

PUC WCWG Small Group Status Reports
For Meeting on May 20, 2021

Small Group Topic/Issue: Cargo Services Subgroup

- Create a compelling case to support the Cargo Services Subgroup's recommendation

Improve the current reservation system to accommodate all cargo types, implemented in phases, which is flexible, enhances shipping efficiencies, and improves cargo movement transparency for consumers for a continued, well-needed service as well as review of the Storage-in-Transit / Stop-in-Transit ("SIT") policies for improved enforcement and visibility of cargo that should be transported via water carrier.

- What are the benefits for the company?

- Operational efficiencies with implemented policies will assist with the accuracy of booking reservations, ultimately resulting in a committed customer base.
- Improvement in the scheduling of the gates (gate hours and service offerings) - defer to separate Sub-group findings.
- Incentivization of carrier for knowing of customers scheduled reservations.
- Improved cargo tracking will give employee better tools to assist customers.
- Reservations for all cargo will provide company with cargo data to analyze and improve upon the inefficiencies where customers currently show up half days.
- Provide a customer survey that will assist the company in understanding customer needs; or instead, implement a pilot program for three to six months, gather accurate data and feedback with the minimum impact to labor costs in order to compile comprehensive and accurate information to assist in determining the best possible actions to take.

- What are the benefits for the customers?

- Overall improvement of the customer service experience, providing known availability for both shipping and transporting.
- Tracking will be a benefit so customers can schedule when to drop-off and pickup. This is expected to assist in real time tracking and availability to help save and schedule time.
- Scheduling of the gates (i.e., gate hours and service offerings) - defer to separate Sub-group findings.
- Allow for planning and scheduling in terms of the amount of time customers must wait in port.

- Incentivization of customers for scheduling reservations as it would provide them with a shorter waiting line for drop-offs and a resulting commitment from them.

- **What components of the reservation system are the most relevant points of the system?**

- Fixed routes and flexible outgoing interim routes.

- Look to a "vessel by vessel" capacity taking into consideration existing demand - how much for the full container load, how much for the roll-on roll-off, how much for LCL mix, how much for refrigeration and farm animals - where the reservations will have some form of flexibility to adjust to a vessel-by-vessel basis.

– Get commitment by the customer by instituting a 24-48-hour scalable monetary penalty or non-refundable deposit system for large revenue items (i.e., containers, autos, and roll-on roll-off cargo) to reduce no shows and maintain accuracy of cargo booked.

- Reservation system will improve equipment availability to meet customer demand, forecasting of seasonal equipment needs and/or forecasting of capital expenditures for future equipment replacement.

- Potential cross-savings that may be passed on to the consumer and expected to create operational efficiencies.

- Customers planning to ship less than container load cargo will get priority check-in if they book their cargo ahead of time.

- Allowing for full accessible tracking availability to the public will allow the carrier to give customers the ability to view shipments arriving, or in-transit, and allow customers to plan appropriately when picking up cargo.

- **SIT – look into what affects rates**

- Defer to Sub-group on Rates.

- **Articulate what the needs are in the system**

- Customer and company needs will be gathered to determine what specific system will meet those requirements and at what cost - these will dictate what can actually be improved/upgraded in either the current system or whether a new system needs to be purchased.

- Determination by management as to what will make the company viable and what will take the company into the future.

- Determine if there are cost savings to create a comprehensive reservation system. Can the cost savings be passed to the consumer?