

# North American Council for Freight Efficiency

New Founders Group

December 9, 2009



# Today's Agenda

1. **New Founders Group roll call (RMI)**
  - Hiroko Kawai, Principal
  - Mike Simpson, Analyst
2. **Organizational Structure (Andrew Smith):**
  - Size and roles of BOD
  - Selection and voting process
  - Executive Director
3. **NACFE Timeline for 2010 (Gary Gaussoin)**
  - Funding plan
4. **Committee and work group structure (Don Baldwin)**
  - Structured brainstorming
5. **Closing: recap of action plan and agreements (RMI)**

# Board of Directors

## Initial board members selected for 1 year by RMI (2009)

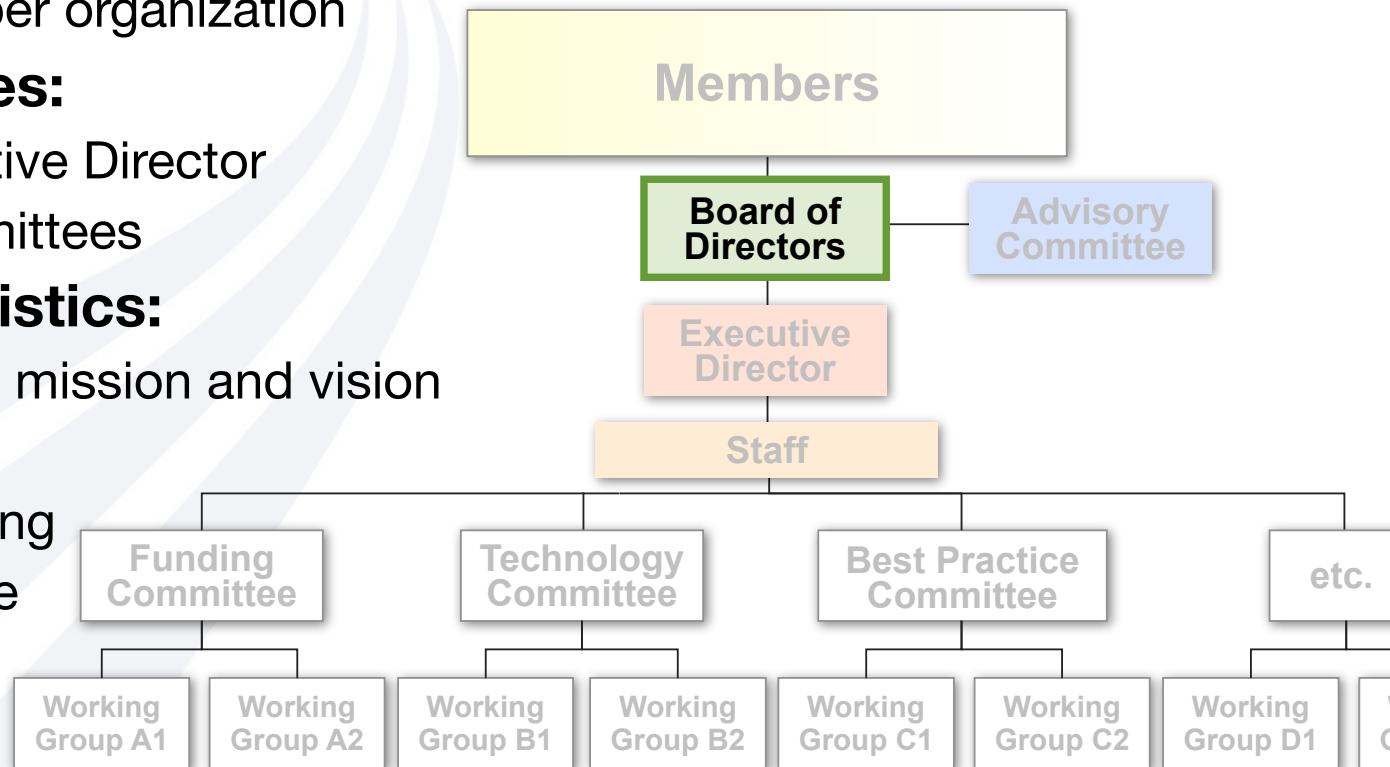
- NACFE votes in new members, 2 year terms thereafter (staggered)
- 10-15 members at launch (may grow to 20)
  - Represent leading edge industry stakeholders, but balanced
  - One seat per organization

