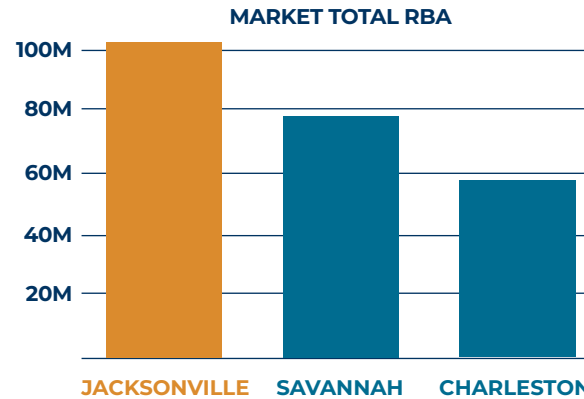
ILEANA KLEPEISZ, FTZ MANAGER FOR TAPESTRY INC.
the parent company of Coach

[Learn how New York-based fashion retailer Coach successfully adapted their unique business model to meet customers' needs in the new era of e-commerce with JAXPORT's FTZ No. 64.](#)

JACKSONVILLE'S INDUSTRIAL MARKET POSITIONED TO HELP RETAILERS GROW

Northeast Florida features available land and 144 million square feet of warehousing and distribution space, including the largest industrial park in the Southeast U.S. According to leading global real estate services firm Cushman & Wakefield, Jacksonville offers a lower asking rent than other industrial markets in the U.S.

JACKSONVILLE HAS THE MOST SPACE AMONG SOUTH ATLANTIC PORTS



LOWEST WAREHOUSE LEASE RATE

"There were six leases over 400,000 square feet (sf) signed in 2020, all but one on the Northside. Tenants were either in ecommerce or in retail trade."

**CHRIS OWEN, DIRECTOR,
CUSHMAN & WAKEFIELD**



Sources: Cushman & Wakefield, CBRE, Colliers International, JLL



NORTHSIDE

WESTSIDE

ORANGE PARK/CLAY
2.1+ SF

SOUTHSIDE

Jacksonville's industrial space is made up of three major submarkets, the Northside, Westside and Southside. Each of these markets are in close proximity to port terminals with fast access to the region's major interstates – I-95, I-295, I-10 and I-75. The area also offers ease of access in and around Jacksonville, with the average commute time 26.5 minutes, according to Jacob Horsley, Senior Director, with Cushman & Wakefield.

Economic development agency JAXUSA Partnership offers a virtual site selector package for Northeast Florida. Visit <https://jaxusa.giswebtechrecruit.com/> to access interactive maps, demographics, workforce availability, and research including case studies, economic snapshots and more.



CHOOSING THE RIGHT TECHNOLOGY



GLORIA
ISAMAR RIVERA
MY LOGISTICS LAB

The growth of ecommerce has skyrocketed in the past year, and according to Statista's ecommerce report 2020, it is expected to surpass revenues of \$563.3 billion by 2025.

Now more than ever, customers are looking to make their purchases online. With an internet connection and a computer, phone, or tablet, they can access a variety of options to satisfy their needs with just a click. Is your online business ready to serve them now and in the future?

Managing an ecommerce operation is more than receiving an online order and preparing its invoice. It also involves preparing items for shipping with proper packaging, labeling, dispatching, and delivery to the customer's doorstep.

Each of these steps has its own logistics, which can be impacted by technology, reaching superior synchrony and continuous flow.

CHOOSING THE RIGHT LOGISTICS TECHNOLOGY

Logistics technologies must be aligned with the business model and the products while at the same time being customer-centric. These elements should be the foundation for any logistics technology system.

An ecommerce technology solution needs to have inventory management and order fulfillment capabilities, as well as storage and transportation visibility. These components are key to accessing information like stock levels and transit times, among other details. Having fast access to these data points enables your business to make decisions quickly and with assertiveness.

Logistics technology must support all links and processes from the manufacturer or suppliers to the customer's hands. All facets of your operation must be integrated into the process to provide a constant flow of accurate information.

With these important features in mind, we will explore two logistics technology options for your ecommerce business: robust in-house software or partnering with a third-party logistics (3PL) provider.

CHOOSING SOFTWARE

There are plenty of useful platforms that help with inventory management and have integration capabilities to other services, like mail tracking and customer relationship management. Choosing the right software is about understanding your business model, products, and the desired customer purchase experience. It must support all the internal and external operations linked to your business' products.



With an integrated ecommerce platform like [Shopify](#) or [WooCommerce](#), you can create a store, monitor sales and control inventory. Both are powerful tools that

provide management dashboards with visibility into orders and fulfillment, payments, customer information, centralized inventory, and more. While this technology may be ideal for an ecommerce-only operation, it may not be the right solution for a brick-and-mortar store.

Another vital piece of supply chain management and customer satisfaction for an ecommerce business is shipping. Today's consumer wants same-day or next day shipping for their online purchase. With the integrated platforms, your company retains full control over the information flows and processes – including shipping - throughout the supply chain, from the manufacturer to the end-user.

Last mile delivery does come with its own challenges. Delivery expenses often make the difference between generating a profit or not. Logistics technology can benefit online retailers by addressing profit margin-challenged products by offering customers delivery options to choose superior service at a lower cost. Platforms like [ShipplIt](#) and [ShipStation](#) are just two software solutions designed to handle the shipping process. Each can be easily integrated into ecommerce sites.

