



Reshaping Global Logistics: Geopolitics, Automation and the Vanishing Human Touch

Stephen Zambo



About the AGL Group

NVOCC/Freight Forwarder

- ▶ 65 team members
- ▶ HQ in Weymouth, MA with offices in Jacksonville, FL, Philadelphia, PA & Barranquilla, Colombia
- ▶ **Top 50** exporter in the USA
- ▶ 56,000+ TEU shipped annually
- ▶ 10,000+ Domestic FTL/LTL shipped annually
- ▶ **85%** of our volume is agricultural / forest products cargo

Licensed Customs Broker

- ▶ Founded 2013 by Steve & Steve J Zambo (Dad)
- ▶ Dad was EGL VP starting their Boston office in 1979 before starting his own NVO/Ffwer in 1984
- ▶ Steve A (me) worked summers with Mom/Dad's company Aces as well as with Kuehne + Nagel
- ▶ Worked at MSC in VIP export dept handling BDP & Mercedes Benz

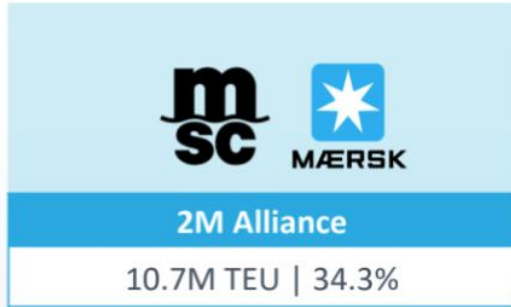
IAC – Indirect Air Carrier



Carriers & Shifting Alliances

What This Means

OCEAN FREIGHT MARKET

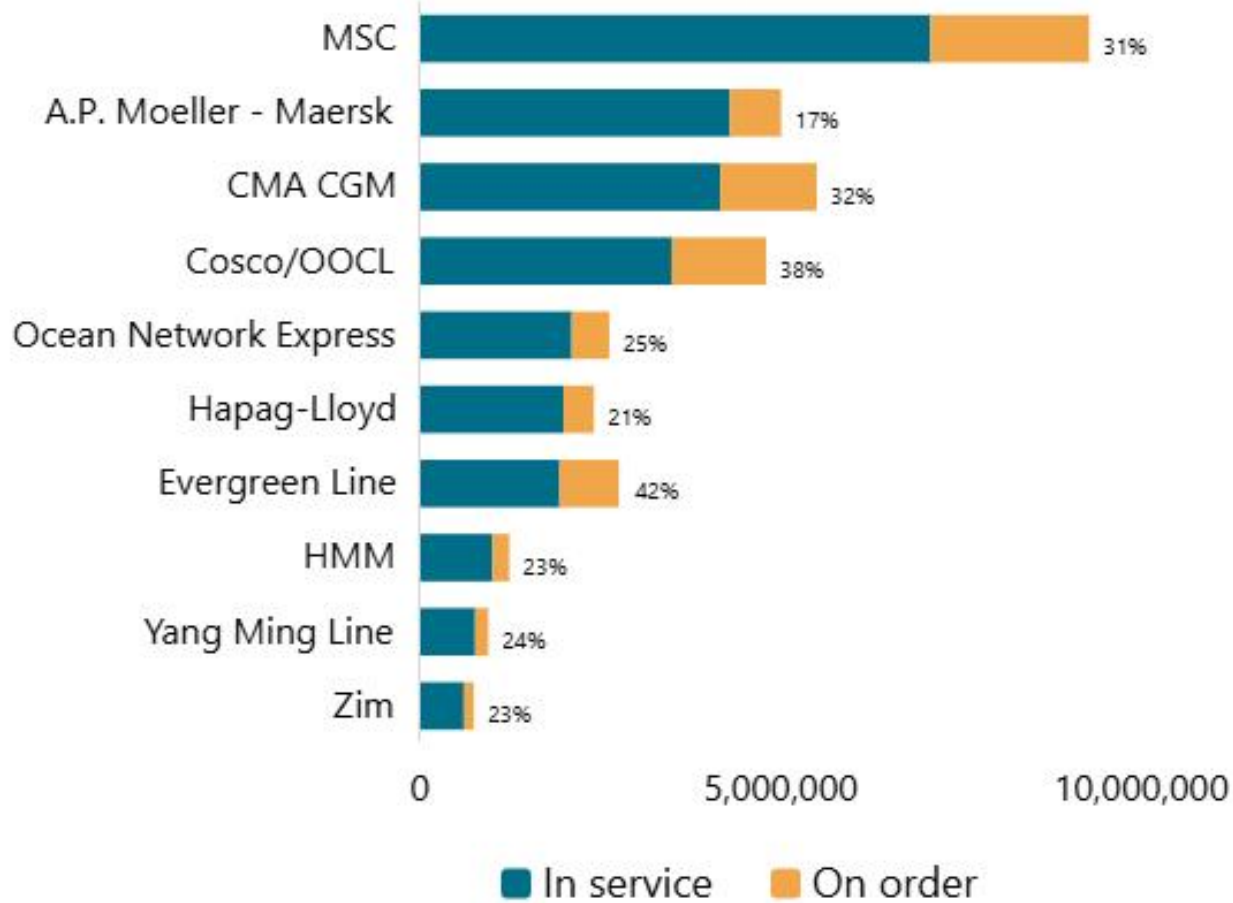


Before 2025 | From 2025





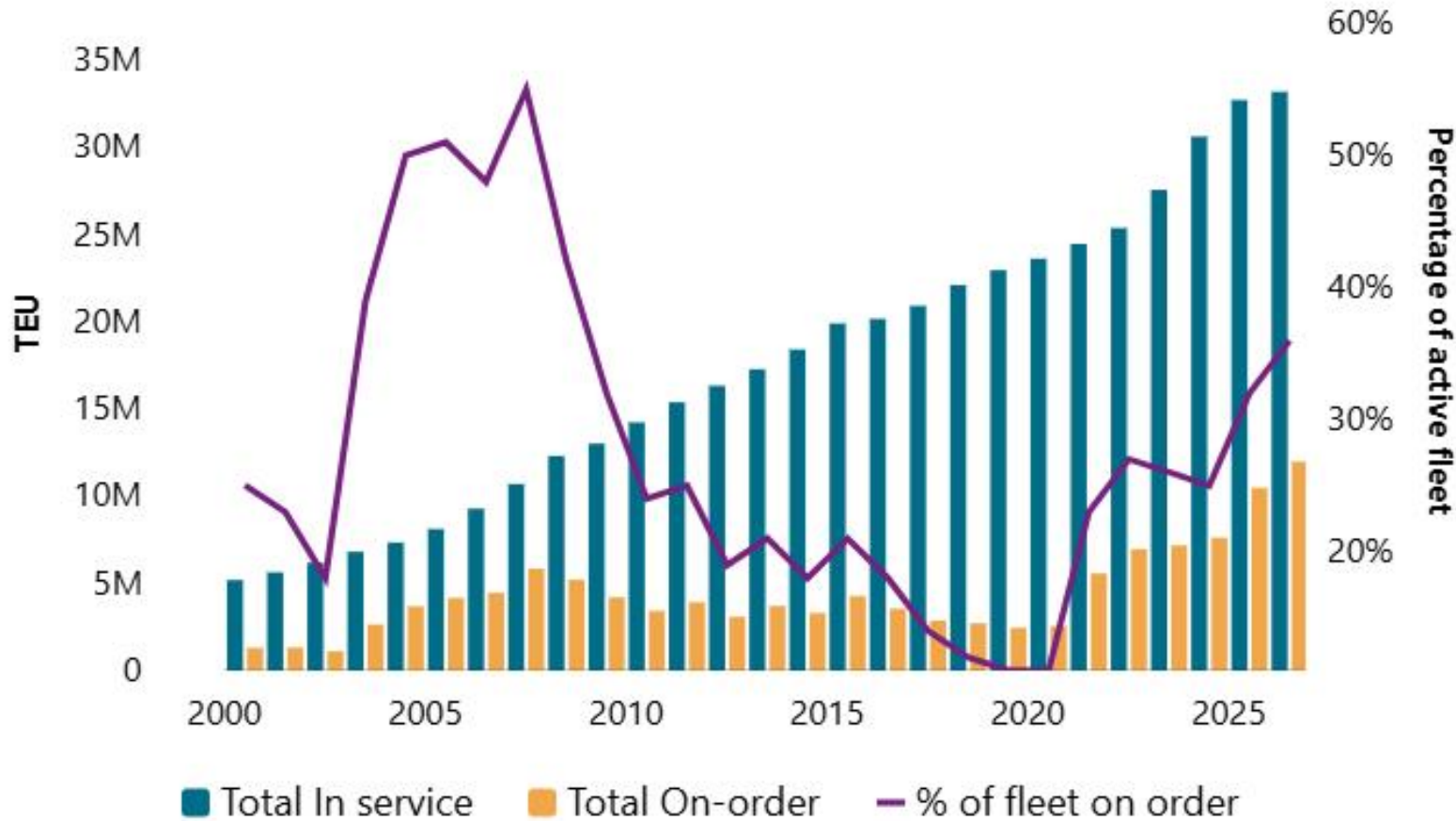
Container ship capacity in service and on order by carrier (Sea-web)



