



## Timing is everything

June 2009

By Mike Troy, Editor

Timing is everything in the world of supply chain logistics, which is why the notion of a performance metric called, "scheduled to arrive late," sounds so counterintuitive. Why any shipper or carrier would ever schedule a load to arrive late makes no sense, especially when such retailers as Wal-Mart assess their trading partners' performance against whether merchandise shipments arrive within ever-tighter time frames.

"One of the most important things people are asking for is proactive information so they can mitigate failures before they happen," said Mark McEntire, VP operations with Transplace, a leading provider of third-party logistics.

Transplace helps companies manage their supply chains, and it came up with the concept of "scheduled to arrive late," as a sort of early warning system. The company looks at real-time data in three key areas that could be early indicators of potential supply chain problems. For example, indicators of potential problems include loads created in the last seven days that have not been accepted by a carrier, loads picking up in the next 48 hours that do not have a confirmed pick-up appointment and loads scheduled to deliver within the next 72 hours that do not have a confirmed appointment. If one or more of those circumstances exists, a "scheduled to arrive late," alert is generated that corrective action needs to be taken.

Oftentimes, fixing the situation is a matter of simply making a phone call or sending an e-mail to confirm a scheduling oversight, according to McEntire, who noted that the predictive tool will be on the agenda at a Transplace event scheduled for late July. That's when the company plans to hold its annual Supplier Collaborative Summit in Northwest Arkansas. It is the third time Transplace has held the event, which is based on the user group concept and involves the firm's existing and prospective customers who come together to share best practices and discuss strategies for dealing with challenges that face the industry.

"It started three years ago as a grassroots effort between a couple of our customers who wanted to do some benchmarking to improve their business," McEntire said.

On the agenda this year are topics only someone involved in logistics could love, such as order patterns, load mix strategies and something called collaborative tours. In addition, there are a number of big-picture issues confronting the supply chain industry, and shippers and carriers gained new insight into those last month, when Transplace held its annual Shipper Symposium in Dallas.

One of those relates to the issue of driver availability. It hasn't been a concern of late because shipping volumes declined as the economy worsened, but when demand picks up, it will exceed the

supply of drivers, according to Rick Blasgen, president of the Council of Supply Chain Management Professionals. "How many of you have children saying 'I want to grow up and be a truck driver or warehouse worker,'" Blasgen asked those in attendance at the Shipper Symposium.

In addition to the long-term potential for the reduced availability of drivers, former Kansas Governor and current president of the American Trucking Associations said one of the group's priorities is to establish a national employer notification system so drivers with drug and alcohol issues can't simply move to another state and secure a driving job. Graves also said there is a need for new carrier training and better adherence to speed limits. "We would like to make getting into the trucking industry harder," Graves said.