Maersk goes big in digital transformation with Microsoft
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Maersk is reshaping global supply-chain innovation, powered by the Microsoft Cloud.

NEW YORK, April 26, 2017 /PRNewswire/ -- Global transport and logistics powerhouse Maersk announced on Wednesday that it has joined forces with Microsoft Corp. in a strategic move to revolutionize supply-chain management and global trade. From its connected vessels to its transportation economics, the company is betting on Microsoft to fuel growth and power logistics globally. This agreement means that:

- Microsoft has been selected as the preferred cloud partner for Maersk's digital transformation journey, supporting its high-value assets such as carrier performance, equipment utilization and supplier performance.
- Microsoft Azure is the digital platform of record to power Maersk's app store and help fuel business model innovations.
- Microsoft's intelligent cloud will be used to enhance operational performance, increase the visibility and predictability of supply chains, and improve service to millions of Maersk customers worldwide.

In total, Maersk estimates that the power of data will help save tens of millions of dollars to the bottom line annually. "Our aim is to simplify and enhance visibility in supply chains by providing a seamless end-to-end digital experience for our customers," said Ibrahim Gokcen, chief digital officer, Maersk. "Microsoft Azure is the cornerstone in our digital strategy, providing one common platform shared by all our transport and logistics businesses. On Azure, we are also creating a marketplace of apps and digital products that improve operations and drive better business decisions."

Maersk is the largest transport and logistics company in the world with offices in 130 countries and a fleet of more than 1,000 vessels. The company's container carrier, Maersk Line, sails in all major trade lanes, transporting more than 17 million containers annually, and its terminal operating unit, APM Terminals, is operating in more than 70 ports worldwide. Delays in manufacturing, bad weather, terminal bottlenecks and other incidents routinely cause disruptions to global supply chains. The ability to anticipate, make timely decisions and take swift action is critical when millions of dollars are on the line and unforeseen events impact shipments and business productivity.

Maersk has big plans to leverage digital solutions to revolutionize the way it operates its assets, some of which are already underway. Today every ship is tracked by GPS and connected to shore by satellite communications. Using data generated from flow meters, control and alarm systems, sensors, and time stamps, Maersk can analyze and improve fuel efficiency, reduce port stays and provide better network designs. Maersk Line has also harnessed data to effectively lower emissions per transported container by 42 percent between 2007 and 2016.

Damco, Maersk's business unit for supply-chain solutions, recently launched several digital supply-chain solutions built on Microsoft Azure. The next app to be launched is a digital app for Customs House Brokerage. The preparation of documents to clear goods is an increasingly important part of the supply chain. Damco's solution provides customers with outstanding visibility as well as the ability to manage the clearing of goods by exception. The app combines big data from both internal and external sources, which increases the capability for analytics including exception management and predictive analytics. All this plus a top-notch user experience makes it a true differentiator in the industry.

Data is a key resource in supply-chain management tasks such as forecasting, planning and tracking customer deliveries. The sheer volume of data Maersk generates presents an enormous opportunity, and one that is largely untapped. With the power of the Microsoft Cloud, Maersk is turning on the data spigot to provide actionable insights for tactical and strategic decision-making and operational efficiencies, as well as to create new lines of business and revenue streams.

"The future of Maersk is very exciting. As a forward-thinking company, it is digitally transforming its massive logistics network to bring even greater value to its customers," said Judson Althoff, executive vice president, Worldwide Commercial Business, Microsoft. "We are tremendously honored that Maersk has selected Microsoft as its preferred cloud partner for its most critical systems and applications."

Leveraging Microsoft technologies and advanced analytics, Maersk will integrate container logistics across the value chain to provide reliable, efficient services by increasing the performance of its assets. By providing increased visibility and new products and services, Maersk will increase the predictability of customers' supply chains to drive cost leadership, and enhanced customer experience and business model innovation. Maersk is also building a digital platform (app store) to turn operational and commercial data into software solutions powered by advanced analytics for its Transport & Logistics division and its customers.

"Eventually Maersk's vessels and containers and other assets will be generating terabytes of data on operations and activities in real time, and machines and people will be talking to each other, learning things about our operations and our customers that we can't even imagine now — and they'll be available as products, for download," Gokcen said.

The announcement was made at Microsoft's Digital Difference event in New York City. Additional news and stories can be found at www.microsoft.com/digitaldifference, and the conversation can be followed on social media using the hashtag #DigitalDifference.

About Maersk

A.P. Moller - Maersk is an integrated transport & logistics company with multiple brands and is a global leader in container shipping and ports. Including a stand-alone Energy division, the company employs roughly 88,000 employees across operations in 130 countries.

Transport & Logistics consists of Maersk Line, APM Terminals, Damco, Svitzer and Maersk Container Industry. The mission of these businesses is to enable and facilitate global supply chains and provide opportunities for our customers to trade globally.

About Damco

Damco is at the forefront of developing innovative supply chain solutions. Damco fuses its global network and depth of expertise with pioneering digital innovations to enable customers to stay ahead. Damco's vision is to connect and simplify supply chains across the globe.

Damco is comprised of experts in the field of complex, rapidly changing markets such as fashion, retail and technology. With a presence in over 100 countries, and more than 11,000 employees worldwide, Damco combines global reach with depth of local understanding. In 2016 Damco reached a turnover of 2.5 billion U.S. dollars, managed 659 thousand TEUs (twenty-foot equivalent units) of ocean freight, and 190 thousand tons of air freight.

Damco is proud to be a part of A.P. Moller – Maersk.

About Microsoft

Microsoft (Nasdaq "MSFT" @Microsoft) is the leading platform and productivity company for the mobile-first, cloud-first world, and its mission is to empower every person and every organization on the planet to achieve more.

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