Capacity



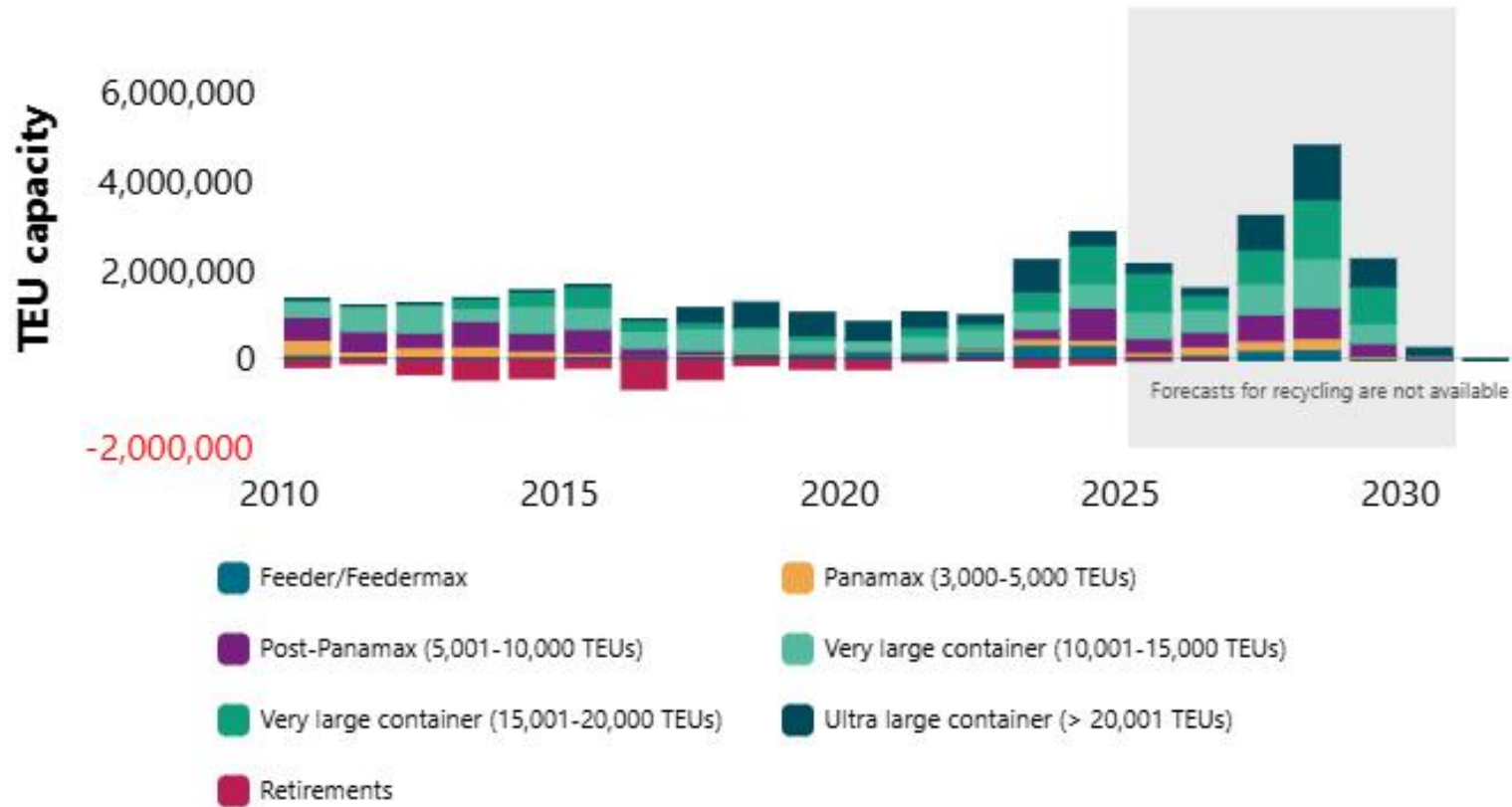
Global container ship capacity in service and on order (Sea-web)



