

Guides to International Logistics

The Practitioner's
Definitive Guide

Land Transport

The Singapore Logistics Association
with
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Straits Times Press
REFERENCE

Acknowledgements

This practioner's guide is possible only because of the valuable directions, and contributions from the industrial leaders in land transport. Most of the information were gathered, edited and included through interviews and email correspondences. The author would like to thank Mr Kay Kong Swan (SLA Second Deputy Chairman), Mr Poh Key Boon (SLA Honorary Treasurer), Mr Herman Ng and Mr Ang Wee Dee (PSA), and Container Depot Association (Singapore).

About the SLA

Established in 1973, the Singapore Logistics Association (SLA) champions the causes of the logistics and freight forwarding industry in Singapore. The association aims to represent Singapore logistics and is thrust to advance professionalism and excellence to promote high standards in industry practices. The association, in close collaboration and consultation with government agencies, trade organisations, logistics professionals, academia and international organisations, crafted its objects:

- to promote, protect and develop a sound logistics industry;
- to develop, promote and enhance Singapore as a premium regional and international logistics hub with a reputation for reliability, integrity and high standards in logistics practice and management; and
- to represent, protect and promote the general interests of members.

SLA has a membership of more than 490 companies. These are corporations that are drawn from a wide spectrum of the freight forwarding and logistics fraternity ranging from major global companies to local smaller service providers. Membership is voluntary. Ordinary membership is for Singapore-incorporated companies which are actively engaged in the provision of logistics services for a period of not less than two years. Associate membership is open to incorporated or registered organisations which are actively engaged in the provision of logistics and/or ancillary services.

SLA is one of the five industry associations that has been successfully awarded the Local Enterprise and Association Development (LEAD) funding in 2007.

For SLA, LEAD also encapsulates the key characteristics of the initiatives: Leadership, Excellence, Advancement and Dynamism. SLA implemented 11 projects over the next three years. These projects support the association's four strategic thrusts, namely Industry Branding and Benchmarking; Education and Training; Resource and Competence Development; and Business Facilitation and Development. SLA's initiatives will promote the growth of the logistics industry and help Singapore to maintain its leadership position as a regional logistics hub.

Under the thrust on Resource and Competence Development, one of the projects identified is adoption of best practices. Through the development and publishing of a set of comprehensive books on best practices in logistics, the association endeavours to help logistics companies to upgrade their process capabilities through a cost-effective medium. *The Practitioners' Definitive Guide: Land Transport* is the fourth publication to be launched under the LEAD project following *The Practitioners' Definitive Guide: Process-Driven Warehouse Operations*, *The Practitioners' Definitive Guide: Safety & Security* and *The Practitioners' Definitive Guide: Warehouse Practices*.

These publications add to the association's publication series of Guides to International Logistics, namely *The Practitioners' Definitive Guide: Airfreight Forwarding*, *The Practitioners' Definitive Guide: Seafreight Forwarding* and *The Practitioners' Definitive Guide: Multimodal Transport*.

Preface

Land transport can be visualised as the veins of a supply chain, moving materials, products and cargo from one point to another in-land resulting in increased accessibility, value-add and price competitiveness to shippers, owners and manufacturers.

From a broader perspective, we can say that there are two stable states that materials, products and cargo undergo while in a supply chain: cargo is either stationary or in motion. When the materials, products or cargo are within a node, transformation can take place. However, when the material, product or cargo is being moved from one node to another, it is said to be in motion or being transported. No transformation is expected to happen when it is in motion. The key challenge to the land transport practitioner will then be to manage the material, product or cargo in such a way that it remains exactly the same before and after transportation from the origin to the destination.

This book is meant to be used in an operational environment in the land transport industry, where practitioners face the challenges of ground-level and day-to-day issues. It has a very practical approach, blended with theory – just sufficient to provide basic understanding – with coverage on practical scenarios and activities. The 12 topics covered are as follows:

Chapter One: This chapter introduces the key fundamental definitions within supply chain and the role of land transport in this arena. Understanding the evolution of the supply chain concept is essential before the reader delves into the issues of operational modes, documentation systems and information technology.

Chapter Two: This chapter deals with infrastructure in logistics transport, something that the practitioner should be well-versed with right at the onset of logistics operations. The basic modes of transport are discussed here, as well as transport regulations and logistics outsourcing.

Chapter Three: This chapter introduces the fundamental models of land transport, containerisation and the physical movement of goods and containers within Singapore.

