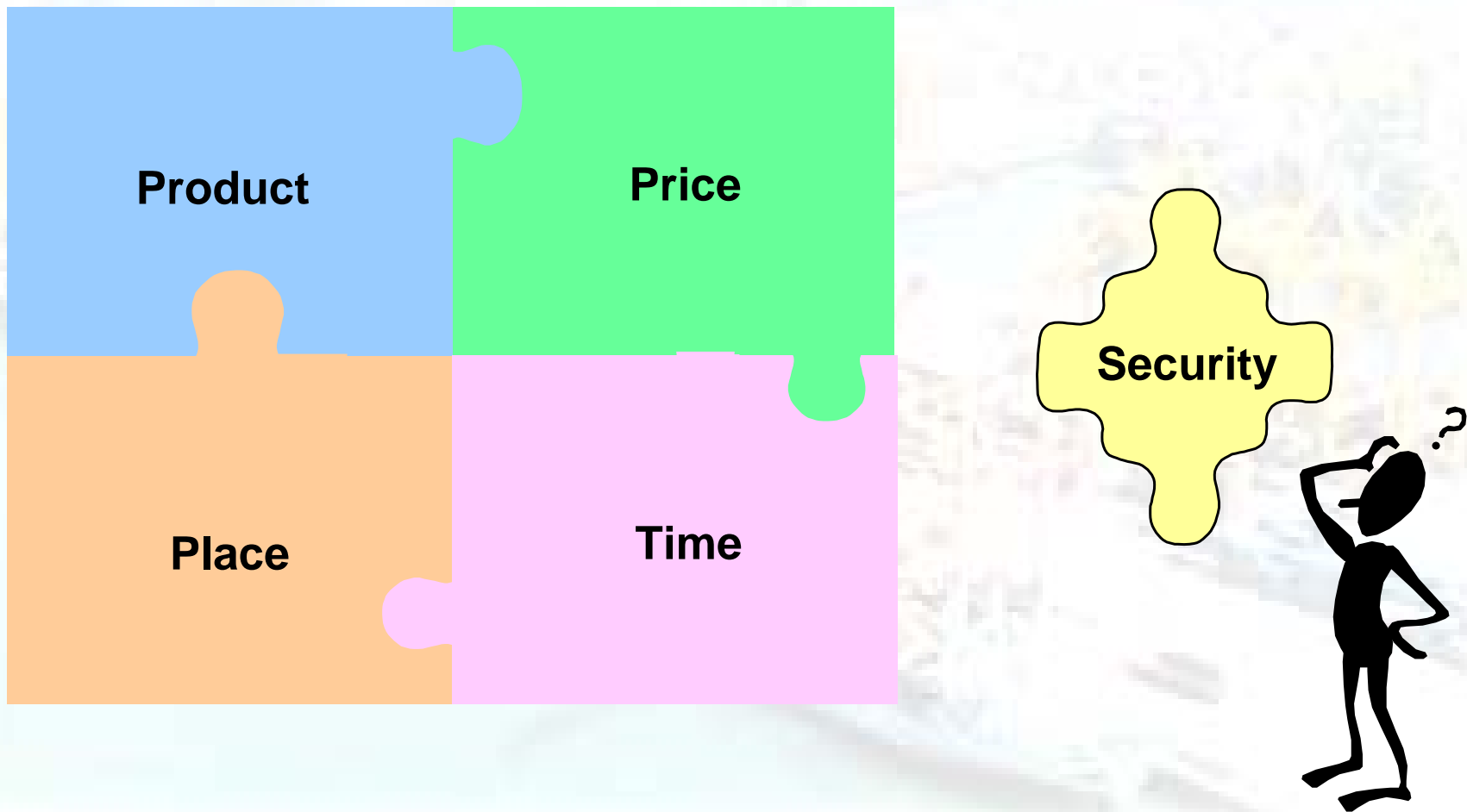

SECURITY ~~VS~~ [&] *EFFICIENCY*

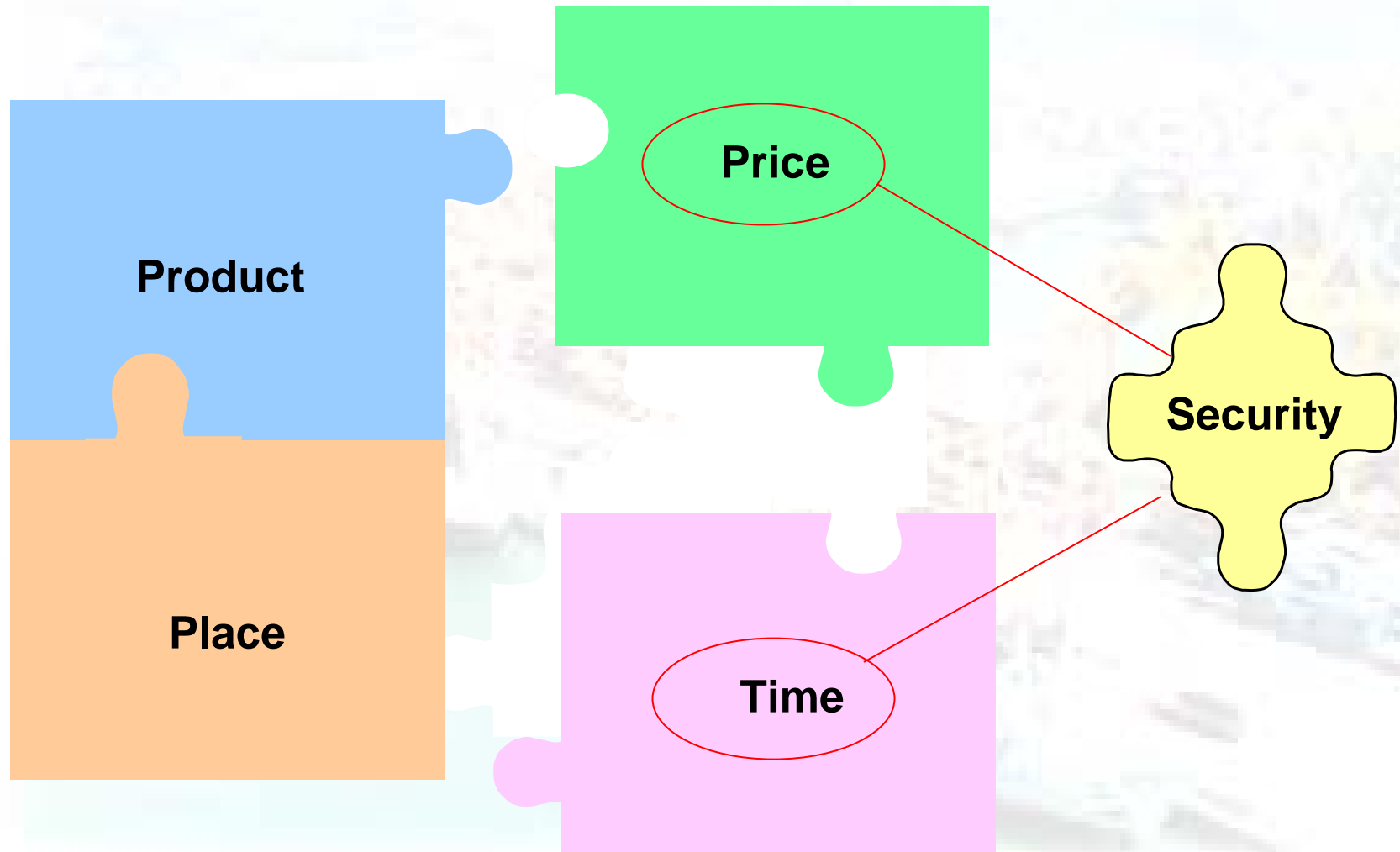
Elton Fong, PSA Logistics



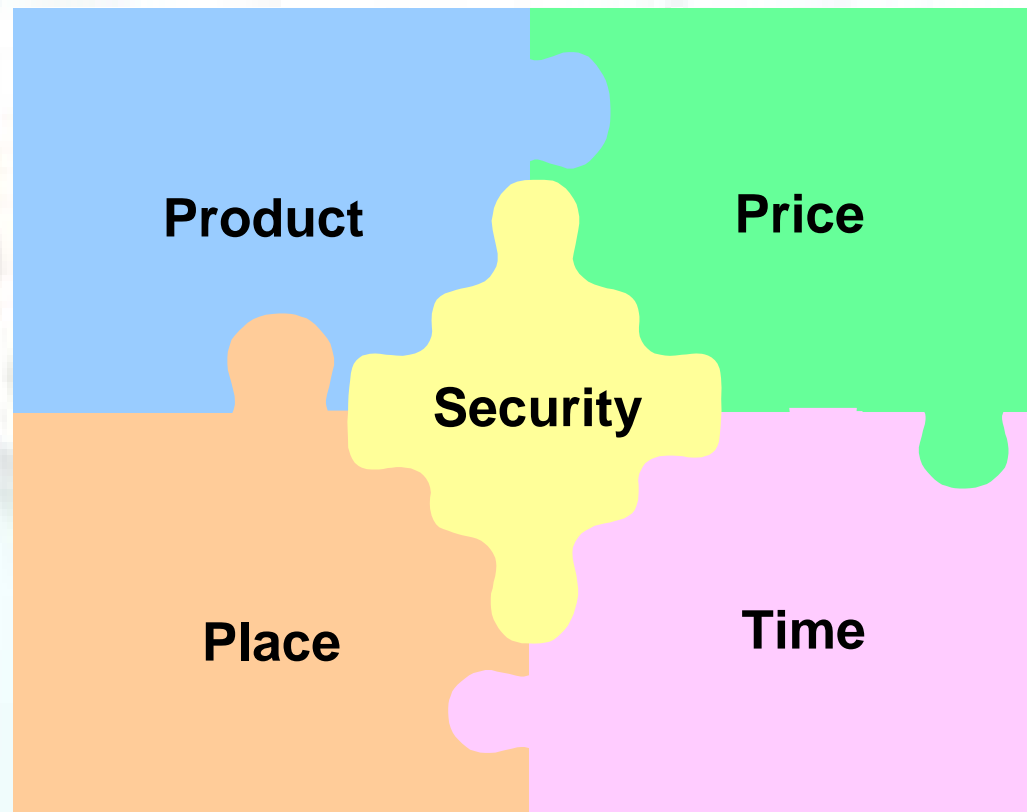
The Security Debate - SCM Mantra



The Security Debate - SCM Mantra



The Security Debate - SCM Mantra



N2N-SST Process Flow

Order Creation



ERP/ Legacy Systems

Orders

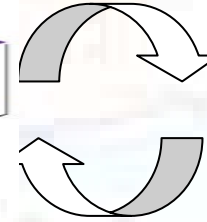
Audit Trail and Exception Mgt



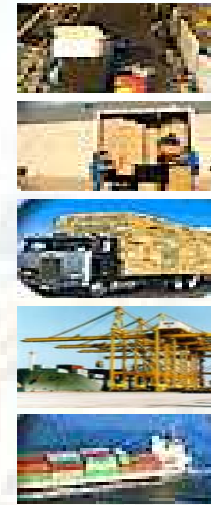
Planning

Execution

Transport Planning & Electronic Freight Booking



Job Acceptance



3PL
Warehouse
Trucking
Port
Shipping

Manifest and T&T info



US Enforcement Agencies

Trusted Logistics Information Clearinghouse

Tracking Infrastructure

Electronic Seal



Track & Trace

International Port Community

Compliance

EDI/ Infrastructure

N2N-SST Underlying Components

