

## Using Technology in Logistics & Supply Chain Management

Q&A with Ray Lark, Chief Executive Officer of SRS Technologies LLC



“Logistics” and supply-chain management” are industry terms we hear often, and generally in a context reflecting their critical importance. Lean manufacturing and just-in-time production depend on robust supply chain management and like everything else related to manufacturing, technology is making its impact. Best practices are being redefined by technology that seemingly leaps effortlessly from discipline to discipline almost too quickly to comprehend. We spoke with Ray Lark, a seasoned purchasing and logistics veteran, and CEO of SRS Technologies LLC about the impact of technology and the capabilities it brings.

**Q: What are some current trends in logistics and supply chain management, and how will they shape the next 36 to 60 months?**

A: It depends on the level of supply chain maturation in each industry. It is not a “one size fits all” issue. The steps for all start with the idea of adopting a landed cost, including cost of the products, the manufacturing costs and transportation costs. Then you look at total landed cost. The next step would be to look at total cost of ownership, where you add in costs such as damage, loss (shrinkage), warranty, storage, repacking operations, things like that. Finally, you get to what I refer to as a coupling between the supply chain and value chain. That’s where you add in consignment, operations like just-in-time, outsourcing to 3PLs and kit packing. I think those are the characteristics that shape supply chain trends industry by industry.

**Q: Mobile and computer software platforms are increasingly becoming available for logistics management. In light of recent vehicle hacks, what are the dangers/pitfalls of such platforms?**

A: When I started in automotive, EDI (Electronic Data Interchange) was up-and-coming. Now EDI is almost viewed as the ‘dinosaur.’ Today, everything can be done from a mobile device – a smartphone, a tablet, etc. That progress will continue. Moving away from that into connected vehicles, and then drones, and who knows where else, means a heightened focus on security.

Continued on Page 2

**Inside Scoop:**

**Page 2: Ray Lark Question-and-Answer Session continued**

**Page 3: Writing a Press Release Versus a Media Advisory, New York Times Best-Sellers (July 2015)**

## Using Technology in Logistics and Supply Chain Management (Q&A continued from Page 1)

If security and encryption technology does not keep pace with hackers' ability to manipulate data, and companies don't have a Plan B on how to handle data on the Internet and the servers that run on the cloud, all that data will be at risk. So, I see encryption technology rapidly growing in importance in order to keep pace with new capabilities.

### **Q: How secure are these platforms today?**

A: With my company, for example, we have the highest levels of encryption out there. We're also exploring taking our cloud in a couple different ways. One is a Department of Defense-certified cloud-hosting platform, which adds in an even higher level of encryption. We're exploring how we reside our B2B and B2C applications and platforms in that environment. Secondly, we partner with companies like Verizon and Amazon to work in a closed-environment. It's not open to the general public. That offers another level of security and safety with data. All of this will continue to evolve and change.

### **Q: How have mobile applications and software helped to improve the supply chain?**

A: With RFID tagging, barcoding and all of those things, companies can watch material move throughout the working process, but as soon as they load it on a truck, they lose it. They don't know where it is except when it arrives, and they hope it arrives in the right place. Now, we have technology to tell you exactly to the minute when that truck is going to arrive, where it is, how many stops it made, if the driver has been in an accident, etc. We look at it as an extension of the

supply chain, as it is moving through the logistics portion of it. Companies literally have a second-by-second visibility into where their supply actually is. Those who do this can start to see savings in areas they never knew existed when they close the gaps between the dock door of the shipping company and dock door of the receiving company.

### **Q: What happens if this technology fails or crashes?**

A: Well, I can only speak to the mobile solutions we provide and then we can expand to generalities. We take extreme steps to keep that from ever happening. Mobile structures use a cloud platform. Everything resides there. To that, we build-in redundancies — add servers, multiple remote locations — that sort of thing. The idea is to eliminate the potential for failure and also have such robust back-up for systems and processes that the actual chance of total failure is infinitesimally small. For example, there would have to be massive, simultaneous catastrophes on both coasts and the Midwest for our solutions and solutions like it to not work. Were that the case, we're probably not going to worry about a couple engines or instrument panels, or tomatoes not making it.

