



CASE STUDY

SPLIT SHIPMENT, CONTAINERS LEFT AT POL (PORT OF LOADING)

How Contguard helped a customer **avoid massive logistics issues and save a valuable container** by identifying quality issues and a split shipment.

ABOUT THE CUSTOMER

Contguard's customer is a leading pharma company, shipping millions of dollars worth of medications and medical equipment around the world every month. The customer uses Contguard's solutions to help monitor and track their shipments from origin to destination.

THE CHALLENGE

Shipping medications and medical equipment around the world is extremely complex, and multiple factors need to be taken into account, such as quality assurance, inventory, regulatory standards (in addition to global regulations, each country has its own regulations regarding medications), security issues, IP, and more.

Like other companies in the Pharma industry, our customer needs to track and manage thousands of shipments every month, containing medications and medical equipment.

While other companies in the Pharma industry often aren't aware of shipping issues until it's too late, Contguard's IoT and AI-based solutions provide our customer with full visibility of cargo, from origin to destination. This includes real-time tracking, monitoring, alerts, escalations, and actionable insights, enabling our customer to make proactive decisions and save millions of dollars in time and money.

THE ISSUE - POWER DISCONNECT AT PORT AND SPLIT SHIPMENT

Our customer was making a large shipment of medications from the USA to a destination in Europe. The guidelines and regulations regarding shipment of medication are extremely rigorous, and it's crucial for our customer to be able to track and monitor shipments in real time to ensure that the quality and security of the cargo is not compromised. All 5 reefer (refrigerated) containers reached the POL (port of loading) at the same time, however due to operational constraints, 2 of the 5 containers weren't loaded onto the vessel.

In addition, our IoT devices relayed a significant rise in temperature and humidity in these two containers. Incoming data showed that the

temperature and humidity remained high for an extended period of time.

It's normal for electricity to be disconnected to reefer containers while containers are unloaded from the truck at the port, and loaded at the port onto the vessel. However, the port's SOPs usually ensure that power breaks to reefer containers usually last no longer than 40 minutes. We discovered that power to the 2 reefer containers had been completely disconnected. Location, as well as accurate monitoring of temperature, humidity, impacts, and potential security incidents.

IMMEDIATE RISKS

Together, these issues presented several challenges to our customer:

- Without electricity to the reefer containers, the quality of the medications was at severe risk
- The BL (Bill of Lading) specified 5 containers, and payment for the medications was to be made in full, for all 5 containers
- Since the BL specified 5 containers, the 3 shipped containers could be detained at the POD (Port of Destination), causing major logistical issues, as well demurrage costs
- The 2 containers at the POL could also result in additional demurrage costs
- The quality of the goods in the 2 containers could be compromised, so even if they were shipped in the coming days, they could arrive at the POD with damaged goods

THE SOLUTION

Contguard's Control Team immediately alerted the customer regarding the two containers left behind at the port.

Our customer was able to quickly reissue two Bills of Lading, specifying 3 containers

BL, and 2 containers on the other. This meant that upon arrival, the 3 containers were released from the POD without any issues or extra demurrage, and payment could be immediately made for the medications to our customer.

In addition, once the electricity issue was identified, electricity to the containers was reconnected. As a result, the period of time that the temperature was above the prescribed limit was well within quality threshold, and the goods in the containers were saved.

Our customer also immediately contacted their shipping company to verify their findings. As a result, the remaining two containers were loaded onto a ship the following day, with a separate Bill of Lading, and our customer was able to avoid the additional demurrage fees.

BENEFITS

AS A RESULT OF CONTGUARD'S REAL-TIME DATA ALERTS, OUR CUSTOMER WAS ABLE TO AVOID SIGNIFICANT ISSUES, AND SAVE VALUABLE TIME AND MONEY AND:

- Quickly issue a split BL, so even though the transit time from POD to POL was only 3 days, the 3 containers could be quickly released, avoiding an additional 7 day delay
- Resolve potential logistics issues quickly and efficiently
- Ensure that their customer received at least 3 containers on time, and the remaining 2 containers a few days later
- Avoid demurrage costs at the POL and POD
- Save valuable medications in two containers

Contact us for more info: info@contguard.com