



End-to-End Auto Transport

| Exporting Vehicles to Central America

North Atlantic Ocean Shipping and Car Transport ships hundreds of cars and vehicles that their customers buy from online auctions every week. Shipments are handled by North Atlantic's five U.S. offices and received in one of their five Central American offices. All this data is managed smoothly with their Magaya Cargo System.

We don't want to be the biggest company exporting cars from the United States, but we want to be the best.

Alex Garcia, owner



At a Glance

North Atlantic Ocean Shipping and Car Transport

www.naocean.com

Industry

Logistics Provider

Solution

Magaya Cargo System

North Atlantic Ocean Shipping and Car Transport exports passenger cars and other types of vehicles by arranging the transportation from the auction site to the port and to the destination for a total service for their customers. Based in Delaware, they have multiple offices that connect to the same database and share shipment status and other details between their five U.S. offices and five Central American offices.

Challenges

Wholesale car resellers from around the world purchase cars using online auctions every day. When a car is located in the US and needs to be exported to another country, there are many steps involved: the vehicle title must be submitted to US Customs and Border Protection (CBP), the car must be transported by truck or rail from the auction site directly to a port to be loaded onto a RORO vessel or sent to a logistics provider's location where it will be loaded into a container.

Every step of the way, the customer who bought the car wants to know the status of their purchase: When was it picked up from the auction site? Did it clear Customs inspection? Is it loaded on a vessel yet? When will it arrive? Etc.

Having the information is important, but acting on it is more important. For example, many auction sites impose penalties if a car is not picked up within a set timeframe. When a car is exported from the US and arrives at its destination port, it must go through required procedures in the receiving country, which have their own penalties for late pickup. Some will even impound the vehicle, causing the purchaser to lose the car.

The logistics provider, North Atlantic Ocean Shipping and Car Transport, handles all these steps daily for their customers. The majority of their customers are resellers located in Central America who buy anywhere from 10 to over 100 cars per month. That volume of shipments makes for a lot of transactions to track every day, every hour. To help them manage all these cars and the accompanying data, North Atlantic uses the Magaya Cargo System to keep track of what vehicles they need to pick up and when, saving their customers penalties. North Atlantic staff also know what has arrived in each of their five locations in the US, what cars have all the paperwork and are ready to be sent to the port, what is loaded and on its way to one of their five locations in Central America, what arrived and is offloaded, and more.

Many Locations – One Mission

The main office of North Atlantic Ocean Shipping and Car Transport (North Atlantic) is in New Castle, Delaware, a few miles from Wilmington and the Port of Wilmington. Other US locations are in Miami, FL; Houston, TX; and Los Angeles, CA.

In Central America, offices are in San Jose, Costa Rica; San Salvador, El Salvador; Puerto Barrios in Guatemala, and two locations in Honduras – San Pedro Sula and Puerto Cortes, where Mr. Garcia is from.

He gained his logistics experience working for the British shipping and logistics company P & O Nedlloyd in New Jersey in the 1990's where he handled shipping military equipment. He bought North Atlantic from his brother-in-law in 2006.

"Many people ask me why we keep our main office in Delaware. The port has a long history of receiving banana and fruit shipments from Central America for Dole and Chiquita. So the shipping connections were there, and I saw an opportunity to export cars to Honduras." The port of Wilmington has an auto storage area, and it is the number one terminal in North America for imports of juice concentrate and fresh fruit. Other facilities at the port include a dedicated auto and Roll On Roll Off (RORO) berth, warehouses, an oil terminal, and the bulk juice terminal.

North Atlantic mostly transports passenger cars and pickup trucks. They also export heavy equipment, machinery, buses, motorcycles, boats, quad all-terrain vehicles, and other vehicles. Occasionally they transport antique and collector cars, and they have the permits to ship older vehicles as required by some countries. They also know the regulations required for importing cars into countries in Central America.

"We offer end-to-end service," he said. That includes the ground transportation of the vehicle to the sea port, insurance, online payment options, and more. They export approximately 125 containers per week.

