

# FloridaShipper

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## INNOVATIONS:

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*The “why didn’t we think of that?” factor*

Since the time that the acceptance of the ISO standard cargo container reversed the course of cargo movement, thousands of other innovations have been offered to the purchasing agents of ocean cargo carriers, intermediaries and their ancillary businesses with mixed results.

But the dynamics of trade and the irresistible demand of government to deputize customs brokers, freight forwarders and cargo carriers have created a demand sufficient to overcome the tendency to cling to traditional solutions however outdated.

Find me a container and truck in Peoria!

The recent light-speed shift from import to export cargo highlighted a lingering problem for small shippers and unaffiliated intermediaries who need to find empty containers or full containers on their way to become empty in the hinterlands. To meet that need, a Miami family turned to the Internet for a clever innovation called [Onlinedrayage.com](http://Onlinedrayage.com), a matching service between cargo and draymen.

On another front, the clock is ticking and by October the government will compel everyone without a computer to get one and begin filing Customs and Census documents on line if they wish to import or export cargo.

For shippers dealing in only one class of cargo, the transition is fairly easy, and companies including INTRRA have built tidy templates to generate and file the necessary documents in conjunction with intermediaries, carriers and the shippers. And the folks at [Onlinedrayage.com](http://Onlinedrayage.com) will be pleased to learn that industry giant INTRRA recognized a similar need and now offers Idle Container Management, an alert tool that allows shippers to ensure they are able to optimize dwelling time and keep track if shipments are not moving as planned.

The huge and agile third-party logistics providers including UPS Trade Direct have assimilated every link in the supply chain and, for a fee, will take a manufacturer of a retail product in a far off land through packing, labeling, Customs, shipment, and distribution to the doorstep of the consumer or the retail outlet.

But imagine the hurdles confronted by a company that manufactures electronic components that are common in business applications but equally common in missile launch controls. The paperwork and hassles are huge for folks importing gasoline-powered generators, which must comply with dozens of arcane U.S. government safety, pollution and electrical codes. So you can imagine how complicated life can be for the shipper of goods that require special licenses and Defense Department approval for import or export.

### [Serra seeks a solution](#)

Those shippers often turn to Serra International, a freight forwarder and customs broker, headquartered in Jersey City, N.J., with offices in Springfield Gardens, N.Y., Los Angeles and Miami. The firm also operates a container service, Serra Shipping Inc.

To remain relevant to its specialized clients, Serra must keep abreast of diverse worldwide import-export laws on a country-by-country basis to move goods quickly and compliantly. The firm also must track every shipment from door to door to ensure timely delivery and to provide status information on demand. Serra’s specialization in shipping export-controlled products means that another level of complexity is added to its business processes. Because incomplete or inaccurate documents create a red flag at [Homeland Security](#), which will delay all shipments handled by problem intermediaries, Serra must always classify products

correctly and it must always apply for the precisely correct [export licenses](#) and comply with stringent U.S. and foreign [government documentation](#) requirements.

Further, because each licensee is limited to a discrete annual dollar limit, licenses must be tracked by Serra to maintain running totals of the value of goods exported to date under each license.

Serra also needed to track against each license using multiple numbering schema because each supply-chain member uses a different numbering system, including contract number, purchase order number, U.S. Department of Defense part number, foreign entity part number and so forth). The U.S. government scrutinizes all export documents for completeness and correctness, and the penalties for noncompliance can be severe.

Ideally, Serra could develop its own software to handle the tasks or purchase components to assist in the tracking and record keeping. Serra tried that with little success. And where there was success, staff could only access the system onsite, which created problems when they need to work from a remote location arose.

Manual tracking of shipment status information created the biggest problem of all: Data were not real-time, because staff had to wait receipt of documentation and key stroke that information into the system after it arrived. Worse still, clients could only obtain status updates by calling Serra staff, which meant personnel were continually fielding client requests and doing research that took them away from more productive pursuits. Clients in other time zones faced even greater difficulty in obtaining timely information. From a competitive stance, not being able to offer a track-and-trace service via the Internet was a major disadvantage, according to the company.

Vincent DiPilato, Serra's chief information and compliance officer, explained, "Serra had to find a way to do more with less. We needed an integrated automated system that could accommodate our unique business needs across all operating locations, automate processes and allow remote access for staff and customers alike."

