

Partner Survey

- Sponsored by U.S. Customs and Border Protection, Department of Homeland Security
- Conducted by the Center for Survey Research at the University of Virginia in 2009



U.S. Customs and
Border Protection



CSR

Center for Survey Research

Balancing Supply Chain Security and Economic Efficiency



Purpose of the Survey

- What motivates a company to become a partner?
- What are the costs of implementation?
- What are the costs of maintenance?
- What are the tangible benefits?
- What are the intangible benefits?
- How do cost/benefits differ among company types?
- Do the benefits outweigh the costs?
- What is the overall evaluation of the program?
- What is the likelihood of a partner staying with the program?

About the 2010 Partner Survey

- Conducted by the University of Virginia Center for Survey Research
- Questionnaire based on 2006 survey
 - Focus groups with participants gave valuable feedback
 - Simplified and streamlined
 - New questions about satisfaction with C-TPAT services and communication, and highway carrier issues
- All current member companies (more than 8,000) were invited to participate
 - 3/8 were randomly selected to complete a longer questionnaire
- Survey fielded January – March 2010

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Survey Process and Response Rate

- Survey programmed for web administration
- Available in English, Spanish and French
- Multiple contacts
 - Advance letters from Bradd Skinner and CSR
 - E-mail announcement from C-TPAT portal
 - E-mail announcement from CSR with live link
 - Multiple e-mail reminders
 - Follow up letter to non-respondents
- Improved response rate in 2010 over 2006: 47.9% vs. 29.3%
 - 3,909 valid responses
- Good representation across member characteristics

Project Timeline

Phase of Survey	Date
Contract signed	July 2009
Focus groups	Sep. 2009
Semi-structured interviews	Oct. 2009
Web-based pilot study	Nov.-Dec. 2009
Pilot debriefing interviews	Dec. 2009
Web-based production study	Jan.-Feb. 2010
Preliminary results shown @ Anaheim, CA	Mar. 2010
Final data analysis	Mar.-Apr. 2010
Final report	Apr. 2010

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Highlights of the results

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Survey Participants

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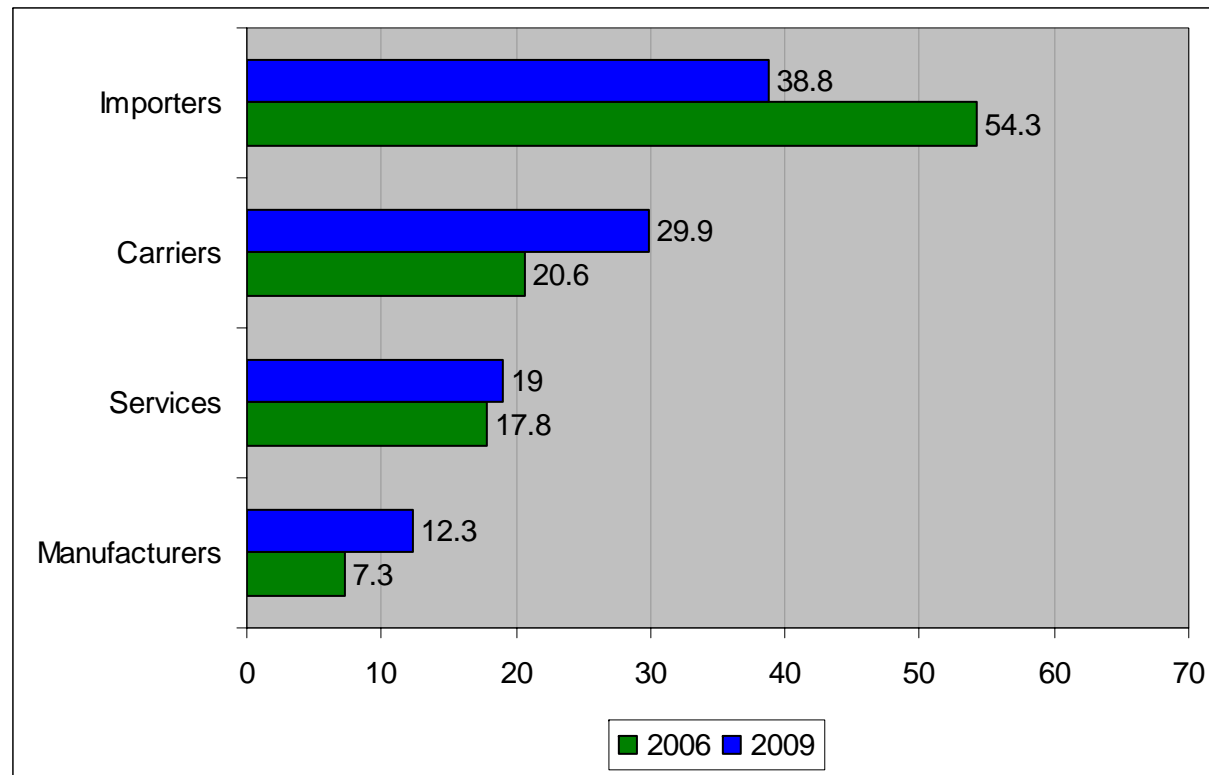
C-TPAT business participants and respondents to the survey

Business Types	Population				Survey Participants			
	2006		2009		2006		2009	
	n	%	n	%	n	%	n	%
Importers	3,209	53.8	3,822	46.8	953	54.3	1,484	39.2
Carriers	1,360	22.8	2,270	27.8	362	20.6	1,109	29.3
Services	1,098	18.4	1,400	17.1	313	17.8	748	19.7
Manufacturers	298	5.0	674	8.3	128	7.3	446	11.8
Total	5,965	100	8,166	100	1,756	100	3,787	100

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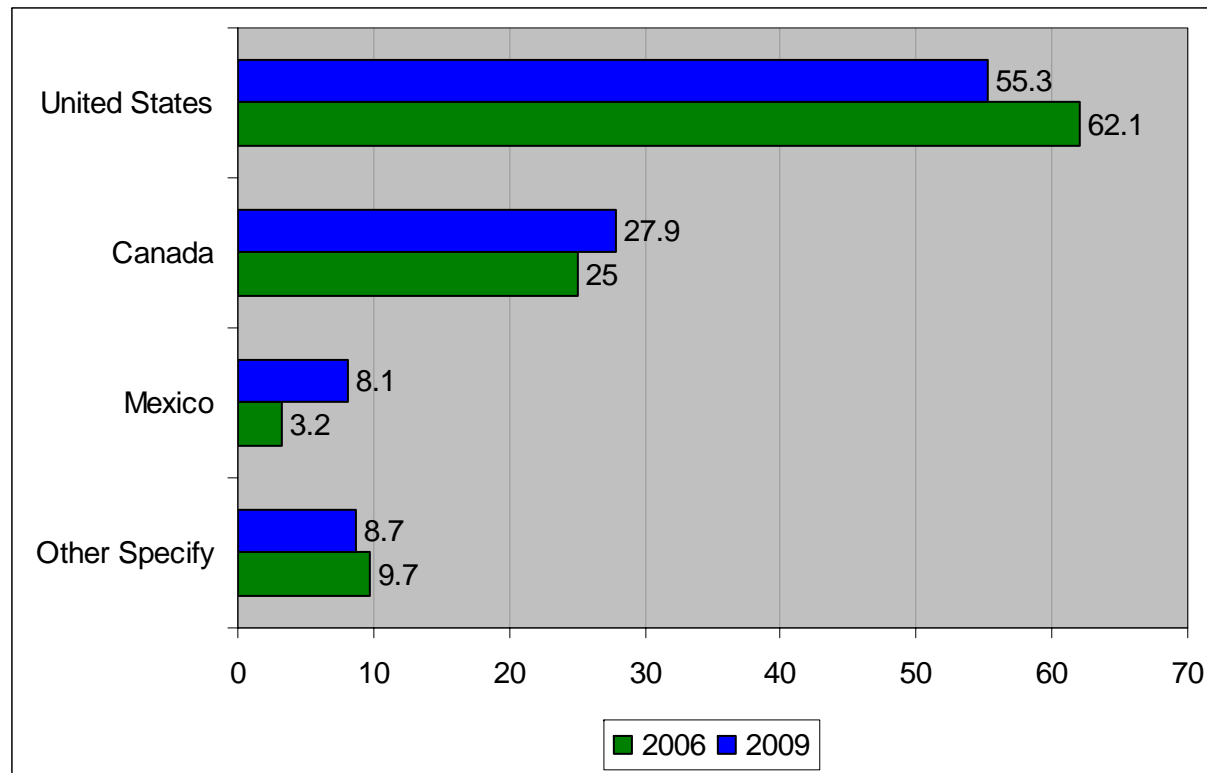
Respondents to the C-TPAT Survey