## Responsibilities:

- Guide Executive Director
- Advise Committees

## Key characteristics:

- committed to mission and vision
- voting power
- forward-looking
- representative



# New Founders Group

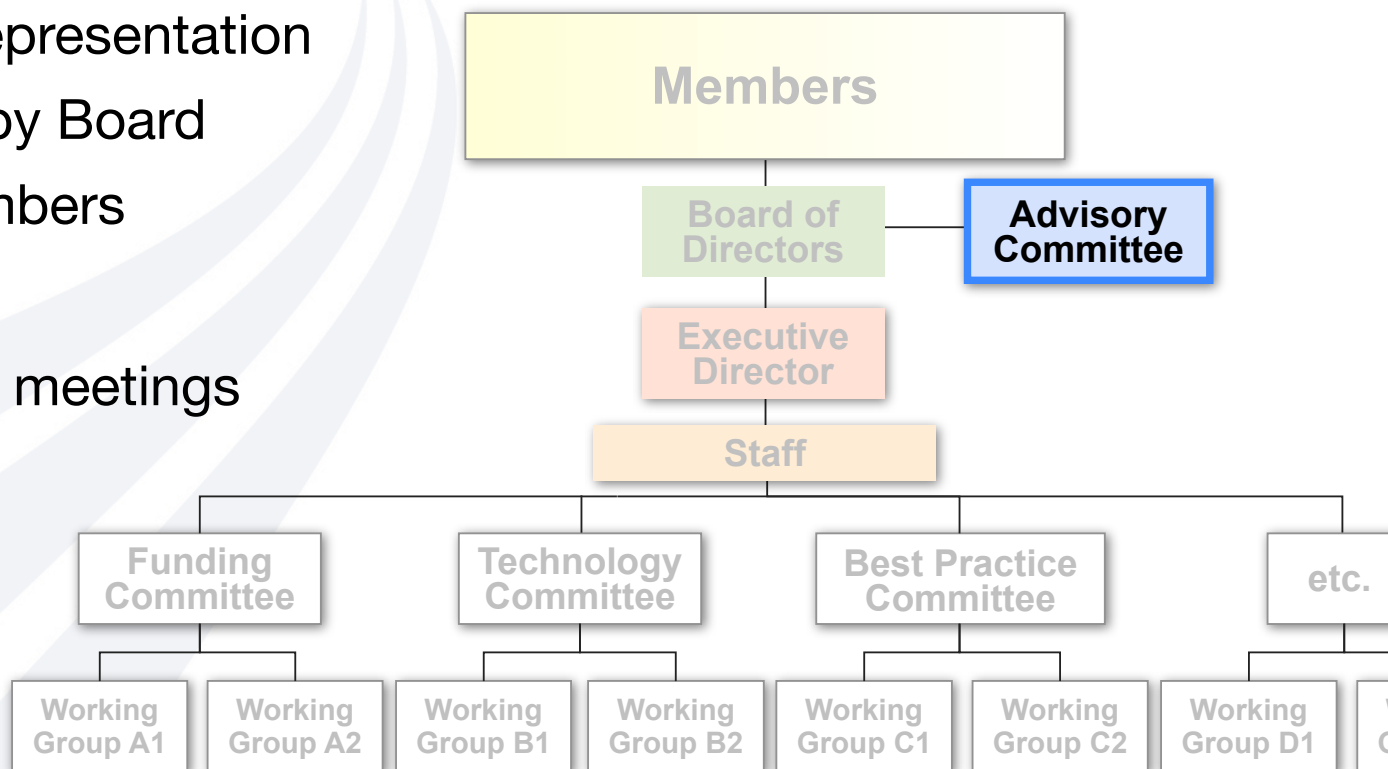
New Founders Group evolves into Advisory Committee