Capacity



Container ship capacity deliveries and demolitions by vessel size (Sea-web)



Notes: Shaded areas indicate projected delivery

Source: Sea-web, S&P Global

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Capacity



USTR

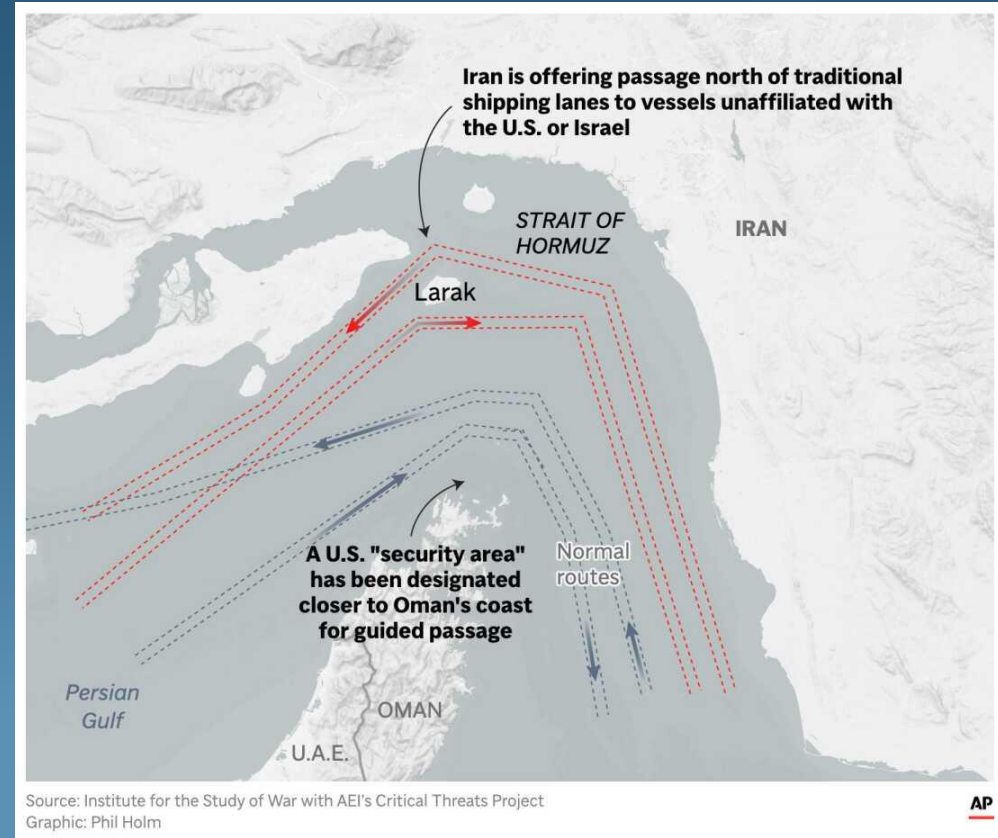
- ▶ **Chinese-Owned/Operated Vessels**
 - ▶ Initially a fee of \$50 per net ton per vessel rotation
 - ▶ Rising annually to \$140 by April 2028
- ▶ **Chinese-Built Vessels (Non-Chinese Operators)**
 - ▶ Fees were set at \$18 per net ton or \$120 per container (whichever is higher)
 - ▶ Increasing over a three-year period
- ▶ **Application:** These fees, when active, are capped at five rotations per year for each individual vessel
- ▶ **Scope:** These measures aim to support the U.S. shipbuilding industry, heavily impacting major carriers like COSCO