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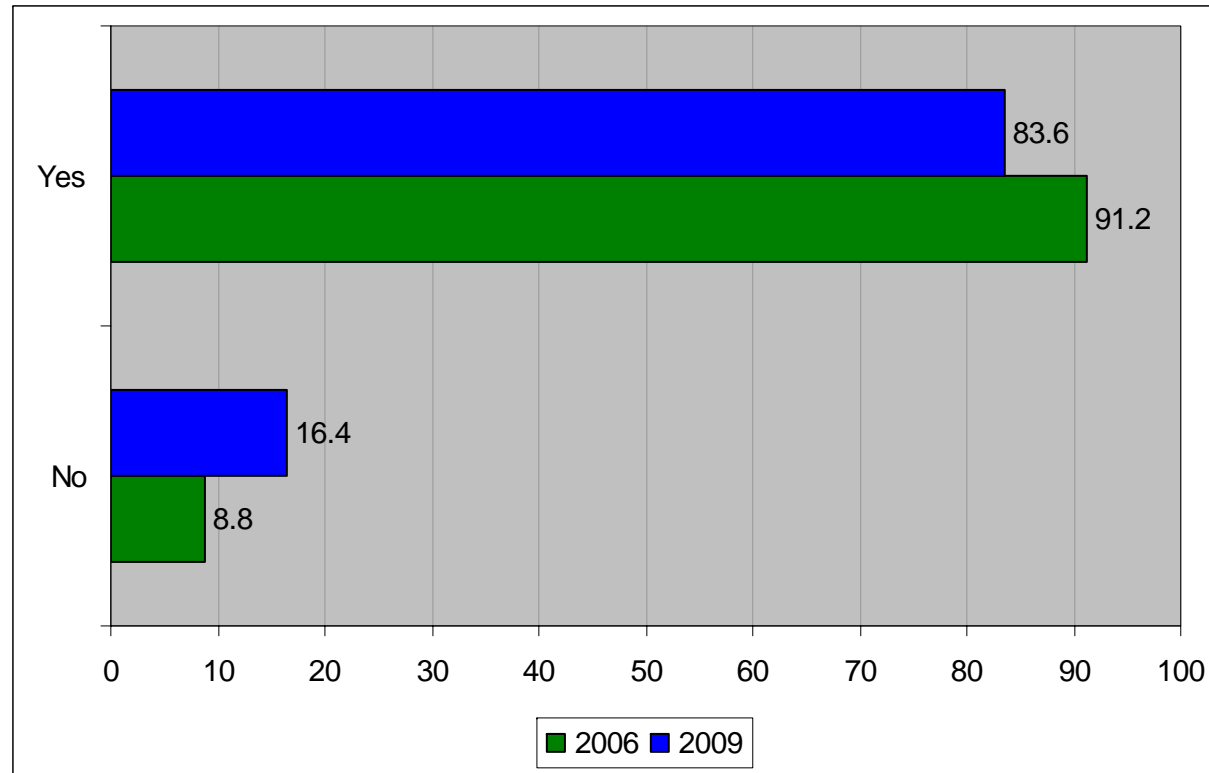
Location of company's headquarters



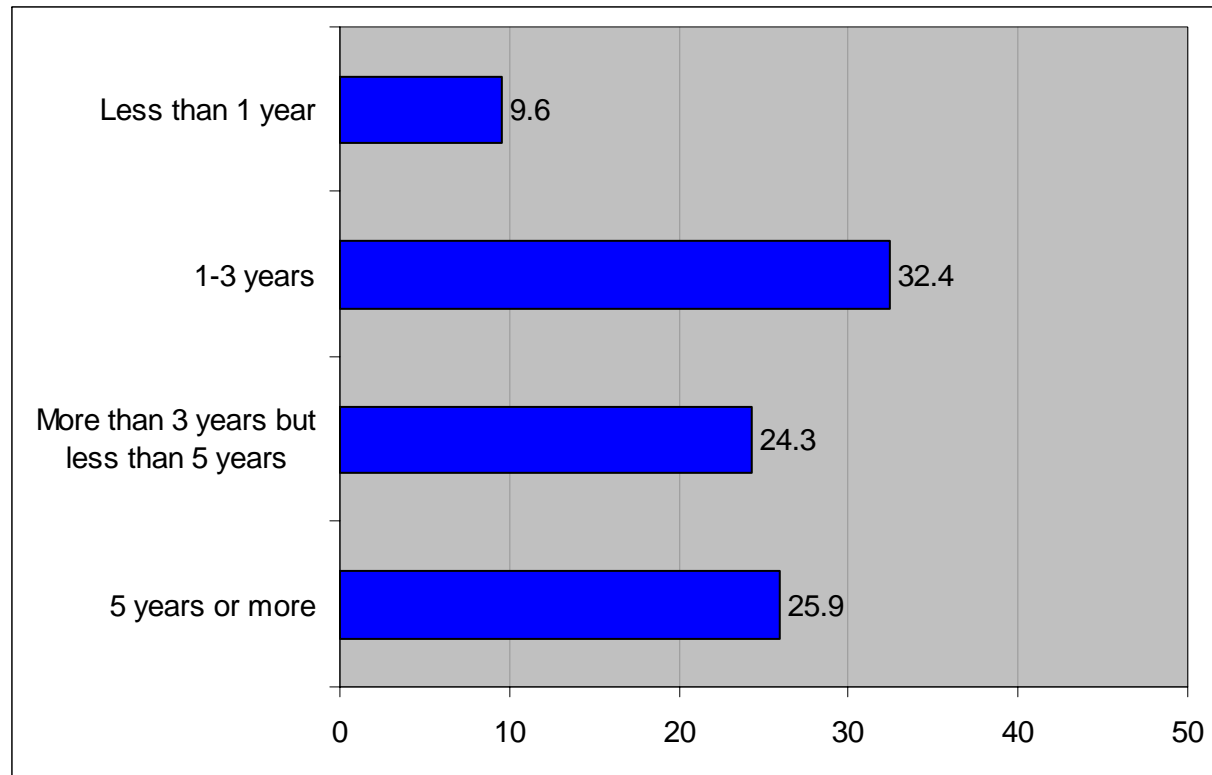
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Are you the primary C-TPAT contact for your company?



