



## LOGISTICS

# Integration is key

Logistics integration is the prime move of growth, says **Amit Maheshwari** of *Softlink Global*, a leading IT solutions provider to Indian logistics industry

**S**hrinking of the global market place has mounted pressure on logistics processes. Global shift in trade and manufacturing impacted de-industrialization in North America and Europe and rapid industrialization in Asia-Pacific (China, India etc.); not only for low cost industries but high technology products as well. Companies going global are faced with challenges with respect to high transportation and inventory costs and also higher cycle times. On top of it, customers are demanding lower prices, customized delivery and faster response cycle.

Due to global trade impact, shippers are trying to stay competitive by improving international logistics. They are transforming their international logistics operations by addressing four key areas.

- (a) Global Inventory Control
- (b) Transportation Spend Management
- (c) Import/Export Process Management
- (d) International Logistics Outsourcing

Key changes in logistics processes identified by the shippers to improve their products and services includes new information and communication technologies, just in time inventory across the integrated supply chain, global manufacturing expansion leveraged in best practices of logistics, modular production concept driven by contract manufacturing.

Logistics industry needs to be bracing themselves for the dynamic changes in global trade. Logistics players need to constantly evaluate their position in the bigger game plan

both externally and internally. They also need to be in tune with the end customer needs, anticipating moves from players across the value chain.

Logistics Service Providers (LSP) need to recognize their critical role in integrating demand, sourcing, manufacturing and fulfillment within global supply chain. LSP should offer one-stop services, including procurement, end to end logistics planning, management, reporting and performance services to their global customers. LSP should integrate their operations and IT systems with their customers, offer them consulting services to improve their supply chain processes; ensure end to end custody authentication (who, when, where); offer collaborative services, including transportation, inventory management, financing, insurance and customs clearance services; ensure end to end visibility and real time event and alert response at each step of the trade.

Evolution in supply chain models have resulted in logistics players to re-think their role. Many of the logistics service providers have started leveraging information technology to fulfill needs of ever evolving global supply chains. The emphasis is on, greater process automation, improved technologies and above all integration with all stake holders. Logistics service providers can take advantage of integration to increase their own productivity and at the same time help their customers to increase their competitiveness.

(Mr Maheshwari is CEO, *Softlink Global*)

Courtesy: **Trade Talk**



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- Maheshwari