

Material
Management
International Inc

Logistics and
Transportation
Professionals
for over 25 years

MATTERS

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Wiesbaden Entertainment Center One-Stop Amusement Zone



Wiesbaden, Germany

Recreation facilities pictured here will soon be filled with U.S. military personnel, enjoying the new Wiesbaden Entertainment Center at the U.S. Army Garrison in Wiesbaden, Germany. The 27,000 square foot, two story facility will provide Wiesbaden community members a state-of-the-art recreation facility at a central location.

Furniture, fixtures and equipment for the Center were delivered by Material Management International, Inc. Installation on-site was handled by USA Installations, LLC, MMI's sister company.

Located adjacent to the new Wiesbaden Army Lodge, the Entertainment Center has a 16-lane bowling alley, a pro shop, cafeteria-style Strike Zone restaurant, multi-purpose rooms for meetings and parties and a children's play area. There is a video game area, billiard room, dance floor, Java Cafe and more. The facility was designed to meet all the requirements of the Americans with Disabilities Act and boasts WiFi access throughout.

"We have worked with Army personnel for over a year to secure all of the components for the facility from American vendors," stated MMI President John McKenna. MMI Sales Manager Brian Hoffman provided on-site executive supervision, after FF&E arrived on-site.

Components for the entertainment center were delivered through a special MWR/NAF contract held by MMI. (See details in centerfold.)

Gold Standard – "The project's design meets the rigorous Gold Standard on the Sustainable Project Rating Tool system because of the selective materials used, the water and energy efficiencies designed and the sustainability of the existing environment," said Col. John Kem, U.S. Army Corps of Engineers, Europe District, commander.



MMI MATTERS

is a publication for the clients, carriers and friends of



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Talking with John McKenna

MMI President and CTB

MARKET TILT

It happened about March 11, 2010. The freight transport market tilted. It went from freight-poor to freight-rich, just like that, practically overnight.

Suddenly folks were scrambling for capacity - often to find an uncomfortable void. The trucks they expected to find were no longer there.

But there is a new wrinkle this time. The volume of trucks on the road has shrunk dramatically during the economic recession of recent years. Trucking firms have gone out of business. Many owner/operators have sold their rigs overseas. When called on to return to the market, trucks and trailers are in other parts of the world. Drivers are now employed in the health care field and other areas where jobs were available.

In the newly changed business climate, the relationships made by MMI with carriers over more than two decades in this business are golden! We use our preferred customer status to book the trucks, planes and ships that will get your cargo to its destination on time, secure and safe. With more than 2,000 carriers under contract, MMI stands ready to serve you, whichever way the pendulum swings.

Visit the new MMI website at www.shipmmi.com. See all of the services offered to industry as well as the military and government agencies, worldwide. We utilize creative logistics to address problems anywhere along the transportation chain. Our freight management professionals find solutions and turn stumbling blocks into stepping stones. MMI has the financial stability, the contacts and the know-how to keep your freight moving across borders, through ports and to their final destination.

MMI is a member of



Transportation Intermediaries Association



New Jersey Business & Industry Association



Somerset County Business Partnership



International Military Community Executives Association



New Jersey Small Business Federation



New Jersey State Chamber of Commerce



Air Force Association

BRIAN HOFFMAN

...world traveler and family man

In the last three years, Brian Hoffman has become a world traveler on behalf of Material Management International. You might see him at the opening of an Army hotel in Honolulu. He may be seen trying out one of the bowling lanes at the U.S. Army Garrison Wiesbaden, Germany. One week, he is at a school in Boston, the next he's in Seattle at a child development center. Brian is MMI's man on the go as sales manager and project manager.

When not on the road for MMI, Brian is a family man, through and through. His favorite leisure activities include wife Suzanne and sons Christopher, age 6 and Connor, age 3, whether they are skiing together, kayaking or riding his motorcycle.

