



White Paper

Are You Leveraging the Global Economy?

Manufacturers are increasingly outsourcing their supply chain operations to have better access to technology-driven solutions such as EDI, scanning or inventory and order management. This whitepaper will review the benefits gained by partnering with other 3PLs in today's economy.

Having spent the last few weeks in South East Asia and seen the evidence of booming economies and rampant technology growth I'm even more aware that the future is (almost) here.

3PL's in Asia are still, on average, behind the USA in take-up of technologies like EDI, scanning and RFID. They are however rapidly catching up. I attended a conference in Singapore with our RF hardware partner early this month. With projections of double digit growth across the region and strong current sales, the channel partners I spoke to were all very optimistic.

They are also very focused on a flat world. As the manufacturing hub of the world Asia is truly thinking and acting globally. Those US (or European or Australian) service providers with partnerships or informal relations in Asia will grow their business on the back of those arrangements. Those providers who are focused inwards will miss the opportunities.

By getting in now, making contact with local providers and assisting them through knowledge and technology transfer, long term relationships can be built that will be profitable for all players.

Supply chain management in a global economy is about information, not ships, sheds and trucks. Providing inventory visibility from factory to consumer is the goal and the big manufacturers with offshore production are ill-equipped to provide this using their own ERP systems. If you can offer immediate, accurate information, direct to the customer's desktop then you will gain business, keep business and grow margins.

Collaborating with service providers at the manufacturing base, monitoring vessel progress and handling product from dock to store is not easy, but is possible, and profitable.

Outsourced logistics used to mean a manufacturer using a third party carrier and warehouse, today it is increasingly outsourcing the supply chain. Increasingly 3PL's are being invited to perform this service. That means your systems will be placed under heavy scrutiny to ensure they are capable of capturing and providing the required information needed by your customers. At the very least you will need to be able to provide EDI, real time web visibility with automated reporting and configurable dashboards to satisfy the needs of your customer, as well as the normal billing and internal inventory and order management capabilities of a modern WMS.

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