

Digitizing Freight Forwarder Operations with Descartes Solutions



Located in Carolina, Puerto Rico, E.T.H. Cargo Services is a total solutions logistics service provider that has successfully expanded its use of Descartes solutions over time on its digitization journey. After its initial Descartes tariff management implementation to comply with regulatory requirements, E.T.H. has continued to modernize freight forwarder operations with Descartes to streamline customs compliance, security filings, global trade flow analysis, rate management—and back office operations.

“Descartes has been a knowledgeable long-term partner as we have digitized operations to grow, enhance customer service, improve productivity and realize cost-savings. Descartes’ solutions have helped us to expedite customs declarations for ocean cargo, simplify security filings for the import and export of goods from different jurisdictions, effectively analyze shipping patterns to find new sales opportunities, and automate rate management.”

Sascha Herzig

President, E.T.H. Cargo Services

Company Profile

E.T.H. Cargo Services
Freight Forwarder

Descartes Solutions

Descartes Ocean AMS™
Descartes Datamyne™
Descartes Japan Ocean AFR™
Descartes Rate Builder™
Descartes Forwarder Logic™

About the Client

Founded in 2001, Puerto Rico’s E.T.H. Cargo Services is a total solutions logistics service provider and Non-Vessel Operating Common Carrier (NVOCC) that offers transportation and warehousing solutions for logistics providers and forwarders across the globe. For more information, visit www.ethcargo.com.

Quick Overview**Challenge**

Expanded Services Requires Automation

Solution

Modular Approach to Modernization

Results

- Streamlined Customs Declarations
- Simplified Security Filings
- Incisive Competitive Intelligence
- Flexible Platform for Future

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Challenge: Expanded Services Requires Automation

E.T.H. Cargo Services has been a family owned and operated business since it was founded in 2001 with just a few employees. As a smaller freight forwarder on the island of Puerto Rico, the company's niche has always been its dedication to customer service. Decades ago, as E.T.H. expanded from air freight to ocean cargo, the company sought a tool to facilitate tariff management for Federal Maritime Commission (FMC) compliance. Over the last 10 years, as the company continued to diversify its services, E.T.H. wanted a technology partner not only to support ongoing growth and modernization, but to also drive the productivity gains and cost-savings necessary to maintain the service excellence its customers had come to expect.

Solution: Modular Approach to Modernization

In 2011, E.T.H. embarked upon its digitization strategy in earnest with the deployment of Descartes' advanced automated manifest system (AMS) to simplify the flow of ocean cargo into Puerto Rico. "We evaluated competitive offerings, but Descartes' expertise and track record was a great fit for us," explains Sascha Herzig, President, E.T.H. Cargo. Using the solution, E.T.H. files manifest information electronically with U.S. CBP, which eliminates paper manifests, decreases discrepancy reports, and allows for electronic updates on the acceptance and status of manifest data.

After a rapid deployment and quality training, the team was proficient in using the system and E.T.H. was helping its customers by accelerating the cargo security declaration process and ensuring compliance with U.S. regulatory authorities.

In 2015, E.T.H. saw another opportunity to expand and differentiate. The pharma industry had grown significantly on the island and had opened up a niche shipping market to Japan. Herzig explains, "We added a new Descartes module to file advance shipment information electronically to Japan Customs via the Nippon Automated Cargo and Port Consolidated System (NACCS)."



The next deployment was Descartes Datamyne™. Tailored to show import/export activity specific to Puerto Rico, the system is used to analyze shipping patterns to monitor volumes with existing customers and identify new opportunities. “The granular market research gives our sales team a distinct advantage over competitors. The intelligence on commodities, shippers and consignees is excellent preparation for prospect meetings.”

Most recently, E.T.H. supplemented its tariff management service with Descartes’ solution to automate contract management for both buy side (carrier) and sell side (customer) ocean transportation rates. The cloud-based technology has spurred another shift away from manual practices—and what Herzig describes as a “20lb binder of manila folders!”

The rate management solution is integrated into Descartes cloud-based forwarder/broker enterprise offering—which calls attention to a more longer-term effort for E.T.H.: replacing its legacy back-office system and on-site server environment with the Descartes system. This will help E.T.H. further streamline shipment management, customs compliance, accounting, and customer relationship management.

“We have always monitored the competitive landscape and tried to set ourselves apart,” emphasizes Herzig. “We have to offer the services companies want at high quality and competitive rates. The efficiencies we’ve gained through Descartes technology facilitates this and has been a big contributor to faster scalability and growth.”

Results:



Streamlined Customs Declarations

E.T.H. improved the accuracy of shipment data, automated compliance practices and gained visibility into filing status by meeting U.S. FMC and CBP regulatory mandates to electronically transmit advanced cargo manifest information.



Incisive Competitive Intelligence

With up-to-date import-export information aggregated from global customs authorities and trade ministries, E.T.H. has used Descartes Datamyne to target new customers with logistics services.



Simplified Security Filings

E.T.H. met ocean cargo security filing requirements of the Japanese government to electronically transmit manifest details to Japan Customs at least 24 hours before vessels depart Puerto Rico.



Flexible Platform for Future

E.T.H. has leveraged multiple offerings from Descartes, including recent rate management and back-office systems, to improve the efficiency of the ocean cargo supply chain for its customers across diverse industries.