



Report on Resilience First - Intel Webinar 23 July

‘Cargo: Building supply-chain resilience’

Key-note Speakers:

***Andy McKeran, Commercial Director - Marine & Offshore, Lloyds Register
Jürgen Rachor, Senior Expert, Manufacturing and Supply Chain Practice, McKinsey***

Innovation Speakers:

***Isabelle Miller, Head of Business Development and Partnerships, GPC
Thierry Batut, Director, Capgemini Digital Engineering and Manufacturing Services –
IoT Business Line, Capgemini***

Chair:

Syamak Nazary, Global Sales Director IoT Transportation, Intel

Key Messages

- The importance of the cargo sector has been highlighted during the Covid-19 pandemic with massive shocks to global supply routes but the disruption has led to an increased focus on supply-chain resilience and the opportunity for the rapid adoption of new technology within the industry.
- There has been a forecast of a 10% fall in container cargoes, with 15% of dry bulk carriers out of service and 95% of the cruise fleet laid up.
- The effect on seafarers – the backbone of the shipping supply chain – has been significant. It is estimated that there have been 300,000 seafarers stranded at sea or unable to travel home, 300,000 unemployed or unable to join their vessels, and 40% of the world’s 1.5m crew affected by the crisis.
- A large majority of supply-chain leaders are planning to increase resilience in the light of the disruption wrought by Covid-19, and many are prepared to improve resilience at the expense of short-term efficiency.
- Covid-19 will not by itself change the cargo industry, it will only accelerate the change that was already coming.
- New technological solutions are already available in the sector and their acceptance and adoption are likely to be fast-tracked in the wake of the pandemic.
- Many of the technologies used during the pandemic already existed but suffered from slow take up in shipping. Covid-19 has forced a global behaviour change and made us all more adaptable. The acceptance of new technology will move the shipping industry forward.

- Remote technologies such as drones and automated ships have moved from a possibility to a necessity. There has, for instance, been a 25% increase in remote surveys performed in March 2020 alone.
- Technology is an enabler but the value continues to be in the human expertise and experience. The question is whether technology will be a short-term fix or will long-term change be necessary? Technology will need to assist and support people.
- Full visibility of the supply chain is necessary to assess vulnerabilities and risk. Around 93% of supply-chain leaders are planning to increase resilience while 44% would increase resiliency at the expense of short-term efficiency. Actions to build resilience include dual sourcing, more inventory of critical products, near shoring of supplier and production, higher safety stock and regionalization.
- The time to reimagine supply-chain resilience was yesterday. Today, it is a CEO priority to build resilience by enhancing supply-chain risk management while minimizing exposure to risk.
- The CEO should focus on four key actions to rebalance and reimagine supply chains: stress test supply chains, prioritize short- and long-term initiatives to improve resiliency, institute CEO-driven track and trace governance, and transform digital capabilities.
- The use of 3D innovative software to measure rapidly and accurately freight volumes can help with cost-effective solutions and reduce pollution. 3D imaging software has led to IAG cargo handling efficiency being increased by 40% during the pandemic. (GPC)
- Global transportation of high-value cargo entails a number of risks including accidental damage, theft and loss of quality during transit. Covid-19 has highlighted the need for effective solutions to monitor the safe delivery of high-value cargo shipments and a track-and-trace platform can provide complete logistics monitoring assurance. Track and trace, cloud-based solutions can transform logistics and help gain competitive advantage (Capgemini)

The speakers answered a series of questions from the participating audience.

The full video recording can be found [here](#) and slides used [here](#).

Speakers' Biographies

Andy McKeran

Andy joined Lloyds Register as the Commercial Director for their Marine and Offshore business in February 2019. He is responsible for setting the strategic direction for the company through innovation, marketing and partnering with other stakeholders to navigate through the potential disruptions of Sustainability and Digitalization.

Prior to joining Lloyds Register he spent over 20 years in the marine, offshore and naval sectors for Alstom, Converteam and General Electric. As a BSC Electrical Engineering graduate, he held various roles since joining the marine industry in 1998, ranging from shipyard commissioning, field services, project management and, more recently, running the offshore and global marine businesses for the power conversion business of General Electric.

Jürgen Rachor

Jürgen is a Senior Expert in McKinsey's Manufacturing and Supply Chain Practice and is located in the Frankfurt office which he joined in 2009. He is part of the practice's leadership team and heads our global Supply Chain Executive Academy. Jürgen's work focuses on

supply-chain transformation, end-to-end supply chain planning, and supply-chain risk management.

Jürgen is serving clients in process industries and beyond. He has been co-leading our Operations COVID19 response team with a focus on the mid-term recovery and setting up resilient operations going forward.

Isabelle Miller (isabellemiller@gpcsl.com)

Starting out in the sales Industry, Isabelle has worked her way through multiple large and small organizations improving client relationships and stakeholder relationships across the South West

Thierry Batut (thierry.batut@capgemini.com)

Thierry has 30 years of programme management, IT architecture, and service management experience in IT integration and business services delivery. He currently develops use cases and deployments for Capgemini's XIoT platform.

Syamak Nazary

Working with Intel's global non-automotive Transportation eco-system covering the railways, fleet management, traffics Infrastructure, sea and airport segments. Over two years of experience in end-to-end IoT projects working with device manufacturers to end-customers.