Communication is key

Are ocean carriers throwing stones at greenhouses when it comes to complaining about the slow pace of change of electronic communications with shippers. **Matthew Beddow** reports.

In marketing speak, 'every problem has an opportunity', and no more so than with inland congestion today.

More meaningful ways to cut traffic, clean up the environment, save fuel, and encourage truck drivers to stick around must be found, or the world will all be faced with gridlock and unacceptable green taxes. If new ways cannot be found, old ones must be revisited and revised.

One of the ways now seriously being revised and proposed by California-based International Asset Systems (IAS) is the creation of a truly global virtual container yard through which all those involved in transporting containers inland and between continents can be made more aware of backhaul opportunities via an online marketplace, thereby minimising empty repositioning.

Jim Schreitmueller, the company's senior vice-president, remarked: 'The concept of using the internet to make a container's location more transparent to all those parties that could benefit from the knowledge is not new. Several, such as IAS, have been at it for years, but, with the benefit of hindsight, perhaps we moved too fast.

'As a result, the chance to make a good first impression was lost, and you normally only get one chance at this. A change in circumstances sometimes gives you a second bite at the cherry, and we think that increased intermodal costs and environmental awareness is that opportunity.

Cutting out empty repositioning is no longer just a case of saving fuel, even if much more money is now saved because of higher fuel prices. It's now also about helping to alleviate worsening inland traffic congestion.'

IAS believes that growing use of the internet makes its products much more attractive to those who may have previously viewed any 'virtual' tools with suspicion.

Schreitmueller opined: 'There is now much more acceptance of the fact that the internet is a reliable way of presenting and accessing certain information, such as the availability of empty boxes looking for a return load.'

The company's 'products' include 'InterTurn', a service which enables ocean carriers to designate empty containers for street turns, or re-use by shippers and approved trucking companies, and 'Inter-Box', which, alternatively, helps them find domestic cargo which would otherwise move in trailers, swapbodies or regional

Jim Schreitmueller, senior vice-president of IAS

containers, such as the US's 53ft container and Europe's favoured 45ft pallet-wide box.

IAS's 'InterChange' helps ocean carriers, leasing companies and shippers exchange containers where it is beneficial to do so, and IAS-Trinium Dispatch Manager is a further tool to help improve 'first and last mile visibility, and assist with communications between ocean carriers, 3PLs, dispatch companies and truckers.

Schreitmueller enthused: 'All of these services are up and running in the US, and they work well. But they need more critical mass elsewhere to make them truly global. The more participants we have feeding in information about the location of their container equipment, the better.

It is not just about economies of scale. Matching supply and demand inland depends on getting as many players as possible to share their information. All we do is help put that information together, and present it in an intelligent manner that helps equipment managers make the most cost effective decisions.'

But if virtual container yards have so much to offer, why aren't customers outside of the US now rushing to embrace their benefits. Schreitmueller implied that ocean carriers, in particular, could do much more to help themselves. While ocean carriers often complain about the slow pace of shippers to change over to exchanging information electronically, such as cargo bookings, shipping instructions, B/L printing and invoices, it seems they may be equally guilty of not exchanging operational information with outside parties.

Ocean carriers argue that, as everyone usually has the same inter-continental imbalances, the deep-sea problem is not as easy to resolve as it seems. And on the inland side, Andrew McNab, business development manager of Maritime Transport, one of the UK's largest container trucking companies, said: 'Finding return cargo for normal trucks is easy because the trailer doesn't belong to someone else. With container services, the container owner has to be in a position to make a quick decision, which does not always appear to be the case at present.

'Anyway, we mostly receive our import and export work instructions days in advance, and are already highly motivated to triangulate import and export moves when working exclusively for a carrier. Furthermore, we mostly operate over short distances, and are in constant communication with our drivers, who regularly have to give us progress reports by phone, so remain to be convinced that we need anything better.'

IAS counters that it is growing quickly in parts of the European market, and recent meetings with European carriers have been very 'positive'. Asked to comment on the advantage of IAS compared to other virtual depot service providers, Schreitmueller said: 'There are lots of people doing bits of what we do, but nobody puts it all together in quite the same way. Our approach is not revolutionary, but rather evolutionary. All we need now is more critical mass.'