### **Q: Congestion on the highways, ports and even the skies is a growing problem within the supply chain. What's technology's answer? Can technology provide more efficient ways to get products where they need be on time?**

A: I believe it can. I think what it comes down to, is how well do you make a platform, so that it integrates with any other platform.

I think where technology is going to start to really take hold, is where different platforms are on systems that have artificial intelligence that can learn as they go, and integrate with each other faster. That way I think you weed out the congestion. You would know at the click of a button where everything is and what it is doing. You could basically route optimize your entire supply chain. You could pretty much run optimize tables that tell you to the very second how to re-route, re-distribute or change your manufacturing process or inventory levels to match flow capability.

### **Q: How does new/mobile technology help companies maximize profit, improve customer satisfaction or allow for greater transparency with the customer?**

A: I think you have better transparency with the customer, and depending upon which mobile technology platform you integrate, and how you integrate it into other mediums, I think you're going to become a lot more efficient. The margins will grow because your fixed-cost allocations for technology will shrink. In a cloud-hosted environment, as you grow with security and encryption protocols, you start to displace the need for the huge server rooms you have. Instead of having your own server room at 50 percent capacity and having to upgrade or downgrade and paying the cost of that, you're just renting space to have the processing power that you need. You take the allocated fixed-cost that you had toward the servers and IP infrastructure, and move it to other areas that may have better revenue-generating opportunities.

*For more on Ray and the platforms SRS Technologies LLC offers, visit [www.SRSTechnologiesLLC.com](http://www.SRSTechnologiesLLC.com)*

# Writing a Press Release Versus Writing a Media Advisory

Both press releases and media advisories are complementary tools that increase the visibility of a company, a campaign or an event. Leveraged together, they are very effective. Some things to keep in mind include:

A **media advisory** is short, sweet and to the point. It is generally used to invite members of the media to an event, such as a grand opening. The advisory should answer the questions of who, what, when, where and why.

- **It should give a compelling preview of what is to come:** While it is short, it should entice media members to want to be there and give them a general idea of what to expect;
- **Reach out:** The advisory is generally sent out a couple weeks before the event, but there should be a follow-up, either by email or phone, a few days before the event or happening;
- **Include contact information:** Make sure to include a name, phone number and email address in case the reporter needs more information

A **press release** announces and details news of an upcoming product, event, sponsorship, new hire, etc. Press releases are generally one to two pages and much more detailed than a media advisory. In addition, press releases are generally distributed to more media outlets than an advisory.

Here are some things to keep in mind when writing a press release:

- **Use quotes:** A good press release will have quotes from a company spokesperson, executive or communicator;
- **Think like a journalist:** Write the press release like an actual news story, with the most pertinent information at the top and work your way down – remember inverted pyramid style;
- **Include all necessary facts and information needed:** Make sure the release has everything it needs to be turned into a news story (this includes contact information at the top of the release)

## New York Times Business Best-Sellers: as of July 2015

“**Triggers**,” by Marshall Goldsmith and Mark Reiter (Crown Business, \$13.37 on Amazon.com). How to resist habits and embrace change.

“**Outliers**,” by Malcolm Gladwell, (Back Bay/Little, Brown, \$15.06 on Amazon.com). Why some people succeed — luck, opportunities and talent all play a role.

“**Elon Musk**,” by Ashlee Vance (Ecco/HarperCollins, \$21.03 on Amazon.com). A technology writer follows Musk’s life from his difficult childhood to his involvement with Internet start-ups, such as SpaceX, Tesla and Solar City.

“**Get What’s Yours**,” by Laurence J. Kotlikoff, Philip Moeller, and Paul Solman (Simon and Schuster, \$10.48 on Amazon.com). A guide to deciding when to claim Social Security benefits and how to get all of what you’re eligible for.



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