N2N - Teaming Agreement Managing Compliance Through Systems & Processes

Intermec
AIDC
Infra-
structure

Sun + iSTT
Secure
Platform &
Hosting

EXE
Existing
Systems
WMS/ERP

**Manugistics
+ PSA/P&O**
Transport
Management

PSA Logistics
Global
Container
Logistics

Emerging Security Infrastructure

PSA/P&O
CSI Ports

Key ports+ Lines?
*Trusted Logistics
Info Clearinghouse*

**Track & Trace
Provider**
SST

N2N-SST - Security Compliance

- ❖ N2N collates manifest info from order, shipment and tracking data in electronic form
 - ❖ Electronic and automated submission of manifest information to authorities.
- ❖ Creates in electronic form an illustration of a C-TPAT certified process and solution
 - ❖ Governed by company's business rules and constraints
- ❖ Creates an audit-able process where all event information is captured electronically

N2N-SST Scope

- ❖ Overview
 - ❖ 4 Major MNCs with Global Supply Chain requirements FCL
 - ❖ 3 MNC's LCL + Several SME service providers

- ❖ Scope
 - ❖ Door to door delivery from warehouses in Shanghai, Bangkok, Indonesia and Singapore to USA and Australia.
 - ❖ Duration: 2 months
 - ❖ Volumes: over 100 Containers

N2N-SST Results

- ❖ On-line container management, status and audit trail

Networks Visibility **Booking Status**

Quick Search: Delivery Order

Order ID:

PO Number:

Status Message: Page 1 of 1 | Records per page: 15

Internal Status Code Description	Occasion Date	Occasion Time	Event City	Comment2	Comment3	Comment5	Comment6	Comment
Load Tendered	20021028	1420						
Booking sent to carrier	20021028	1423	SINGAPORE		MSTM6			
	20021028	1742						
Carrier accepted booking	20021028	1741	SINGAPORE		MSTM6			

Networks Visibility **Tracking Status**

Quick Search: Delivery Order

Order ID:

PO Number:

Origin Location ID:

Destination Location ID:

