

# Shipping is ripe for an e-business boom

DOTCOM mania has gripped the shipping industry and firms such as global freight portal INTTRA are at the forefront. INTTRA marketing vice-president Andy Barrons talks e-business with Siseko Njobeni.

**Q**WHAT is INTTRA and what is the company's role in the development of e-commerce in the shipping industry?

**A** INTTRA was launched in 2000 by a group of leading carriers — Maersk Line, CMA CGM, Hamburg Sud, Hapag Lloyd, Mediterranean Shipping and P&O Nedlloyd. These carriers shared a vision that a common industry portal would benefit the whole shipping industry. Customers would not have to connect to the different e-commerce systems of the individual carrier, but could use one global standard for doing e-business. For example, by facilitating e-commerce through a multi-carrier portal, customers can streamline the documentation process and improve data quality. This facilitates faster response times to things like booking requests and reduces errors in documentation that can add costly delays to shipments. INTTRA offers a range of tools to facilitate e-commerce, including sailing schedules, bookings, shipping instructions, track and trace, and tender.

**How has e-commerce changed the shipping industry?**

Most of the shipping instructions and bookings are still made in a conventional way, via fax and phone. An industry supported system and platform that helps convert a time consuming and inefficient process into a streamlined process holds huge potential for the industry. Although there is a long way to go, INTTRA is processing about 5% of global freight through the portal, or about \$10bn by freight

value. About 5.2-million container orders will be processed through the portal this year, and the volumes are growing at about 7% a month. For the industry this means that INTTRA is helping to set standards for e-commerce, making it easier for anyone to gain the efficiencies of easier carrier connectivity and electronic transactions. The costs of INTTRA are funded by a transaction fee per container that is paid by the carriers. **What is the extent of e-business activity in the South African industry? What sort of interest have you had from local companies?** For INTTRA, SA is a relatively new market — so far this year volume has almost doubled compared with the total volume in 2005. In our experience SA is a faster e-commerce adopter than other markets in the region and there's plenty of room for growth. The support for INTTRA's growth is coming mainly from the wine, steel and petrochemical industries. Customers include companies like Cape Town-based yarn manufacturer Sans Fibers.

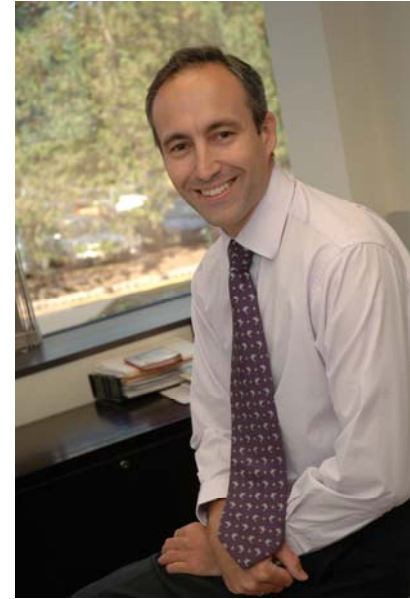
**What are the benefits of e-commerce for freight forwarders?**

Shippers and forwarders use e-commerce to reduce documentation processing costs and improve the operating efficiency of their supply chain. Using INTTRA's standard formats with multiple carriers means they do not have to learn and support the idiosyncrasies of the carriers' different systems and processes. Instead, all their data is streamlined through one connection and they have greater visibility to the data and can more easily share information with all their shipping partners. INTTRA is doing all the work for them because the portal is already linked into the carrier systems. Most of INTTRA's users around the world are forwarders. INTTRA also offers a one-stop shop for carrier e-business

support. We have a global operations team and 24-hour support to help customers with any e-commerce issues. As a forwarder using e-commerce you want an e-commerce partner that is in your local market, but has a global operation.

**What are the benefits that South African exporters can reap from more e-commerce activity?**

INTTRA's flexible solutions, such as our desktop software for bookings and shipping instructions, brings to any shipper the benefits of e-commerce that were once only available to companies with much larger IT resources. That's good for business. Adopting e-commerce processes helps exporters to be more efficient, keeping costs down and increasing customer satisfaction. We are seeing thousands of customers around the world adopting e-commerce to gain competitive advantages. The successful adopters of e-commerce gain the most competitive advantage when they do not see e-commerce as just a technology issue but a business issue. These companies do not see e-commerce as something that is produced by the IT department. Instead they organize themselves around the business processes so their whole business can benefit from access to better data that's all in one place.



**Andy Barrons... A common industry portal benefits the whole shipping industry.**