

Visibility. Accountability. Process efficiency. Security. These words are frequently spoken in conversations about supply chains and global trade logistics. Yet until now, these were more concepts than reality. The market needs a viable method to link all stakeholders and provide synergy to the business of global trade. In an August 2007 press release, Homeland Security Secretary Michael Chertoff noted, "the international supply chain is designed to be as quick and as seamless and as far reaching as possible" and "there is no greater challenge than making sure that we continue the flow of trade and commerce on an international basis."

The Trade Data Exchange (TDE) is a cargo data risk management clearinghouse that connects importers/exporters, carriers, freight forwarders, brokers, financial institutions and governments along the supply chain. The TDE is a shared logistics data solution implemented across all transportation modes, all industries and all trade participants.

SMARTPORT'S TRADE DATA EXCHANGE

SmartPort's \$20 million TDE system provides seamless real-time monitoring of shipments — tracking shipments throughout the supply chain from purchase order to delivery. Leveraging a private network and user-friendly Web-based interface, the TDE enables shipment data to be entered only once, thereby reducing the potential for mistakes and eliminating the need to contact multiple carriers or track shipments on multiple Web sites. "Someday, if you look at this on a global basis, there will literally be hundreds and possibly as many as thousands of data points that people will be interested in exchanging in this particular manner," says Dean Kothmann, client industry executive for Electronic Data Systems Corporation (EDS), the software developer for TDE.

The Trade Data Exchange (TDE) is designed to improve the efficiency of global transportation and shipping. In turn, the TDE will strengthen the Kansas City's position as a logistics center.

"Railroads have RFID readers that know when rail cars move from point to point," says Chris Gutierrez, president of KC SmartPort. "But there's not currently a system in place that integrates all that data."

This publicly and privately funded project, which began with a 2001 government initiative, has a potential regional impact of nearly \$1 billion in 10 years. Although a system like the TDE is not new, it's the first time the concept of an open, non-propriety system is applied to the transportation logistics. EDS has developed 17 other clearinghouses for data similar to what TDE does for the logistics industry.

TDE SERVICES

The TDE offers the following supply chain services.

Trade Documentation. A SmartPort-branded Web interface provides trade partners secure access to all shipment data limited by role-based permissions. SmartPort members exchange shipment data to electronically create and validate commercial trade documentation and streamline delivery of commercial trade documentation.

Logistics Transactions. TDE transportation logistics functionality is the collaborative environment for trading partners to connect and share shipment events, communicate via electronic messaging, receive electronic notifications and proactively monitor shipment progress.

Risk Management. The TDE uses data fusion technology to aggregate trade lane data and shipment data to provide commercial risk assessments and provide in-depth cargo, trade and shipper analysis capabilities. When anomalies are identified in trade lane events, Risk Management interfaces with Threat Response services enabling defined escalation and notification.

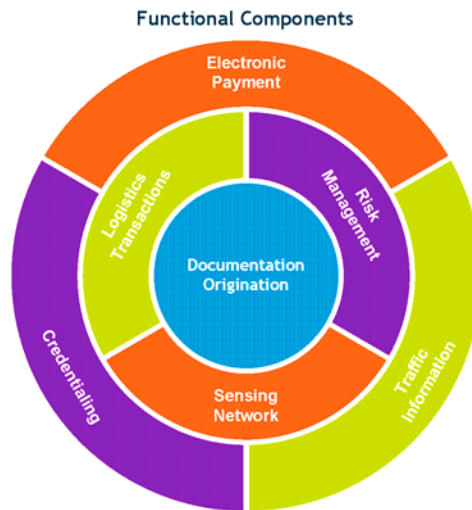
Sensing Network. The TDE leverages commercial-off-the-shelf sensor and tracking components connected through the SensorNet framework to capture in-transit shipment data. The TDE compares route and shipment data to trade lane metrics, continuously monitoring the shipment's end-to-end progress.

Threat Response. The TDE is designed to collaborate with government and law enforcement agencies to escalate potential threats

to the appropriate authorities based on integrated risk management capabilities. Authorities then determine the necessary response based on the actionable intelligence provided by the TDE.

Traffic Information. The TDE's multimodal traffic information capabilities inform transportation and logistics service providers of the current status of their shipments. By integrating industry-standard messaging from ground, rail and maritime carriers, the TDE provides near real-time data of a shipment's location throughout the trade lane.

Credentialing. The TDE can ensure accurate authentication of participants in their supply chain. The TDE's credentialing capabilities complies with governmental objectives for secure, standardized credentials to identify transportation workers whose require physical access to secured areas of the transportation system or require cyber access to computer-based information systems related to the security of the transportation system.



Electronic Payment. The TDE accelerates financial transaction processes through the use of electronic payment solutions. As a result, SmartPort members can leverage cost-effective means to identify and address financial inefficiencies in the supply chain. The cost savings enable SmartPort members to refocus financial resources to more business-critical areas.

SUPPLY CHAIN BENEFITS

TDE significantly decreases shipping time. SmartPort tracked six shipments, including two of Kansas City, Kansas-based Fujifilm Sericol printing ink sent from KC to Guadalajara, Mexico. Such a shipment normally takes 10 to 14 days, but with the TDE it took only three. The efficiency stems from trade documentation arriving prior to the shipment itself. In addition to more profitable shipments, **“we had security because we knew where the shipment was every moment and that it was safe,”** says Chris Gutierrez, president of KC SmartPort. Fujifilm Sericol found the TDE to be such a productive tool it now uses the TDE for all of its shipments, which has allowed the company to reduce inventory and save money.

ABOUT

Kansas City SmartPort, Inc. is a non-profit economic development organization dedicated to building upon Kansas City’s historic transportation hub status to make Kansas City a cutting-edge, high-tech inland port. KC SmartPort has two main focuses in its mission: To grow the area’s transportation and logistics industry by attracting businesses with significant transportation and logistics elements; and to make it cheaper, faster, more efficient and secure for companies to move goods into, from and through the Kansas City area. For more information, please visit www.kcsmartport.com.

SmartPort shipping and carrier registered service providers include 54 3rd-party logistics providers, 22 air cargo companies, 17 bonded warehouses, 21 container freight stations, 94 customs brokers, 64 freight forwarders, 16 marine companies, 7 online carrier listings, 12 online shipping management providers, 5 online load boards, 8 rail companies, 27 transportation brokers, 50+ trucking companies and 68 warehousing companies. General trade registered service providers include 9 accounting firms, 12 banks, 20 engineering and architecture firms, 20 trade consultants, 21 foreign language and translation services, 22 general trade resources, 30 industrial parks, 5 ISO certification services, 25 legal firms, 18 commercial real estate firms, 20 trade education & information providers and 9 web site providers.

EDS is a leading global technology services company delivering business solutions to its clients. EDS founded the information technology outsourcing industry more than 40 years ago. Today, EDS delivers a broad portfolio of information technology and business process outsourcing services to clients in the manufacturing, financial services, healthcare, communications, energy, transportation and consumer and retail industries and to governments around the world. Learn more at eds.com.



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