

Securing Our Trade Routes: Possible Solutions  
Presented to the  
Subcommittee on Surface Transportation and Merchant Marine,  
Committee on Commerce, Science, and Transportation

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I would like to thank the Subcommittee on Surface Transportation and Merchant Marine of the Committee on Commerce, Science, and Transportation for having this hearing to address these very important and critical issues. My name is John Cushing. I am the president of eModal.com, a Web-based Port Community System. eModal's Port Community System is currently in place at terminals in 14 major Port complexes around the United States. At this very moment, eModal has more than 400,000 containers and 12,000 truck drivers' information in our database that is being applied to various working applications. More than 3,000 transportation and transportation-related companies, including the United States Customs Service, the United States Coast Guard, Port Authorities, marine terminals, trucking companies, railroads, importers, exporters, Customs brokers and others are registered and participating at various levels within the eModal Port Community System. I am happy and encouraged to report that terminals and the trucking community right here in the Ports of Seattle and Tacoma are actively engaged in the eModal Port Community System.

As a very brief background to what eModal is all about, it is fair to say that we were born out of a need to address disarray and fragmentation in the Ports. In November of 1994, truck drivers boycotted work in our nation's busiest Port complex in Southern California. While there were many issues that were on the table, including queuing at terminal gates, it became obvious that the various transportation carrier modes and the terminals needed to improve the level of communication and coordination. eModal's solution brings the various industry participants to the table on a common platform – a single portal.

Although eModal's Port Community System addresses many of the needs of the transportation industry to operate efficiently in both a safe and secure manner, there is clearly more that needs to be done. The single portal Community-based concept allows all users to work together to ensure that this be accomplished.

Prior to the September 11<sup>th</sup> attacks, eModal was already working with marine terminals to provide security at the terminal gates. A leading cause of crime at a

terminal occurs when a bad truck driver misrepresents them self at the terminal gate as a truck driver for the company that was supposed to be on the premises to pick up or deliver cargo. To address this, eModal developed and has implemented the eModal Trucker Check™. Participating marine terminals require that trucking companies and truckers wanting access to their terminal register with eModal. The process requires that the trucking company register with eModal and be assigned a unique User Name and Password. Registering trucking companies are required to fill an application, identify their Standard Carrier Alpha Code, and enter verifiable information about truckers employed or contracted with them wanting access to terminals. The information about each trucker includes: first name, last name, driver's license number, state of issue (50 states, Canada and Mexico), driver's license expiration date, contract period if under contract, a unique Personal Identification number (PIN) that uses the National Motor Freight Traffic Association's Standard Carrier Alpha Code (SCAC) prefix for the trucking company along with a computer-generated four-digit random number, and the tractor plate(s) for that trucker. The trucking company also attests that the trucker's driver's license is current and that the trucker has agreed and signed allowing their information to be viewed for verification purposes.

The process begins as the identity of a trucker is verified before the trucker enters the terminal. The terminal's trucker verification then includes a match of the driver's license picture, a match of the data input to verify the driver's license, verification that the tractor being used matches the trucking company and the trucker in the data base, and confirmation with the trucker entering their PIN. The eModal Trucker Check™ has been designed to receive biometric files for match and can query other government databases in an ongoing basis as well.

The eModal Trucker Check™ uses the state-issued driver's license for many reasons. eModal's Trucker Check™ database can query DMV databases for ongoing updates. As most driver's licenses issued now have magnetic reader strip or bar coding, fraud detection is readily available. The eModal/DMV connections also allow for immediate address with any outstanding police issues that are questionable with third party cards.

As indicative of the Port Community System, participants in the transportation industry are looking for greater interface, not less. Unique Port-wide cards restrict truckers' abilities to free flow between various Port complexes – a traditional trait of cargo flow. Truckers are legally required to carry their driver's license. This also provides terminal risk managers assurances when allowing truckers onto their terminals. There is also the ongoing issue that the introduction of another card only increases the opportunity for loss. State-issued driver's licenses are already in place and can more easily be standardized than “reinventing the wheel.”

The eModal Trucker Check™ system provides security verification without impacting terminal operations. Terminal gates can be secure and maintain their

efficiency. It is imperative that we maintain our position as a productive nation as we address our security needs.

Just as important as verifying the person(s) wanting access to Ports' terminal facilities is to verify the purpose for those wanting access. While it is important to be able to match a person with a company, it is also important to verify their purpose for wanting access to a facility.