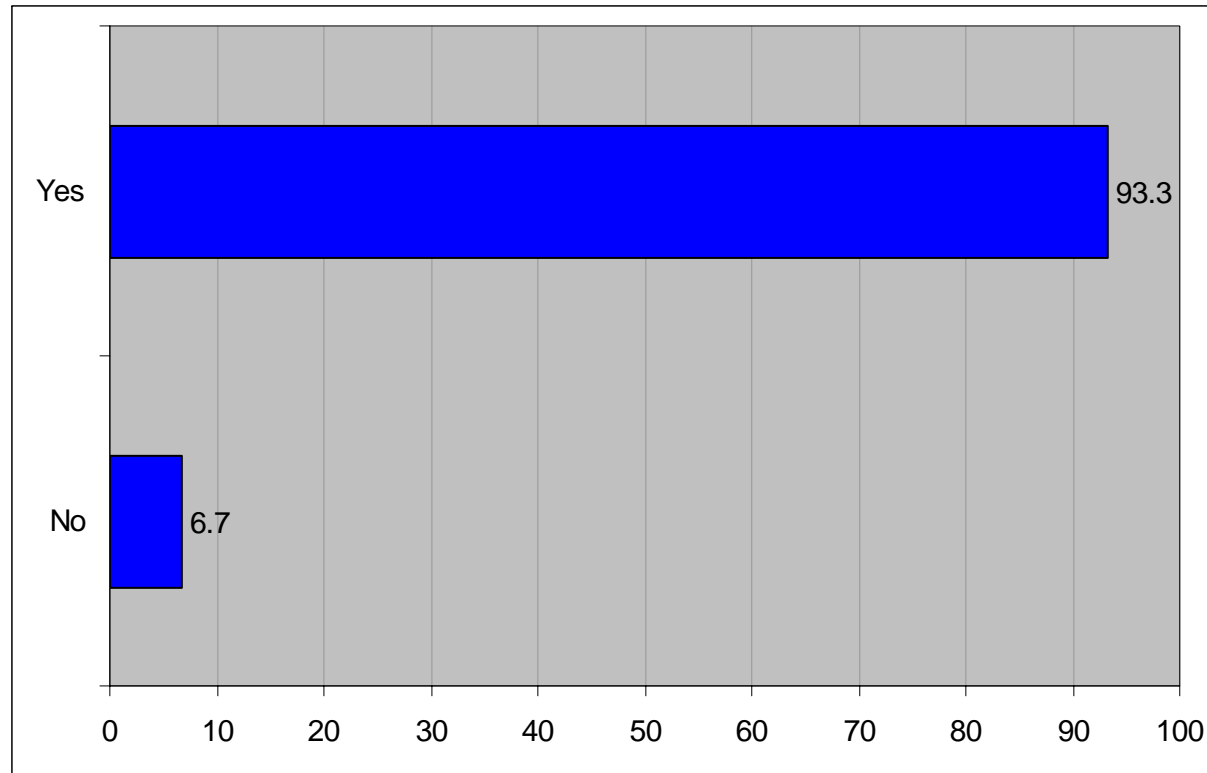
How long has your company been C-TPAT certified?



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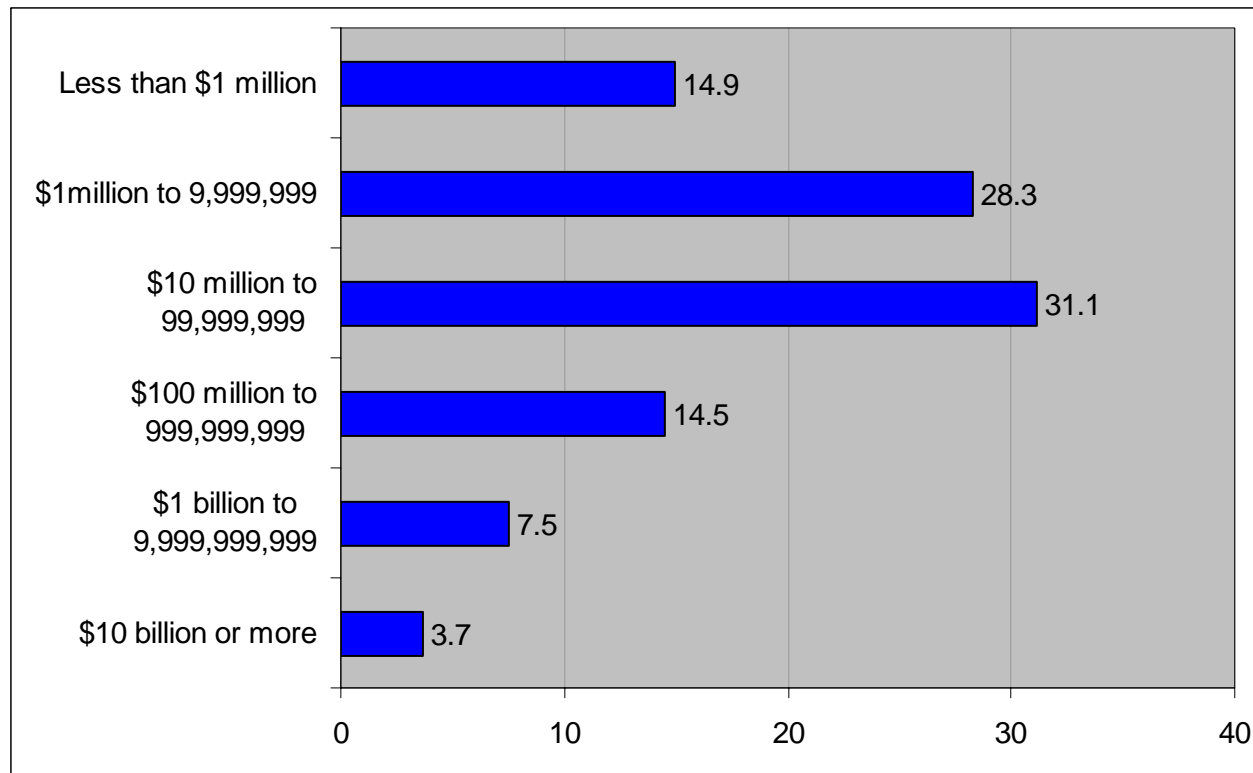
Has your company received C-TPAT Validation?



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Annual revenue



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Tangible Benefits of the C-TPAT Program

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Impact of C-TPAT Participation (Importers)

Potential Factors for Importers	Increased		Stayed the Same		Decreased		Unknown		Does not Apply		Number Responding	
	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010
	(%)		(%)		(%)		(%)		(%)		n	
Number of CBP inspections	6.6	11.9	44.1	35.5	35.4	33.8	12.9	16.0	1.0	2.9	814	1,467
Disruptions in supply chain	4.5	5.7	51.8	46.2	28.9	24.7	10.0	16.5	4.9	6.9	803	1,433
Lead time	8.1	6.6	60.0	54.0	18.6	16.0	11.0	15.9	2.3	7.4	812	1,455

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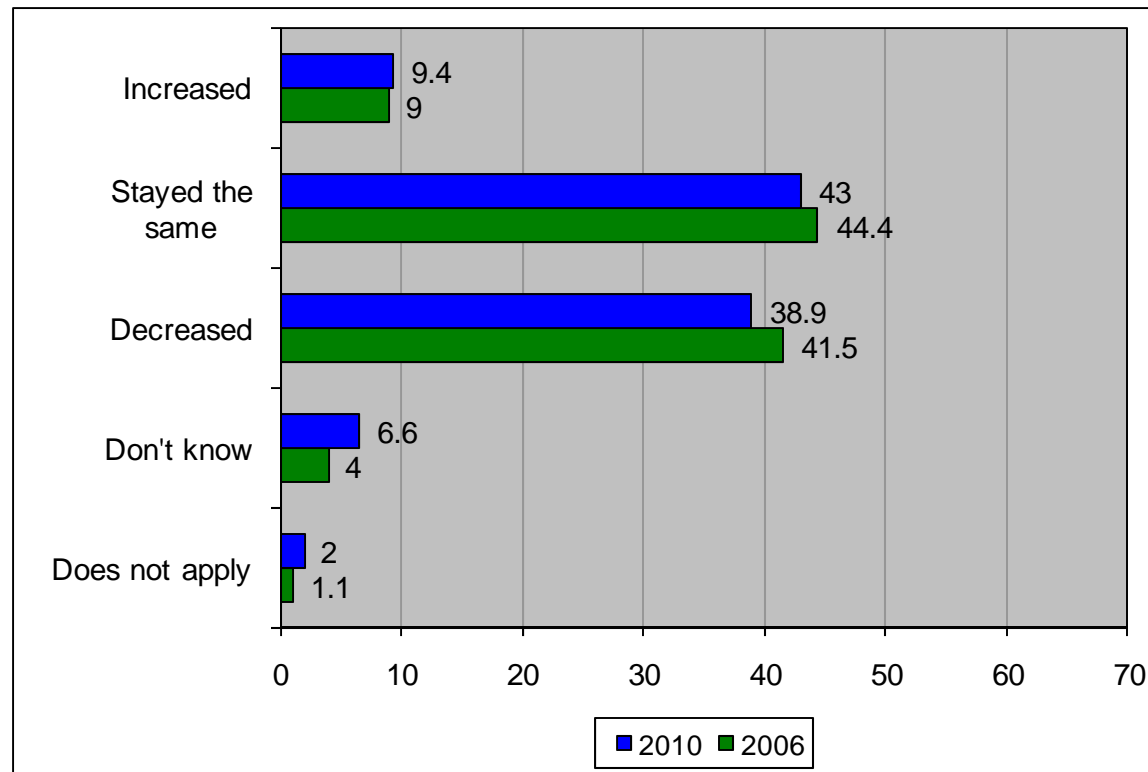
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Potential Factors for Importers	Increased		Stayed the Same		Decreased		Unknown		Does not Apply		Number Responding	
	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010	2006	2010
	(%)		(%)		(%)		(%)		(%)		n	
Supply chain visibility	29.4	29.5	56.4	50.9	.7	.8	8.9	12.8	4.6	6.0	809	1,443
Ability to predict lead time	24.3	14.5	56.8	54.9	4.2	3.9	11.9	18.7	2.8	8.0	810	1,444
Ability to track orders	22.2	18.0	60.9	59.9	2.2	1.3	8.6	13.0	6.1	7.8	805	1,446

