

# The Game of Shipping

BY GUY M. TOMBS



“An old military adage has it that amateurs concern themselves with tactics, but professionals worry about logistics.” So says Richard Fidler in his excellent book *Ghost Empire*. Reading this recently cheered me, as I am in logistics. But I quickly had the less comfortable thought that clever tactics frequently overwhelm elaborately thought-out logistics. The game we are all in of course demands of us both knowledge *and* wit.

On a trip to India several months ago it came home to me that to understand the new rules of this shipping game we must walk away from parochial thinking and embrace new ideas that may be unfamiliar to us. We must re-imagine our world. I had not been to Hyderabad, Bangalore, Chennai, Mumbai or Delhi before – and I must go back to take in these and other landscapes.

The global shipping world is full of irrepressible, imaginative, and talented women and men of so many cultures. Despite our diversity, we seem to all live similar experiences. We all need to keep our sense of humour in the face of often bizarre problems related to shipping documentation and contracts and the movement of cargoes. We all face deadlines and fierce competitors. We all live in worlds where random, chance encounters can occur — a walk at lunch can lead to a good booking in the afternoon. An unexpected LinkedIn ping can lead to a phone call and a new opportunity. This is happening worldwide.

We are living with risks which are new to us – we are controlling cargoes ever further from home through evermore complex networks that are trying to manage massive traffic flows over enormous IT systems. The confidence that we bring to this game every day has to be based on our enjoyment of what we do. That enjoyment funds our confidence and enables us to work through the inevitable vicissitudes that shipping cargoes as a career entails.

The Game of Shipping is multi-dimensional. We receive a mandate from our clients to play the game on their behalf. But they are also players with us. It is important to keep broadening the parameters of how we envision the situations that we enter into, so that we are not blindsided, and so that we see threats or opportunities early on.

The confidence that our clients place in us is based on their sense of the high probability of a successful outcome when they award this traffic to our firm. That is a key rule in the way they play the game. Our choice of vendors is also based on this basic rule, which we apply. This way of working is now a fact globally

– in all cultures. We have more options and more information than we used to have.

We are all pressed to perform, to show strong moral fibre, and to have a lot of stamina for the hours involved. Now the simple bookings no longer come to us – they are increasingly automated – we get the *unautomated* work that demands detailed spoken or written conversations with our client and shipping partners, where our experience is more important – where our judgement of probabilities is valued.

The massive wave of these changes has already passed over us, and more and larger waves are coming, moving with building momentum. Teams of like-minded and well-motivated people are the only resources we have to develop positive outcomes in this climate. We must not see ourselves as wave *observers* – we actually must in some measure become wave *creators* ourselves, using the power of our collective imaginations.

When I said that tactics sometimes outwit a professional approach, I was thinking back to a project bid situation, many years ago, when I became convinced that the winner of the bid had actually not researched its costs all – they simply bid what they figured was an unbeatable price. They won. Those were winning tactics that time. To win big in the Game of Shipping you have to both impact the client, understanding how pricing, terms and conditions will bring their business your way, *and* know your vendors, setting up tight controls and discipline in your relationship with them. On award, you must retain the confidence of your client by exceeding expectations, thereby assuaging any fears they may have made a mistake in giving this work to you. Each client will have a different perception of the risks and rewards of engaging with you, based on your reputation, hearsay, market intelligence and personal knowledge. Many clients see the market as a *level playing-field*, where they have a lot of choice and where there is little to really distinguish amongst the bidding companies in terms of professionalism. I am sometimes astounded by what decision-makers think of as key risk factors when awarding large contracts, factors that I find picayune, and make little sense to me. But this only goes to show how essential it is to understand your client well. At other times I find the reasoning of clients for their big decisions, when I learn of it, often wise and quite profound.

Mehmed II breached the walls of Constantinople in 1453 and so, at last, after over a millennium, came to an end the ‘Ghost Empire’ of the Byzantines – because Mehmed had far superior logistics. Superior logistics is more than ideas – but it still *begins* with ideas. What new winning ideas can we bring to the Game of Shipping?

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