

Crash course.(Kate Vitasek from Supply Chain Visions)

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BYLINE: BY BILL DIBENEDETTO

Kate Vitasek likes to call it Supply Chain 101. She's trying to get engineers at the Washington state Department of Transportation to think beyond commuters, issuing truck licenses and building highway on-ramps, and to mix supply-chain freight mobility and management strategies into what they do.

Vitasek, managing partner of Supply Chain Visions, a Bellevue, Wash., consulting firm, is leading a series of classes and workshops for state transportation employees, designed to help them implement the state's freight-management strategy.

"I think Washington is probably one of the most progressive states in addressing the strategic impact of supply-chain management, all the way down to helping planners and engineers really get the fact that the customers of the department are not just commuters but businesses who strategically think about transportation to make key business decisions that can directly impact Washington's success," Vitasek said.

The state is one of the nation's most trade-dependent - for exports and imports. It has two major container ports, Seattle and Tacoma, on the Puget Sound; Boeing builds large commercial and freighter aircraft in the Everett area; and the eastern part of the state is a major agribusiness center. It also has some of the nation's worst highway congestion, especially along the north-south I-5 corridor in the Seattle-Tacoma area and along the east-west I-90 route that traverses flood- and avalanche-prone passes through the Cascade Mountains.

Vitasek said the strategy talks about making the Pacific Northwest a "global gateway of choice" encompassing ports, roads, rail and distribution facilities. It also addresses in-state manufacturing and agribusiness requirements to make sure funding is allocated based on logistics needs of companies that make or grow things in the state, and the delivery of goods by understanding that the needs of retailers, 3PLs, distribution centers in the western part of the state are different than those of the agricultural distribution system in the eastern part of the state.

"A wheat farmer has different logistics needs than a Best Buy distributor importing through the Port of Tacoma," Vitasek said. "The people who execute transportation are not necessarily in sync with the state's freight movement strategy or the people in charge of the infrastructure."

The first step was to form a Freight Systems Division within the state DOT. "It's a small business in what is typically a large construction and engineering firm," said Barbara Ivanov, the division's director. "The idea is to apply a business mindset in addition to design, while recognizing who exactly are the customers of this business organization. We want to precisely design the requirements of our services, and department engineers need to recognize and design a transportation system that meets customer needs. A basic understanding of supply chains is needed."

It's not a traditional approach for a public agency, Ivanov said. The department's primary role is as the owner and operator of the state highway and ferry system. "How you integrate that for freight mobility is the goal," she said, "along with how to get out the information about freight and supply chains in all modes throughout a large highway-focused business."

While the supply-chain mindset training continues, the department is working with the Massachusetts Institute of Technology on a freight-resiliency plan that covers disasters such as flooding or avalanches in the state's mountain passes. "States tend to focus on recovery, not resiliency," Vitasek said.

Ivanov's division is examining ways to apply the principles outlined in Yossi Sheffi's 2005 book, "The Resilient Enterprise," to the public sector. In the book, Sheffi, professor of engineering at MIT and director of the MIT Center for Transportation and Logistics, says a company's survival and prosperity can depend more on what it does before a disruption than on what it does as the event unfolds. The focus is on creating the ability to recover from disruptions, and how investing in resilience can be turned into a

Last winter, flooding closed I-5 for four days, and mountain snows closed I-90 multiple times. Ivanov said state freight notification bulletins about alternate routes helped to keep freight traffic moving, although there were still some delays and backups. She said the goal is to provide specific, current information available through the Web, or to cell phones and Blackberrys, on where the delays are and the detours available.

Bill DiBenedetto can be contacted at bdibenedetto@joc.com.

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