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Impact of C-TPAT Participation on Wait Times (Highway Carriers)



Percentages add up to more than 100

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Intangible Benefits of the C-TPAT Program

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Intangible Benefits of C-TPAT Program (all businesses)

Potential Benefits	Mean	
	2006	2009
Enhances security in supply chain	3.68	3.76
Increases security awareness	--	3.76
Partnering with Customs and Border and Protection	--	3.69
Improves risk management procedures and systems	3.55	3.67
To know your customer	--	3.63
Demonstrates corporate citizenship	3.57	3.62
Sound security practices	3.49	3.62
Protects company's brand image	3.50	3.59
Protects your industry	3.54	3.56
Self-policing and self-monitoring of security activities	--	3.51

*Mean rating on a 4-point scale: (extremely important to extremely unimportant)

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Implementation and Maintenance Costs

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Potential Implementation Costs

(for all businesses in 2006, for only those recently certified and selected for long form in 2010)

Potential Implementation costs	Percentage of businesses incurring costs	
	2006	2009
Improving physical security	57.2%	71.1%
Improving in-house awareness	52.3%	56.7%
Salaries and expenses of personnel	45.2%	52.1%
Improving cargo security	43.7%	59.5%
Improving personnel security procedures	43.2%	57.5%

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Annual Maintenance Costs of Ongoing Expenditures

(for all businesses in 2006, for only those selected for long form in 2010)

Maintenance costs	Percentage of businesses incurring costs	
	2006	2009
Maintaining physical security	47.5%	66.7%
Maintaining in-house education, training awareness	45.0%	56.9%
Maintaining cargo security	41.4%	61.7%
Salaries and expenses of personnel	36.3%	47.4%
Maintaining identification system	35.8%	55.1%

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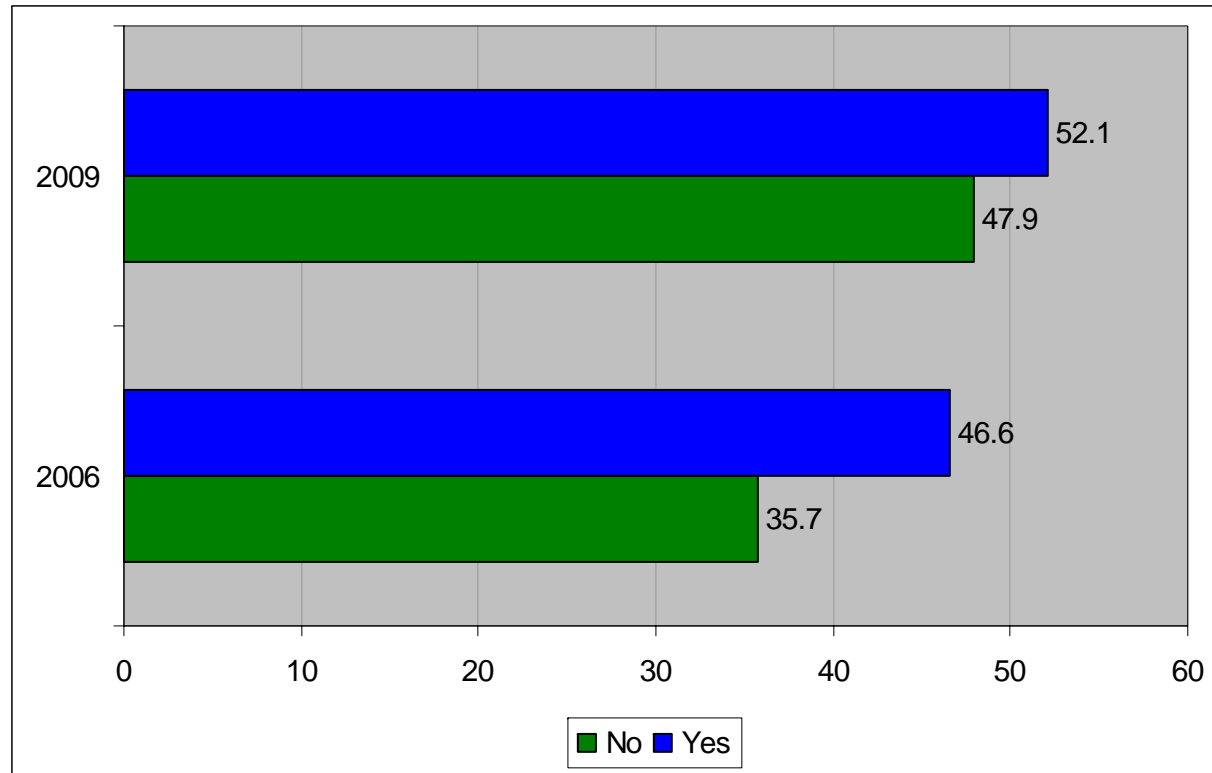


Risk Management

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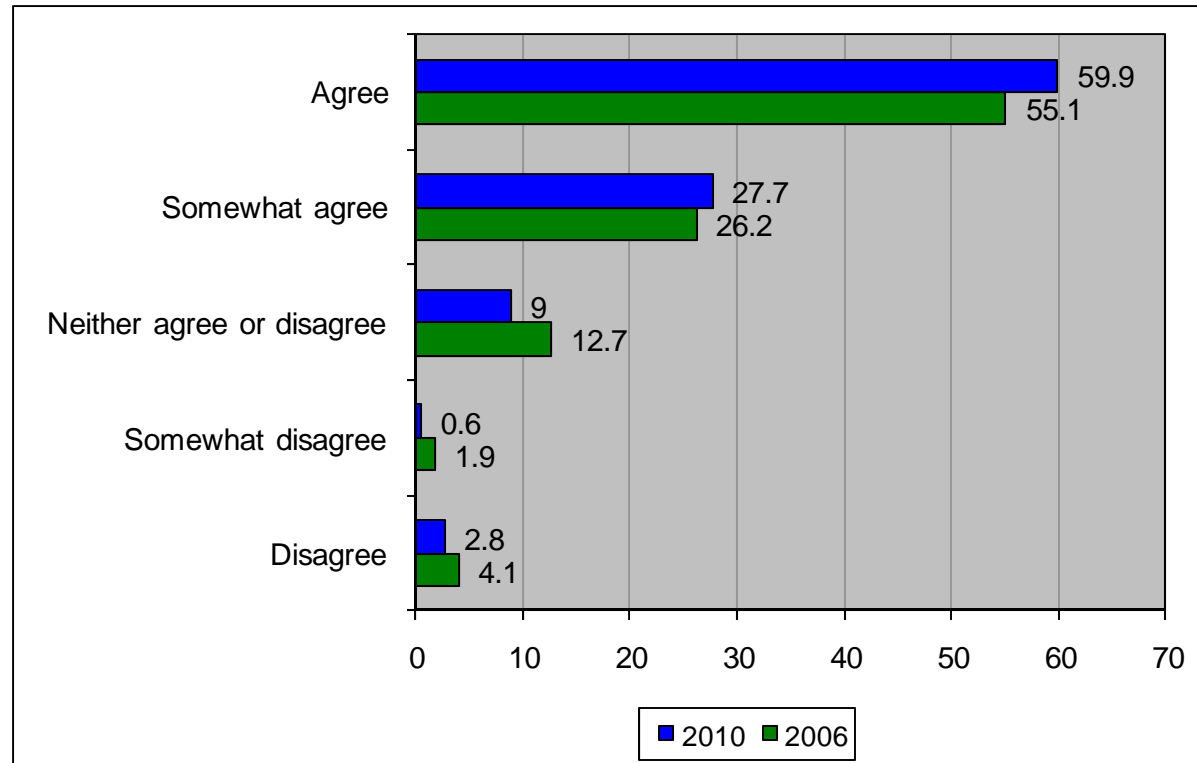
Formal System in Place for Assessing and Managing Supply Risk before Joining C-TPAT



