

Security Technology Is Already Here

I appreciated Kathleen Hickey's good piece on FreightDesk ("Out of the Shadows," Jan. 20), but was somewhat taken aback by the comments at the end from her unidentified source — both because it's hard to figure out where someone is coming from (much less gauge their credibility) if they're unwilling to publicly stand behind their opinions, and because the opinions expressed about the technological ability to build a worldwide cargo data tracking system should be described charitably as uninformed.

The fact of the matter is that many financial services organizations already are processing significantly greater volumes of transactional data than would be required in this next generation of cargo security systems. Indeed, integrators such as United Parcel Service and FedEx already process enormous volumes of data on parcel and letter movements, including information on involved parties and logistics events, albeit within a contained operational environment. Still, many of the underlying technologies to support data collection and integration for end-to-end multimodal cargo security already exist and are beginning to be used. The real issues are around the integrity of timeliness of data coming out of current sup-

ply-chain processes, rather than whether or not the technology exists to handle the data flow. Regulation already is driving change here and improving matters, and there should be no doubt in anyone's mind that that will continue.

As far as FreightDesk's own technologies are concerned, a prototype system using our logistics data platform and integration technology today is receiving, transforming and loading into a normalized database data from 30,000 to 60,000 ocean bills of lading daily. This represents a significant percentage of the total transactions required for a global system. In testing, the system similarly has processed over 100,000 bills of lading per hour, which suggests that even this first-generation system theoretically could load over 800 million shipments per year, many more than actually exist. Given the relatively modest scale of the prototype system, neither we nor our customers see data management technology as a constraint in the implementation of operation systems for securing the supply chain.

Capture management and analysis of the entire supply chain will be crucial to a successful, economic, trade-focused strategy to secure our country's borders. Most

alternatives (broader application of physical inspection, for example) will be more costly and more intrusive. What the government is beginning to demand under the 24-hour rule (with some reservations about implementation strategies) is a critical first step in the direction of creating the "virtual border" I first described to federal policymakers in October 2001. While there will be short-term costs to its implementation, the long-term benefits of enhanced supply-chain visibility and control will be immensely useful, paying for itself many times over, not only in security but ultimately in efficiency gains and cost reductions.

As a closing point, I thought it was a particularly cheap shot to suggest, as your anonymous source did, that the Defense Department and Transportation Security Administration are throwing money around on untested technologies. The complaint of most parties in the Homeland Security marketplace is that they are taking too long to evaluate technologies and spending too little. My own view is that they're actually doing it just about right.

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