



THE POWER OF DIGITAL SUPPLY CHAIN AUTOMATION

Despite the advancement of technology, surprisingly little has actually changed in global trade, especially in terms of the forest industry. Essentially, computers and the software within them simply provide faster versions of the same old tools—typewriters, fax machines, calculators and mail. For global companies, the conveniences of modern technology has delivered on neither the automation of many processes nor their elimination. If anything, processes have become more complex over time, and, most surprising, commodity traders are profiting from information and geographic arbitrage today more than ever before.

Ideally, technology should have already accomplished several ends:

- Delivered automated processes
- Reduced the number of middlemen
- Reduced the incidence of mistakes
- Enabled closer integration to various kinds of partners and institutions

Unfortunately, a significant amount of time is still spent today on non-value-added processes, e.g., coordinating with colleagues or partners, calculating offers, tendering goods or logistics, sending offers, drafting documents, approving, analyzing performance, etc. In the leading industrial companies, our estimates reveal that even these simple tasks take up to 25% of time expended by export and logistics teams.

Currently, as a result of the coronavirus, we face the biggest challenge in living memory in terms of both continuing business and coordinating it. While difficult for any organization, this is particularly so for industries with global supply chains and a large network of partners. This makes it doubly important to be able to oversee progress, obligations and deviations, find the most affordable freight rates, and establish new business.

GENESIS OF TIMBER.EXCHANGE

Born essentially out of frustration due to a lack of supply-chain overview, lack of efficiency of emails, and lack of automated processes, our company developed Timber.Exchange, a single framework that automates the most time-consuming processes between sawmills, importers and forwarders. The platform allows companies to trade and collaborate in a common digital workspace that automates export/import, logistics, documentation, compliance, tracking and analytics processes and tasks. As in other industries, the technology can also be used to work more efficiently with existing partners while identifying new partners and opportunities.

In short, the system's combined functionality allows for a complete automation of processes, removes language barriers and middlemen, improves profitability, and significantly increases transparency, compliance and accountability.

STREAMLINING OF DOCUMENTATION

Timber.Exchange's integration with Chamber of Commerce offices in many countries (with more expected) facilitates both digital and electronic applications for documentation. Electronic documents are also offered by some shipping lines, along with electronic bills of lading. The countries that currently support electronic EUR1 (a movement certificate) and CO (Certificate of



Origin) include Sweden, Norway, England, the US, Canada, New Zealand, Australia and Slovenia. Furthermore, banks and Customs offices in most countries accept a combination of electronic and physical documents, either separately or mixed.

VOID SAILINGS

These days, there are many blank sailings (known as “void sailings”) for container shipments, meaning that a vessel is skipping a port or that the carrier has cancelled the entire journey. This inevitably leads to delays and/or longer journeys. Remarkably, global analysis shows that some lines have up to 33% blank sailings across all routes, with some showing as high as 50%. This makes it vital to maintain an up-to-date overview of all shipments, routes, ETAs and destination port capacities. Timber.Exchange assists by providing integrated tracking and warnings for bulk vessels, container shipments and courier deliveries. It also provides easy-access summary analysis of all void sailings.

DIGITAL WORKFLOWS

Timber.Exchange’s digital workflow capabilities enable directors and managers to obtain a complete overview by allowing analytics, productivity and compliance-audit data to flow between staff, customers, forwarders and production locations. Furthermore, each party, and particularly the receiver of goods (in China, for instance), can see the entire supply chain displayed within their account. This information is conveniently presented in their native language whether the original documents are in English, Russian, Chinese, Arabic, German, French, etc.

ABOUT TIMBER EXCHANGE

Timber Exchange is an innovative company that employs more than 20 full-time staff with extensive, solid and international experience in technology, forestry, trade finance and business intelligence. As a company, Timber Exchange seeks to provide the industry with smart tools that allow for both highly effective business management and direct market access to well-established importers and customers. Currently, the company is finalizing a new agreement that will increase its team size to 30 colleagues in the near future as it expands its service into the North American market.

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