



How to Streamline International Trade Management for Huge Time and Cost Savings

Accelerate ITM processes to improve operational efficiencies, create a competitive advantage, and increase customer satisfaction.

ABOUT US

Genus is a Kofax Platinum Partner with over 25 years of experience and a proven track record of solving complex digital transformation challenges. Genus Technologies focuses on listening to your needs and collaborates with your teams to accelerate business processes, optimize workforce performance, drive competitive advantage, and eliminate risk. [genustechnologies.com](https://www.genustechnologies.com)

Introduction

Recent world events have served to highlight the challenge of moving goods, both domestically and internationally. According to [Panjiva](#)¹, the top 20 forwarders' volumes climbed 46.3% year-over-year in January and February 2021 combined. Demand for logistics services is high, and it's been a struggle to keep up for a number of reasons. This growth is opening opportunities for all third-party logistics companies, and the businesses with efficient processes and up-to-date [technology](#)² will take advantage of those opportunities.

Consider the challenges for the international trade management (ITM) operations of third-party logistics (3PL) companies. The sheer number of organizations involved in the process: shippers, carriers, customs, ports, and others make for tremendous complexity. The ITM must deal with constantly changing deadlines and unexpected events while keeping the freight in motion, dealing with the bureaucracy, and ensuring everyone in the process stays informed.

Documents are central to international trade management. While electronic means for exchanging those documents have existed for years, the difficulty of setting up business-to-business transmission relationships, along with the time needed to do so, means that for many shipments, much of the communications process occurs using documents.

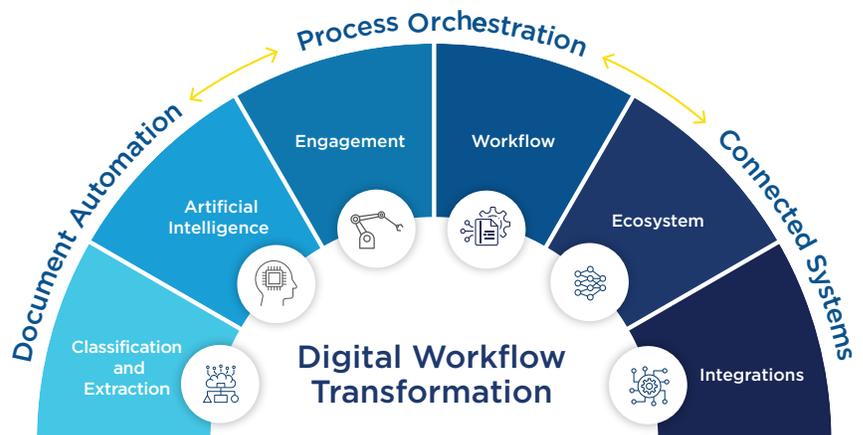
Shipping documents hold a tremendous amount of information that the supply chain needs to manage and progress the shipment effectively. As has been the case since the dawn of commerce, the task of converting the content of a document into usable information falls on human processors. Extracting the necessary elements from documents and entering that data into the system of record consumes vast amounts of time and resources. And, because it's a human process, there is room for error in the entry of data which then must be accounted for in the information process systems.

Another challenge is processing the information in a way that meets deadlines, stays compliant with government rules, avoids delaying the freight, and exceeds the expectations of the ITM's client. Often, processing staff must manually manage those priorities. Any interruption to the normal flow of work can cause issues resulting in poor service and, in some cases, unrecoverable costs. As is the case with all business processes, interruptions occur often.

The Solutions That Streamline ITM

The proper application of digital transformation solves many of the process challenges ITM organizations face. Once implemented, these systems free entry writers to work the customs challenges and allow coordinators to manage movement of the goods.

Software platforms that enable such transformation address business processes through three primary lenses: Document Automation, Process Orchestration, and Connected Systems.



The Intelligent Automation platform offers interoperable technologies so ITMs can adopt and extend capabilities at their own pace.

Document Automation involves applying machine learning and other artificial intelligence (AI) technologies to classify documents intelligently. Classification with AI determines the document type, separates documents received together, and extracts the pertinent data. Machine learning features extend the AI model and improve automation performance.

Process Orchestration connects the people and the systems in ways that offer management and measurement made possible with digital transformation. User engagement features ensure that the people intuitively understand what to do and complete the work with little or no error. Workflow features ensure that the work moves between the system and the people efficiently and in a way that minimizes exceptions, quickly addresses those exceptions, and delivers the load correctly and on time.

