

Time definite partnerships

As the world of Logistics continues to develop services to support just in time operations, there remains a key element that is unable to participate. That is the area of ocean shipping.

Clearly, transiting the ocean is by any definition, hazardous. But shipping lines do sail to schedules and these schedules tend to conform to fixed departure and arrival dates, enabling shippers to plan accordingly. There are always variabilities around these dates and these variabilities are compounded by the number of calls a vessel makes on any particular route. Each call has the potential to increase delay to the subsequent ones if there are problems with docking at the terminal, loading, unloading, or other unplanned events. In summary, the more calls, the greater likelihood of delay.

The express industry has been able to operate services that are precisely scheduled with their ground and air services. These operations are tightly synchronised, with cargo moving along defined pathways within closely monitored time slots. They also, usually, control the entire route from collection to final delivery, using a mix of assets that they either own or control using advanced information technology.

The growth in ocean freight has been driven by the need to avoid the cost of airfreight and the increasing efficiency of moving shipments in bulk. It therefore seems compelling to imagine the attraction of a time definite ocean service, coordinated at each end of the voyage with time definite collection/delivery services.

A time definite ocean service would look very different to conventional ocean services. It would probably sail between port pairs that are under utilised, ensuring efficient handling by the terminals. It would use smaller vessels, increasing the number of potential ports that could be served, using more ships operating at a higher frequency. The operations would also be tightly choreographed by advanced information systems, enabling rapid information sharing and reconfiguration.

How long before the integrators take a long look at such a scenario... Or perhaps they already are...

March 2011