

7 Questions to Ask about Import/Export IT

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If you're considering an IT investment to streamline your import/export compliance activities, keep in mind these seven points in your solution search.

by Wayne Slossberg, QuestaWeb

Apparel is one of the most difficult products to import/export. Multiple Harmonized Tariff Schedule codes often pertain to one product. Importers may be manufacturing the same product in multiple countries, each with separate compliance documentation requirements and regulations.

Firms must avoid placing production orders with factories cited for illegal activity, such as transshipping. Exporters need to screen incoming orders and then generate the necessary documentation to export. Communications with brokers and freight forwarders must be efficient and precise.

The good news is that today's technology can help ensure import/export compliance as well as simplify business processes. Companies that are considering a transition to a new system to streamline import/export processes and compliance should ask the following questions before making any systems purchase:

Question #1: How important is web-based technology?

Global trade is here to stay, and visibility throughout the supply chain is imperative. Totally web-based applications are the most powerful, productive and efficient. Look for apparel industry-specific technology and applications. Be comfortable that the application is solid and not revised to appear to be web based.

Question #2: How important is integration to existing technology?

The ability to integrate in the same environment (Oracle, SQL, etc.) should be a priority. Some applications can run standalone and afford some control over import/export processes and compliance. However, integration with ERP, PLM and warehouse management system applications is the most productive path.

Question #3: Is the application user friendly, with a minimal learning curve?

Change is never easy to accept, especially when employees have used one process for years or have developed their own methods. Systems that are user friendly and easy to learn will help minimize personnel resistance issues. Top management buy-in is critical. Without executive support, a successful implementation is unlikely.

Question #4: What impact does the system offer for import/export compliance and process control?

Identify your business processes and how the system can enhance them. Do you want to communicate information to brokers? Do you want brokers to forward information for verification? Must all information be accessible in real time for queries and reports? Does the system offer information that can impact landed cost calculations or help make sourcing decisions? Can the system help control logistics and allocations in distribution centers?

Question #5: Is there flexibility in the software?

No one knows your business better than you. Make sure that the system's functionality meets at least 90 percent of your needs. Ensure, too, that the software is flexible enough to accommodate the other 10 percent of your needs.

Question #6: Does the software offer visibility, query and reporting tools?

Any system on the market today should possess a degree of this functionality. If it doesn't, it should raise a red flag.

Question #7: Are you willing to change your business processes?

This is perhaps the most important question of all. If you are not ready to change business processes, then why look in the first place? Change must have impact; just because something isn't broken doesn't mean that it can't be done better.

Companies that address these questions usually find a great system solution — one that is a good fit with their company, their personnel and their business processes.

About the Author

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