A native New Jerseyan, Brian and his family now live in Whitehouse Station; not far from Readington, where he grew up. With his dad a Realtor and his mom a grade school language teacher, Brian and his older sister grew up in a lively family setting where education, intellectual pursuits and sports activities were encouraged.

Brian played varsity golf throughout high school; a sport he still enjoys and often plays with MMI President, John McKenna. John describes him as a scratch golfer.

He also played football and was on the student council. After receiving a degree in business marketing from Trenton State College, he was a golf pro at a local country club before moving into sales, first for a telecommunication firm and then for a vitamin manufacturer.

With MMI for nearly six years, Brian has learned the nuances of freight transport solutions and applies them skillfully for clients worldwide. In conjunction with USA Installations, Brian provides executive supervision for the turn-key operations provided by the two companies.



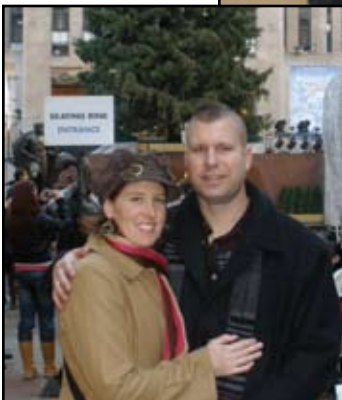
Suzanne, Christopher and Brian with Connor during their family vacation last summer in Sanibel Island, Florida.



Christopher and Connor take hockey and skating lessons each Saturday. Suzanne is a professional figure skating instructor.



Connor and Christopher on a sunset cruise around Manhattan with their parents. Brian and Suzanne enjoy exposing the boys to the magic of The Big Apple. They take the boys frequently across the bridge to New York City events.



Brian and Suzanne at Rockefeller Center at Christmas.

Unique AFNAFPO Contract

MMI will deliver your government freight door-to-door, anywhere in the world. You have the option of going through the government system or the services of MMI and our sister company USAI. Use our services, our personnel, our contracts, our warehouses. Ship in government containers or our containers.

LET MMI PROVIDE YOU WITH:

- **Single Source Responsibility**
- **Shipments to DTS Port Locations or Direct to Activity Door**
- **Full Status Reporting By Activity**
- **Consistent Freight Savings**

This Contract is Open to All Department of Defense NAF Activities



FAQs

Why ship MWR/NAF materials under this contract?

A spokesperson for AFNAF put it this way, "The requirements for total control and budgetary savings have increased for all of us. AFNAFPO has responded by putting in place the final link in the NAF logistics cycle; a full scope, worldwide transportation management contract. This contract provides NAFI's throughout the world with quality commercial transportation services, immediate and consistent freight savings and full accountability for all shipments in the system.

"Under the contract, each NAFI will gain control of their shipments while saving transportation dollars. Each shipment will be tracked from origin to destination. MMI will route your shipments, provide substantial discounts on freight rates, and even file claims on your behalf against carriers for lost or damaged shipments. It is our hope each NAFI will use this contract for all FOB: Origin orders."

Who can use this contract?

This contract is open to all US Government Department of Defense Activities. Air Force, Navy and Army MWR/NAF activities throughout the world have been using the contract on a direct basis for the last 18 years. AFNAFPO utilizes the

contract for all FOB: Origin orders that exceed parcel post and UPS restrictions.

Why change to this contract?

In simple terms, suppliers and/or manufacturers are primarily interested in selling product. On FOB: Origin orders, freight is not the main concern. Generally, little effort is made by a supplier in selecting a carrier when the freight charges are to be "Prepaid and Added." Factors such as on-time performance, damage control and cost may not be looked at as intensely when selecting the carrier for your shipment.

The contract asks your supplier to contact MMI when they are ready to ship. MMI selects the carrier, sends the supplier bill of lading and marking information, insures that the supplier's documents are in order and moves the cargo through to destination. MMI provides discounted service and, in the event of damage or loss of goods, MMI files claims on your behalf.