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Company's Ability to Assess and Manage Supply Risk Strengthened as a Result of Joining C-TPAT



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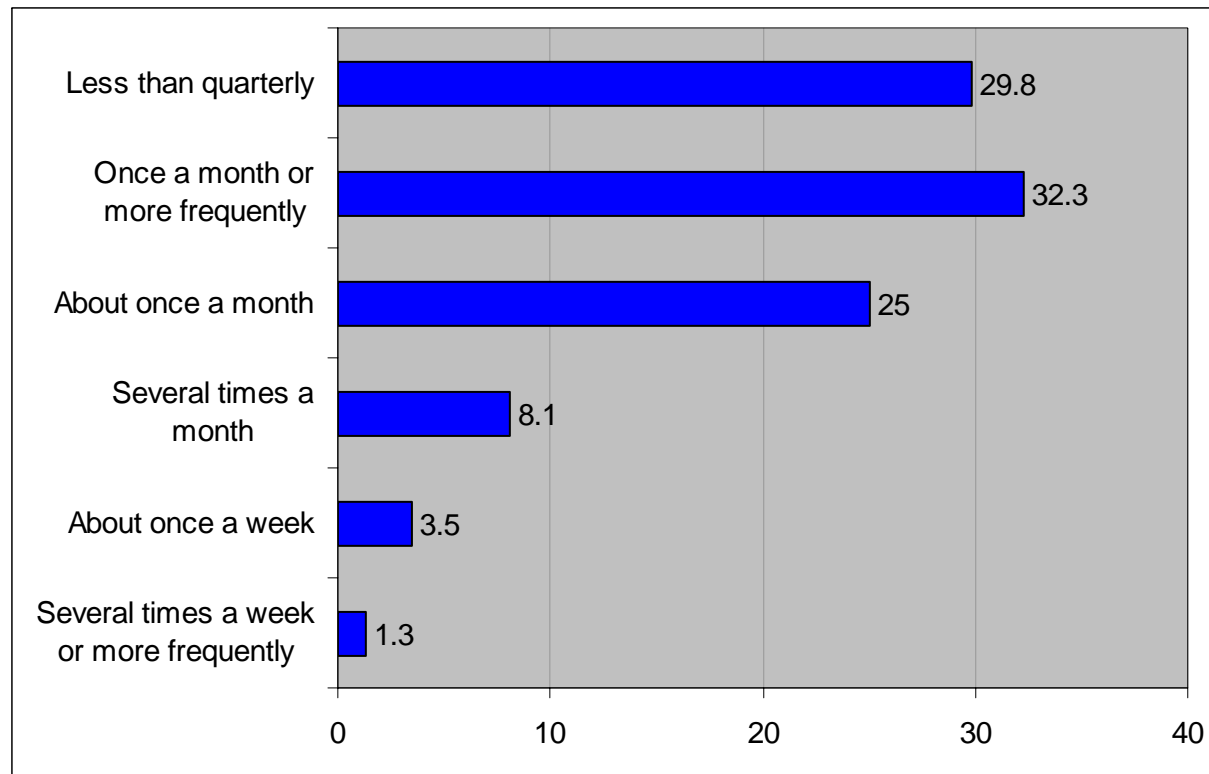


Evaluation of Portal Website

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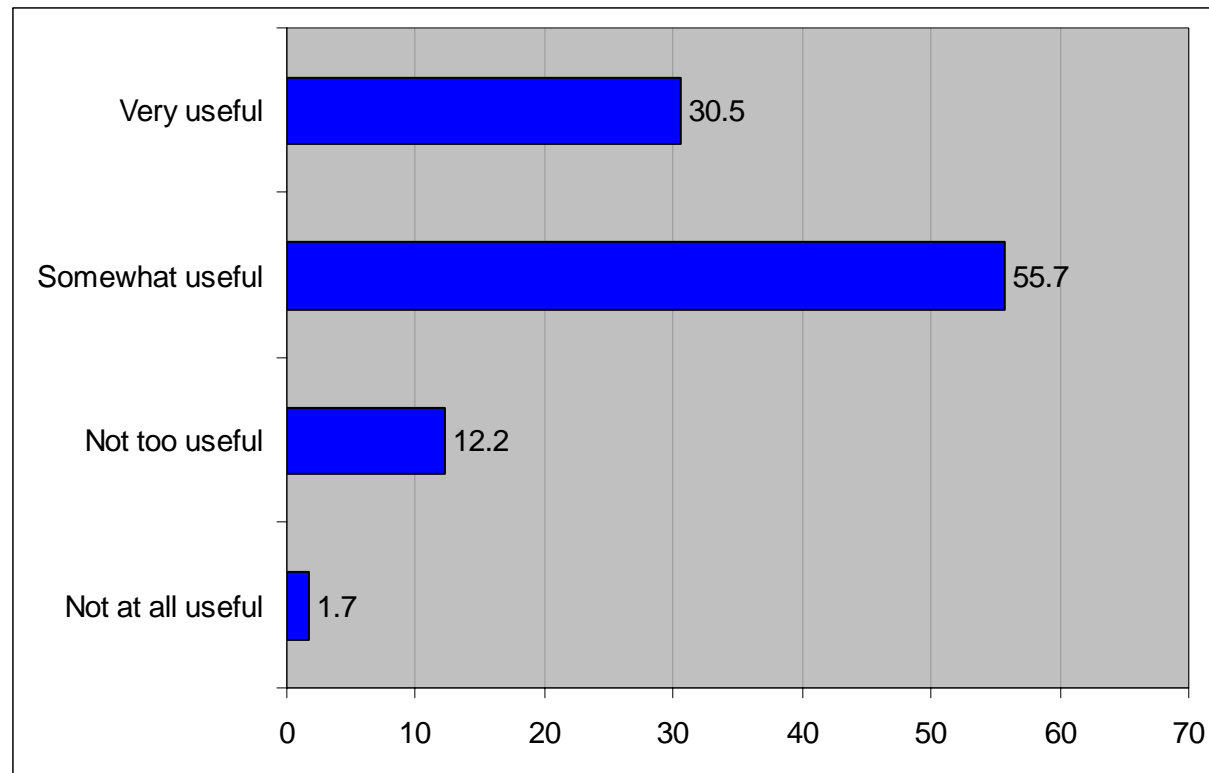
How often do you visit the C-TPAT web page portal?



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How useful is the C-TPAT web page to you?



