

FedEx kicks off Chamber Power Breakfast season

Written by Christian Morrow - Courier Staff Writer

Wednesday, 22 September 2010 09:45



In its ongoing pursuit of business opportunities for its members, the African American Chamber of Commerce of Western Pennsylvania has begun its 2010-2011 season of Power Breakfast meetings.

The Sept. 17 meeting at the Rivers Club, Downtown, featured a presentation by James Golding, managing director of purchasing for FedEx Ground. Golding first gave an overview of the company's structure, which has become highly compartmentalized in the quest for efficiency.



"FedEx is a holding company, with four major companies underneath; FedEx Express, which is air freight; FedEx Freight, which is over the road, FedEx Ground, which is the vans you see at your house, and FedEx Office," he said.

BIG PICTURE—
James Golding, FedEx Ground managing director of purchasing, gives African American Chamber of Commerce members an overview of the company's divisions and how purchasing is handled by each.

Golding said all the FedEx companies work to purchase supplies and services from companies in their local areas, and have diversity initiatives to seek out minority- and women-owned businesses. FedEx Ground, with offices in Moon Township and a warehouse in Sewickley Heights, does likewise.

All the divisions have unique purchasing requirements and thus have their own purchasing departments. And because of the nature of its business, essentially only competing with United Parcel Service and the U.S. Postal Service, FedEx Ground has a fairly narrow set of requirements.

"We have opportunities, but certainly not as many as FedEx Express, which is buying and maintaining airplanes and facilities around the world," said Golding. "It handles the big national contract for corporate. Another point is all the drivers for FedEx Freight and FedEx Ground are independent contractors. They are not on the FedEx payroll."

Many of the over-the-road cabs are operated by husband and wife teams, he said, who lease their cabs for anywhere for upwards of \$100,000.

The drivers in the vans who come to your house, they lease their vehicles for around \$60,000. They are their own businesses and handle their own purchasing needs. One woman in Dayton, Ohio, said Golding runs a business with 10 drivers out of her house.

"But we do buy locally. We buy some safety supplies from Grainger—they're a few buildings away," he said. "Our market is narrow, but we need office supplies, tools, warehouse maintenance and industrial supplies, spare parts, graphics and branding. So there are slots."

Anyone wanting to get on the vendor list has to be certified by either the Small Business Administration or as a Minority- or Woman-owned Business Enterprise, complete a standard vendor qualification form and meet minor insurance requirements related to being on FedEx property.

“The only other requirement is that you do you job well and with a minimum of oversight,” said Golding.

Following Golding’s presentation, Chamber president and CEO Doris Carson Williams thanked everyone and introduced four new members. She reminded everyone that the next Power Breakfast is scheduled for Oct. 22 and will feature Sunil Wadhiwani, co-chair of iGate Corporation.