CREATING VALUE FOR CUSTOMERS

Innovation and customer service have been at the centre of CN’s business model for 20 years. Today, our unique supply chain approach is redefining the way we interact with customers, suppliers and other partners. By deepening customer engagement, leveraging the strength of our franchise, and delivering Operational and Service Excellence, CN seeks to provide quality and cost-effective service that creates value for our customers.

CustomerFIRST

We are sharpening our focus through a portfolio of initiatives called CustomerFIRST. We are moving to address key customer pinch points and provide greater visibility, especially in the first and last miles of a shipment. In 2011, CN launched the first of several key initiatives to improve how we do business with our customers. The program has played an important part in generating good service reviews from customers. Some of the initiatives include:

- **Private Pipeline Management** provides enhanced management tools to customers who own their own railcars
- **Standardized Service Delivery** provides common processes and tools across our regional Service Delivery Centres
- **First-Mile/Last-Mile Focus** provides meaningful and accurate visibility on shipments in the first and last miles of a trip
- **Supply Chain Tools** improve decision-making across supply chain partners
SUPPLY CHAIN INNOVATION

Over the past few years, we’ve raised our game through an approach that looks at the entire movement of goods through the complete supply chain; not just how we handle our portion of the process. We are increasingly involved in every step of the way, working with all supply chain players to improve how products and material get to where they need to be.

CN’s major push in first-mile/last-mile activities is all about quality interaction with customers from end-to-end:

- Developing a sharper outside-in perspective
- Better monitoring of traffic forecasts
- Higher and more responsive car order fulfillment
- Proactive customer communication at the local level supported by iAdvise, an information tool that is improving the reliability and consistency of shipment information

This mindset is driving solid results. We have some of the best transit times in the industry and a spotlight on all customer touch points. At CN, our focus on seamless end-to-end transportation solutions helps to make our customers more competitive in their own markets, both at home and abroad.
SELL ONE CN
Sell One CN is all about selling the whole portfolio of CN services through a “single point of contact.” Understanding the scope of our customers’ supply chain is key, as is proposing the right suite of services to meet their business needs. After all, that’s what being a supply chain enabler is all about. Our suite of services includes: rail, intermodal, customs, bulk handling, freight forwarding, trucking, warehousing, rail barge and ferry.

As part of the Sell One CN model, we look for ways to offer greater flexibility and increased capacity to our customers so they can move their product quickly and efficiently to market. For example, we’re providing our traditional carload customers (e.g., lumber, panels, pulp, steel or grain) with innovative intermodal solutions that improve their productivity and help us grow against trucking. This co-operative approach is a win-win for CN and our customers.
CUSTOMER SERVICE – IT’S IN OUR DNA

At CN, we’ve broadened our commitment to service excellence through a wide range of continuous improvement innovations. For example, in bulk markets, the CN Scheduled Grain Plan Service has resulted in much improved car-spotting reliability and shows how we’re driving fundamental innovation in the industry. In manufacturing markets, be it forest products or metals, CN is focused on better car order fulfillment to gain market share one carload at a time. In intermodal, CN is taking advantage of supply chain agreements to open up new gateway markets, building on mutual trust and continuous improvement of key performance metrics.
iAdvise

iAdvise, the latest initiative in CN’s first-mile/last-mile strategy to communicate better with customers, built critical mass in 2014 when the program was rolled out for CN’s largest merchandise customers, with smaller customers also coming on stream in 2015.

iAdvise began with notifying customers about service exceptions in a timelier manner to help them adjust their work plans. It has now evolved into an innovative set of tools and processes to further improve the way CN works and communicates with our customers.

Using iAdvise, we send Local Service Notifications to customers. These messages automatically notify customers of work to be done when the Daily Operating Plan is committed to – before the switching assignment leaves the classification yard. In addition to receiving this notification, customers have access to CN’s new first-mile/last-mile report on e-Business, which includes CN’s new Delivery Date commitment.

This tool provides CN customers with more visibility on the status of traffic moving on our system as well as the cars at the destination yard and at their facilities. This increased visibility and accuracy – the customer, CN service delivery representatives, account managers and trainmasters all share common information – helps customers better plan their operations.

CN believes timely, accurate information is key to building customers’ confidence. iAdvise has the potential to build their trust and elevate CN ahead of the competition.