

International Asset Systems

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In 2005 and beyond, fragmentation and complexity in the container shipping industry will continue to make transporting the world's consumer goods and raw materials more inefficient and costly than it need be. The cost to ocean carriers of this inefficiency is estimated to be \$18 billion of the approximately \$100 billion they spend per year

operating their container assets. Services addressing these inefficiencies have been developed and proven to save significant operating costs. However, getting data at the actionable points of the container transport chain is time-consuming and labor-intensive, and the current lack of complete data has reduced the effectiveness of these solutions.

Automated data collection of container events will boost the speed at which industry inefficiency can be addressed. Connectivity driven by greater system-to-system integration, Web-based tools and new technologies promises to deliver data to ocean carrier systems and third-party applications that serve the ocean carriers and their customers. One such new technology is radio-frequency identification. Thanks to advances in standards and supporting technology, RFID can soon be deployed for container asset-management purposes more practically and cost-effectively than before.

The efficiency gains driven by automated data capture will enable the industry to save \$5 billion to \$7 billion per year, representing the most readily addressable components of this container-operating inefficiency — equipment turnaround time and utilization, container imbalance, street turns, in-transit visibility, automated proof of delivery, etc. Systems and services utilizing a richer, real-time, container-event data stream will drive actions based on business rules. Valuable days will be cut from equipment turn time, containers available for drayage-saving street turns or domestic back-hauls will be identified and loaded, and the visibility and information critical to providing better customer service will be delivered where they are needed.