## Requirements:

- Agreement with Mission and Vision
- Balanced representation
- Appointed by Board
- Paying members

## Obligations:

- Semiannual meetings



# Executive Director

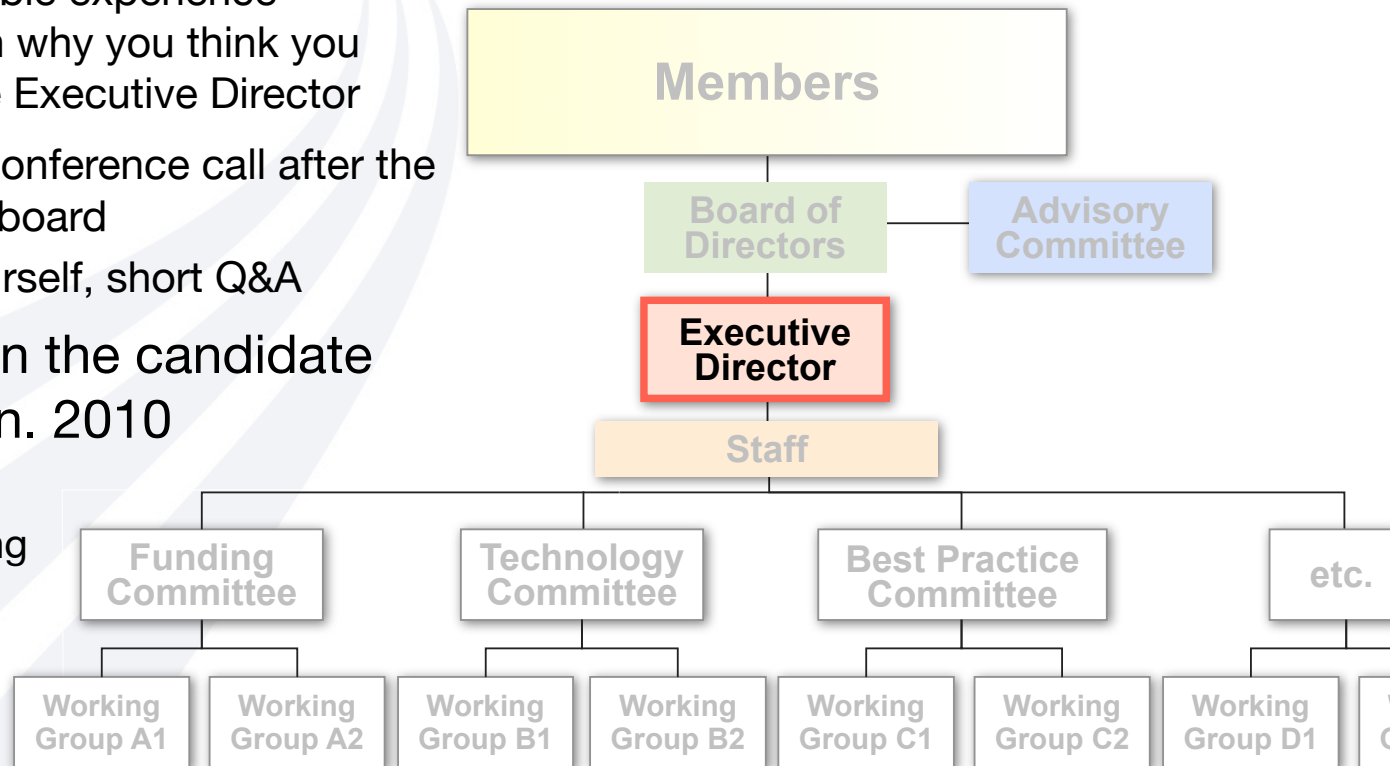
## Requirements:

- Be sponsored by the Advisory Committee member (letter of recommendation)
  - each member can only sponsor one candidate
- Compose a one-page document
  - list all applicable experience
  - briefly explain why you think you should be the Executive Director
- Participate in a conference call after the formation of the board
  - introduce yourself, short Q&A

