



Green Roundup

From intermodal to retailing initiatives, the logistics industry is finding ways to reduce its carbon footprint.

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The green movement has moved beyond trendy to become an integral part of how most companies do business today. As the logistics industry embraces ways to improve operations in an environmentally friendly manner, innovative solutions are emerging regularly.

One of the latest efforts to reduce the industry's environmental impact can be found in Enviromodal, a brand-neutral, financial and environmental-focused transportation initiative. Based in Jacksonville, Fla. and founded by EIS Logistics and Integrated Rail Group, Enviromodal was formed with the idea of improving the environment by reducing the impact of "empty miles" found in domestic surplus capacity.



"We took a look at the cost of empty miles, which adds up to wasted fuel and a negative long-term environmental impact," explains Doug Baland, program director. "We figured that if we could reduce the empty miles, we could have a positive impact on the environment by consuming fewer fossil fuels and lowering air pollutants."

The Enviromodal model is set up to allow the company to manage, market and sell domestic surplus transportation capacity. The company is providing intermodal, railcar, and marine-shared assets to fulfill transportation needs using either Enviromodal's negotiated rate contracts or the shipper's. By collaboration with various transportation and information technology providers, Enviromodal can yield manage rail and truck assets for its clients.

To accomplish its goals, Enviromodal has partnered with REZ-1, a customized software system that provides transportation solutions and visibility to assets. Clients of Enviromodal can access the system and post excess capacity. Shippers, in turn, can see what types of transportation are available where, and in what capacity. "Our clients send us an EDI message saying they have empty capacity," explains Baland. "We make the capacity visible to intermodal marketing companies (IMCs)—they see what's there and find a fit."

The IMCs then make a reservation for the excess capacity and get a reservation number. The carrier loads the available capacity, ships it and returns the empty when done so someone else can utilize it. "We are trying to reduce the amount of over-the-road used," says Baland. "We're promoting intermodal as much as possible."

The pricing structure for the Enviromodal model is based on the value the company brings to the capacity owners, says Baland. "We have a variety of pricing structures, from per day fees to longer arrangements," he explains.

Baland says that Enviromodal is the first of its kind. "Excess capacity has been a problem for a long time," he admits. "Our focus of trying to eliminate empty miles and improve the environment is key to our approach and is unique."

Feedback so far has been positive. "Everyone says that we're hitting the nail on the head," Baland says. "We can have a big impact on the environment through logistics and we've dedicated our resources to that goal."

Looking ahead, Baland hopes to expand the network as much as possible. "We'll be adding more locations and options to the program as we move forward," he says.

A key part of the program is to educate the industry, Baland says. "A lot of what the brokerage industry does is over-the-road," he says. "Our goal is to help educate and encourage this industry about intermodal and provide all shipping companies a point-and-click option to do it."