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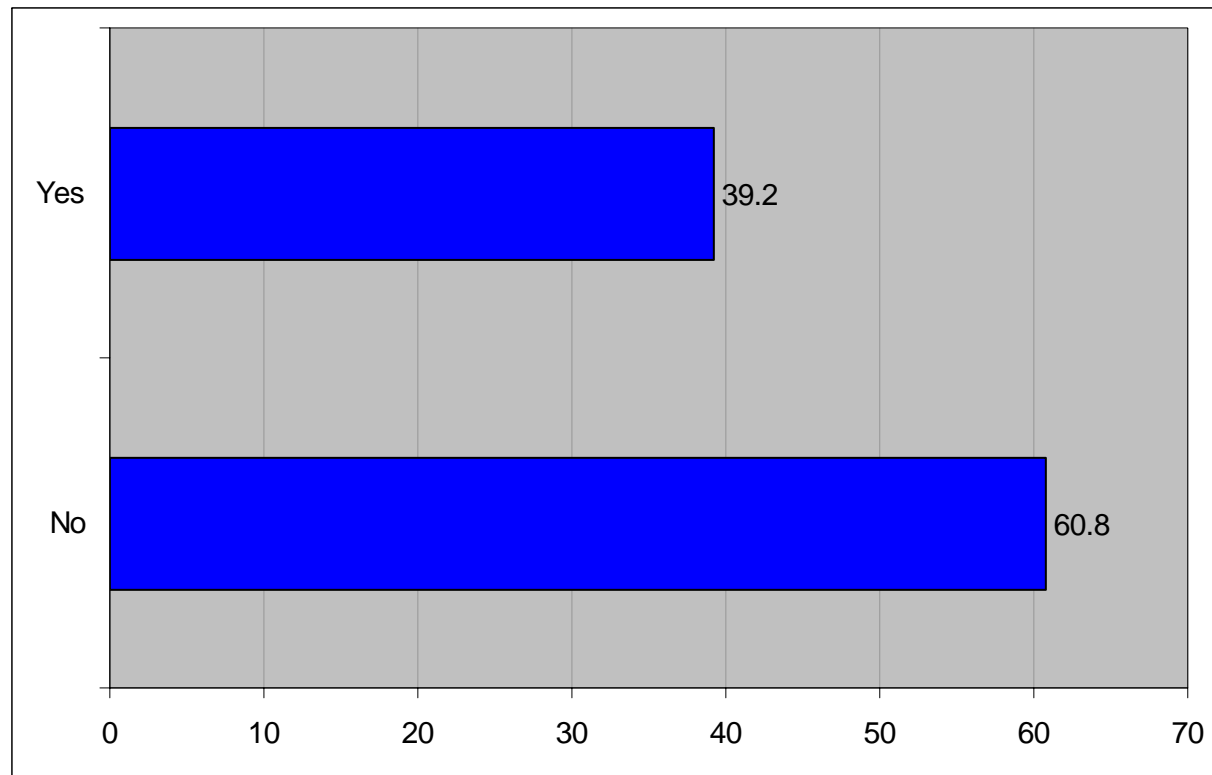


Global Issues

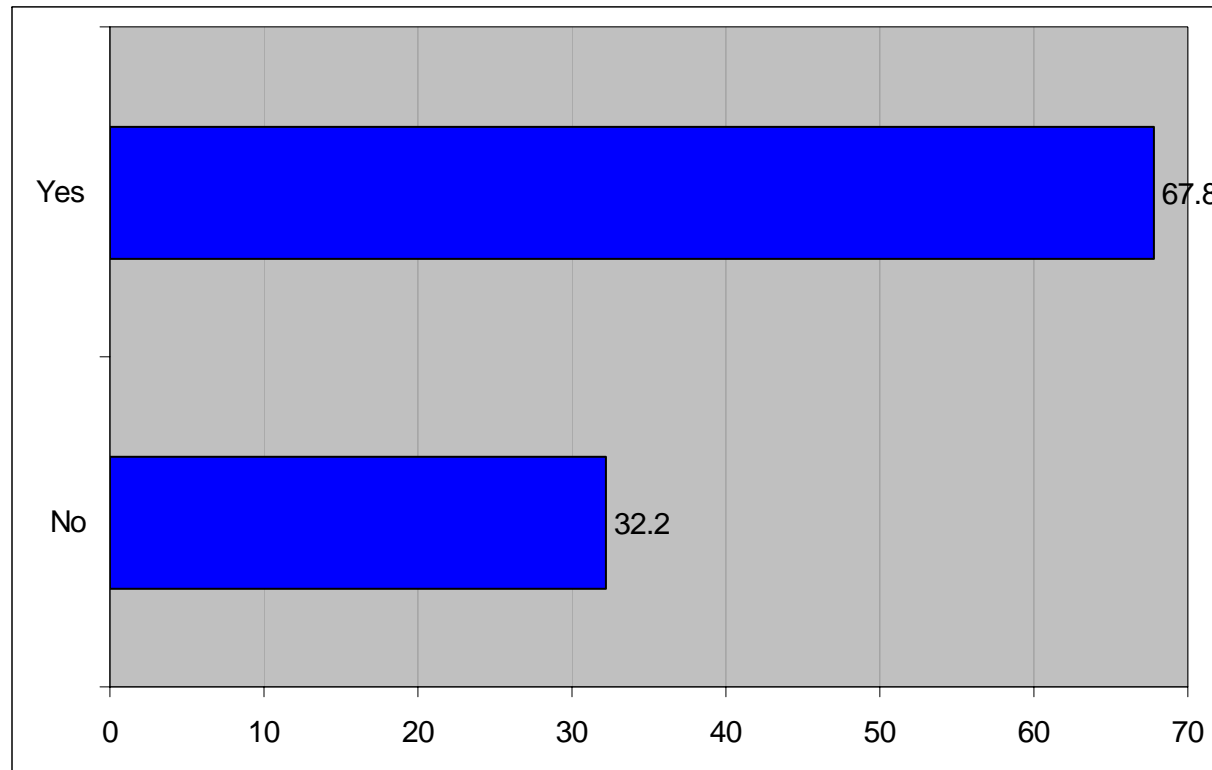
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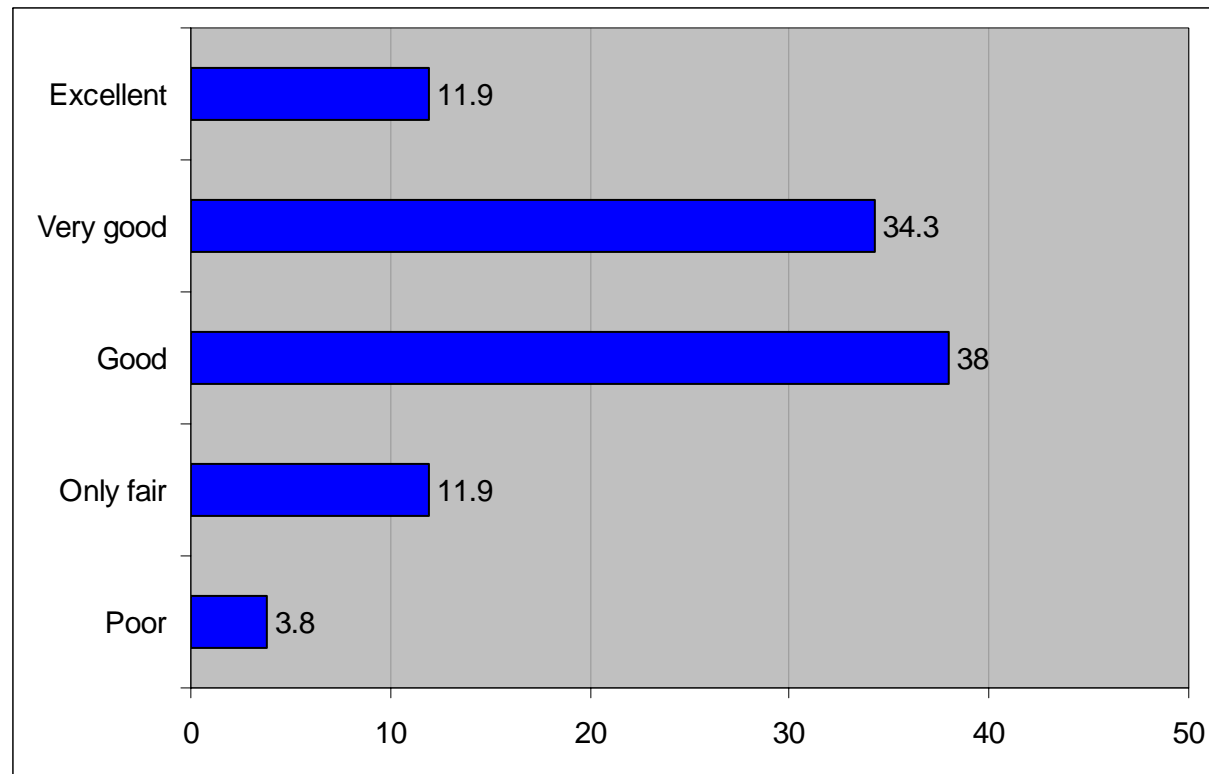
Do you have offices in other parts of the world?



