IT has huge role to play in automotive industry

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Never underestimate the power of information technology and what it can do for a business.

Sydney Ramoorthy, who heads up new business development at Core Freight Systems, believes by correctly leveraging information technology companies can create great opportunities for themselves across the supply chain.

While most industries can benefit from enhanced IT systems, one industry where the use of information technology is making a huge difference is the automotive industry.

"South Africa competes with many international vehicle manufacturing facilities and we need to attract our fair share of the international manufacturing allocation that is available," says Ramoorthy. "Clearly improvements in supply chain efficiency will assist in this. It is important that South African freight forwarding and Customs clearing agents operating in the automotive industry ensure that they are able to actively contribute to the required integration, not only to promote the competiveness of their individual clients but also this significant area of the local economy. This applies equally to both the imports and exports trade".

Ramoorthy says having a system on hand to facilitate the process is of extreme importance.

"In addition to promoting the efficiency within a typical agent's internal operations, the Core Freight application is designed, though the CoreXchange module, for the cost effective transfer of data in and out of the primary application," says Ramoorthy.

It thus provides a link between the agent's internal operational system and other pertinent participants in the overall supply chain. "This functionality is proven for clients conducting automotive business," says Ramoorthy. "From the automated import of suppliers' invoice data, notice of exbond releases and generation of sophisticated costing, output efficiencies have become apparent, driving down the cost of processing and improving the quality and speed of data availability."

But, he says, the functionality is not restricted to interfacing data with partners with highly sophisticated automated processes. The use of Excel provides an ideal start to "integrating" into the supply chain for users of the Core Freight application.

"We believe that the lessons learned though the automotive industry can be applied to improve the supply chain efficiency of individual businesses in South Africa, and hence the country as a whole," he says.