Chapter Four: This chapter covers the transport network, which is critical in land transport and practitioners are provided with the different types of network routes. The

chapter concludes with the study of trade-offs between transport cost and inventory costs, customer responsiveness and customer profiles.

Chapter Five: This chapter highlights the different types of market structures and the rates system for land transport. It also introduces the difference between cost-of-service pricing and the value-of-service pricing methods.

Chapter Six: This chapter covers several key measurements in land transport: price elasticity of demand, demand levels, asset utilisations, operating costs, and operational productivity.

Chapter Seven: This chapter discusses cargo claims handling. As much as shippers, owners and manufacturers do not like to deal with damages or loss of cargo, it is something that all practitioners must be prepared for and know how to handle professionally.

Chapter Eight: This chapter discusses ways of handling day-to-day land transport operational decisions on the ground. Such decisions include vehicle load sequence planning, selection of type of vehicles for the appropriate mode of transportation needed, and the various configurations to deploy land transport vehicles.

Chapter Nine: This chapter covers the systems, information technology and documentation in land transport.

Chapter Ten: This chapter discusses import, export and transshipment procedures in Singapore. The land transport practitioner has to work with containerised and conventional (or non-containerised) types of cargo which requires different processes to handle.

Chapter Eleven: This chapters deals with local compliance when handling dangerous cargo. It touches on the local controlling bodies for such types of cargo, licensing controls, etc.

Chapter Twelve: This chapter discusses safety requirements when handling land transport vehicles. This chapter includes loading cargo onto vehicles, types of anchorage points within the vehicles and the methods and tools used to secure equipment when being transported.

I hope this book will be an invaluable resource for all logistics practitioners.

Daniel Chew

Contents

- Chapter One Introduction and Role of Transport in Supply Chain 13
 - Fundamentals of transportation 13
 - The economic function of transportation 20

- Chapter Two Key Considerations and Modes in Land Transport 24
 - Key considerations in land transport 24
 - Transportation infrastructure 25
 - Transportation regulation and policy 26
 - Third-party outsourcing 28

- Chapter Three Operational Models of Land Transport 30
 - Intermodal transportation 31
 - Containerisation: Shipping containers 31
 - Physical movement of goods and containers within Singapore 36

- Chapter Four Land Transport Network Route Optimisation 38
 - Vehicle routing principles 38
 - Design options for a transport network 39
 - Choices of network type 44
 - Freight consolidation: Cross-Border land routing 50
 - Local transportation management process 51
 - Trade-off between transport and inventory costs 53
 - Trade-off between transport cost and customer responsiveness 55
 - Customer-tailored transport services by customer profile and products 55

- Chapter Five Costing and Pricing Considerations 58
 - Market considerations 58
 - General cost categorisation 60
 - Fixed and operating cost for land transport 61
 - Cost-of-service pricing 62
 - Value-of-service pricing 64
 - General land transport rates system 65
 - Management of pricing in transportation 67

- Chapter Six Fundamental Key Measurement Metrics 70
 - Demand for transportation 70
 - Land transportation demand and value of service 71
 - Key performance indicators in land transport 73
 - Productivity in land transport 76

- Chapter Seven Cargo Claims Handling 78
 - The impact of transport delays and cargo claims 78

Liability of losses 79
Transit time delays 80
Recovery of damage claims 80

Chapter Eight Equipment Selection and Deployment 82
Vehicle load planning: Load sequencing 82
Vehicles requirements in Singapore 84
Vehicles types: Articulated versus rigid type of vehicles 87
Land transport vehicle deployment 89

Chapter Nine Systems, Information Technology and Documentation in
Land Transport 94
Information systems 94
Core components 95
Types of information technology 97
Information sources 98
Information technology application in transportation 100
Emerging IT technology 104
The future for IT 106

Chapter Ten Import and Export Processes for Land Transport 108
International transport documentation 108
Import, export and transshipment procedures in Singapore via
the main container port 109
Containerised general cargo export and Import land transport
procedures 110
Conventional (non-containerised) general cargo export and
import land transport procedures 112
Transshipment procedures 113
Trade and business portals: TradeXchange®, TRADENET®
and PORTNET® 113

Chapter Eleven Dangerous Cargo Compliance 119
Singapore legislations on DG and hazard communications 119
Responsibilities of logistics players in DG handling 129
International developments in the management of
hazardous materials 130
Requirement of land transportation of hazardous materials or
dangerous cargo (DG) 130

Chapter Twelve Land Transport Safe Loading on Vehicles 135
Land transport safety general requirements 135
Safe loading for different cargo types 138

Glossary 141
Abbreviations 147
References 149
Index 152