Status Message: Page 1 of 1 | Records per page: 15

Internal Status Code Description	Occasion Date	Occasion Time	Event City	Comment2	Comment3	Comments5	Comment6	Comment9
Load Tendered	20021028	1420						
	20021029	1658						
Container Registration	20021030	0520	BANGKOK		THBKKMC1			
	20021030	0521	BANGKOK	50	50			
Seal Assigned	20021030	0521	BANGKOK		THBKKMC1		UNLOCKED	
Seal Status Update	20021030	0525			THBKKMC1		LOCKED	
	20021030	0605		162	162			
Gate Out	20021030	0605					LOCKED	0000159M000016

Next Steps

- ❖ Technology exists
- ❖ Processes can work
..... but there are gaps to fill

Need :

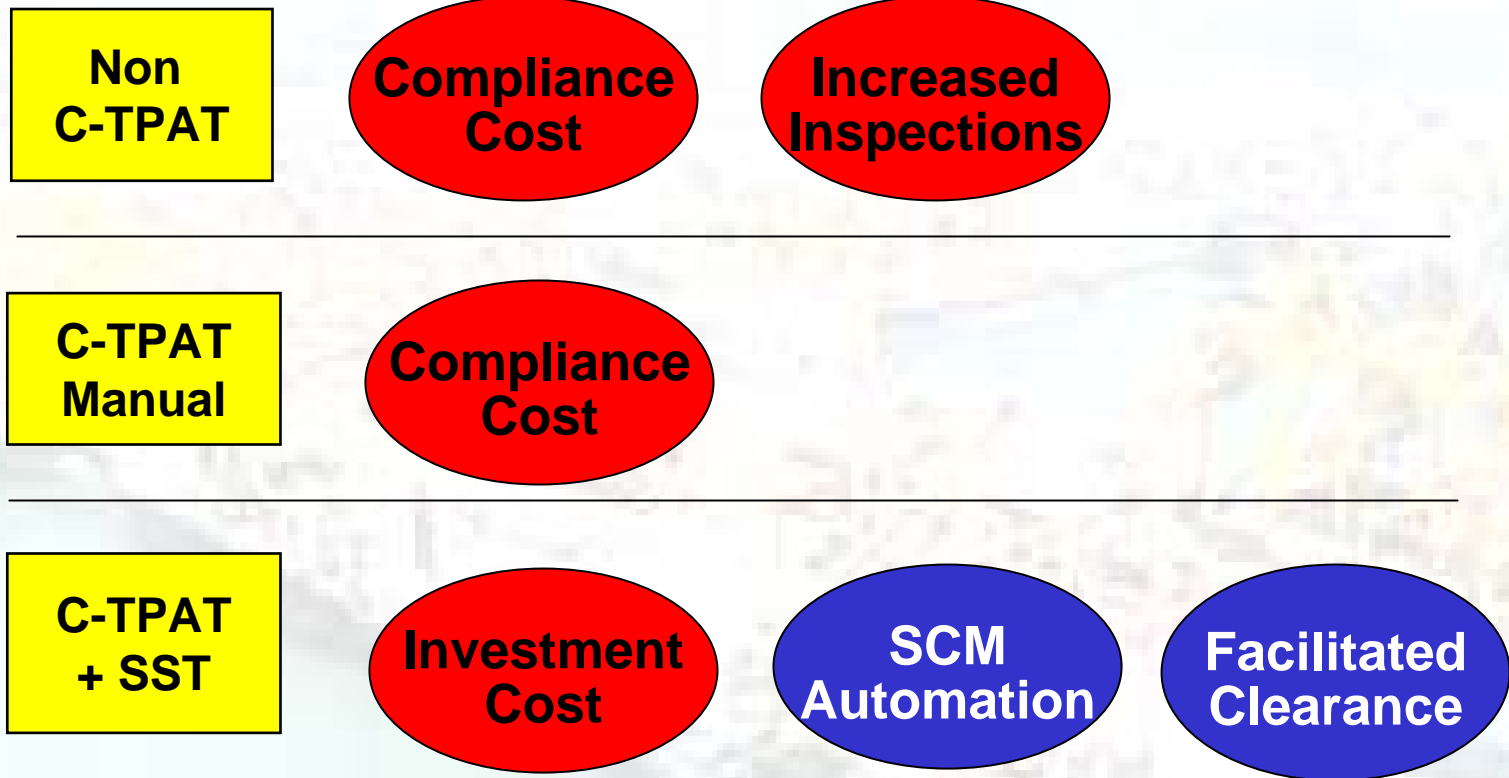
- Standards
- Infrastructure
- Facilitated Clearance / Green Lane

