Identifying Market Needs and Gaps
Transcript for Perspectives from UPS

Speakers
- Maria Luisa Boyce, UPS, Vice President of Global Public Affairs
- Susan Zimmerman, UPS, Manager, International Public Affairs
- Cheurombo Pswarayi, Founder and CEO, MedToursAfrica and CJV Medical Supplies; 2019 Fellowship Alumna (Zimbabwe)

Session Transcript

Cheurombo Pswarayi: Good day to all the fellow Mandela Washington Fellows, Alumni, and to all the 2021 participants and alternates to the Mandela Washington Fellowship program. Welcome to this panel, which is going to be discussing identifying market needs and gaps, and actually building our businesses, and your business, in times of crisis. I’m happy to introduce these two lovely ladies who are joining us on the panel. We have Maria Luisa Boyce, who is the Vice President of [Global] Public Affairs at UPS International, and we also have Susie Zimmerman – she is the Manager in charge of public affairs for Africa and the region.

My name is Cheurombo, I am a Fellow, and I was at Drake University in 2019 in the Leadership in Business Track. You can just look on for our bios which are just below this.

The objective of this conversation is to tap into the knowledge and expertise of these two ladies from UPS, stemming from their experience of the company, the global company that is UPS. And what we want to try and seek, and find out from them, is how we can actually use the crisis to identify market needs, and to the growth of our businesses, as entrepreneurs.

We have a few minutes, so we'll get right into it. So, thank you ladies for joining us. I’m super, super excited if you can't tell, I'm super excited. And I'll start with you, Maria Luisa – can you -- possibly to set the stage for us, can you tell us about UPS, it’s presence worldwide, and a bit of your global networks?

Maria Luisa Boyce: Of course, Cheurombo. Thank you so much. Thank you for having us. It’s really an honor and a pleasure to be able to have this conversation.

UPS is a company where we have presence in over 220 countries and territories. And to put it into perspective, we move, on a daily basis, 3% of the world’s GDP in our network. And that has really given us a, as you may imagine, a good overview of how we’re seeing supply chain movement around the globe. We’re also the largest -- in the top five users of C-containers, the third-largest air cargo airline in the world. And so, as we look through all the different connections, and how you move trade, from a business perspective, we have been able to see impacts and the movement of cargo. So, I know we’re going to talk more about other areas, but that’s maybe to give an overview of UPS from a transportation perspective.
Cheurombo Pswarayi: Okay. Interesting. So, you've mentioned that, you know, the number of countries worldwide that you're in, that you're servicing and that you're operating in. How has the coronavirus impacted your networks, and your ability to serve those customers, you know?

Maria Luisa Boyce: So, that's a great question. I think -- one of the first things that we had to do, and probably your Fellow colleagues will appreciate this as businesspeople: we first has to make certain, and do an assessment of the safety of our employees. That was the first -- as the virus started, and as you can imagine, of course, it started first in Asia, and then it moved through different parts of the world, and so our network was being impacted at different places. And understanding what the virus was and how it transmitted for us was very important. Safety first, making sure that we were taking care of our employees.

The second part that was a big impact for the movement of cargo was a two-fold approach. One: how were governments reacting to the management of cargo and the impact of how to manage the virus? And the second one was understanding that a lot of cargo -- for example, if we talk from the air perspective, a lot of cargo also moves through the belly of passenger planes. And when passenger planes stopped flying, that was an impact of capacity, right, for air. And so, we definitely saw we needed to adjust and make certain that, once we took care of the safety of our employees, on that second piece, understand, and be able to sit with governments and share best practices for the movement of cargo. And then understand what was the supply and capacity impact. Immediately after we were doing the assessment, also at the same time, we were working with governments. Our industry was identified as an industry that was necessary to keep moving. And so, that was another aspect that made a difference and helped us to keep moving cargo and moving healthcare products.

Cheurombo Pswarayi: Okay, thank you. I'll come back to you on that point on what it meant to be -- you were now classified as essential. But I'll just to to Susie for now. You're the one who is directly involved in Africa, and the region which involves Africa. Can you tell us about how specifically, you know, UPS’ footprint has been affected by the pandemic in Africa, and what its footprint has been already, in Africa?

Susan Zimmerman: Sure. So, in terms of our footprint in Africa: so we operate in 50 countries and territories across Africa. But we have wholly owned operations in three countries: that’s Morocco, Nigeria, and South Africa. In other countries, we use what we call Authorized Service Contractors, or ASCs, which are other companies, probably local, who have their own assets that work with us, and we have contact with them to either help us with last-mile delivery in country, or feed volume into our network, first mile, that we can deliver internationally. So, that’s our footprint. You might -- some of the, some of the Fellows that are watching this might recognize our brand, some may not. But we probably have a relationship in their country with a local service provider.