Connected Systems ensures the entire transformation effort takes part in the broader ecosystem of available functionalities to improve the process. Those functionalities and services may exist outside the organization, and transformation platforms can leverage them quickly. Integration, internal logistics systems, and external partner platforms constantly exchange data with the process, keeping the entire organization up to date on the exact status of the freight.

It is imperative that any digital transformation platform seamlessly implements all three of these domains. Using several different software tools to patch a system together can result in staff training issues, measurement challenges, difficulties supporting multiple technologies, and other problems easily solved in a consolidated platform.

A Savings of 40% of Entry Time on Commercial Invoices

The ITM division of a large logistics firm allocated 90 seconds for entry writers to process each line of a commercial invoice. The writer had to make entries into the entry writing system, cross-reference the packing list entry, determine the Harmonized Tariff Schedule (HTS) number for the commodity, create any additional required entry documentation, manually calculate weights, and more. A single, complex shipment could consume much of an entry writer's day.

With good growth in the division, the company faced the challenge of scaling the entry writing process. Finding and training qualified entry writers was difficult, even before the current labor challenges most businesses face.

The solution was to ease entry writer workloads with document automation. Through an extension to existing workflows, complex commercial invoices and associated packing lists were automatically classified and separated as needed. The system then extracts data, checks it for validity, and compares it against known sources of truth. Integrations standardize country of origin, confirm part numbers, calculate weights, and assign HTS numbers to each shipment line item whenever possible. Results upload directly to the entry writing system. In many cases, data flows directly from the documents and into the entry system without human intervention.

This ITM handles entries for all freight modes. Obviously, the time available for writing an air express entry is much shorter than the time available for an ocean shipment. Intelligent prioritization capabilities in the transformation platform ensure that any exception situations requiring human review or validation are in the correct order and will complete within the timeframes dictated by the mode carrying the freight.

Document automation resulted in a **40% reduction** in the average time required to write an entry, supporting the firm's business growth and making their experienced and qualified staff substantially more productive.

Shipment Processing in Minutes

This international ITM provides personal service for truck shipments at North American entry points. Their service commitment is to process loads quickly and minimize delays at the border through a network of offices. Carriers deliver documentation associated with the loads in several ways, both electronic and on paper.

Challenges for the company included collecting all that documentation, getting it to the correct entry writer, and ensuring timely completion. Processes, mainly when physical documents were involved, often required hours of work to get the load across the border.

Also, as part of a comprehensive set of services, the company sought to offer document management services in addition to customs brokerage. The document management service provides carriers easy access to their documents and those generated as part of the entry process and satisfies all Customs and Border Protection (CCBP) record-keeping regulations.

A comprehensive automation system streamlined the process. The solution aggregates documentation and data transmitted through multiple channels, organizes the content into individual entries, and manages the entire entry process.

Improvements included:

- **Huge time savings – an average of six (6) hours per load cut to approximately ten (10) minutes per load**
- Personal, high-value, and rapid customer service
- Quick resolutions to exceptions
- An instant view into load status via an easy-to-use online portal for carriers
- Real-time workload monitoring enabling ITM management to optimize staffing
- Improved customer service



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The top five advantages of implementing digital transformation in your ITM are:

Reduced costs: Manual processing is slow and costly. Automation, on the other hand, reduces operating costs. Intelligent automation, particularly document automation, allows you to scale your operations quickly and meet the increasing demand for logistics services.

Improved speed: Clients and trading partners expect service that aligns with their shipping schedules. They don't care how many documents you must sort through. An automated approach converts incoming unstructured content into business-ready data, vastly accelerating document processing. Your staff handles exceptions in minutes rather than days.

Improved security and reduced risk: Integrated workflows keep the essential documents connected to the correct business transaction. With a digital transformation platform, you route and manage secure representations of documents. Business rules also ensure your organization remains compliant with relevant industry regulations.

Improved accuracy and customer experience: Even the most attentive workers make mistakes when manually processing documents. Automation eliminates errors during the extraction and validation process. Clients and trading partners will appreciate the speed at which you respond to their issues and questions, and improved accuracy creates a more positive experience.

Increased visibility and actionable insight: Once the information coming into your organization is extracted, classified, and validated, it's converted to structured data that feeds your enterprise systems. You can monitor how well business processes are working throughout the journey and use actionable data to improve business processes over time.

1) Thuermer, K. E. (2021, May 10). Freight Forwarders: Managing the storm with technology. In *Logistics Management*. Retrieved from www.logisticsmgmt.com

2) LM Staff. (2021, August 15). Quest for Quality 2021: Air Carriers/Air Freight Forwarders. In *Logistics Management*. Retrieved from www.logisticsmgmt.com