For some customers, fast delivery is not a deal-breaker; for others, it is. One-Size-

Fits-All is not a smart approach. Letting customers choose what is best for them can make a huge difference when looking at the shipping costs in the long term. With ShipplIt, for example, multiple delivery options can be included at the checkout. A customer with options is happy to select what is best for them.

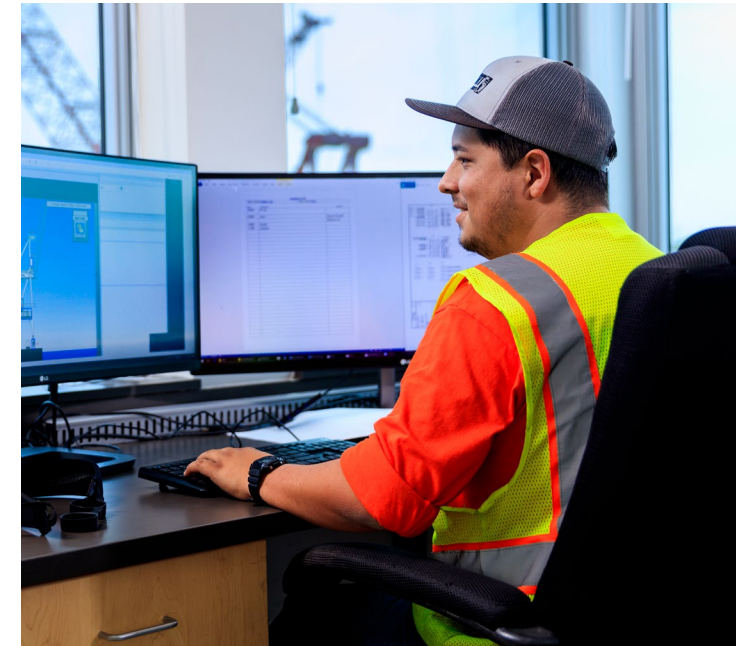
Logistics processes and technology represent a leading fact in improving and reducing costs while increasing profit margins. However, sometimes a smarter move is to rely on a specialist to tackle the logistics with high-quality practices without putting a strain on your business.

CHOOSING A 3PL

Partnering with the right 3PL can be an advantage to your supply chain.

Working with a 3PL allows you to take advantage of the logistics technology and platforms they have in place. The partnership offers a number of advantages beyond technology, including their expertise in logistics, warehouse space for transfers and storage and volume discounts to name a few. This business relationship can help distribute inventory and keep it in storage in different locations based on a companies' active markets, reducing transportation costs. The [FBA](#) service (Fulfillment By

Amazon) is a pay-as-you-go option that allows ecommerce businesses to start small while offering fast shipping at low costs.



A 3PL partner can provide software integration to support accurate inventory management. This is key when managing SKUs, counts, and product variants, setting reorder points, real-time tracking, and inventory on hand.

The reports and insights that a robust 3PL can share with your business are enormously valuable. This data can help understand the customers and predict their behavior while optimizing processes and designing targeted responses.

Using accurate insights to identify what works and what doesn't work is a huge advantage that can help save money if addressed promptly.

Partnering with [UPS](#), [FedEx](#) or [DHL](#) can give an ecommerce operation access to their logistics platforms, allowing visibility, inventory monitoring, and fast shipping. It's like having all their specialized workforce available to serve your customers. All three have the flexibility to tailor packages, including specific services, making it an advantage and a great way to adjust a robust service infrastructure to any online business.

In contrast, cloud-based tools allow 3PL providers like [XPO Logistics](#) to provide a superior last-mile delivery service and establish access to powerful analytics that optimize productivity and reduces costs. The multimodal transportation network connectivity provided at their digital platform allows businesses to keep an eye on the services. Simultaneously, machine learning technology recognizes and remembers choices, enabling predictive alternatives in future searches.

[View a list of logistics providers based in Northeast Florida in JAXPORT's Business Directory.](#)

Parcel shipments are a blooming segment of the market. [Project44](#), a global leader in advanced visibility for shippers and logistics service, has an integrated network powered by [SAP](#) where integration is shared with partners involved in the shipping process. This experience is tailored from truckloads, air, parcel, or final mile shipments. The idea is to achieve and share shipment visibility and to offer a holistic consumer experience.

LOGISTICS TECHNOLOGY AS A RELEVANT COMPONENT IN ECOMMERCE

There is no doubt that logistics technologies are revolutionizing how modern retailers serve their customers. Integration, predictability, visibility, and responsiveness are just a few of the powerful value-added elements that logistics technologies can offer to an online business.

Ultimately, organizations that employ logistics technologies and strategies to mold their delivery processes to their customer's behavior and specific needs will stand above the competition, differentiating themselves from the rest

of the competition and succeeding. When looking for a logistics technology option, consider the following:

- Your business model
- Product needs
- Desired customer purchase experience (what they want, and what they need)
- Ability to integrate into existing business tools
- Value-add options such as product tracking, visibility in-storage and in-transit, and error reduction

The right technology can support an efficient supply chain for your ecommerce business and fulfill the needs of today's evolving ecommerce customers.

[Connect](#) with a member of JAXPORT's commercial team to learn how the port is investing in technology to provide visibility into your cargo's supply chain in Jacksonville.

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