

Chill out

Taking the fear out of transporting refrigerated and frozen products

One day it might be coordinating the delivery of food products to trade shows at convention centers around the world. The next day it could be making sure a single truffle arrives looking perfect for an early morning TV show in New York, while a *Fortune* 50 customer rolls out a new product line at supermarkets across the country. No matter the size of the shipment or the distance it travels, when it comes to moving perishable commodities, timing is everything.

"The cold chain needs to be precisely timed and maintained from the point of pickup to the point of delivery, as any slight deviation in the process could cause serious losses in product, business and customer satisfaction," said Steve Taylor, perishable station manager for AIT Worldwide Logistics, Inc.

Smart Business spoke with Taylor about how the regulatory demands of temperature-controlled product distribution have evolved in recent years.

What are some key trends within current industry practices?

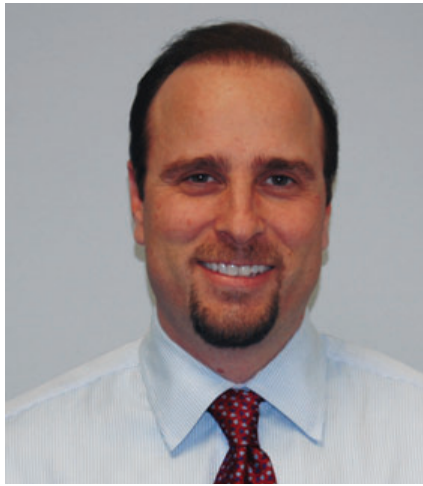
The demand for expediting perishable shipments has declined in the past several years as shippers and food manufacturers have trended toward moving their goods using slower modes of transport and deferred delivery services.

Less than truckload (LTL) schedules can pose serious problems in terms of meeting stringent delivery deadlines. To serve and adapt to these evolving customer demands, logistics providers have developed business models that allow perishables to be shipped over longer periods without compromising product integrity.

Customers are also becoming more proactive in taking measures to monitor the condition of their cargo as it is being transported. For example, the use of temperature recording devices has become more prevalent. These monitors are activated, placed into one of the cases and reviewed upon delivery to see if the product experienced any temperature variances while in transit.

What risks are involved with perishables not transported properly, and what can be done to mitigate them?

The first and most obvious risk is product spoilage. The losses result not only in adverse financial impacts, they can also con-



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tribute to waste, contamination and illness.

Temperature abuse can also drastically diminish a product's shelf life, quality and value. Logistics providers should possess extensive knowledge on the type and amount of refrigerant and packaging material required to safely transport each temperature-controlled product, as they degrade at different rates.

For example, ice cream should be continuously maintained at a temperature of minus 20 degrees Fahrenheit. Similarly, food that is labeled as frozen must be maintained at a product temperature of minus 10 degrees Fahrenheit.

What challenges are involved in receiving expedited Customs clearances for cold chain logistics?

The Customs clearance process is commodity-driven, and logistics providers must adhere to all governmental regulations as mandated by the Food and Drug Administration, United States Department of Agriculture and Customs and Border Protection. These requirements vary among commodities and are intended to safeguard, inspect and ensure accountability for all imported temperature-controlled goods moving along the global supply chain.

For logistics providers, the challenge be-

comes not only ensuring that they maintain proper temperature ranges and product protection, they must also speed up clearances for perishables within hours of arrival into U.S. Customs. It is their responsibility to consult with government agencies and educate their customers on which specific federal health regulations apply to the refrigerated and frozen goods they are shipping to ensure expedited customs clearance.

What documentation is required for these cases of steaks, pallets of cream puffs or boxes of frozen turkeys, for instance? Are there any embargoes or restrictions on these particular commodities or ingredients? Are import permits required?

When it comes to ensuring quality, security, compliance and freshness in today's world of global logistics, there's no substitute for preparation and planning.

How do you ensure that your colleagues and partners are compliant with all food safety regulations?

Implementing a comprehensive food safety and security plan that formalizes and standardizes your company's processes and procedures is a critical component to enforcing compliance. These plans should include the most sophisticated and updated standards in the areas of food safety and security, including a full analysis on all aspects of food packing, storage, warehousing and transportation, including sanitization, inspection, record keeping and data integrity.

Compliance is also achieved through ongoing training of your staff and network of agents and partners. Make sure that your operating procedures are not only aligned with all government agencies but also with each customer's own sets of mandates and measures.

It's not enough to develop standard operating procedures and trust they will be strictly followed. Internal audits should be conducted on a continual basis. After all, no single step or quality assurance improvement will, by itself, ensure compliance and prevent product spoilage. Rather, it's the conscientious and collective application of these measures that will achieve optimal performance and customer satisfaction. <<

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