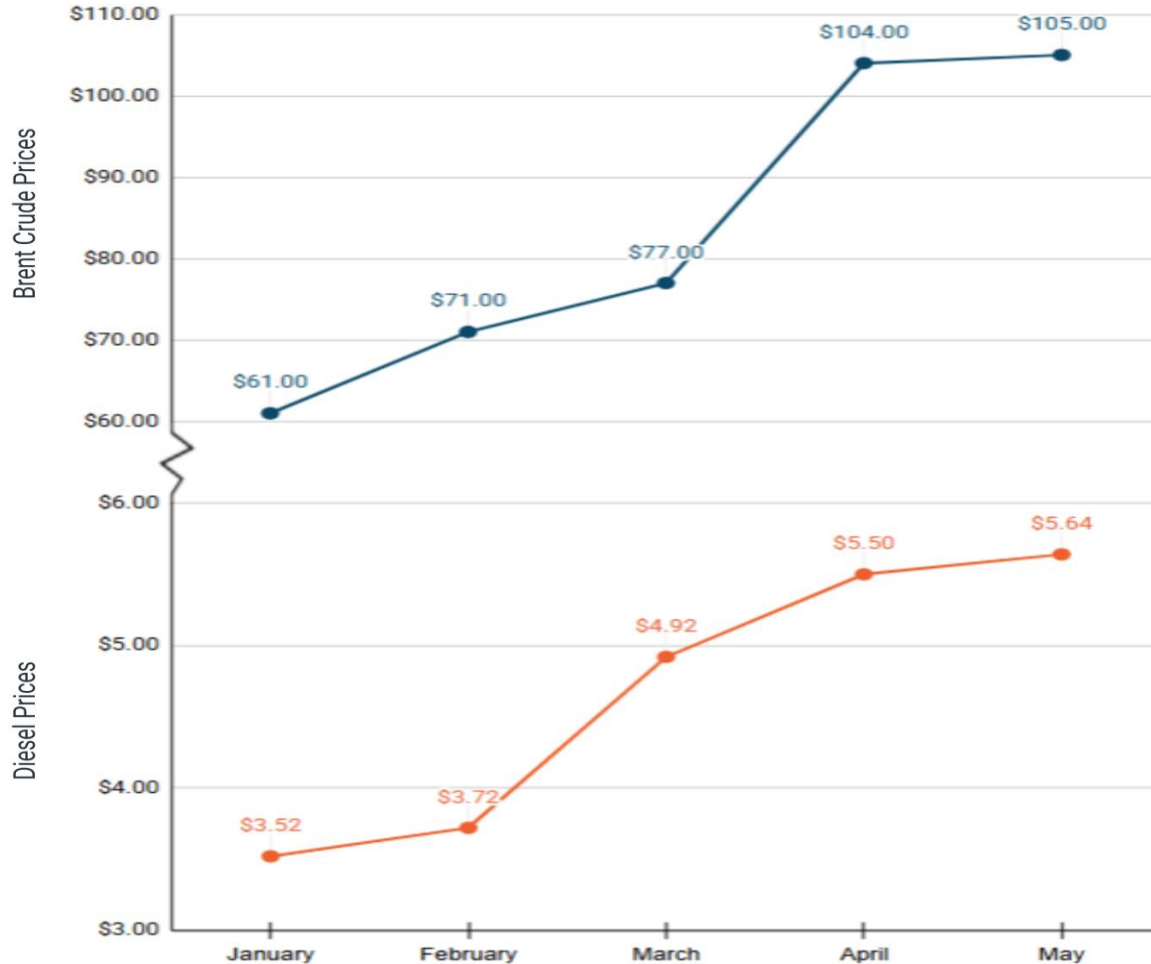
Iran, Hormuz & The Red Sea



Bab el-Mandeb Strait – 20 mile straight between Yemen – Djibouti



Strait of Hormuz – 24 miles at its narrowest point



- ▶ Oil **up 72.13%** since January
- ▶ Diesel **up 60.22%** since January
- ▶ Barrel price as of May 8th - \$101
- ▶ 25% of World's oil passes through Hormuz
- ▶ 20,000,000 barrels/day down to 1,000,000 barrels/day
- ▶ **23.75%** of the world's oil supply is offline currently



AI, Automation & the Vanishing Human Touch

- ▶ What is AI & Automation? **Is it all hype or legit?**
- ▶ Applications AI Used in Logistics
 - ▶ Route optimization – Last Mile Delivery
 - ▶ Warehouse Automation & Robotics
 - ▶ Demand Forecasting & Inventory Management (using current & historical data)
 - ▶ Predictive Maintenance for Assets
 - ▶ Document & Process Automation
 - ▶ Tracking & Visibility Tools



AI & Automation at Ports

- ▶ AI-Powered Gates
 - ▶ Long Beach had 30% reduction in truck processing time
- ▶ Automated Guided Vehicles (LA/LB) using LiDar
- ▶ “Digital Twins” – a digital version of the container terminal
- ▶ **USA lagging SEVERLY behind foreign counterparts**
- ▶ China has 52 automated dry bulk & container terminals
 - ▶ Qingdao has a fully automated terminal from the crane all the way through container pick up
- ▶ <https://youtu.be/WzFINSI3V3Y>



The Vanishing Human Touch

- ▶ Port Automation, Truck Automation, Document Processing Automation
- ▶ **Is there a place for humans in the future?**
 - ▶ ILWU (West Coast) contract expires July 1, 2028
- ▶ **Where do we go from here?**
- ▶ AI in Logistics valued at \$26.33 Billion as of 2026
 - ▶ \$257 million raised by start ups in the first four months of 2026
- ▶ AI in Logistics expected to grow to *at least* \$50.41 Billion by 2032



Takeaways

- ▶ Demand hasn't increased in any great fashion
- ▶ Capacity will continue to increase
- ▶ Rates should not increase however fuel may drive temporary increases as Iran/Hormuz plays out
- ▶ **If USA doesn't invest** in automation at the ports, **we'll be left behind** with aging infrastructure
- ▶ While automation takes place, there are certain roles that won't be replaced
 - ▶ Much of what you and your teams do today will remain
- ▶ **Relationships will become even more important** as technology no longer becomes a selling point but merely the baseline



Questions?

Thank you!

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