Originally designed to provide a tool for terminals to set appointments for truckers delivering or picking up cargo, the eModal Scheduler™ provides terminal operators with a tool to determine the purpose of a truck coming onto their terminal. In addition to the requirements placed on the trucker to prove verification for terminal access, the eModal Scheduler™ requires the trucker to have a transaction number associated with the date and time they want access. While a trucker can be verified in a system as driving for a particular company as an employee or as an independent contractor, terminals need verification that the trucker has a purpose for coming on to their terminal. The eModal Scheduler™ provides a single platform for all of the terminals to post their time options for when truckers can select to come to the terminal. The truckers select the time option that works operationally for them. Both parties are then provided the matching transaction number with the cargo being delivered or pick-up. Secure access to providing the transaction number is limited.

Using a unique User Name and Password, a marine terminal's Administrator accesses the required tool sets within eModal. At that point, the Administrator sets up the criteria for posting available time options, based on how they lay-out their terminal as well as how many trucks they can handle at a given time. With criteria in place, the trucking company's Administrator logs on to eModal using their unique User Name and Password and selects the options that work. The transaction number that the trucking company receives at this point is then assigned to the trucker calling at the terminal where it will be matched against the container to be pick-ed or delivered to the date and time slot appointed.

In addition to providing another access requirement, the eModal Scheduler™ provides yet another operational tool for the terminals to use to maintain efficient productivity.

While the eModal Trucker Check™ and the eModal Scheduler™ assure that the trucker is verified with a company and that their purpose is confirmed for wanting access to a Port terminal, it is important to look at other exposed areas. While the cargo flow is often addressed as the area to be monitored, it is equally important that the documentation attached to cargo is securely managed.

The United States Customs Service requires Customs brokers to file documentation electronically with them. Once U.S. Customs has cleared an entry,

the Broker can begin the process of notifying a trucking company to send a trucker to pick up the cargo; advise the marine terminal of which trucking company will be coming down for the cargo; and post the same information to the steamship line that delivered the cargo to the terminal. The process, commonly known as a Delivery Order (DO), is either sent by fax and/or via a courier. Some terminals require a signed copy. The DO contains vital information that identifies the commodity, where the cargo is destined, hazardous IMO information, name of trucking company, and in the absence of eModal's Trucker Check™ and Scheduler™, the container and bill of lading number – two numbers that some terminals still use to release cargo.

eModal has worked with the Customs brokers to develop an electronic Delivery Order. After the broker receives clearance from the United States Customs Service that the cargo may be picked-up, the Customs broker now has the ability to continue with a paperless process. The eModal electronic Delivery Order (eDO™) sends this vital information through eModal electronically. As with the other applications, access is limited to those registered with their own User Name and Password. Due to the sensitivity of the eDO™, the companies designated by the Customs broker to receive the eDO™ must also download a secure digital certificate. This adds a further level of identification and verification as to who is in the secure loop to receive these electronic documents.

In essence, once cargo is cleared with the United States Customs Service, it can have its documentation transmitted in a secure, digitally certificated manner to a select group of recipients – a truck company being one. At that point, while still logged in with the same User Name and Password, and with the Administrative rights assigned, the trucking company can select a date and time to dispatch for cargo delivery and/or pick up and be assigned an identifying transaction number to substantiate the purpose for the trucker arriving at a terminal at that time frame. In the sequential order, the trucker is then verified at the terminal gate with the many required criteria on file. These steps provide technological solutions but still more needs to be done.

The eModal applications need to be expanded to address any and all person(s) wanting access on to a terminal. Vendors, maintenance, contractors, administrators and others need to verify whom they work for against a database as well as identify purpose for wanting access to a Port terminal. A match in a database can include files that contain pictures, Personal Identification Numbers, background clearance levels, biometrics and other. eModal has been accepted by 46 terminals in 14 Ports around the United States to provide a community-based system. The current applications will require expanded areas of input to add uniformity and standards to this endeavor.

eModal's functional products also have application for importers and exporters of hazardous and dangerous cargoes. eModal is currently testing existing features for these uses. Further testing needs to be done to ensure complete use of verification

and purpose of truckers at chemical, petroleum and other such related facilities.

The use of technology will be required to meet the challenges that lie ahead. While eModal already has a proven use and success record within the Port Communities, it is evident that further expansion and development will be required for current products as well as new products to maintain an ongoing read of trucks, their drivers, their origins and destinations, accompanying and related documentation and the methods for input and retrieval to the eModal database.

In closing, I would like to reiterate eModal's commitment to our nation's Port communities. As the largest Port Community System provider in the United States, we have taken a leadership role that ensures that the products that we deliver meet the rigid standards set by Ports and terminal operators. We have developed these applications to address security with a practical understanding and functional respect for needed productivity. As a result, we have contributed solutions to-date for the transportation industry and we look forward to working towards possible solutions to further our nation's security.

Thank you