The BoD will open the candidate submission in Jan. 2010

- elected during February meeting

Salaried full time position



# The NACFE membership will represent the entire industry.

*The diverse member structure must drive:*

Efficiency  
Innovation

Market Demand

Economies of Scale

- Technology companies
  - Powertrain
  - Tires/wheels
  - Aerodynamics
  - Composite materials
  - Logistics hardware/software

- OE Suppliers
  - Truck manufacturer
  - Trailer manufacturer
  - Train

- Academia
  - Transportation
  - Energy and environment

- Advocacy groups
  - Technology
  - Energy and Environment

- Trade Associations and Tech Forums

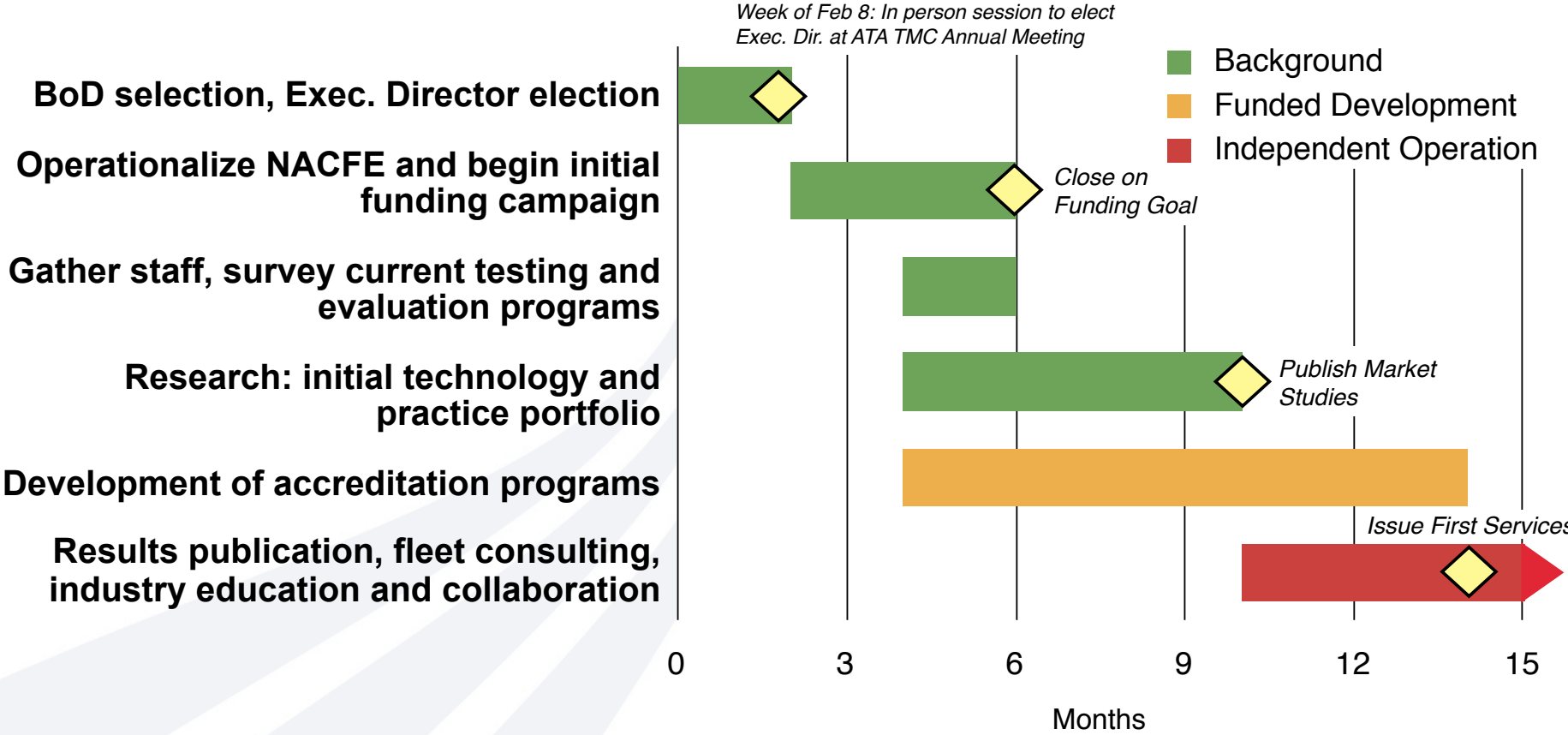
- Shipping customers
  - Industrial & Consumer