"We don't want to be the biggest company exporting cars from the United States, but we want to be the best," he said. "That's our goal."

End-to-End Transportation

Mr. Garcia spends much of his time in the Miami office, and leaves the Delaware office in the capable hands of Operations Manager Beatriz Rodriguez.

Ms. Rodriguez has been with the company since it opened and has worked her way up to her current position, becoming knowledgeable

in all aspects of the business. She explained that they use the Pickup Orders List in the software to manage the pickups and ensure that they are done in time. They review the list daily to see what vehicles have been purchased and need to be picked up.

When Customs approves the titles, the vehicles are loaded into containers. Then they use the AES feature in the software to transmit the documentation electronically, she said. They add charges to the transactions for freight costs and other services, and then they create invoices and bills in the software. They also liquidate all the charges for the shipment.

North Atlantic gives their customers access to Magaya LiveTrack where the shipment status can be viewed at any time. Using Magaya LiveTrack has improved North Atlantic's ability to keep their customers updated. Before using Magaya LiveTrack, they had to call or email each customer to update them. Now, the updated status of the vehicles in the software also helps them manage the final leg of the journey because they can see in the system when the car arrived and notify the customer. The real-time updates have improved their customer satisfaction, and it is a key selling point for them when they talk to prospective customers.

When the vehicles arrive in Central America, the staff in the destination office prints the Cargo Manifest from the software, as well as the Bill of Lading. They verify if payment was made in the US or if it is due at destination. The Honduras offices in San Pedro Sula and in Puerto Cortes receive the most vehicles.

The status of the shipment is updated in the system and is visible to Ms. Rodriguez in the Delaware office and others in the other branch offices because they all use Magaya software.

Reporting and Tracking

When cars are delivered to the North Atlantic warehouse and stored in the yard, Mr. Garcia and his staff use reports to see how many cars are in the yard. "We do not even need to go outside. We know what we have on hand."

They have set up Event Definitions in the system to keep track of information such as if the title or keys are included with the car when the car arrives at the warehouse. Customers can see the Event information online via LiveTrack. "This is a big plus for us," Mr. Garcia said. "It's easy for our wholesale customers to keep track of what is in our yard, what has been shipped, and what is expected to arrive." Before getting Magaya software, North Atlantic used multiple

programs. They had one for tracking, one for the Bill of Lading, and they were using the *AESDirect* website to send the SEDs (EELs) to Customs. "It was terrible," he said. "We were typing the same information three or four times. Then we had to send the information to other offices. When we switched to Magaya, everything changed. It was as if it was made for us. It was perfect from Day One."

"I used to travel a lot, but now it's easier to work in just one office and see what is going on in all the offices because of the software," he said. Mr. Garcia was the person who initially evaluated the software and installed it. They have grown and now have over 20 users on the same database, which runs on a Windows 2008 Server remote desktop connection. "We have a secure connection. Our database is large, but I don't see any slowdown in performance. The customers who log into the LiveTrack are also happy with the system. We have never had any complaints, even in some of the Central American cities that do not have high-speed Internet."

"I find the system easy to maintain," Mr. Garcia said. "I automated the backup of the data every night."

North Atlantic uses the PayCargo online payments option. PayCargo is a secure, web-based payment system designed specifically for the shipping industry to process e-checks. North Atlantic sends an email message from their Magaya system to the customer who clicks on the link in the email and pays the invoice online.

They are adding the PaySimple feature to give their customers the option to pay by credit card online. With PaySimple, customers can pay their invoices with a credit card by logging into Magaya LiveTrack.

"Right now we are accepting credit cards, but customers have to send us authorization via fax or email," Mr. Garcia said. "We process the payment, and the bank clears the payment about two days later. Then we have to post it back into our Magaya system. With the new payment option, payments will be processed directly into our bank. It's a no-brainer."

They also offer their customers cargo insurance. There is a link built into the Magaya Explorer interface's shipment screen that connects to an insurance portal. North Atlantic was one of the first users of this option when Magaya Corporation offered it. "It gives customers peace of mind knowing their car is insured. It also gives us more credibility."