#### [QuestaWeb innovation](#)

A client ready for a solution, Serra International agreed to test QuestaWeb's TradeMaster<sup>QW</sup> to see if it could provide the Web-based, fully [integrated management solution](#) it needed. When the first tests were positive, Serra selected the [Import Freight Forwarder](#)<sup>QW</sup>, [Export Freight Forwarder](#)<sup>QW</sup> and [Customs House Brokers](#)<sup>QW</sup> modules.

DiPilato said, "TradeMaster<sup>QW</sup> is the most advanced software application available for importing and exporting. It alone possesses a native SQL database, and it is the only Web-based system capable of handling every aspect of our business — importing, exporting, Customs brokerage, freight forwarding, accounting and warehousing. Other vendors claim to be Web-based or 'do it all,' but they hide behind portals and interface with other older systems. QuestaWeb's Web-native software applications are fully integrated modules that meet all our business needs."

SQL — Structured Query Language — is a standard interactive and programming language developed by IBM for querying and modifying data and managing databases. The SQL language was standardized by the American National Standards Institute in 1986. Subsequent versions of the SQL standard have been released as International Organization for Standardization standards.

Once the software was installed and the data translated to SQL the system came to life in December 2007 and, according to DiPilato, TradeMaster<sup>QW</sup> satisfied virtually all the firm's operational needs out of the box. He said that because the software is installed on Serra's server behind its firewall, all office locations came online quickly and securely. Staff immediately gained the ability to work remotely from any location with Internet access. TradeMaster<sup>QW</sup> automated labor-intensive tasks, automatically [pre-classifying products](#), pre-screening supply-chain participants, determining supporting documentation requirements, populating forms, storing documents and issuing alerts if key information is missing. Moreover, QuestaWeb's status as an ABI-certified vendor (automated broker interface) receiving real-time updates directly from U.S. Customs eliminates this staff task and assures Serra that it possesses the latest information available.

(For other intermediaries certified as ABI, go to [http://www.cbp.gov/linkhandler/cgov/trade/automated/automated\\_systems/abi/getting\\_started/vendor.ctt/vendor.doc](http://www.cbp.gov/linkhandler/cgov/trade/automated/automated_systems/abi/getting_started/vendor.ctt/vendor.doc).)

DiPilato projects that through automation each staff member can process at least three extra shipments per day. "Over the course of one week, the extra work one person can accomplish covers our system maintenance costs for an entire month," he said. "When you multiply that by each staff member, the savings are significant and make us more competitive."

TradeMaster's<sup>QW</sup> Track-and-Trace engine gave Serra's clients around the world immediate access to the most current shipment status information over the Internet. As DiPilato put it, "Now our customers can access our database. If we get an electronic notice that Customs has released a shipment or if we issue an order to pick up a shipment, the customer can log onto 'SerraTrac' 24 hours a day, seven days a week and view the most current information we possess. The impact on staff workload has been dramatic, reaping more savings and placing Serra on a footing equal to bigger competitors."

DiPilato said the new software is also good for the bottom line. "We now can e-mail invoices to clients within the system or make them available on the Web. U.S. customers receive invoices three days earlier; for overseas firms it can be a week or more. Such availability eliminates the excuse of not receiving an invoice," he said.

The flexibility inherent in TradeMaster<sup>QW</sup> allowed system modifications to meet the highly specialized requirements associated with Serra's specialty area: shipping controlled materials to foreign governments, military organizations, aerospace firms and others. Screening can be complex, especially when new items, firms or countries are involved.

"I estimate we save 15 to 30 minutes per shipment with TradeMaster's [automated screening capability](#)," DiPilato said.

TradeMaster<sup>QW</sup> also gives Serra the ability to comply with strict U.S. Department of State regulatory requirements, as well as customer contract requirements. TradeMaster<sup>QW</sup> easily accommodated input and tracking of multiple numbering schemas and automated the process of maintaining a running tally of products shipped under every export license — a process complicated by the multiple numbering systems.

Felix Pekar, chief operating officer at QuestaWeb, said the system works well but will be improved based on the escalating demands of current customers. "We developed TradeMaster's<sup>QW</sup> Web-based software from the ground up with the kind of flexibility necessary to be responsive to changing requirements. What we did for Serra International is a perfect example. Better still, every modification made on behalf of one customer brings enhanced functionality that benefits all our customers. Consistent with our business model, we make these features immediately available to all customers at no additional cost."

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