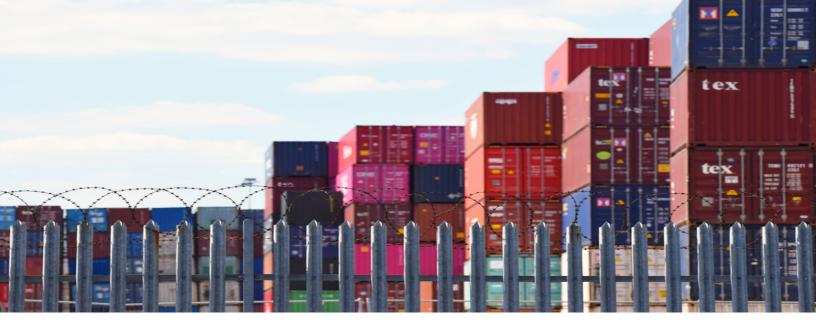**Managing the global logistics crisis:**

How to squeeze through 4 supply chain choke points

FLEETUP

The supply chain has come to a grinding halt.

Goods are rising in cost or simply out of stock. Much-needed materials are stuck in backed-up ports. Factories can't make the computers, vehicles, and other critical machines on which the global economy is built.

Who can end this crisis? The logistics professionals who have spent their entire careers making sure people and businesses receive the goods they need. But four factors are keeping logistics operations from working at full capacity:

Short Supply	**Long waits**
Rising Costs	**Strained capacity**

In this book, we'll outline strategies logistics managers and executives can use to chip away at these four problems. We'll also describe specific tools that will help them get their goods on the road and moving.

In a crisis, every business has to quickly adopt and find firm footing. Peter Bradley, executive chairman of specialty ingredient maker RiceBran Technologies, said that we're in the middle of "a nationwide, world-wide logistics crisis." The strategies and tools in this eBook will help logistics operations move us out of it.

P r o b l e m
Short supply

S o l u t i o n
Big data

Supply is short everywhere. But for the logistics industry, at the heart of it all, there are three primary shortages: containers, chassis, and drivers.

It starts with the tools modern logistics businesses use to move goods. They're hard to find and hard to make. The Harbor Trucking Association recently surveyed 46 trucking firms, who reported that 6,592 of their chassis were stuck beneath empty containers. Chassis manufacturers can't respond to the need for new chassis quickly enough. Frank Katz, CEO of chassis manufacturer Cheetah Chassis, told the Wall Street Journal, "If we could double output, it wouldn't make any difference at all."

Shipping containers are equally difficult to find. Professor Anna Nagurney told ABC News that "a lot of retailers are now struggling to get shipping containers. In 2019, a 40-foot container would cost typically around $2,000 to ship from Asia to the US." Now, it can cost as much as $25,000.

Even if chassis and containers were in abundant supply, there wouldn't be enough drivers to move them. The American Trucking Association estimates that the driver shortage will reach an all-time high of over 80,000 drivers in 2021. This is the difference between the number of drivers currently working and the number of drivers needed to meet freight demand.

Logistics companies that leverage big data tools will ease these pain points. While big data can't pull chassis, containers, or drivers out of thin air, it can optimize the assets that logistics companies currently have. It does this by monitoring and analyzing the real-time operations of complex organizations, then giving managers the most important results of that analysis.

These four big data tools will help logistics managers make the most of their short supply:

Tool 01

Fleet utilization

Fleet utilization is a one-click tool that shows you where all of your currently available assets are located. Fleets with multiple lots and warehouses use it when they have a last-minute high-priority job and need to immediately assign an asset to the task.

Productivity report

Productivity reports reveal which assets aren't being used to their full capacity. Fleet managers use them to move underused assets to locations where they're in higher demand, to surface assets that would be more valuable to sell than to keep, and to identify mismanaged inventories.

Tool 02

Tool 03

Detention time tracking

Detention time tracking shows exactly where assets are being held for unacceptably long wait times. It allows fleet managers to compare client and partner worksites, so they can identify up-to-the-minute industry standards and hold accountable partners not maintaining those standards.

Driver safety score cards

Driver safety score cards show which drivers are putting their vehicles at risk. When inventory is strained, an asset that's out of use because of an accident becomes a serious liability. Fleet managers can surface their most reckless drivers and show them what they need to do to better safeguard company property.

Tool 04

Rising costs

Reduced friction

Prices are going up in every industry, for every type of product. According to the Federal Reserve, inflation is at its highest level since May 1991.

In addition to the high cost of goods, the supply chain is impacting logistics costs in some surprising ways – among them theft. According to NBC4 News Los Angeles, thousands of boxes are strewn along the city's railroad tracks which appear to have been thrown from cargo containers. Scott Cornell, Travelers crime and theft specialist, told CBS Money Watch, "The more that the supply chain in general is backed up, the more cargo you're going to have sitting. And that creates a bigger opportunity for thefts."

In the third quarter of 2021, thieves stole more than $5 million worth of goods in California, a surge of 42 percent from the same time last year.

Logistics companies can't escape inflation or the increased cost of doing business. But they can reduce friction points that have always drained dollars from their revenue.

These four tools will streamline operations and reduce operational expenses:

Tool
01

Break-in alerts

Break-in alerts automatically notify managers and security personnel when thieves attempt to enter trailers and containers. When paired with geofence exiting alerts, which notify staff when assets leave lots and warehouses, they're a complete anti-theft solution.

