



Joined Up Shipping: What Will It Look Like?

Presented by Candice Kline, CDO

Prepared for:

Digital Ship Hamburg
The Virtual Box: Integrating the
Container Shipping Community

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making global logistics run like clockwork

Agenda

- Joined Up Shipping - What is it?
- Why do we need it?
- Real Case Example
 - SAP Integration (using XML)
 - Carrier Integration - booking, status
 - Integrated Documentation
- Q&A

Joined Up Shipping - What is it?

- Joined Up Shipping is integration focused on
 - Order Fulfillment
 - Accurate booking data - including changes
 - Ability to *electronically* create cargo manifest, B/L and document set per customs and other government or port procedures - *accurately*
 - Assign “data ownership” to shippers, forwarders etc. on bookings and new service level considerations/requirements (“zero-tolerance”)
 - Order Tracking and Tracing
 - Enable automated ETA updates, sail date confirmation, etc. for better customer service (web services, e-mail alerts v. phone/fax) and documentation compliance

Why do we need Joined Up Shipping?



News
Business
Sports
Tech · Science
Living
Travel
Health
TV News
Opinions
Weather · Local
Shop@MSNBC
MSN.com

QwestDex
online yellow pages
Find a Local Business

AMERICA AT WAR
THE HOME FRONT

● Complete coverage

Ship searched for nuclear material

Initial tests found elevated radiation levels in cargo hold

NBC, MSNBC AND NEWS SERVICES

Sept. 12 — U.S. Special Operations forces on Thursday joined members of the Energy Department’s Nuclear Emergency Search Team on board a Liberian-flagged container ship off the coast of New Jersey to search for nuclear material, Pentagon officials told NBC News. The search of the M/V Palermo Senator was based primarily on intelligence suggesting a ship matching its description could be carrying nuclear material or a nuclear device into the United States, the officials said.



After Coast Guard inspectors found unspecified “paperwork problems” and reported hearing some suspicious sounds in some of the vessel’s cargo holds, it was ordered to Port Newark/Elizabeth Marine Terminal in New Jersey for further checks.



● E-MAIL THIS ✉

● COMPLETE STORY ↘

The container ship M/V Palermo Senator, shown in a photo from the Web site of the Hamburg, Germany, shipping company that owns the vessel.



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Increased US Regulation Post 9/11

- Recent Initiatives Impacting Container Shippers/Carriers
 - Customs Trade Partnership Against Terrorism (C-TPAT)
 - Container Security Initiative (CSI) /Carrier Initiative Program (CIP)
 - Trade Act of 2002

U.S. Customs Service

Proposed Rulemaking

19 CFR Parts 4 and 113

RIN 1515-AD11

PRESENTATION OF VESSEL CARGO DECLARATION TO CUSTOMS BEFORE CARGO IS LADEN ABOARD VESSEL AT FOREIGN PORT FOR TRANSPORT TO THE UNITED STATES

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Proposed rule.

SUMMARY: This document proposes to amend the Customs Regulations to require the advance and accurate presentation of manifest information prior to lading at the foreign port and to encourage the electronic presentation of such information in advance. The document also proposes to allow a non-vessel operating common carrier (NVOCC) having an International Carrier Bond to electronically present this cargo manifest information to Customs. This information is required in advance and is urgently needed in order to enable Customs to evaluate the risk of smuggling before goods are loaded on vessels for importation into the United States, including the risk of smuggling of weapons of mass destruction through the use of oceangoing cargo containers, while, at the same time, enabling Customs to facilitate the prompt release of legitimate cargo following its arrival in the United States. Failure to provide the required information in the time period prescribed may result in the assessment of civil monetary penalties or claims for liquidated damages.

require the advance and accurate presentation

prior to lading at the foreign port

electronic presentation of such information in advance.

Carriers and Shippers Share Responsibility

- C-TPAT/CIP (80-90% of carriers currently participate; mega-ports)
 - Shipper Commercial Transaction
 - Carrier Booking Transaction
- Creation of “virtual” border - stop before it ships
- Enforcement of control and risk management
 - Data Timeliness and Accuracy
 - Visual inspections, seal/lock, asset tracking (RFID)
 - Crew/employee lists, complete manifest (AMS), safeguards on IT assets, vessel search prior to first US port
 - Proactive customs notification of suspicious parties, cargoes
- Speed and Cost Impact - manage through participation and do so well
 - “Fast Track” processing offered to certified participants for fewer customs exams - lowered risk assessment, marketable C-TPAT certification
 - Excellent electronic data and integration capabilities supported by enhanced security can drive differentiated service

