


www.hyster-bigtrucks.com


find it faster

Search

portstrategy
insight for senior port executives

[Subscribe](#) | [Advertise](#) | [Contact Us](#)

Search

[Home](#)[News](#)[Features](#)[Insight & Opinion](#)[Directory](#)[Latest Jobs](#)[Events](#)[About Us](#)
[Home](#) » [Features](#) » [Operations](#) » [Port Services](#) » [Supply Chain](#) » [Big data, small operations](#)
[Share](#) [Email](#) [Print](#)

Big data, small operations

16 Sep 2012

Keeping control of the container chain has proved tricky in the past, finds Stevie Knight

In an age when ports are looking at bringing customers ever closer, the old answer of "well, your box left us this morning" isn't quite good enough.

"If you have a box on a boat, or in a terminal, you know where it is. But once it is outside the gate, it's gone," says Brian Shultz of International Asset Systems. So, how do you keep a track when the box is outside your jurisdiction? Especially since 90% of the trucking companies are relatively small operations without a lot of sophistication.

The evolution of the answer has proved interesting: Mr Shultz points out that one shipping line even went as far as buying a trucking company so that they could keep hold of the strings, although this didn't prove to be a viable solution long term.

Another step was a kind of 'eBay' for boxes: companies could sign onto the website and go find a load that would suit their positions for a return journey into the port. However, there wasn't a huge amount of takeup. "After all, it was another process that the trucking companies had to involve themselves with," says Mr Shultz.

The answer has been, simply, to give everyone what they want – especially the trucking companies. While the cargo originators tended to have very sophisticated systems, others did not, so the links had to be able to take their existing processes and draw all this in together.

Working to scale

"We worked out a way to give the trucking companies the systems for free," explained Mr Shulz. The burden of installing the system into the trucking companies is born by IAS, who contract out a service with a small fee for each transaction, which keeps the whole process scaleable, rather than involving parties in a lump investment. "We can adapt to meet the technology of our clients while keeping costs low – breaking down barriers to entry rather than creating more hurdles," adds his colleague, Amanda Hinton.

This means everyone wins: the trucking company gets a more efficient run by not having to do two separate journeys to and from the port, finding a container that fits their position and brief nearby for the return journey; the customers get to know exactly where their cargo is, and there are no discrepancies on the invoices – which are generated on receipt; and the ports handle more laden cargo and their gates get freed up from so many empties returning home. Plus, the communities get cleaner air, as unbelievably, one 'street turned' box can save the equivalent emissions of 200 cars commuting for a year.

And when a company who wants to keep track of its cargo signs up to the system, they nominate a number of trucking companies to link in: however, the system is being used so densely that now two thirds of their contacts are already linked into the system via other parties.

However, it isn't just applicable to ports who want to bring their customers' supply chains closer, it's also going to be of use in the 'dark interior' of China.

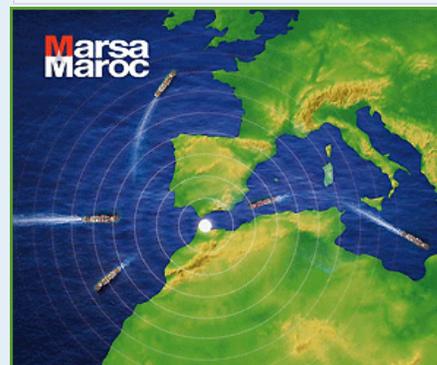
"Boxes on barges up the Yangtze are actually in just the same position as our boxes on trucks on the US roads," says Mr Shultz. "You may laugh, but both have been 'in the dark' for some while."

The company has already piloted the program with some of the Pearl River Delta barge operators, and there is a growing feeling that the whole area would benefit from this kind of link up, as the barges don't move very fast and, although there are better pick up possibilities since the area is developing according to the state's plan to push into China's interior, "on the whole the barges still don't communicate very well", says Mr Shultz.



People can miss the critical signals in the tide of data

Business News - Sign Up Today!



Off radar

Further, it would add quite a bit to the security: he explains that while thousands of boxes transit rivers like the Yangtze every day, "If you send 40 boxes up, you might find only 38 come back," he says.

But the Pearl River Delta operators really like the ease it gives: he points out that the Asian operators, rather like their US counterparts "hate the paperwork and would rather upload everything they need – like most people, they don't want to be nagged about it".

Although there are still some obstacles thrown up in the way of the language, he says, "the lines are thrilled – the Chinese interior in its way has similar challenges to the US – without the technology, it's still dark and the issues are very much the same".

The company may be seeing further developments in the area and Singapore, for example, generates a huge number of truck moves: Mr Shultz explains that the system could even expand to take in inter-Asia trade.

Bob Heaney of the Aberdeen Group explains this globalisation is to blame for much of our grappling with hydra-like information issues, with more partners and more kinds of data than anyone could have imagined a decade ago.

Knotted up

Ports especially have a challenge as they lie at the knot where many of the chains tie up, giving rise to a lot of different kinds of information, usually in different formats.

Mr Heaney explains data systems have evolved slowly – so far. "Mostly, companies started initiating visibility tools from inside their own enterprise, just to keep a track of supplies." But it can be a Frankenstein, with updates and reporting tools spewing out reels of information.

"Then comes the next challenge, you have so much data you don't really know what you need to see, what you need to action, and where to stop. There's always a new frontier, so your ability to handle it means automation. For example, if something is delayed you can get a system to automatically find another route within certain parameters and costs," he says.

So, it grows... and of course, clients further up the chain ask for more services as they get demands for drop-shipments or direct-to-customer deliveries, which means even more channels to take care of.

There are a couple of reasons why things can go wrong at this point. One is that 'bad' data gets into an automated system and replicates, which can be as simple as somebody making an estimate that doesn't get revised, so you need checks built in. Another is that you are inputting a lot of data that won't pay for its keep: "You need to be selective" says Mr Heaney.

And things sometimes fail because there isn't enough automation, so people miss the critical signals in the tide of data. "You need to get the right information in the right format to the right people, by email alerts, dashboard or whatever, it doesn't matter so much how, just that it's germane to the role," says Mr Heaney.

Images for this article - click to enlarge



Unless otherwise stated, all images copyright © Mercator Media 2012. This does not exclude the owner's assertion of copyright over the material.

Links to related companies and recent articles ...

[Aberdeen Group](#)

[International Asset Systems \(IAS\)](#)

- [Living in the clouds](#)

Welcome to a new world

Solutions for Dry Cargo Logistics B&W

Autostore
Terminal Operating System
Warehouse Management System

WEIGHING AND BAGGING SOLUTIONS

TOC
CONTAINER SUPPLY CHAIN
MIDDLE EAST
www.toc-events.com

TRANSTEC

THE BIG PORTS & SHIPPING EVENT FOR RUSSIA


Russia
St Petersburg
2-4 October 2012

POWERING GLOBAL GATEWAYS


PSA
The World's Port of Call
www.internationalpsa.com