Where technology meets trade

Jonathan Sims,
Managing Director of Core Freight Systems

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Core Freight Systems provides a comprehensive application suite of integrated IT functionality with the objective of providing the optimal computer systems to facilitate the South African Freight Forwarding and Customs Clearing component of an international supply chain – whether the Republic is the final point of consumption of imported goods, the country of origin of exports, or simply acts as a conduit for their international movement between other African countries and the rest of the world.

The company has developed an enviable reputation with its clients for quality service and support within its area of specialisation, irrespective of whether the customer is an independent operator or the domestic representative of an international network.

Core Freight – actively addressing two dimensions of the business . . .

Jonathan Sims, Managing Director of the company, explains: "Our observation is that no single vendor will provide the optimum IT solution across all the potential services required within a modern supply chain. For example, from our perspective, meeting local SARS Customs requirements is a discipline with sufficient complexity to keep us adequately occupied without the distraction of trying to maintain an application which optimises truck routing for local distribution! Our focus is therefore to provide what we believe to be the best solution for our traditional client base – which is the South African International Freight Forwarding and Customs Clearing operator.

In the ongoing development of the CoreFreight applications we are conscious of two important dimensions; firstly, the functionality available within the integrated software modules; and, secondly the ability for these modules to interact with other pertinent third party applications in use along the logistics supply chain."

Comprehensive primary application functionality

With regard to the first functional area identified, ie within the application itself, from a workflow perspective the solution starts with a facility for the initial capture of an "Indent", allowing the operator to plan, manage and monitor the potential movement of goods prior to the finalisation of the actual shipment details. When the goods are ready for movement this data is then available for transfer into the actual Forwarding file through which the physical transportation is controlled and this, in turn, links seamlessly to the Clearing activity which is required to ensure compliance with Customs. Along with this primary workflow ancillary functionality inherent in the system includes sophisticated "file accounting" and credit control which is vital to ensure the financial integrity of the activities of a system operator acting as agent on behalf of the importer or exporter.

There are a number of natural extensions to this base functionality. A characteristic of the industry is its heavy dependence upon documentation and to address this, the CoreDocs facility offers an integrated electronic document storage facility which allows centralised storage of images with easy access and retrieval by any authorised user. By way of further illustration, Core Freight includes a Warehousing component designed specifically to assist the freight forwarding activity of users.

All of this is delivered via an integrated Windows-based IT platform which delivers a logical process-flow for the operator and management thereof, incorporating comprehensive data validation and audit trails which are integral to the system.

EDI functionality beyond SARS requirements

Secondly, while we constantly review and refine the solution from an internal perspective, we believe that there is further significant advantage to be gained in the area of Electronic Data Interchange (EDI) – not only to comply with the current SARS Customs requirements but to enable the

Integrated Windows-based IT platform provides a logical process flow for the operator

efficient and effective transfer of pertinent data between other IT applications in use along the supply chain and the CoreFreight application. So, for example, through the CoreXchange module, the company provides a proven robust proven interface mechanism for the electronic import of data from a third party forwarding system. Likewise the Supplier Invoice details required for framing of a Bill of Entry can be easily imported from an Excel spreadsheet. This saves repetitive data capture and assists in the accuracy of data input. Any amendments to data, whether additions or corrections, are subsequently easily effected by the operator within the application.

> "... we see increasing demand for systems to manage and optimise the 'Cross-border' trade environment."

Equally important to interfacing data into the CoreFreight application is the requirement to send data out in electronic format. Most data requirements are accommodated, including comprehensive tracking steps which are made available from the application, which allow any interested party to easily monitor the progress in processing of cargo whether this is made available via an electronic message feed into a proprietary system or though the CoreQuery online website.

Future opportunities . . .
In terms of future opportunities for the company and the industry these may also be considered at two levels:

Active ongoing enhancement to existing functionality
"While ours is an IT software company we understand that technology for technology's sake is not the objective and hence we try and pro-actively identify and accommodate the changing business needs of our customers" says Jonathan. The CoreDocs functionality provides an example of this approach and with this established functionality in place it was relatively easy to extend it to accommodate the Electronic Supporting Docs submission introduced as part of the SARS Customs Modernisation exercise. Another example is the recent introduction of a module to accommodate a Ship's Agency operator, ensuring that users meet the new SARS reporting requirements for this business type. We are currently reconfiguring the application superstructure to accommodate greater flexibility and speed in the deployment of new and evolving functionality."

SA's geographic location presents further opportunity
"Perhaps indirectly but equally importantly another area we believe presents opportunity relates to SA's geographical location," says Jonathan. South Africa's traditional position as the "International Gateway" to many of the sub-Saharan countries gives it an advantage in the provision of both import and export expertise required by these countries, to support the primary mining activity and the secondary development, including consumption demand, which this stimulates. It is no secret that with the depressed state of many of the first world economies attention is being given to Africa as an area of potential growth. South African-based Clearing and Forwarding operators have an opportunity to leverage the established infrastructure and the local skills to ensure their participation and contribution to this vital sector in the region. There are clearly a number of challenges to this effort, however, we see increasing demand for systems to manage and optimise the "Cross-border" trade environment.

Contributing to the most cost-effective and efficient trade connection between South Africa, Africa and the World.
"As a locally designed, developed, maintained and supported product our objective is to allow an organisation operating Core Freight to meet all the domestic South African Forwarding and Clearing requirements in the most cost-effective and efficient manner, but also to slot easily into the total international supply chain as required," states Jonathan. "Where our customers are themselves service providers we are mindful of the fact that the system should not only address their internal processes, but accommodate the importers and exporters they service. As the needs have changed, so has the technology – we want to leverage this to make a positive contribution to trade between South Africa, Africa and the World." ◆

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