Trip share

Trip share makes partner relationships frictionless. It allows fleet managers to share a custom set of real-time asset and employee data with chosen partners, so those partners will always have an exact understanding of project status.

Tool
02

Tool
03

Live ETA

Live ETA improves customer relationships and the entire delivery process. Customers receive a link that reveals the real-time location and ETA of their shipment, so they don't have to slow shippers down with constant questions. They can also prepare their loading docks to be ready at the precise time of the shipment's arrival, so shippers' trucks can get back on the road quickly.

Remote engine diagnostics

The more assets break down, the more strained inventory becomes, and the harder it is to respond to customer demands. Remote engine diagnostics show mechanics the real-time status of asset engines, even when assets are on the opposite side of the state or country. It helps fleet managers catch small problems when they're still able to fix them quickly and cheaply.

Tool
04

Problem
Long waits

Solution
Fast response

The image that defines 2021's supply chain crisis is the endless line of city-sized container ships waiting off the Port of Los Angeles. In November, the average wait time for ships at the Port of LA exceeded 14 days, the same number of days it takes carriers to cross the Pacific Ocean. When these monsters of international commerce are stuck twiddling their thumbs, everyone else has to hit the brakes.

In an eye-opening Medium essay, the 20-year truck driver Ryan Johnson writes, "In my experience, what used to take me 20–30 minutes to pick up at a warehouse can now take three to four hours." With every aspect of logistics slowing down, managers and executives need to find innovative ways to speed back up.

These three tools shave valuable seconds, minutes, and hours off of logistics response times, helping operations react to on-the-ground conditions as quickly as possible:

Tool
01

Real-time alerts

Real-time alerts are a powerful tool with multiple levels of customization. The first level is choosing which alerts your team needs: break-in alerts, geofence alerts, reckless driving alerts, and more. The second level is choosing which team member receives which alerts: make sure engine status alerts go to mechanics, HOS alerts go to dispatchers, etc. The third level is choosing the alert's delivery method: via SMS or email. All alerts are sent immediately, so your team can respond as fast as possible.

10-second updates

10-second updates allow fleet managers to monitor their operation in real time. While most real-time GPS providers offer devices that need to be charged every day or every other day, FleetUp's devices remain charged for at least three months. Hardwiring and solar powered options make them last even longer.

Tool
02

Advanced map

Tool
03

FleetUp's advanced map is the one stop shop for fleet management. It's one screen that shows every single asset, where every fleet management command is only one click away. Fleet managers can quickly locate assets, see their current status, communicate with their drivers and operators, and send crucial information to customers and partners. It's the most efficient way to quickly visualize, process, and respond to the complex real-time state of fleet operations.

Problem
Strained capacity

Solution
Optimized workflow

What happens when you combine short supply, rising costs, and long waits? A global supply chain that is strained to its absolute limit. In his Medium essay, Ryan Johnson writes, "as a freight driver, I cannot pick up as much freight in a day as I used to, and since I can't get as much freight on my truck, the supply chain is backed up. Freight simply isn't moving."

When the economy is strained, the businesses that make up that economy are equally strained. It's incredibly

difficult to get work done when the tools of the job are scarce, when the price of doing business is rising, and when everything takes twice as long as it should.

What separates average businesses from great ones is how they react to times of crisis. Logistics operations that have optimized their workflow will be able to satisfy customers even when their capacity is almost at breaking point.

These four tools optimize logistics workflow:

Tool
01

Remote work orders

FleetUp Driver is an all-in-one mobile app for remote employee management. Reduce confusion by centralizing job assignments on a cloud platform. Increase the speed with which employees can react and respond to last-minute assignments by alerting them via the same app they'll use to fill out their time cards, track their HOS, and more.

Dynamic geofences

Dynamic geofences allow managers and executives to monitor many different job sites in real time. Managers can create custom rules for each location, then choose which events they want to be notified about via text or SMS. Let automated geofences do time-consuming site monitoring for you.

Tool
02

Tool
03

Automated payroll

Automated payroll frees up back office staff to work on less meticulous, time-consuming tasks. Remote employees fill out time cards in the FleetUp Driver app. FleetUp's software tracks both regular and irregular hours, then creates automated payroll reports for your accountants, streamlining everything from the beginning to the end of the payroll process.

Open API

Every fleet is different. Even the most comprehensive one-size-fits-all solution might miss a few features that businesses need. That's why FleetUp offers open API. When a fleet wants to continue using a tried-and-tested tool, they can integrate it with their FleetUp platform.

Tool
04

The future of crisis management: Automation

One concept unites most of the strategies and tools that will help logistics operations fight their way out of the supply chain crisis. That concept is automation.

Automation makes big data simple to understand and easy to act on. Automation reduces friction by eliminating time-consuming, detail-oriented tasks. Automation helps managers respond quickly by alerting them to crucial incidents in real time. Automation optimizes workflow by combining every aspect of fleet management on a single, all-in-one platform.

FleetUp is the one GPS provider that offers an all-in-one automated logistics solution. C.H. Robinson Chief Executive Bob Biesterfeld told the Wall Street Journal that the industry needs to focus on "supply chain reliability and how are we actually going to get product in and on our shelves?" Automation is the tool that will reliably make that happen.

The supply chain crisis won't go away on its own. It will take smart, cutting-edge decisions to chip away at the problem. But when the crisis is over, one kind of logistics company will be best equipped to grow in a lightning-fast world – the automated logistics operation.

Automate your fleet today.