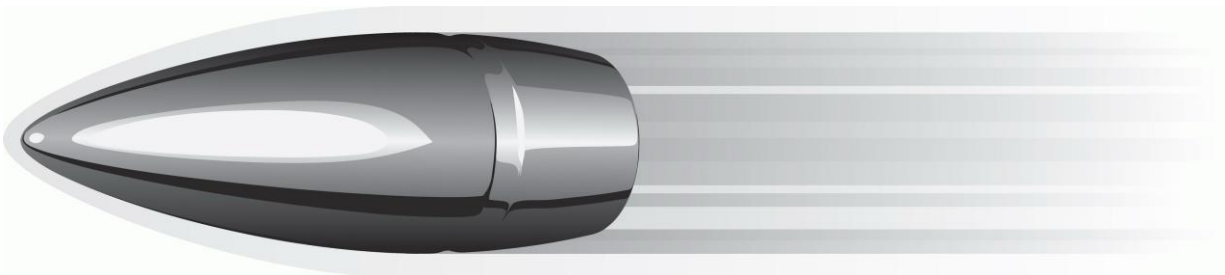


Viewpoint: Creating the Silver Bullet for Supply Chain Optimization

As the forwarding industry climbs out of its recessionary bubble, air cargo customers are now positioned to call the shots again. They are demanding more added value services from their service providers, and many are trying to consolidate the number of vendors they work with. Many companies are finding that credit is still tight; staffs remain lean; and their business models now require greater productivity with fewer costs. Shippers and forwarders are increasingly looking at ways to best operate and integrate with their service providers in order to meet increased customer demands.

In fact, a recent study by Capgemini Consulting indicated that more than 58 percent of international supply chain managers say their main business driver for 2010 is “meeting (changing) customer requirements.” The economic downturn is no longer viewed as the most important business driver, but is currently surpassed by efforts to respond to economic recovery.





Technology Will Propel Logistics Management Strategies Into The Future

With volatile market dynamics fused with cautious optimism, Web-based reporting of timely shipment data and status will be the 'silver bullet' needed to address new logistics management strategies.

Marc Borczon
Senior Business Development Manager

LSPs must rethink their logistics strategies and vendor relationships with innovative sustainability initiatives

They must seek better ways to optimize their logistics management processes to meet changing customer requirements and responsiveness. While the essentials of managing air cargo business have not changed, in this change management environment, how LSPs perform them has; and customers are paying attention.

All indications are that as the industry enters this economic recovery period:

- Staffs will remain lean, with an emphasis on centralized organizational operations, efficiency and productivity
- Inventories will remain low for some time; but once they begin to replenish, it is critical to maintain a precise and robust inventory management process
- It will be increasingly essential that logistics service providers report shipment data quickly and accurately to all trading partners as global supply chain visibility remains more critical than ever
- Businesses will concentrate on more effectively identifying which elements of their business are profitable and which are not (or not as) cost-effective and adjust their process management and business models accordingly
- Businesses will need to be able to more efficiently measure the efforts required to complete a particular project be it in keystrokes per hour; touches per file; mouse clicks per entry; time spent communicating data; or KPIs per job.

Solution lies in implementing a single, integrated operating platform to manage and maintain operations

While technology will never completely replace the personal customer service that many forwarders provide, electronic communication is increasingly becoming a must for even the most routine of operating transactions. For instance, online tracking, tracing and booking, Web-based communications and automated process flow keep man-hours to a minimum and produce operational efficiencies that streamline the logistics management process. With so many companies enduring difficult financial times, it is imperative to be diligent and stay on top of job status and receivables in order to minimize exposure.

As a result of these new paradigms for improved enterprise strategies, the air cargo industry should realize at least a 58 percent increase in investment in IT solutions this year, according to Capgemini's report. Improved enterprise solutions provided by software service providers will provide the needed control and management of all logistics management resources and processes globally. A scenario where a forwarder is using multiple platforms or systems, however, will invariably enable information to fall through the cracks, and should be avoided.

The ultimate solution is to implement a single, integrated operating platform that provides a cohesive method of efficiently managing and maintaining operating consistency and continuity through IT administration. Such a dedicated operating platform provides greater efficiencies, optimizes sustainability and affords air cargo companies with a competitive advantage in this recovery market for global logistics management.

ABOUT CARGOWISE®

CargoWise is a globally renowned technology provider that delivers an innovative, single platform solution to improve customers' visibility, efficiency, quality of service and profitability. It provides dynamic and efficient solutions for logistics service providers focused on effortless supply chain execution capability in an integrated globally capable enterprise system.

Every day, 2,000 logistics service providers, consisting of 50,000 users in 50 countries, move goods through the global supply chain using CargoWise's ediEnterprise system, a powerful and feature rich software solution developed to meet the ever-changing needs of the logistics industry. CargoWise offers the only single platform supply chain logistics management system that provides integration across all departments with functionality for domestic, regional and global customers. The company operates from offices worldwide with headquarters in the USA, Australia and in the UK. More information on CargoWise can be found at www.cargowise.com