So, in terms of the pandemic's impact on our businesses, as Maria Luisa was saying, this essential services designation was critical. And what we saw across all of this territory was very piecemeal approaches by different governments on how they wanted to tackle the spread of the virus. And so, where -- where it's already sometimes difficult, because of customs procedures, or outdated trade
facilitation measures to move products into a country, we are now faced with shorter, smaller numbers of personnel that border processing parcels, or the inability to move products within our vehicles, because of lockdowns, or, now what we're seeing more of is pedestrianized zones that delivery vehicles cannot even access because they want to expand space for people to be able to walk. And so it was very much a process to tackle each of these pieces individually.

One example is, in one country, we were not allowed to clear through customs non-essential products. And sometimes, you know, what is essential is not always clear, right? So it could be a label-maker for a machine that's creating something essential, or somebody's reading glasses, so they can continue to work from home. So, once we enabled the clearance of all products, not just what is seen as essential, then we weren't able to transport all products, we could only transport essentials. All that volume is building up at the border. And then we could finally move it to our warehouses for storage there, but then we couldn't deliver them.

So, each piece is sort of a separate battle, and I think this is a huge opportunity for lessons learned for governments, and an opportunity for us all to come together and harmonize how they treat situations like this going forward.

Cheurombo Pswarayi: Interesting, yeah. And in addition to attempting to consider as it is, you know -- how has UPS been working with the government, and their own initiatives to, you know, support relief and recovery efforts? How has that been going?

Maria Luisa Boyce: So, Cheuro, thanks so much for the question. So, it has been very interesting. I think, when I was talking a little bit about UPS, there's different elements that came to the table that helped us adapt and better understand what was the situation.

There's also the UPS Foundation. That is another part, of course, of UPS—I call it the "heart" of UPS—which, we started to look at, okay, how do we best respond and support. And, in terms of the system and analysis that we have, we have also a large brokerage business that was able to start assessing and analyzing around the world, what were the areas that we needed to work, how do we communicate with governments, and be able to help, and sit at the table to help identify best practices. We were able to deliver everywhere, and some parts slower, and there were more concerns, slow-downs, because of course there were lockdowns in different countries. But we're very proud to say that we're able to continue moving the cargo. So, for us, identifying best practices and being able to sit with the governments that helped us, because we send -- we shared information and how to best activate.

The second part that was very important for us as a business too was from the UPS Foundation, to make certain that -- how do we support all the communities around us? And so the UPS Foundation also started participating and identifying projects and areas where they could invest and help the community through the partners that the Foundation has.

And I think one last piece that is very important to share was, how are we communicating with our customers. Because, as you can imagine, and as you're going through all of this also, the businesses were impacted very much. Especially small, and medium, and small nano-businesses and micro-
businesses were very much impacted and disrupted. And so that was something that -- we wanted to make something that was in constant communication, and updating what was needed for the businesses, how to adapt, and what advice do we share.

And I know I'll talk a little bit more about it later, but I think communication became very important, so that we can facilitate the continued movement of trade.

Susan Zimmerman: And of course, if I add just a little piece to that. The other consideration -- so there's the continuing our operations, communicating with our customers, but then also internally, with our folks. So, you know, making sure that our UPS browntail airplanes are still flying into an airport, then what happens with the crew members, and the pilots. Are they going to be tested, can they get the proper rest they need at designated hotels that are going to be essentially cut off from the rest of the population? How do we make sure our drivers can access the facility if only certain people are allowed to be out and about during lockdowns? Do they have a special document or something to allow them to pass? So that's another consideration; making sure that all of our folks are properly equipped with personal protective equipment, and they're social distancing in our facilities. So there's a lot of different layers to this, and how we help to keep the supply chain moving, with all of these different parameters.

Cheurombo Pswarayi: Well, thank you. Thank you very much. And you mentioned the UPS Foundation, so I'm wondering, as a business owner in Zimbabwe, an entrepreneur: how does information about such foundations get to us? Is it part of the role which, you know, which you guys have with public affairs? What is your role in public affairs, and can you share with us how that function actually plays into global supply chains? You know, how you protect, you know, movement of my goods as an exporter or an importer?

