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For Immediate Release

**Pepsi Beverages Company Receives Top Supply Chain Award at CSCMP Conference
C.H. Robinson and IPC-Subway Earn Second-Place Honors**

Lombard, Illinois USA (October 7, 2010)—The Pepsi Beverages Company received first-place honors in the 2010 Supply Chain Innovation Award competition at the Council of Supply Chain Management Professionals' (CSCMP) annual global conference held recently in San Diego, California. C.H. Robinson Worldwide, Inc. and IPC-Subway earned second-place honors.

Chosen from six finalist teams, the Pepsi Beverages Company (PBC) supply chain organization developed a distribution strategy that delivers breakthrough warehouse cost savings, reduces system-wide inventory, eliminates warehouse space constraints, and unlocks the potential for unlimited SKU growth. The innovation not only benefited the company's warehouse operations, it also "changed the game" in the areas of selling, delivery, and merchandising.

By leveraging new case picking order fulfillment automation technology, and combining proprietary order management tools with breakthrough network optimization strategies, PBC cracked the code on labor intensive activities in direct store delivery (DSD) while driving top-line growth, expanding product offerings, and improving service. PBC's case study is entitled *Direct Store Delivery Transformation Through Automation*.

"Winning CSCMP's 2010 Supply Chain Innovation Award is tangible recognition for years of hard work by Paul Hamilton, Tim Thornton, and the entire PBC supply chain team," said Victor Crawford, executive vice president of supply chain and system transformation for Pepsi Beverages Company. "This group of supply chain veterans has successfully positioned PBC for continued growth by deploying an automated solution that is both innovative and integrated into our business processes."

While the DSD Transformation Initiative at PBC leveraged many new technologies, it also utilized existing tools and processes in innovative ways, said Paul Hamilton, vice president—supply chain strategy, planning, and logistics, North America. "At the CSCMP conference, it was important for us to communicate that innovation can mean recombining or repurposing, not just inventing new tools and techniques, to drive revenue, savings, and service wins across the entire organization."

Supply chain warehouse and logistics vice president Tim Thornton added that it was

a great honor to have been selected as the 2010 Supply Chain Innovation Award winner. “My team and I truly believe that this Automation and DSD Transformation initiative is not only a major supply chain unlock, but also an enabler to create a strategic service advantage for PBC. It feels really good to have our ideas and solutions validated as being innovative and valued added by our peers at CSCMP.”

IPC-Subway and C.H. Robinson Worldwide, Inc. received second-place honors with their initiative titled *How Green Logistics Pays Off in a Quick Service Leader’s Supply Chain*. Their innovation focused on redesigning an industry-unique supply chain strategy through the collaboration of suppliers, academics, and leaders, reducing carbon emissions and supply chain costs while creating environmental benefits and delivering fresher products.

“These companies clearly demonstrated that they improved service to their customers, lowered costs, and streamlined operations throughout their entire supply chains,” said Rick Blasgen, president and CEO of CSCMP. “They also underscored that improved supply chain performance is definitely linked to bottom-line improvement.”

The Supply Chain Innovation Award competition, presented by CSCMP and *Supply-ChainBrain* magazine, was part of CSCMP’s annual global conference which was attended by more than 3,000 supply chain professionals from 41 countries. In its sixth year, the award recognizes a supply chain team’s innovation as demonstrated by quantifiable and sustainable cost-savings, revenue-generating, or customer-satisfaction achievements.

CSCMP members and 2010 conference attendees may access the Supply Chain Innovation Award winning and finalist case studies and 2011 submission guidelines at cscmp.org, Resources & Research tab/Awards/Supply Chain Innovation Award link. For additional information about the award competition, contact Jessica D’Amico at jdamico@cscmp.org or cscmpresearch@cscmp.org.

Founded in 1963, the Council of Supply Chain Management Professionals is the leading worldwide professional association dedicated to education, research, and the advancement of the supply chain management profession. With over 9,000 members globally, representing business, government, and academia from 63 countries, CSCMP members are the leading practitioners and authorities in the fields of logistics and supply chain management.

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