

Viewpoint: Securing Supply Chain Risk Through Intelligent IT Systems

In recent discussions with logistics service providers (LSPs) executives, I've noticed a growing challenge developing in the industry with the expansion of global trade, new customs and compliance regulations and increasingly complex security procedures. These topics are drawing varying opinions from companies, governments, industry bodies and, in fact, all areas of the supply chain infrastructure. Every party and function involved in the international movement of goods is now required to evaluate its IT infrastructure options and framework of standard operating procedures to improve the security of goods throughout the global supply chain. The optimum goal is to minimize risk, reduce overhead costs and ensure that operational compliance requirements are delivered, checked and audited so that nothing has been missed that would expose their company to risks and penalties.

LSPs are realizing that achieving this kind of security and risk management in today's high-tech marketplace is best accomplished through the use of an intelligent IT system, a single file operating platform that streamlines the data collection process, reduces risk of error and fraud, and ensures information is delivered accurately and quickly in real time.

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Andrea Robinson, Business Development Manager - UK



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Intelligent IT systems, single file operating platform facilitate improved risk management

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LSPs are also finding that education is an essential part of successfully managing security and risk. It is important that any new regulatory changes be clearly communicated to operational staff and personnel in order to properly educate them to new processes and requirements. This can be accomplished through internal training, educational courses and industry accreditations. Comprehensive training on new operating procedures, along with innovative technology that supports day-to-day operational challenges, enables staff to gain a better understanding of various agency security procedures, as well as internal and external regulations critical to an organization's secure supply chain operations.

Ultimately, logistics is a people-to-people business – solutions rely on people *and* IT to detect anything unusual in the supply chain process; and then communicate that information to all parties involved. It is vital that logistics service providers and partners communicate data points regularly to one another,

identifying critical milestones along the supply chain that may look suspicious. Automating information collaboration with customers and partners improves the flow of information and reduces operational overhead. This includes presenting export cargo details to carriers automatically through timely traceability and providing critical data to the shipper, while eliminating unnecessary paperwork or processes that could bring logistics to a grinding halt. Streamlining the data collection process electronically also reduces risk of error and fraud and ensures information is accurate and delivered speedily, while identifying the rate of variance occurrence through the workflow.

As LSP executives are becoming increasingly cognizant of both the new government security regulations and today's technology options, they are taking significant steps to optimize operations through intelligent IT systems. They are developing secure connectivity to the trading network through a single, secure operating platform to submit filings, track shipments and meet specific regulatory requirements for security and integrity of data without having to duplicate information regardless of which system is used. This enables their global operations to provide a flawless flow of information to and from all parties within the supply chain while providing seamless and secure logistics services that minimizes the supply chain risks through intelligent IT systems.

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