

Success in the supply chain

Marcia MacLeod talks to Periship, a specialist forwarder of chilled seafood in the US, but which is looking to expand its operations to Canada and Japan



Luciano Morra, Periship's founder and CEO, examining a pallet of boxes with the Periship label that serves as a visual identifier to handling personnel. The pallets were at Anchorage airport en route to Memphis

Visibility is key to a successful supply chain: manufacturers, wholesalers, distributors and retailers all need to know where their goods are at any time, when they will arrive, and if – and why – there are likely to be delays, damaged or lost product.

For seafood shippers, that visibility becomes even more important. Fish left out of a chiller could mean a break in temperature, which leads to spoilage and possibly rejection by the customer.

It is this very vulnerability of seafood and other perishable products that created Periship, the American forwarder of refrigerated goods. 'I identified a need for suppliers of perishables to have an increased level of visibility in their shipping transaction,' explains Luciano Morra, Periship's founder and CEO. 'Shippers

moving crab, salmon or shrimp.

'Seafood shippers need to be able to reshape both internal and external expectations if something goes wrong. If, for example, a shipper is delivering a case of king crab to a restaurant, the restaurant needs to know if it is not coming in order to make alternative arrangements; the supplier cannot wait until three o'clock in the afternoon to tell the customer.'

Morra, a former employee of Federal Express, set up Periship six years ago; the first shipment was handled on September 12 2001, the day after the New York twin towers attack. 'I'd worked at Fed Ex for 12 years and know their operation,' he explains. 'Fed Ex has a great airfreight product, but it is too big to provide the level of service a perishable shipper needs. 'So Fed Ex provides all the transport and Periship provides the management

actively manage every shipment.

'We know where all our consignments are at any time and can pre-alert customers about any potential problems.'

Surprisingly, this valuable service so far is only moving approximately 70,000 shipments – 1.4 million lb, less than 700 tonnes – a year, 65% of which is fish. Even more surprising, perhaps, most customers are suppliers to restaurants, home consumers and test kitchens, although there are some customers sending raw product to processing plants.

'We have some customers sending 30, 40 or 50 boxes of salmon and king crab per week from Alaska,' says Morra. 'Some customers rely on us for all their logistics, while others use us to cope with peak periods or as a fall back if they can't get space on their regular air freight service.'

and then handle the distribution, through Fed Ex, around the country. Similar arrangements work for Seattle-based companies, which move salmon and Dungeness crab, and customers in Florida, which deal in tuna, shrimp and grouper.'

And the consignments cross-cross the US. Alaskan product goes to Florida and Chicago, Florida fish is flown to Chicago, and Boston lobster products go to supermarkets primarily in land-locked states such as Ohio and Nebraska.

As well as organising and monitoring shipments, Periship offers specialist packing advice as part of its standard service. 'Packaging for shipment by Fed Ex, or any of the other express operators, is different from packaging for ordinary airfreight,' Morra explains. 'Airfreight consignments become part of a pallet or container to be loaded into an airplane; express consignments are handled automatically on a system of conveyor belts.

'Packages can be knocked off the belt or rammed into another package – which means specialist packaging is required. A solid core Styrofoam container with a minimum 1.5 inch [3.8cm] thick wall is essential, as this type of packaging can withstand drops, lateral impact and so on.

'The box must be lined with a plastic bag at least 4mm thick, so that if any liquid escapes from the product, it remains in the bag. Absorbent packs should be fitted on the sides of the container for the same reason; to mop up any escaping liquid.

'Packages also must be the optimum size for the product, to ensure there is no extra space within the box. If there is, the gel pad – which, of course, freezes solid – will move around and hit the product, possibly causing damage.'

The choice of coolant is up to the customer, but Periship can help decide which is the best material for each consignment. 'Choice of coolant depends on both product and time of year,' Morra continues. 'In winter, a coolant ration of 20-25% [of the total weight] is acceptable, but in summer, a 30% ratio could be necessary.'

Periship currently only operates within the US, but this could change. Pilot projects will shortly be taking place involving the movement of product to Canada and Japan.

The company also plans to open a cold store in Memphis, near to Fed Ex's hub. Although Periship has not yet found a suitable site, Morra is looking for around 10,000sq ft (929sq m), three racks high, to handle predominantly frozen product.

'I plan to start storing frozen foods, but will expand to handle fresh chilled, as we do move a lot of fresh chilled product,' he explains. 'By storing goods near Fed Ex's hub, customers can deliver products to their customers much faster, and with a much later cut-off period. This will allow them to expand their sales.'

It's all part of Periship's goal: to take all the headache out of shipping perishable products, letting the