Seeking A Higher Standard of Facilitated Clearance

- ❖ C-TPAT confers credibility to shippers cargo at source
- ❖ SST preserves integrity of cargo through supply chain

- ❖ **What level of security is good enough for higher standard facilitated clearance?**

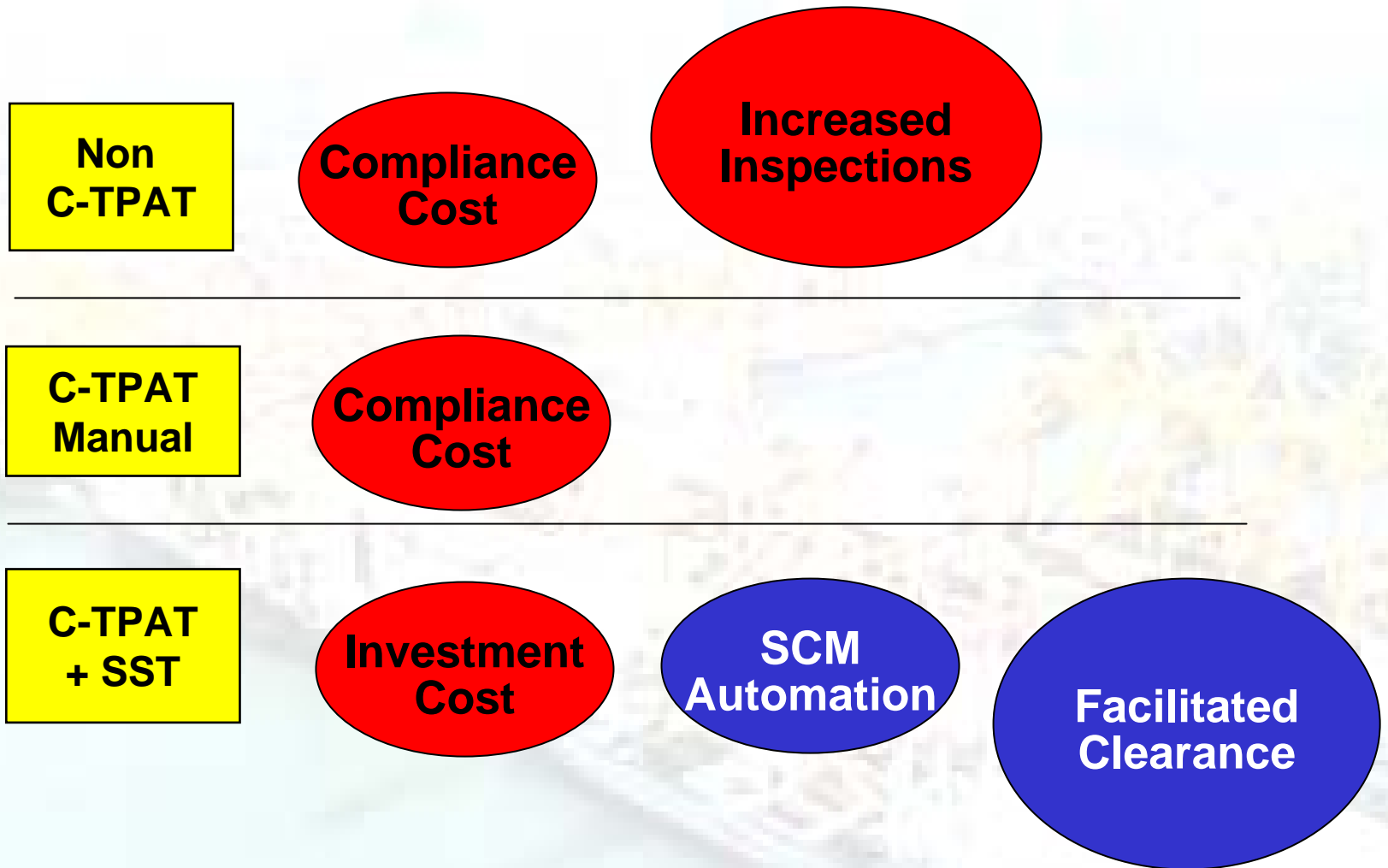
Shippers* Value Proposition



*Shippers = Manufacturers + 3PLs

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Shippers* Value Proposition



*Shippers = Manufacturers + 3PLs

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Conclusions

- ❏ SST-type solutions are within reach - PSA/P&O are running trials
- ❏ Industry will invest and participate in solutions and infrastructure at the right value point, with defined standards and compatible business models
- ❏ Need facilitated clearance for shipper value equation to work

Thank You!

For further information please contact

eltonf@hq.psa.com.sg (Elton)