



Expanding Operations

Reliably Shipping Oil Supplies with the Magaya Cargo System

Advanced Maritime Transports wanted every advantage to help them grow in the competitive oil and gas market. The Magaya Cargo System helps them prepare and send shipments of oil supplies from Houston to West Africa and stay ahead of the competition.

The Magaya Cargo System is very user friendly and saves us time by automatically transferring all the information from one transaction to another.

AMT president William Netzinger



AT A GLANCE

Advanced Maritime
Transports, Inc.

www.amtsa.com

INDUSTRY

Freight Forwarders

SOLUTION

Magaya Cargo System



Advanced Maritime Transports, Inc. (AMT) is a freight forwarder based in Houston, Texas, that specializes in logistical services to oil companies. Ninety percent of their business is exports to West Africa. They are a subsidiary of the GETMA NECOTRANS Group and AMTsa, an international transport and logistics company based in Switzerland. In addition to exports from the US, AMT owns and operates two vessels in West Africa that provide regular transport of oil supplies up and down the coast to ports between Nigeria and Angola.

CHALLENGE

Working on an offshore oil rig requires the right equipment at the right time. Fighting unpredictable weather conditions and handling heavy machinery on a tight schedule can make offshore drilling an extremely dangerous business in a very competitive industry. The last thing an oil rig manager needs to hear is his equipment is hung up in customs. That's where Houston-based Advanced Maritime Transports, Inc. (AMT) makes its mark. They use the Magaya Cargo System to create and track export shipments of oil equipment and supplies from the US to the coast of West Africa where and when they are needed.

AMT also provides cargo runs, a value-added service to oil supply companies that need equipment moved from one location to another. Moving all this cargo between the different countries along the West African coast requires knowledge of the individual customs laws and regulations.

"A big key to success in business in West Africa is being aware of changes in those countries so you can have all your documentation right," said AMT president William Netzinger. "Otherwise, shipments can get delayed in customs for six months."

AMT has a good reputation with suppliers because AMT avoids those delays and gets the shipments done right. They plan to expand their operations and offer their logistics services to other countries and are using the features in the Magaya Cargo System to help them get there.

SOLUTION

When AMT became a licensed freight forwarder in 2007, they downloaded a trial of the Magaya Cargo System and saw its advantages right away. Features they use include warehousing, shipment documentation, operations procedures such as Quotations and Pickup Orders, and more.

"When we first started, we did not own a warehouse, so we did not use the Warehousing portion of the system," Mr. Netzinger explained. "In January we moved into a new facility in Houston that has a warehouse. We were already using the Magaya Cargo System on a daily basis for Pickup Orders and shipments, but now we are using it even more in the new warehouse."

Before AMT built their own 18,000 square-foot facility, they subcontracted their warehousing. Cargo receipt processes were handled manually, and they had to reenter information from the warehousing company into AMT's database. Now they do not have to enter cargo data twice. "The Magaya Cargo System is more user friendly and has sped up the cargo receipt process."

Other benefits of their new warehouse are the ability to look at the cargo and make informed decisions for the client such as determining if the cargo needs to be repacked. The Magaya Cargo System enables easy repacking when placing commodities in a shipment.

RESULTS

In addition to the new warehouse, Advanced Maritime Transports added staff. In a tight economy a company that is growing must be doing something right.

"When I started about four years ago, there were only three of us. Now there are 14 employees," Mr. Netzinger said. "Magaya Cargo System has been an asset in helping us grow."

AMT uses many of the features in the Magaya Cargo System that benefit them and their customers.

They offer simplified and comprehensive tariffs to their customers for door-to-door services instead of only providing a lump sum on an invoice. "Our customers like to see the itemized rate sheet and invoices with freight charges, documentation, customs clearance, airport transfer fees, fuel, security fees, etc." The Charges tab in Magaya Cargo System provides a place to enter different types of charges such as documentation fees and freight charges. You can also set up rates in a customer's or vendor's profile so that each time you use that vendor in a transaction, the rates are automatically calculated. When charges are added to a Quotation and that Quotation is converted into a Pickup Order or Warehouse Receipt, the information is transferred automatically to the new transaction.



RESULTS (cont.)

AMT handles about 20 air shipments a week. They also process two to three ocean shipments per week out of the Port of Houston. The ocean freight is often pipe shipments or other break bulk type cargo. The Magaya Cargo System comes with many forms needed for shipments, and AMT uses this feature to create air waybills, cargo manifests, and Bills of Lading – just a few of the documents available in the system.

Specializing in getting shipments cleared in the customs offices in West Africa has given AMT an advantage. “It’s easy to ship materials, but it’s hard to get them cleared. We avoid delays that others may experience if their papers are not in order, causing the shipment to sit for months. We pride ourselves on getting the documentation right.”

“We have a very good reputation on the African coast and in Houston,” Mr. Netzinger said. “Others in this business might think it’s just about kilos and containers, but our reputation has been built on providing personalized customer service, including correct and current documentation. Customers don’t want problems or delays.”

The previous elections in Nigeria’s government resulted in a change in customs staff. AMT formed new relationships to maintain uninterrupted business for their customers. Changes in customs is just one of the challenges. “It’s not like shipping within the US or to other countries.” Risks in this area include unstable political environments, regional conflicts, worker safety issues and hostage-taking incidents by militants. “We stay up to date on import requirements, stay in touch with the local staff, and are very meticulous with the paperwork.”

Another way of providing good service and communication is AMT’s integration of Magaya LiveTrack into their website. Customers can log in to view the status of their cargo in real time. “Since about 75% of the material we ship is going to end up on an offshore drilling rig, it’s great to have the LiveTrack so the rig manager can log in and see shipment information and where their materials are.”

They use the Magaya Cargo System for their operations, and they liquidate shipments to see what the profitability is, and then they export the accounting-related data to another accounting program.

Mr. Netzinger uses the reports from the Magaya Cargo System such as tonnage reports and frequency of transactions per customer for quarterly reports and to provide updates to management. They can also analyze what destinations and types of cargo are the most profitable. “The reports we generate give us a good picture of our business,” Mr. Netzinger said. “We like the flexible options in the Magaya Cargo System such as the ability to choose columns in our reports so we can tailor them to our needs.”

IN CLOSING

AMT’s future plans include adding handheld scanners to their new warehouse. Additional Magaya warehousing features will enable AMT to automatically generate barcodes, print them, and attach them to the boxes, crates, or pallets. “Scanning sure beats doing the data entry.” They will map out the warehouse and assign locations with barcodes on the locations to scan the cargo into a specific location. This will allow the warehouse staff to receive cargo more quickly, increase volume, and do less paperwork.

They also plan to start keeping inventory by part numbers and serial numbers, and they plan on entering line item inventory for future clients.

They are expanding to work with customers in South America and the Caribbean. They are using the Magaya Community and Network features that are built into the Magaya Cargo System to reach other Magaya users and agents in those new regions.

“Our goal is to be a best-in-class oil and gas logistics provider everywhere that we are needed,” Mr. Netzinger said. “We plan to open an office in Brazil this year and develop relationships there and in Asia-Pacific. After working in West Africa, one of the hardest places in the world, we’ve learned a good formula for success. We feel the growth potential for us is very good.”