Maria Luisa Boyce: Thank you. Yes, definitely - we are -- so the Foundation, we work very closely with the Foundation, who has different projects that we work on, and they have different partners. So for example, the Foundation has supported more than $6 million in donation to the United Nations agencies, humanitarian relief partners and community-based nonprofits, and international non-government organizations. And they have -- through their partners, we are able to provide the support to the community.

To your question, specifically, of how public affairs works together – we're actually, we work very closely together, in terms of helping implement and identify some of the projects. And I know we're going to talk about our Women Exporters Program later on, but I also think, for us, it's important that we communicate through our partners on the ground. And that's how we were able to provide some more of that information. We don't like to highlight that much. All the support that we're given, which we like through our partners, so we're able to take full advantage of it. Susie?

Susan Zimmerman: Okay, so in terms of public affairs – just so that the Fellows that are watching this have a better sense of what Maria Luisa and I do, because I think sometimes public affairs doesn't really indicate what that -- what our job is. So we are the advocacy arm of UPS. So we're the ones who are out there with the relationship, with government stakeholders, paid associations, industry groups, international organizations, looking out for the interests of both the company and, of course,
our customers, making sure that we are able to serve them in the best way. So that's why—and Maria Luisa said, and myself—we were working throughout the pandemic, leveraging these conversations that we have going to make sure that the company can continue operating as it needed to.

You know, our folks who are in operations are nose the grindstone – they want to keep their shipments going, but they're not necessarily with the macro picture of: how do we communicate the needs of our company and the customers, especially when it comes to economic resiliency and recovery? You know, making that case to governments about why we should be considered essential, or why it's important that we move shipments swiftly through customs clearance. So we're the ones that help to make that case, if that makes sense.

Cheurombo Pswarayi: It does make sense. You're very important, you're a very important piece of the puzzle. So thank you for doing what you're doing.

Susan Zimmerman: We like to think so.

Cheurombo Pswarayi: I've heard—and you've hinted on it—that UPS does a lot in the area of helping small businesses, you know, and entrepreneurs. So, would you be able to give us more information on that? Because that’s really particularly of interest to the business owners listening in, listening in to this.

Maria Luisa Boyce: Of course. Definitely, thank you so much for the question. The small businesses are the heart of the economies around the globe. And one of the areas the we have focus as a company is, how do we -- how are we able to enable small businesses around the globe to enter international trade and export more? And we started our approach first two years ago, when we launched a Women Exporters Program, in partnership with the UPS Foundation, to enable women entrepreneurs to be part of international trade.

And this became part of our approach, in general, to all small businesses and women entrepreneurs, on identifying three areas that we saw are very much needed. One was to provide capacity building. And that was the need to provide small businesses with the information that they need to better frame the question on how to export, right. And understanding e-commerce, and exporting, etc. The second one was how to help them do market access, and how to connect with other markets. How to be able to do it in an affordable way, so that they could grow their business. And the third area where we continued to focus was identifying regulations, and that's Susie's point, that we're the advocacy arm. What were the regulations that were impeding, or that we could identify were needed to enable small businesses to export?

And then the pandemic happened. And I think what was very interesting to see, Cheuro, is that, during the pandemic, definitely there was a shift in the behavior of the consumer that we saw. And we saw that the emergence of the growth of e-commerce, and that was because the consumer, of course, now was buying all online. There was -- we definitely saw double-digit growth from last year, in terms of people using e-commerce. And that has also pushed forward for us: how do we continue to bring more capacity-building in this area, and then to adapt our products that are affordable and make sense for small businesses? And so we started more education, webinar series through the pandemic,
Identifying Market Needs and Gaps

Transcript for Perspectives from UPS

Page 6

leveraging an understanding of: what does e-commerce mean, and how do you connect, not only that you get the customer, but how do you make your good a right to that customer? And definitely we saw an opportunity for exports, because many of the consumers, I think we were talking about it earlier, were impacted. And let it be the U.S., China, the EU, etc. – they were very much impacted, and there were more opportunities to be able to sell online.

So, those were some of the things that we're doing with the small businesses, as we continue to identify, what are the challenges that they're facing in some countries that they're going right now, through the pandemic, and post-pandemic, right? And so we're working on this process.

Cheurombo Pswarayi: Okay, I thank you. So your women—you say it’s called the Women Exporters Program—have you had any lessons learned, what UPS has learned? Specifically, for women entrepreneurs doing business, doing export business, what tips can you, like, just off the top of your head, give us?

