

# Weathering the storm

## *Information and service play key crisis management roles*



### Challenge Summary

*During a major natural disaster, help ensure precise location and condition of customer's cargo, as well as maintain accuracy of systems data.*

*Accurately trace a large number of shipments in such a major crisis.*

*Help customer continue production, while meeting humanitarian aid needs.*

### Services & Technologies Used

- Imports and Exports Across Multiple Trade Lanes
- Regulatory and Security Compliance Logistics Management
- Customs Clearance
- Data Management
- Performance Management
- Hazardous Materials Handling

## Case Study: DuPont

### Challenge

On August 25, 2005, residents of the US Gulf states held their breath. While only a Category 1 hurricane at the time, there was the potential for greater damage. Katrina had arrived. During the next four days, it would become the most destructive and costliest natural disaster in the history of the United States. Hurricane Katrina produced a humanitarian and environmental crisis of incredible proportion for the US and a nightmare for every facet of personal and business life as individuals, organizations and companies attempted to respond.

DuPont, the global science company, has warehouses and distribution centers located throughout the Gulf region and handles a significant number of import and export shipments via the ports there. As DuPont was searching for transportation to bring in tents, medical supplies, cooking equipment, ice, and other much-needed items for the storm ravaged victims, the company also had its own product shipments to worry about.

During the chaos of such a disaster, solid organization and planning, as well as adjusting to ever-changing conditions, are critical. Katrina was a major challenge, not only because rail service was virtually non-existent and truckers difficult to locate, but also the port system was, in many instances, completely shut down.

At the height of the crisis, the key question for DuPont's International Logistics Manager was: Where are the containers?

### Solution

#### Planning and Response

"That's where BDP played a tremendous role for us," she says. "They helped us establish the location of the containers and if they were in decent shape, or if they were under water. Even if we knew there were containers in a specific location, until a physical inspection was made, we did not know their condition."

DuPont was also concerned about the accuracy of the systems data from some of the carriers regarding the locations of containers. "BDP really helped us sift through all the data," DuPont's International Logistics Manager adds. "They also

helped us with what was then a number of unknowns, such as helping decide when and where the containers should be moved." This was important because it was predicated on when ocean carrier service would resume in New Orleans.

BDP's services for DuPont include ocean export (regulatory compliance, logistics facilitation, documentation preparation and dispatch, and communications integration of shipment status and customer service inquiries) and import management (regulatory compliance and Customshouse clearance) under the direction of BDP Global Account Executives.

*"BDP's service was definitely above and beyond, as they responded to a series of chaotic events, which were constantly changing."*

International Logistics Manager - DuPont

Understanding that the hurricane was approaching, BDP moved into a pre planning mode for DuPont's imports and exports in the area. "When we determined that a major hurricane was coming—based on our experience during other US catastrophic events and environmental issues—we reached out to our BDP-DuPont business analyst in mid- August," BDP's Global Account Executive says. "We asked for a prospective report based on certain parameters, to provide answers to questions such as: 'Where are the client's shipments and what is their status? What type of planning do we need to do and/or what recovery efforts must we take?'"

### A Visible Difference

The challenge for BDP regarding the physical movement of cargo was not only location, (i.e., what was expected to be shipped), but also what was in the process of being shipped, what was at the ports and what was on the water. The condition of the shipments was important: Is there damage or are they in harm's way? Reroutings had to be planned and implemented, which meant identifying suitable ports.

BDP's analysis report gave greater shipment visibility to DuPont by providing a snapshot of the supply chain—the number of containers on the outbound side caught up in the hurricane, as well as those on the import side. When Katrina hit and there were vessels arriving in the Gulf area, it was very clear that they were not going to be able to off-load in New Orleans, so BDP staff identified alternative locations, such as Houston.

The questions were, for cargo that had been delivered to a pier or a rail head, did it actually go as scheduled or was it still located at the port? "Using communications from our ocean carrier partners, we could look at the data through our

track and trace capabilities via our customer service portal, BDPSmart.com, and get real-time updates," says the BDP-DuPont Regional Account Executive.

"We were in the best position to respond thanks to our cargo tracking technology, intimacy with the client's supply chain and our working relationship with the carriers," BDP's Global Account Executive adds. "We did not always wait for information to come to us from the client, the ocean carriers, or the key parties overseas. We wanted to be as proactive as possible."

"The role DuPont played in this recovery was excellent. The results obtained were due to the partnership and teamwork with the business, not BDP's alone. DuPont's Global Supply Chain and a few key folks at its Delisle facility on the Mississippi were instrumental in the effort in information gathering, verification and product inspections and rerouting."

For staff responsible for the BDP-DuPont Titanium Technologies Supply Chain, it was a matter of trying to outsmart Murphy's Law. "It was a case of being prepared and responding fast," one staff member emphasizes. "That required we move outside of the scope of our usual operations and micromanage just about everything. We wanted to eliminate any opportunities for error." She points out that no matter where the cargo was going globally, BDP had to identify and secure carrier routes that could handle it. That meant talking with a number of carriers to find the most cost-effective way to move the cargo.

BDP worked in tandem with area DuPont staff and ocean carriers to get the best results. At first, establishing contact was almost impossible but gradually, using text messaging via cell phones, BDP staff was able to determine the exact location of the freight and then direct the next steps. Once the Port of New Orleans reopened, BDP and DuPont were able to get in, assess status first hand, make decisions and take action.

At the end of September in the wake of Katrina, a fourth major hurricane, Rita, took aim at the Texas Gulf coast. "Time was of the essence," the BDP-DuPont Regional Account Executive says. "We wanted data visibility with the goal of allowing the client to make the best decisions. Everyone understood the need for confidence in being able to accurately trace a large number of shipments in such a major crisis. It was a continuous effort until the whole situation was resolved. We pride ourselves on providing solutions."

"Information really was the key component in DuPont's crisis management operations," DuPont's International Logistics Manager adds. "That's why we need reliable outside resources like BDP. Their service was definitely above and beyond, as they responded to a series of chaotic events, which were constantly changing. We hope that nothing like this ever occurs again. But if it does, we know we can count on BDP."

### Customer Benefits

- Uninterrupted visibility of shipments during crisis conditions
- Greater shipment visibility by providing snapshot of the supply chain
- Data consistency
- Enhanced cargo tracking technology
- Intimacy with the client's supply chain
- Excellent working relationship with carriers
- Proactive planning
- Experience managing shipments during catastrophic events and environmental issues



Global Logistics & Transportation Solutions

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