

Solving the Ocean Booking Problem

One of the Last Areas of Logistics to be Automated Seeing Increasing Interest; INTTRA Portal among Solutions Seeing Strong Interest by Shippers/Importers

SCDigest Editorial Staff

For all the growth in global commerce over the past decade, for many companies the effort to get those goods moving remain mired in very manual processes.

This basic "ocean booking" problem remains a thorn in the side of many importers and exporters, despite a growing array of solutions to automate one of the last areas of logistics to move beyond manual processes for securing container berths on ocean carriers.

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Why is this?

One reason is that international shipments from both a process and technology perspective are often wrapped up in other issues, such as customs management, regulatory requirements, duties and tariffs, supply chain visibility and more. Some technology vendors in this general solution space, which goes by such names as "Global Trade Management" and "International Trade Logistics," offer broad product lines that address some or all of these functional issues.

As a result, sometimes the most basic issue – automating ocean booking – goes unsolved awaiting a broader strategy or solution that is more comprehensive in nature. Or, companies throw up their hands and decide to just outsource the problem."

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"In the past, international logistics and trade management have simply not been on the executive agenda," SCDigest Contributing Editor **Gene Tyndall** notes. "They just decided to let freight forwarders and logistics service providers handle the process for them."

For example, retail giant Lowes, which moves more than 100,000 containers per year, is just starting to automate its ocean booking process by adding new technology.

With the huge growth in both offshoring and exports from the US in the past few years, those attitudes were starting to change – but in some cases, the economic downturn and steep drop in international trade have again put some damper on importer/shipper interest.

Still, the interest will return, says Tyndall, noting that he recently led a survey for one large tech industry company that found that more than 50% of large companies prefer to deal directly with ocean

Solving the Ocean Booking Problem (Con't)

carriers, rather than through their freight forwarders.

"It seems many global companies are going through a mash up of global trade management systems, enterprise systems and to a lesser extent their 3PL and other trading partner systems," says **Don Anderson**, VP of Transportation Services for Tompkins Associates. "It's probably not surprising that some shippers still find gaps in these technologies' capabilities but the vendors are aware of the opportunities to offer a more complete global trade management solution and I see them each trying to fill these gaps, albeit with different approaches and business models across solution providers."

INTTRA Offers an Interesting Approach

Among the many alternatives for automating ocean booking processes is a company called **INTTRA**, which offers ocean booking automation with an appealing twist – the service is free for shippers.

How is that possible? INTTRA was initially funded by a group of six European-based ocean carriers, which looked to help shippers book their own freight and reduce the carriers' internal IT costs by developing tools in one place for all the participants.

Now in its eighth year, INTTRA is basically a booking portal that has established electronic (EDI) carrier connections with most major ocean carriers and a set of booking process tools for shippers or freight forwarders. The service is free, with transactional costs paid for by the carrier upon which a voyage is booked.

In fact, **Harry Sangree**, senior vice president of business development and corporate strategy at INTTRA says that while overall container volumes dropped by double digits in Q1, transactions processed through INTTRA actually increased, as both shippers and carriers looked to



gain administrative efficiencies.

"What we set out to do is to take a very un-standardized process and make it standardized," Sangree told SCDigest.

The company has also established a sister portal called oceanschedules.com, which offers shippers the ability to see and search for ocean voyages, again for free, with the site being supported by ad revenues on the pages.

INTTRA, headquartered in the New Jersey, now supports voyages across the globe and virtually every lane. Sangree, for example, says some 15% of INTTRA business now comes out of South America.

One challenge with portals of any type is the ability to handle the unique needs of different companies. Sangree says INTTRA deals with this by designing its "data pipes" very broadly, giving shippers the ability to send and receive the data elements that are important to them. Carriers, on the other hand, then trigger unique processes, such as a special bill of lading, for some customers as required based on the data definition.

Sangree says there is also flexibility in how a shipper interacts with INTTRA. "Channels" for those interactions include EDI/XML, a web user interface, a desk top application based on email for locations (such as developing countries) where web connectivity is spotty, and an approach that enables a company's existing supply chain or enterprise applications to directly integrate with the portal.

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However a shipper/importer looks to do it, there are complexities with ocean booking, Tompkins' Anderson adds.

"Booking often requires consideration of carrier, vessel, sailing, slot sharing, container positioning and other attributes of a booking prior to commitment," he told SCDigest. "Developing business rules and automated decision support to include these kinds of shipper considerations may be too onerous for most companies to accomplish on their own."