Maria Luisa Boyce: So – two nuggets. One is—and, Cheuro, understanding through the pandemic, and just in general on the program—but the first one is the need for capacity, in terms of small businesses really need to understand their product, their customer, and the impacts that they have. Because we saw many times that the small businesses were interested in exporting, and were ready to do it, and they did not do their homework in understanding better if their product needed a special license, or where they were going that the customer was used to returning, and then who covers the cost of the return, right? So, I think that's one nugget, in terms of the need to do your homework, and try and better understanding if you’re going to go into exporting.

The second one for us that was very interesting has been learning how to better package your goods when you’re sending it. The need to understand how to better package what you’re going to send, because that makes a difference in price, in weight, and going through customs, and making it to the destination. So, I think those will be the two nuggets that will come to my mind from that perspective, that keep coming up in our seminars and webinars.

Cheurombo Pswarayi: Okay. Oh, thank you for that. So, I'm particularly interested in the healthcare industry, in that this crisis -- this crisis that we're experiencing in this moment is also directly affected by healthcare. So, Susie, what are some of the innovative delivery mechanisms or solutions that UPS has, you know, has underway in Africa?

Susan Zimmerman: So, one of my favorite examples we talk about is our drone project in both Rwanda and Ghana. And so, that started in May of 2016, working with the Rwandan Ministry of Health; Gavi, the Vaccine Alliance; and the company called Zipline, a California-based drone manufacturer. And the reason why we targeted Rwanda initially is because, for instance, post-partum hemorrhaging is a big cause of maternal death. And with remote villages and the hilly terrain in Rwanda, and in certain seasons the roads are impassable – this is a way for us to specifically convey blood transfusions to clinics in these villages, to help save a mother's life. And, this is of course being extended to other critical medications and vaccines, we expanded this to Ghana.
Another great example of our healthcare innovation is ensuring the safe cold storage of vaccines, and moving them in temperature-controlled conveyance by truck, motorcycle, and boat. This is something that we're doing in Uganda, in partnership with the Ministry of Health there, working around more than 150 clinics around Kampala. And because of how successful it's been, in ensuring the shelf-life of these vaccines that require a temperature-sensitive environment, we're going to, of course, expand this to different parts of the country. And this will then inform how we might work with a potential COVID-19 vaccine, whenever that's available, and our capacity for sharing that with different communities.

We've also been involved with PEPFAR for moving critical vaccines and medications around different parts of the world. And of course, we’re also involved in supporting the Ebola crisis. When that emerged in Africa, it was specifically the UPS Foundation -- they activated funding and logistical support for Ebola relief efforts.

So this is something that UPS is very much involved in. And of course in other parts of the world, to other extents as well. But healthcare is a big focus area for us, and we're always coming up with innovative ways to make sure that we are getting the critical items to where they need to go in a timely manner.

Cheurombo Pswarayi: Oh wow – thank you, thank you very much for enabling. Because I think that -- that's how I could, if someone were to ask me for summing it all up, you've enabled, you know, the healthcare workers to do what ought to be done on the ground. And so, thank you very much for that. Alright – I wish we could go on, you know – so much wealth of knowledge and experience from you guys. You know, thank you very much for your time, and for sharing your knowledge, and for being a partner in the Mandela Washington Fellowship. UPS plays a very big role. And please, continue to do that, you know, for the coming years, we want to, yes. And that's on behalf of the Fellows, the Alumni, IREX, and the U.S. State Department. Thank you for this platform, ladies. Do you have any parting remarks you want to share?

Maria Luisa Boyce: I think—Cheuro, I thank you so much for the opportunity—I would love to tell to all the Fellows: you're not alone. You're part of a community. And we're all working together to make it through this crisis, learning a lot of good lessons, and also understanding the power of community, and the power of working together. So we definitely -- I want to send that message, because that has been the one lesson that I -- we have taken through the crisis. And we continue to grow together, and so that's, that will be my message. Thank you so much for the opportunity, Cheuro.

Susan Zimmerman: Yes. And just to -- just to build on that, Maria Luisa is our beacon of positivity in our team, and so just building on what she was saying: don't lose faith, because you're the Fellows, and the ventures that you're embarking on, or the businesses you’re trying to build, or the efforts that you're trying to see through to completion – there might be a new normal, there might be a different way you might have to go about it because of the different changes that we’re seeing in the world. But, once the dust settles, you'll be well-positioned to hit the ground running and keep things going. So, don't lose faith. You might have to sort of re-jigger what it is, or the way you go about it, but it'll happen. Thank you so much.
Cheurombo Pswarayi: Thank you very much! So, all the best to the Fellows in the rest of the course. Thank you for watching.