Our primary focus is to provide each base or activity with documented savings and reliable service.

How the Contract Benefits You

1. Under our government contract, MMI provides for alternatives to the DTS system. We presently perform commercial consolidations in Seattle, WA, Los Angeles, CA, Norfolk, VA and New York, NY. We also can ship directly, door-to-door to the majority of base locations throughout the world. We have been extremely successful in providing this direct service on an air and ocean transportation basis.
2. For an additional cost (call for a quote), most activities enjoy fully insured, 30 day door-to-door ocean or 4-6 day air service. When your shipment moves commercially with MMI, it is always 100% insured for loss or damage.
3. We can order DTS containers for your shipment and load them directly at your suppliers. This bypasses the consolidation and speeds up the process. Our fee for this service is \$150 per container.

CALL MMI
800-242-8560



MMI and the AFNAF Purchasing Office

Transportation Management Contractor for Commercial Shipments (FOB: Origin Purchase Orders)

Fully Insured AF purchases

United States, door-to-door deliveries of MWR/NAF purchases within the United States and to activity locations throughout the world.

AFNAFPO CONTRACT INFORMATION

CONTRACT NUMBER: F41999-03-D-6042
CONTRACTOR: Material Management International, Inc.



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Toll Free: 800-242-8560
Phone: 732-469-3800
Fax: 732-469-8787

COMMODITY: Transportation Services

POINT OF CONTACT: AFNAF Purchasing Office
Paul Garza
10100 Reunion Place Suite 304
San Antonio, TX 78216
Phone: 210-652-6931
Fax: 210-652-6309

PAYMENT TERMS: 1%-20 Days, Net-30 days

Us Military/Government Shipping -
Domestic & Worldwide,
Door to Door, Commercial Deliveries
AFNAFPO Transportation Contractor

Menu of Services

CONUS ACTIVITIES

- Full truckload and LTL transportation service for MWR/NAF purchases from vendors worldwide to NAFI's throughout CONUS.
- Substantial freight savings off of class-regulated LTL rates to any Government NAFI.
- Tracking and reporting for all orders and shipments.
- Shipment of personal effects and household goods for MWR/NAF personnel.
- Consolidation of shipments for project purchases and timely, scheduled release of material as needed at work site.
- Full and direct accountability for shipments lost or damaged in transit.
- Negotiation and preparation of freight claims on behalf of the ordering activity.

OVERSEAS ACTIVITIES

- Full truckload and LTL service for MWR/NAF purchases from vendors worldwide to Defense Transportation System (DTS) Points or Ports or to commercial consolidation centers.
- Containerization at vendor's location for direct shipments to port of exit utilizing the DTS system.
- Fully insured commercial air and ocean transportation services, door to door, throughout the world.
- Delivery to Pacific and Europe locations by ocean within 30 days of pick-up from supplier.
- Full commercial warehousing and containerization options. 30 DAYS FREE STORAGE for shipments as small as 1 lb. to as large as full container.

- Consolidation of project material.
- Consolidation of multiple purchase orders by base, 30 DAYS FREE STORAGE and delivery to overseas locations within 30 days.
- Full and direct accountability for shipments lost or damaged during commercial shipment.
- Air and Ocean freight quotations within 24 hours via telefax.
- Movement of Household Goods for MWR/NAF personnel worldwide.

Getting Started

Contact MMI at 1-800-242-8560 or AFNAFPO. Paul Garza, 10100 Reunion Place Suite 304, San Antonio, TX 78216. Phone 210-652-6931, Fax 210-652-6309. *A start-up guide and full set of sample Purchase Order instructions will be sent immediately.*



HEAVY HAUL DIVISION



Let us handle the regulatory requirements, logistics and negotiations for those big moves...

