



## Project Cargo Case Study



### Challenges & Objectives

A customer has been awarded a LukOil Gas Plant refurbication project in the Tashkent region of Uzbekistan. The supplies, equipment and materials needed for this project are being sourced globally and consist of not only standard, containerized ocean freight but also heavy-lift breakbulk cargoes. With the odd-size cargo, complicated formalities at Russian customs, and a lengthy truck and rail transit into Tashkent, Uzbekistan, there are many challenges in designing a delivery process for the customer.

### Strategy

Leveraging the industry knowledge of the Expeditors Project Cargo team, several planning meetings were planned with the customer to map out the process flow and identify potential pain points. Together, the team reviewed production schedules and deadlines at the delivery jobsite to understand the constraints in the process flow. Selecting a strong network of carriers, planning regular conference calls, and holding in person kick off meetings would ensure that the process flow stayed intact throughout delivery and allowed all parties to adapt to any changing circumstances.

### Customized Solution

A well developed process flow allowed Expeditors to create a complete and customized transportation plan. A project kick-off meeting was held with the customer at the Expeditors Houston branch in order to review tasking and duties that were to take place during the lifecycle of the project. To ensure that the cargo made it through Russian customs, documentation requirements were reviewed closely with all Expeditors branches involved. The cargo was successfully cleared and delivered to the Russian jobsite within the schedule and according the parameters set forth at the outset.

A company based in Columbus, Ohio and in business since 1985 is a smaller, niche Engineering Procurement and Construction (EPC) firm whose geographic area of specialty is primarily Russia and the countries that make up the former Soviet Republic. Being a smaller player with lower operating costs, they are able to bid more aggressively with lower operating margins. This causes the shipping portion to become a critical and vital, often linked to severe penalty clauses for late delivery of equipment to the jobsite.

Our customer needed to transport supplies, equipment and materials from around the world into Tashkent, Uzbekistan. The freight consists of standard, containerized ocean freight but also heavy-lift breakbulk cargoes. With the odd-size cargo, complicated formalities at Russian customs, and a lengthy truck and rail transit into Tashkent, Uzbekistan, our customer faced many challenges in delivering their freight to the destination.

For this project, the company chose to work with Expeditors based on past, positive experiences it had with the Project Cargo team personnel based in Houston, as well as Expeditors' global network of offices and agents.

During initial planning meetings, Expeditors mapped out a process flow to determine where in the project process pain points could emerge. This process flow was presented and reviewed jointly with the customer. The map was altered and amended as a result of these joint sessions with other Expeditors offices and agents involved.

The Project Execution team in Houston reviewed production schedules with the customer as well as the dates the cargo was needed at the jobsite.

This assisted in the development of optimum routing guides based on transit times as well as air freight alternatives with competitive pricing.

Once the Project commenced, regularly scheduled conference calls were conducted between the customer, the team in Houston as well as the agent in St. Petersburg. These conference calls became daily requirements during heavy shipping periods. The regular communication between all parties was vital to ensure progress was being made per delivery schedules and assisted in identifying any potential delays prior to cargo hitting the docks in St Petersburg.

Later in the project, congestion at the Port of St Petersburg threatened to delay the inbound cargo, and set back the start of work at the jobsite in Russian. Faced with this impending crisis, Expeditors reviewed alternate routing options and executed an amendment to the original process flow, in order to circumvent the congestion in St. Petersburg. This quick action and execution resulted in minimal delays, avoiding penalties due to late delivery to jobsite.

It was this quick thinking that enabled the Project Cargo group to safely, efficiently and effectively transport all needed equipment to the jobsite from globally sourced locations. This was completed on time, within the budget and to the overall satisfaction of our customer.

From the planning stages to the final execution, the Expeditors Project Cargo team proactively communicated with the customer to ensure that the detailed requirements were followed. With a keen attention to detail, everyone involved understood the customer's expectations and exceeded them with a strong attitude and commitment for success.