



Supply Chain Innovation Network Meeting  
Global Logistics: 2022 Outlook and Dual Sourcing  
Wednesday, February 9, 2022: 12-1:30 pm ET

<https://gsb-columbia-edu.zoom.us/j/99594018972?pwd=clg1WWNibm01R05sRW5wdlJ2bjB3Zz09>

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### **2022 Outlook on Global Logistics**

[Sanne Manders](#), COO of [Flexport](#)

This presentation will address the global shipping crisis and supply chain backlog with unique insight into the demand and supply patterns playing out in global trade across ocean, air, and intermodal transportation. Sanne will discuss what it means for the rest of Q1, along with an outlook for the remainder of the year. Flexport has unique visibility into the global logistics landscape through their proprietary software and internal data based on moving more than \$19B of Merchandise across 112 countries in 2021.

### **Dual Sourcing**

[Awi Federgruen](#), Columbia Business School

This presentation will cover dual sourcing strategies by manufacturing companies and retail chains that often have access to two alternative supply sources for component parts, product modules, finished goods or supply materials. One source is typically low cost but has longer lead times, whereas the other provides quicker response but at a higher price. The sources may be capacitated, and their capacity limits may be different. Their supply mechanisms may be random and different. Which of the two sources is more attractive depends heavily on the difference between the variable sourcing costs; however, this difference may fluctuate, heavily, due to the above mentioned sources of volatility. The purchaser may select one of the two sources as her exclusive supplier. Alternatively, it may either be necessary, because of capacity limits, or desirable to opt for a dual sourcing strategy which, at all times, or, under some fluctuating conditions, procures from both sources. In the latter case, the challenge is to determine how much of the total procurement volume to allocate to the two sources and how inventory information should be used to make these allocation decisions, dynamically. The same dilemma arises when a firm has two (or more) assembly plants in different parts of the world, with different costs, lead times and capacities to service its customer base. These strategic and tactical dilemmas appear, in particular, when deciding between offshoring and onshoring.

### **Wrap Up**

[Glenn Steinberg](#), Global Supply Chain and Operations Leader, Principal, EY