Are you aware of other security programs in those parts of the world?



C-TPAT's progress in strengthening harmonization and establishing mutual recognition between the security programs of different countries



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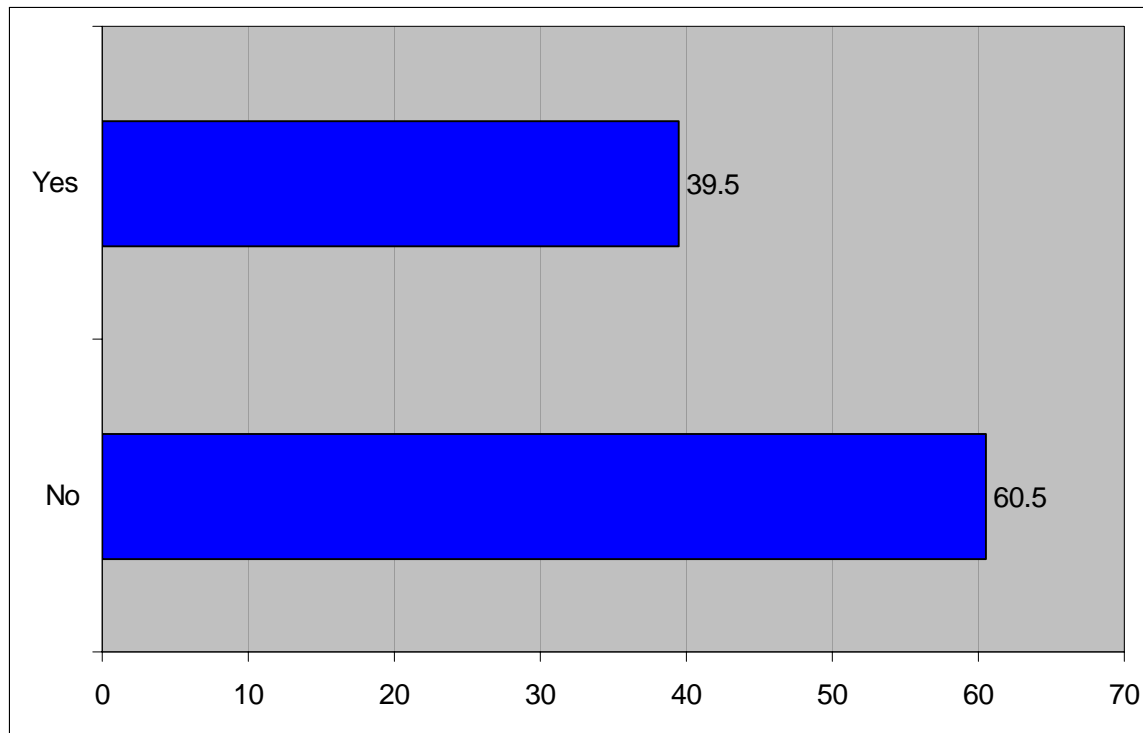


C-TPAT Suspension Process

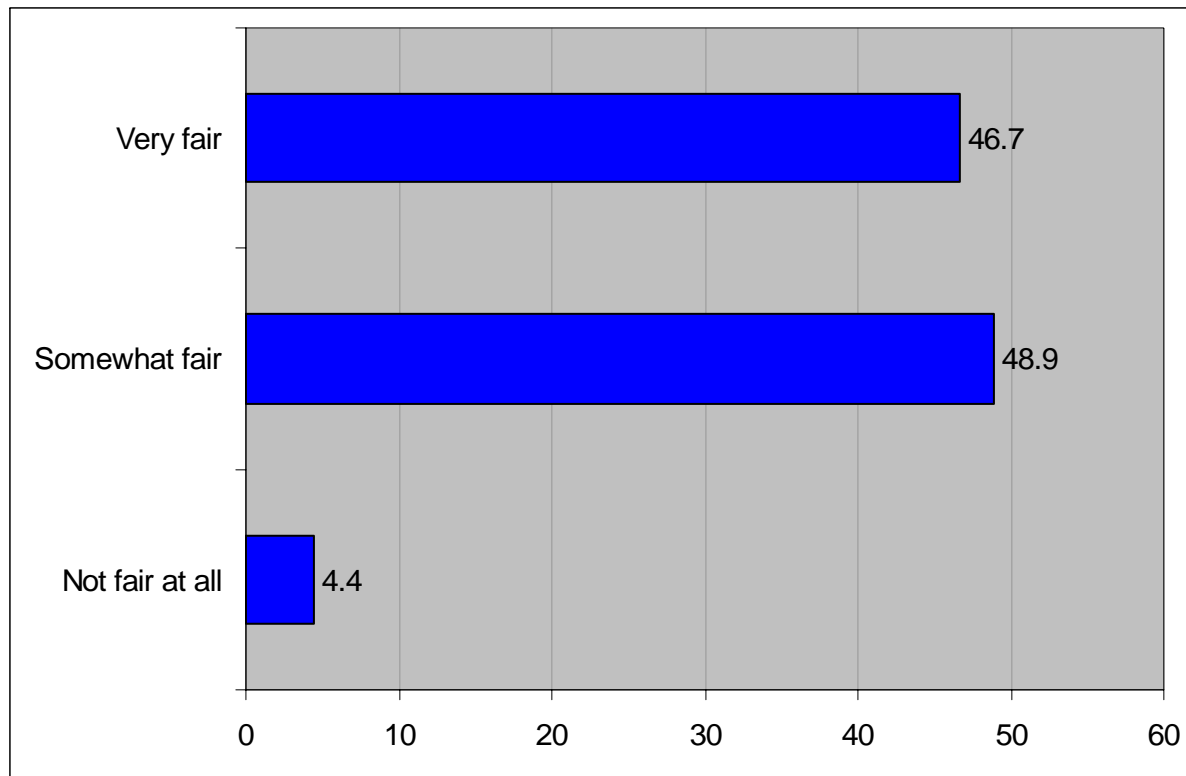
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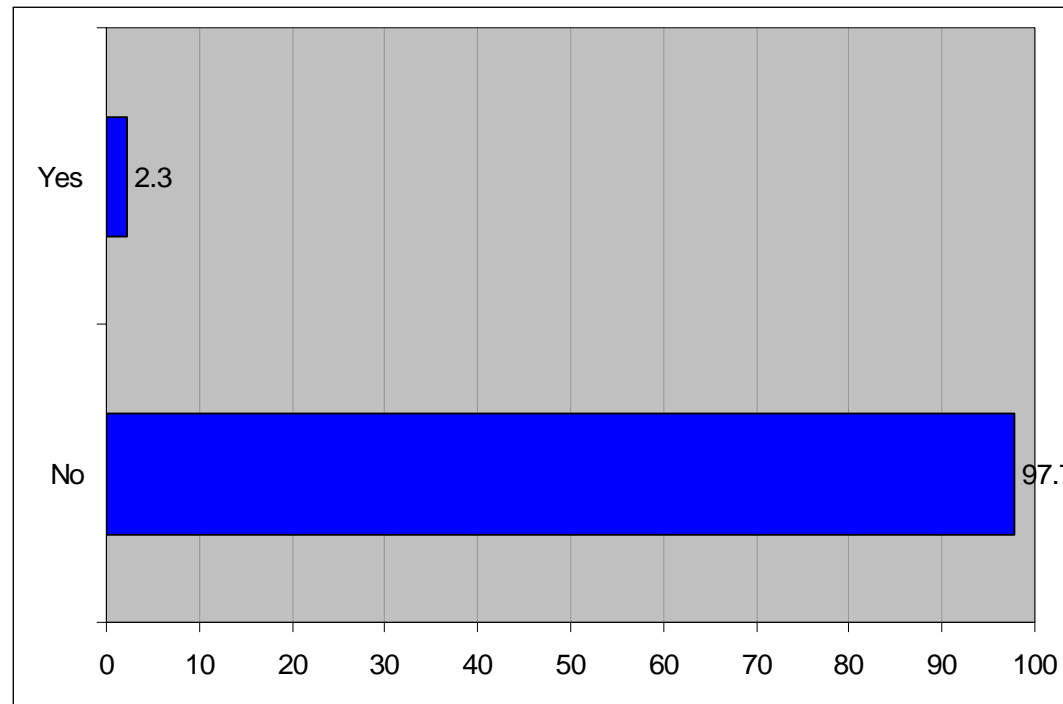
Are you aware of the process involved when a company receives a suspension for failure to comply with C-TPAT requirement?



