US portal success hinges on pushing data to users

Bill Mongelluzzo, Senior Editor | Jul 11, 2018 5:14PM EDT

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The true value of a port information portal is that it gives BCOs, ocean carriers, marine terminals, chassis providers, and non vessel operating common carriers (NVOs) a single point of contact for shipment visibility, and it proactively pushes information on supply chain delays to users. (Above: The Port of Los Angeles.) Photo credit: Shutterstock.com.

US port information portals that are emerging across the country must provide true end-to-end shipment visibility via a common, secure platform, and they must proactively notify users of exceptions in the supply

chain, or beneficial cargo owners (BCOs) will get the visibility they want from services already offered by freight forwarders, the CEO of American Global Logistics said Tuesday.

The true value of a port information portal is that it gives BCOs, ocean carriers, marine terminals, chassis providers, and non vessel operating common carriers (NVOs) a single point of contact for shipment visibility, and it proactively pushes information on supply chain delays to users rather than requiring that BCOs and vendors ping the portals, said Jon Slangerup, who formerly headed up FedEx Canada and served as executive director of the Port of Long Beach for two years.

From his experience with [FedEx](#), Slangerup understood the importance of providing end-to-end shipment visibility, but when he served as executive director in Long Beach in 2015-16, Slangerup was not able to extend that concept to shipments over which the port had no custodial control. Therefore, his drive for [supply chain optimization](#) at the second largest US container port met with resistance from terminal operators, carriers, truckers, chassis providers, and BCOs because each participant considered its information to be proprietary. "Until that problem is addressed, it will be a big hurdle to participation," he said.

Portal hurdle – the trust factor

If the trust factor is achieved, the ultimate step in the evolution of port portals will be to provide shipment data that will allow participants to engage in predictive analytics so they can plan ahead for precisely when their shipments will be available for delivery. However, Slangerup believes the industry is years away from a true predictive analytics product. "Now it's just an estimate, which we [freight forwarders and NVOs] can do today," he said.

Port executives from [Long Beach,](#) [Los Angeles](#), [Oakland](#), and the [Northwest Seaport Alliance](#) discussed efforts to establish common information portals at a technology summit June 27 sponsored by the Harbor Trucking Association in Long Beach. Each port wants to be a facilitator to work with private sector vendors to make the portals a reality, for the benefit of all supply chain participants. "We've got an opportunity to change the game," said Gene Seroka, executive director of the Port of Los Angeles.

The Port of Los Angeles and [GE Transportation](#) more than a year ago began piloting an information portal at the APM terminal and this year is expanding it to all six container terminals in its harbor and to three in neighboring Long Beach. Advent/eModal is offering portal services in Oakland and New York-New Jersey.

Seroka noted that shipment information in various forms is already available 10 to 14 days before a vessel departing an Asia port arrives at a US gateway, but it is siloed within a number of supply chain participants, each guarding what it considers to be proprietary data that it uses for its own purposes. If that information is shared via a common, secure platform, each carrier, service provider, and BCO has plenty of time to marshal its labor and assets needs to prepare for arrival of the shipment, he said.

The water is muddied even further with the deluge of technology products that vendors are promoting to potential customers. Each product is geared to a single sector of the supply chain and oftentimes is not of use to or available to the other sectors in the supply chain. Slangerup noted that there are at least seven to eight hand-offs involved in each shipment, and that technology solutions are hitting the market at "almost dizzying speed."

Customers want a secure portal that sees everything, end-to-end

Slangerup's description of supply chain optimization called upon the adage of blind men with their hands on different parts of the elephant, with the need today being to build an end-to-end solution that has the entire elephant in its scope. "Customers want single access and true visibility end-to-end. A portal will enhance that," he said. Also, customers do not want to have to change their systems in order to be able to use the platform, but rather they want to plug their system into the platform, he said.

The larger freight forwarders and NVOs already provide visibility solutions to their individual customers, and those customers are comfortable with the data security that is provided. Therefore, in order to incorporate those BCOs into the common portal, "it must have integrity and it has to be better than ours," he said. Data must be validated and scrubbed in order to have integrity, which involves human intervention at times. Slangerup said AGL's experience indicates 15 percent of its data requires manual intervention.

However, if the portal succeeds in providing a secure environment, it will certainly be preferable than today's requirements for accessing dozens of websites in a harbor complex in order to get real-time status on shipments, and then manually reacting to the inevitable occurrence of late shipments, US Customs' holds on cargo, traffic, and port congestion and other exceptions in the normal shipment pattern. The successful portal eliminates the reactive nature of today's supply chain. "If there is a solution that can push that information to us, we'll see an improved supply chain," Slangerup said.

In order to achieve supply chain optimization, the information portal must truly be end to end, which means it must access data beginning not at the exit port in Asia, but rather the factory where the shipment originates, and the information trail must not stop when the shipment arrives at the US terminal, but rather it must extend to the receiving warehouse. Otherwise, Slangerup said, "it's not a big deal." Anything short of end-to-end visibility is already possible today, he said.

As the portals evolve, over the coming years, they must also achieve true predictive capability. "True predictive analytics will evolve and will go beyond guessing," he said. "When it becomes available, it will be through machine learning at rapid speed," he said.

Slangerup sees the port and private sector efforts so far in developing and promoting information portals as a good start. The fact that nine of the 12 container terminals in Los Angeles-Long Beach are committed to participating in the information portal indicates that progress is being made. "That's a critical mass," he said.