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## Connectivity-Visibility-Optimization: Three Keys To a Successful Supply Chain Trading Partner Network

2013 has been called the Year of the Network by numerous supply chain and transportation industry thought leaders. A well-oiled trading partner network allows one-to-many and many-to-many partners to collaborate and communicate using a single source of truth garnered from real-time information. Harnessing this collective power provides a competitive advantage as well as the flexibility needed to maneuver in an increasingly competitive world. Using a reliable platform that coordinates and streamlines business processes across a global network can lead to faster, better decisions; increased profitability; and higher customer satisfaction.

So, how can a company build a successful supply chain trading partner network? It comes down to three steps:

1. **Connectivity** – unite disparate systems and trading partners
2. **Visibility** – access and understand the data in the network
3. **Optimization** – eliminate costs and increase efficiency

The extent to which a company can optimize their activities, processes, and services depends directly on the quality of connectivity and the level of visibility achieved.

### Speaking a common language

Within a trading network, partners must be able to connect quickly and easily with standard communication formats. Cloud-based technologies can offer security, scalability, configurability, and reliability – key components of a network designed to accurately exchange critical business information among all partners regardless of technological capability. Companies can use EDI to receive information from a range of sources and to transmit their own data to a host of other technologies. With solutions that provide a web portal in addition to EDI, companies can connect partners across an even more diverse array of technological sophistication. Essentially, using a neutral, well-connected cloud network allows trading partners to choose what technology they prefer and provides the translations necessary to keep everyone on the same page. Additionally, cloud solutions speed the provisioning of new service providers, lower IT implementation costs, and reduce complexity by managing only a single point of connection to the global network.

### Connectivity leads to visibility

The network relies on a robust technology platform designed to manage thousands of service provider participants and to capture, process, and store the millions of transport events taking place.

By connecting to such a network, companies gain a wealth of actionable business data. Gaining visibility of events, work orders, transport assignments, business processes, equipment utilization, trading partner availability, invoices, and more leads to a better understanding of transportation operations. Companies are able to provide up-to-date status visibility and tracing of shipments from origin through to final proof of delivery. Customers are happier knowing that everything possible is being done to deliver their goods to the right location at the right time.

### Optimization is where the money meets the road

Connectivity and visibility lay the foundation for optimization, where companies garner real savings. In addition to the first order benefits of visibility, accessible data provides the foundation to analytics. Business intelligence can provide historical data trends, help track key performance indicators, and allow drill down to find the correlations that can transform a business. Analysis of this new information can uncover not only why something happened, but also illuminate the path to improved utilization of transportation assets, better vendor management, and lower costs. Each of these optimizations can result in significant savings.

One form of transportation optimization – called a street-turn, matchback, or triangulation – reduces non-value-add empty miles by matching import containers to exports to minimize the repositioning of empty containers. With these optimized moves, rather than two round trips, carriers make a triangular move with one shortened empty leg. Storage and handling costs are reduced; driver time is better utilized; idle times are lowered; and carbon emissions are decreased. Finding street-turn opportunities relies not only on a matching algorithm, but even more critically upon the connectivity and visibility outlined above. This optimization is one of the major profitability options for ocean carriers and 3PLs providing container-based transportation services.

So, build a network on cloud-based technology that provides a single collaborative, shared version of the truth for all trading partners, which increases visibility and control. Integration and collaboration across multiple parties enables the community to manage and optimize transportation events, which results in increased savings, improved efficiencies, and better customer satisfaction.