- Carriers
  - TL
  - LTL
  - Private fleet
  - Owner-operator
  - Intermodal

- Investors
  - Clean tech private equity

- Gov't liaisons (no board seat)

# NACFE Time Line



Following the lessons learned from similar industry organizations, the NACFE will utilize nationwide committees, conferences, and lecture series to disseminate credible information.



# NACFE Fiscal Year 2010

<b>Council Staff</b> (overhead at 100%)	<b>Compensation Rate</b> (approximate)
<i>Executive Director</i>	\$140,000
<i>Chief Technical and Finance Officer</i>	\$120,000
<i>Accreditation Committee Lead</i>	\$75,000
<i>Marketing &amp; Communications (contract)</i>	\$30,000
<i>Research Staff (3 FTE)</i>	\$150,000
<i>Fringe/Overhead/Travel</i>	\$515,000
<b>Annual Operating Budget (12 month startup period)*</b>	<b>\$1,030,000</b>

<b>RMI Partnership (Q1-Q2, 2010)</b>	January	February	March	April	May	June
<i>Project Management</i>	\$20,000	\$20,000	\$20,000	\$18,000	\$16,000	\$15,000
<i>Research and Analysis</i>	\$15,000	\$15,000	\$15,000	\$14,000	\$12,000	\$10,000
<i>Intern / Administrative</i>	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
<b>Operating (6 months)</b>	\$40,000	\$40,000	\$40,000	\$37,000	\$33,000	\$30,000
<b>Program Budget</b>						<b>\$220,000</b>

# NACFE Sustainable Business Model

Revenues will come from multiple sources:

- **Tiered Membership**

- ranging from \$50 to \$5,000 (TBD) annually
- Details necessary (privileges, etc.)

- **Fleet Consulting Services**

- efficiency audits, program development, operations analysis, ...

- **Technology Reports**

- Un-biased, fully disclosed volumes for each equipment category (updated periodically)

- **Commissioned Studies**

- Dedicated research efforts in partnership with academia and government (grants)

# Discussion:

*Bruce Stockton:* Dues are a bit more palatable (currently). Have to show “quick wins” by helping companies develop sustainability programs. NACFE has good expertise. The Council could also support development of carbon/efficiency accounting methods (sustainability “score”).

*Fritz Marinko:* Fees don’t seem to be a lot for some of the major companies involved.

*Mitch Greenberg:* Roll fleet work into committees. Partner with EPA to fill white space.

*Tony Picarello:* Understand what the value proposition is for each piece of the Council org structure as well as each service offering.

*Gary Gaussoin:* Current timeline is aggressive. Exec Dir could be more of a program manager... do others agree?

*Fritz:* Timeline is too aggressive. Date should be moved out.

*Rick Wood:* Timeline is aggressive. Operate 100% virtual the first year? Avoids some overhead. A good portion of the initial work will come from members—could be viewed as a cost contribution. Demonstrate early wins to begin to get buy-in.

*Gary Gaussoin:* Booth at TMC?

*Andrew Smith:* Go above and beyond.

*Don Baldwin:* Word of mouth is very important.

*Jay Thompson:* Sustainability must focus on logistics in addition to technology.

## What else did we fail to capture here?

Add your thoughts at <http://nacfe.org/public-forum/>



# Next Steps:

December 14th-24th, 2009

- Consultation of NFG on proposals
- Board candidate submission
  - each requires half page recommendation from NFG member

January 12th, 2010

- Board of Directors final announcement (online)
- Open Executive Director candidacy submission (online)

January 20th, 2010

- Close Executive Director submission

January 27th, 2010

- Board of Directors virtual meeting to review and vote on Executive Director candidates

February 9th, 2010

- First BoD in-person meeting with Exec. Dir. at ATA TMC Annual Meeting

**Thank you.**