Contact Bruce Michelsen, Engineer and Operations Manager 1-800-242-8560

Industry News



KEY NOTE SPEAKER FOCUSES ON RELATIONSHIPS

Relationships were emphasized by the keynote speaker at the 32nd Annual Conference of the Transportation Intermediaries Association in Tucson in April. Best selling author and marketing strategist Harry Beckwith advised TIA members to know their customers and market solutions rather than services.

In her session, *Selling the Sizzle*, Marketing Consultant Annette Petrick concurred. One speaker in the session stated, "No one cares what you know until they know that you care." Petrick emphasized, "Customers don't care what transportation services a company has. What they care about is what transportation problems a company can solve for them. That's where the emphasis should be."

MMI has been a long time member of the TIA, a national trade association representing the \$62 billion third party transportation service provider industry. Petrick directs marketing for MMI and is editor of this newsletter.

TRUCK CAPACITY SHRINKS AS FREIGHT DEMAND GROWS

Truck capacity has tightened significantly in recent weeks. Pent-up demand to send goods to market is increasing pressure on the freight transport industry, creating a new shift in the market.

The number of trucks in play throughout the United States shriveled dramatically during the last three years of economic recession. Many owner/operators have sold their rigs overseas. When called on to return to the market, they are unavailable.

Internet Truckstop, North America's largest online freight matching service, announced this month that their real-time Market Demand Index (MDI) exceeded 7. This is the first time since July of 2008 that the MDI rose above 7.

The MDI measures relative truck demand. It gauges how much demand there is for the trucks available. When the MDI is below 7, pricing leverage typically resides with the shipper. When the index exceeds 7, pricing shifts in favor of the motor carrier.

This is a significant shift from the excess capacity that has existed for at least 18 months. The types of freight seeking trucks ranges from durable goods to groceries and is occurring throughout the country. Particular hot spots include California and the Midwest.

JASON'S LAW

The American Trucking Associations have reaffirmed support for legislation that would provide federal funding for commercial vehicle parking at rest areas.

ATA Senior Vice President Dave Osiecki held a press conference with lawmakers on Capitol Hill. The event marked the one year anniversary of the death of truck driver Jason Rivenburg at an abandoned New York gas station where he had stopped to rest. Known as "Jason's Law," the legislation would provide funds for building new rest areas and expanding and improving existing ones. Representative Paul Tonko (D-N.Y.) introduced the legislation in the House of Representatives last May, and Senator Charles Schumer (D-N.Y.) introduced a companion bill in the Senate.

Rest areas allow truck drivers to safely and effectively follow hours-of-service regulations and get off the road when they are tired.

FURLOUGHED FMCSA EMPLOYEES RETURN TO WORK

President Obama signed a bill reinstating transportation funding and ending a two-day furlough of 2,000 U.S. Department of Transportation employees.

The measure, which also extended unemployment benefits, was passed 78-19 by the Senate after Senator Jim Bunning (R-Ky.) ended his effort to block the measure, which had resulted in the DOT furloughs.

MMI AT HOSPITALITY SHOW

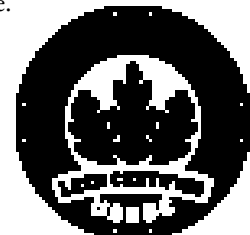
Green is the featured color at this year's Hospitality Design Exposition (HD Expo) in May in Las Vegas. MMI's Robert McKenna and Brian Hoffman will be there. MMI arranges for freight movement for lodgings and restaurants throughout the world. The show is an opportunity to meet and greet customers and make new connections. Attendees at the show are hospitality professionals looking for opportunities to turn today's challenges into tomorrow's solutions.

The inaugural Sustainable Suite Design competition winners will build and showcase their winning suite concept, Haptik, right on the expo floor. The suite's innovative green strategies include an "all-off" switch to ensure lights are off based on passive infrared sensors, a shower wall that captures solar heat, and a greywater irrigation system that filters and recycles shower water to outdoor gardens and landscaping.