Electronic Cargo Manifest Requirements

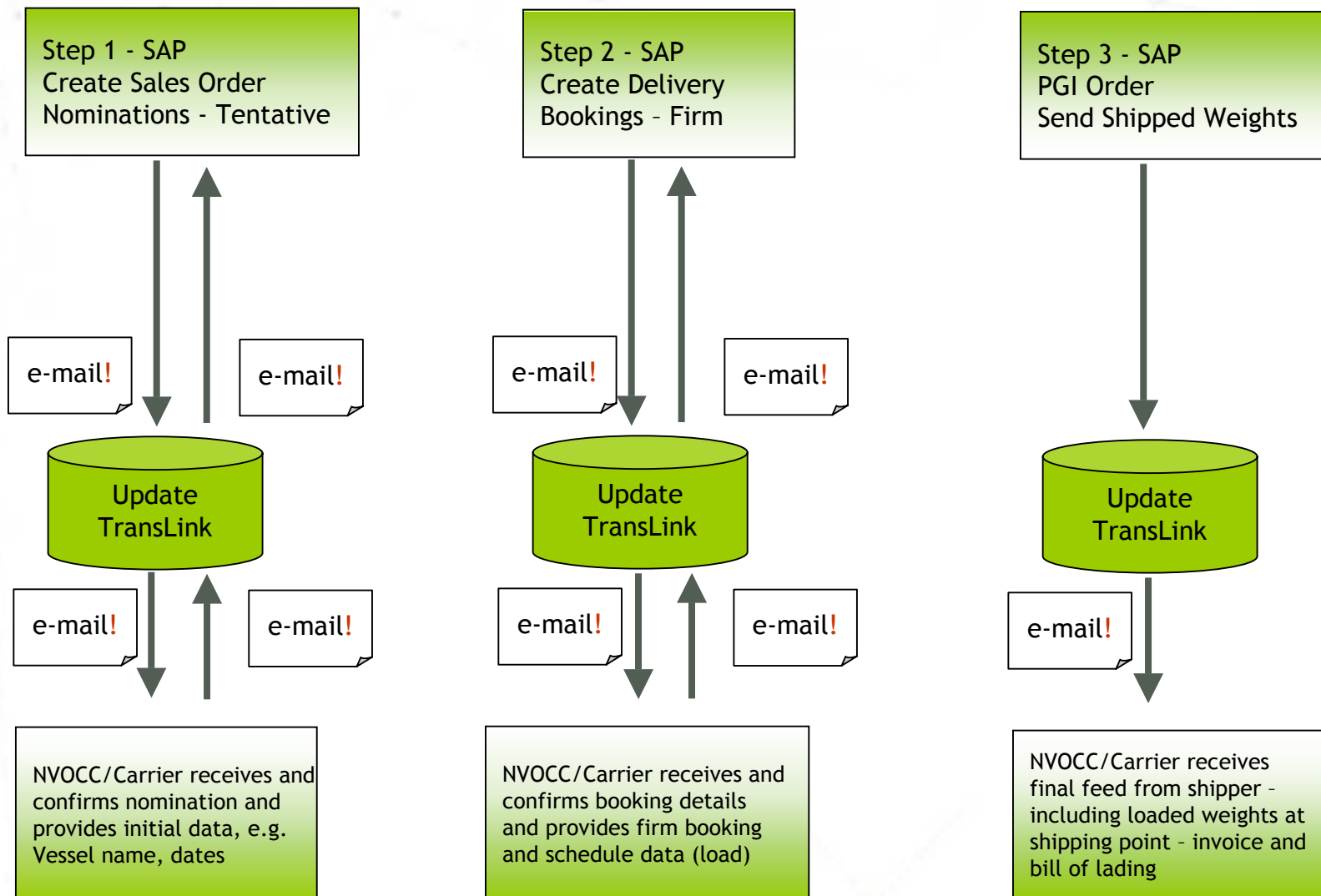
- Foreign port of departure/origin port
- Foreign port where laden on board
- Carrier SCAC code
- Voyage number; Vessel name, flag, number
- Date of scheduled arrival in first US port
- Number and quantities from the carrier's ocean bills of lading (master or house as applicable)
- First port of receipt of cargo/destination port
- Precise product description - HTS numbers; weight; shipper's declared description and weight; No generic descriptions
- Hazmat indicator
- Container ID; Seal number (affixed to asset)
- Shipper's name, address, ID number - all B/Ls
- Consignee's name, address or owner's or owner's representative's name and address, ID - all B/Ls
- Notice that actual boarded quantities not equal to B/L (except sealed containers)

Integration Case Example

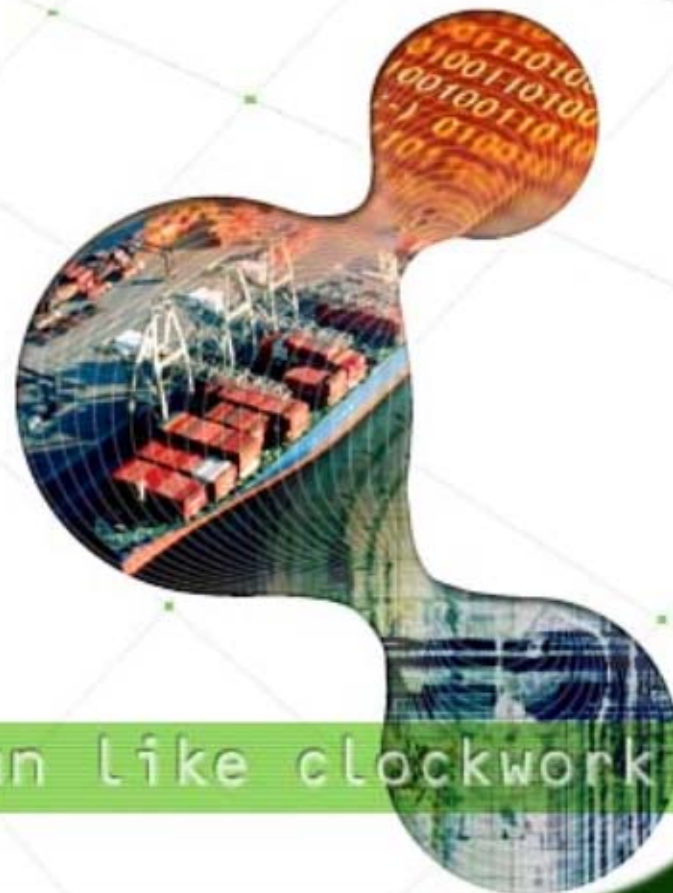
*Please contact Candice Kline for more information
ckline@optimumlogistics.com; +1 203.316.2343*

Integrated order fulfillment solution for
improved accuracy and documentation

Description of XML Order Fulfillment Process



Optimum: Logistics Solutions for the Chemical Supply Chain



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