

One key step to finding answers to any logistics problem is knowing the right questions to ask.

Inbound Logistics asked supply chain experts for their perspectives on the important logistics challenges and opportunities impacting your business.

On the following pages, Bill Johnson of PortMiami addresses maritime trade developments, and Greg Brady of One Network Enterprises explains how trading partners can connect in the cloud to optimize supply chain operations.

THOUGHT

LEADERS

Ports and Shippers Prepare for the Post-Panamax Age

Q: What are the key issues shaping the future of maritime trade?

A: One of the greatest opportunities coming to the maritime sector is the widening of the Panama Canal, which will be completed in 2015. It will impact the face of global commerce, and affect trade patterns to the U.S. East Coast. Shippers bringing in goods from Asia will be able to import containers directly to East Coast ports, instead of offloading cargo on the West Coast and shipping goods across the nation via rail and highway. Ports that serve the East Coast will begin to play a larger role in handling Asian cargo as trade patterns shift from West Coast to East Coast ports.

Q: How is the maritime sector preparing to handle these changes and meet shippers' needs in the future?

A: Ports up and down the East Coast are preparing themselves to accept the new post-Panamax class of mega cargo ships—with capacity of more than 10,000 TEUs—that will begin passing through the expanded Panama Canal. By dredging harbors, expanding rail

lines, and improving port facilities and distribution centers, the maritime sector is ensuring it will be ready to accommodate these large cargo vessels and better serve the global shipping community.

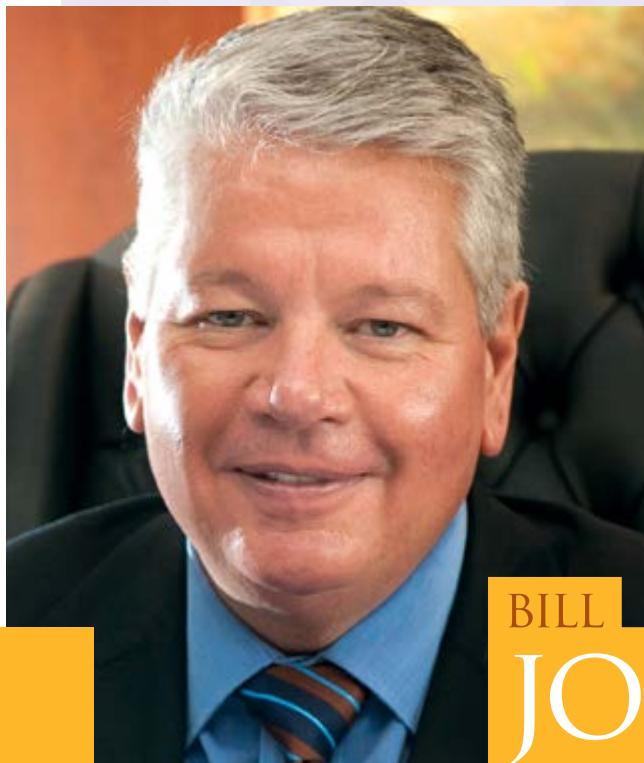
At PortMiami, for example, we are undertaking more than \$2 billion in infrastructure improvements to be ready to welcome these ships in 2015. These critical investments will allow PortMiami to take advantage of its position as the closest major East Coast port to the expanded Panama Canal. Deepening our harbor and directly connecting the port to the nation's rail and highway system will enable PortMiami to double its cargo capacity and help it grow as a global logistics hub serving shippers around the world.

Q: What features should shippers look for in a port to ensure the facility is able to handle their cargo needs in the post-Panamax era?

A: Deep dredging is one of the most important aspects of preparation for the new class of post-Panamax ships. Upon completing our \$180-million deep-dredge project, PortMiami will be at minus 50 feet when the expanded Panama Canal opens. Shippers should also select a port with crane infrastructure that has been upgraded to receive new Panamax ships. By purchasing four additional Super Post-Panamax cranes, PortMiami will be able to service these larger ships with the increased speed and efficiency shippers demand.

In addition, shippers need a port with ample access to well-connected infrastructure that can expedite the movement of goods and cut down on overall transportation time. At PortMiami, we have embarked on a \$50-million plan to re-connect the port with the national rail system, and speed shipments throughout Florida and into the continental United States. These new efforts will help containerized cargo that comes through our port reach 70 percent of the U.S. population in one to four days. By functioning as a global logistics hub, PortMiami can offer shippers key advantages.

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BILL JOHNSON
Port Director
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Connecting Through an Online Network Gives Supply Chain Partners Strength in Numbers

Q: What is the Real Time Value Network, and what differentiates it from traditional technologies?

A: The Real Time Value Network is a cloud-based “many-to-many” network platform that enables a virtually unlimited number of trading partners to plan, execute, monitor, optimize, and synchronize in real time all of the business processes and events that take place throughout their extended supply chains. The Real Time Value Network is also a pre-existing community of more than 30,000 trading partners, including major logistics companies such as Menlo Worldwide Logistics, and parcel delivery services such as Greyhound Line's PackageXpress. Companies that connect to the Real Time Value Network gain the ability to transact with any organization on the network.



GREG BRADY
CEO
One Network Enterprises

Q: What is a “many-to-many” network platform, and what are the benefits of connecting to it?

A: It's very simple. A company connects once to the network and has the ability to transact, coordinate, and plan with any other company already on the network. The question then becomes whether any two given companies want to transact, and if so, what information they decide to share and what integrated workflows they want to share. This is very similar to what happens when you join LinkedIn; you have hundreds of millions of potential “connections,” but you must both agree to connect and decide what information you want to share. A many-to-many network is the best way to create supply chains that are incredibly responsive to customers, from end to end.

Q: Demand for capacity is raising the profile of smaller parcel and package delivery companies. What challenges do they face?

A: Traditional parcel management systems have been custom-written because of the size and complexity of the problem. From a technology perspective, smaller parcel and package delivery companies are struggling to overcome the limitations of these homegrown solutions. These systems are sufficient for companies with global

established networks such as FedEx and UPS. But for regional providers who want to offer a global footprint, some degree of collaboration with other providers will be necessary. The Real Time Value Network allows parcel and package delivery companies to easily connect and collaborate with each other.

Q: How does the Real Time Value Network optimize parcel management and delivery capabilities?

A: In addition to gaining the ability to easily connect with their customers, other parcel companies, and other trading partners, the Real Time Value Network also offers a full suite of services that manages the entire lifecycle of the parcel business, including planning, execution, shipment visibility, claims and settlement, and business analytics. In addition, connected mobile computers from partners such as Honeywell enable real-time track-and-trace capabilities and streamline labor operations in the terminal. All this occurs within the same cloud-based system, accessible on demand anywhere in the world via an Internet browser.

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