Although the industry is still dedicated to the ecologically sensitive green concepts, *Lodging Hospitality e Report* magazine points out that following the LEED (Leadership in Energy and Environmental Design) is no longer as newsworthy as it once was. Writer Eric Stoessel points out that the media space devoted to green design is dwindling. In 2007, there was only one LEED project. Last year, there were 25 and expectations are that there will be 50 such projects this year.

While that's good news for the green movement, it does not lead to headlines. As Stoessel said, "...as it becomes more popular, it's losing a bit of luster as a marketing perk."

MMI salutes those companies who have achieved LEED certification. Your environmentally friendly efforts make the world a better place.



USA Installations Arranges Teams Worldwide

**The Army is opening a sports complex in Germany.
An Officers Club is being outfitted in Afghanistan.
There's a grand opening of a Child Development Center in Washington, DC.**

On site at each job are the conscientious men and women of USA Installations, MMI's woman-owned sister company. Experts at the art of project completion, our installers make facilities ready for move-in.

Boxes are emptied of contents. Floors are laid. Drapes and window treatments are installed. Wallpaper is hung or walls painted, followed by the hanging of paintings and wall decorations. Lamps are unwrapped, cords unraveled and plugged in, bulbs added and tested. Beds and chairs are assembled and made up with linens. Decorator items are added, along with figurines and other decorator items.

Just as important is the discarding of all trash. Cardboard, strappings, plastic wrap are all handled as arranged with the customer in advance. Wherever possible, packing is recycled. Manuals, guarantees, warranty forms and paper work are carefully extricated and delivered to the customer with full instructions on how to submit or register with the manufacturer or distributor.

The customer opens the door, walks in and is ready to get started.

"The installations take just as much logistical know-how as the delivery of the goods," states USAI owner Jane McKenna. "We have honed our check lists, processes and tests to a fine edge over nearly 20 years in the business and today, we bring order to chaos; finality to the job."

USAI provides installation crews anywhere in the world for military installations, MWR/NAF activities, GSA, private industrial and commercial clients.

Call USA Installations
352-430-3000
www.usainstallations.com



USAI installers Bill March (left) and Chris Lovelace (right) pose with MMI Sales Manager Brian Hoffman

- Lodgings
- Recreational Facilities
- Schools
- Institutions
- Hospitals
- Child Care Centers
- Offices
- ...and more!





GETTING TO KNOW YOU

*Brian Hoffman is Sales Manager for Material Management International, Inc.
Direct Line - 800-242-8560, Ext 14. Email: bhoffman@shipmmi.com*

One of the best parts of my job for MMI is meeting so many of you, and getting to know you better. As we arrange to move your freight or work through your installation, we can't help but get acquainted. I treasure each of these meetings, wherever in the world they may occur.

Thanks to our newsletter editor, you will know a lot more about me when you read the profile she wrote on page 3. You'll see my two boys, Chris and Connor and my lovely wife Suzanne. You'll find out the kinds of things we like to do together, especially in New York City, a short ride from where we live in New Jersey.

While logging hundreds of thousands of miles for MMI in the last twelve months, I got to know Donny in the Army Garrison in Wiesbaden, whose wife is studying to be an orthopedic surgeon. I was saddened to hear how Amanda's son was wounded in Afghanistan but delighted to see photos of his miraculous recovery. I sat with Herman while his wife was in the delivery room back in Arkansas and smoked one of the worst cigars I ever tasted, in celebration of his new son. I listened to the ocean roaring through the blow holes on the Honolulu beach, alongside Mark and Dennis.

You all work hard and play hard. I found that out. And you are dedicated to our country and everything that makes it great. I could not be working with a finer group of people - our customers out there on sites throughout the world, the fine teams of installers provided by USA Installations and the guys back here in the MMI office, especially - Bobby, David, Bruce, and John.

You might argue when I claim that mine is the best job in the world, but I've got the photos and the smiles and memories to know it's true.



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