How fair do you believe the C-TPAT suspension, removal and appeal process is?



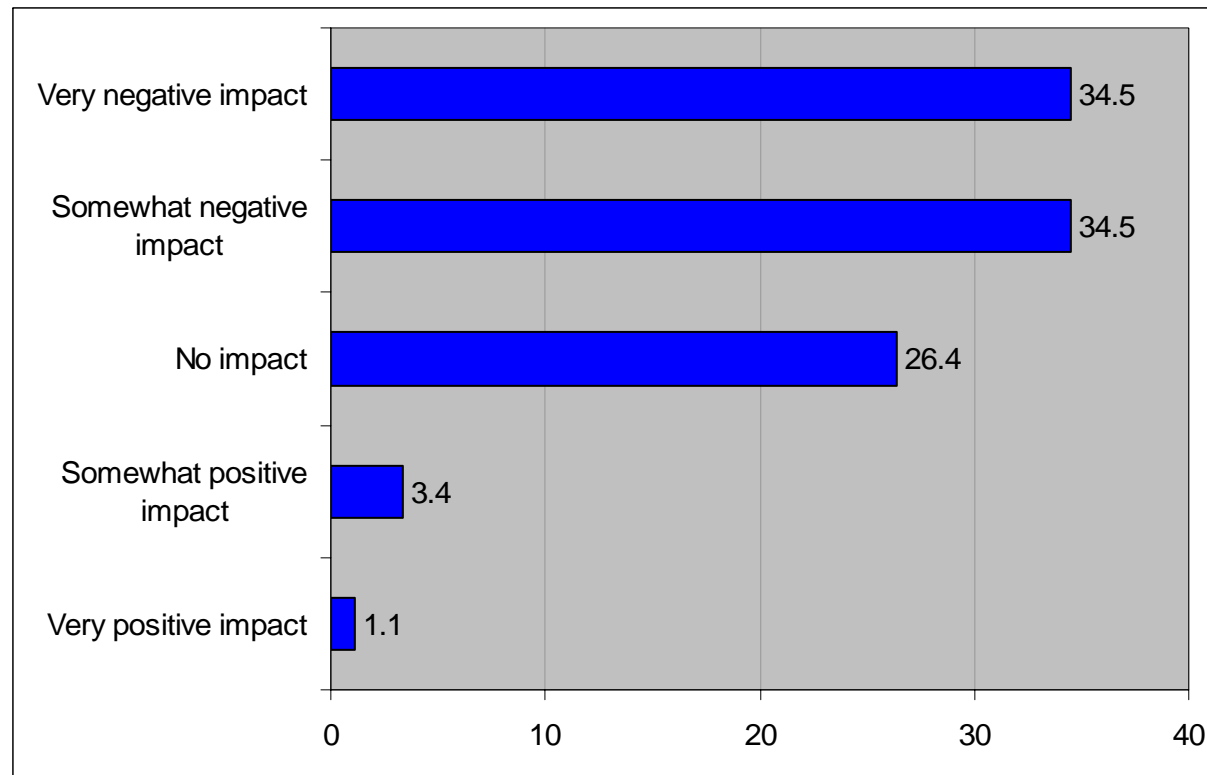
Has your company ever been suspended for failure to comply with C-TPAT requirements?



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What kind of impact did your suspension have on your company's operations?

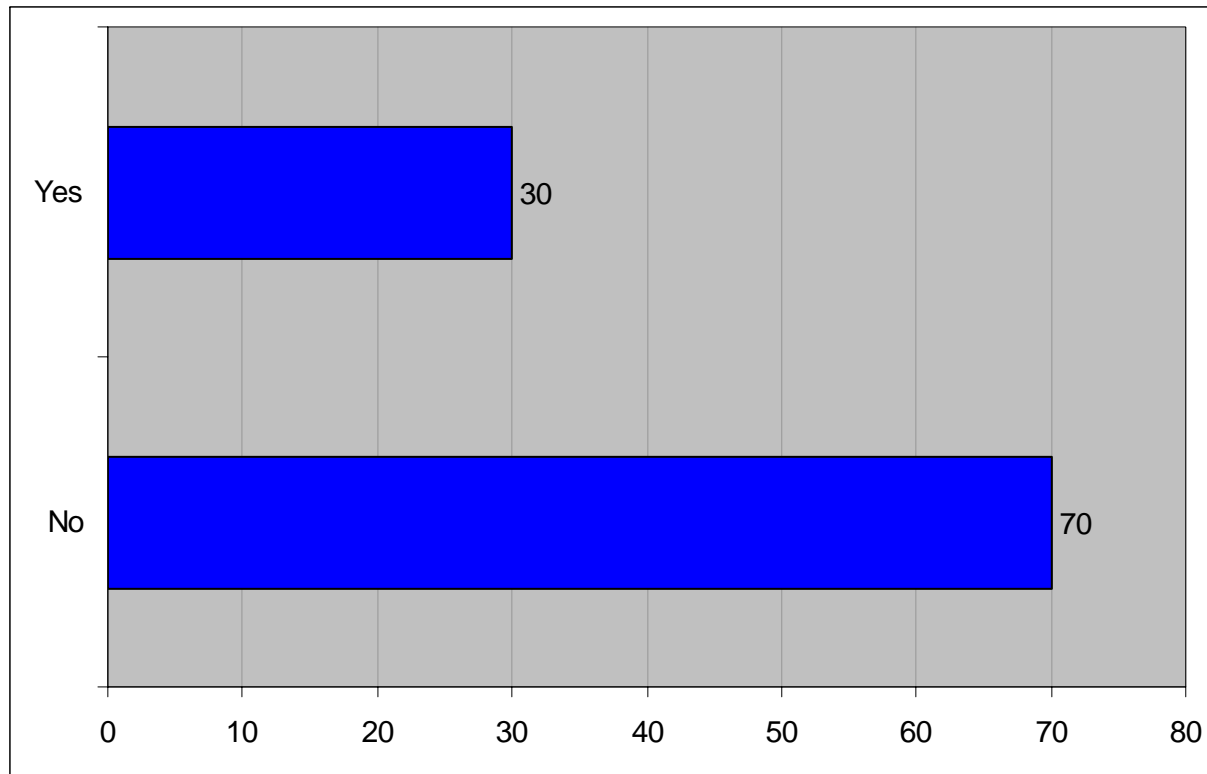


C-TPAT Conferences

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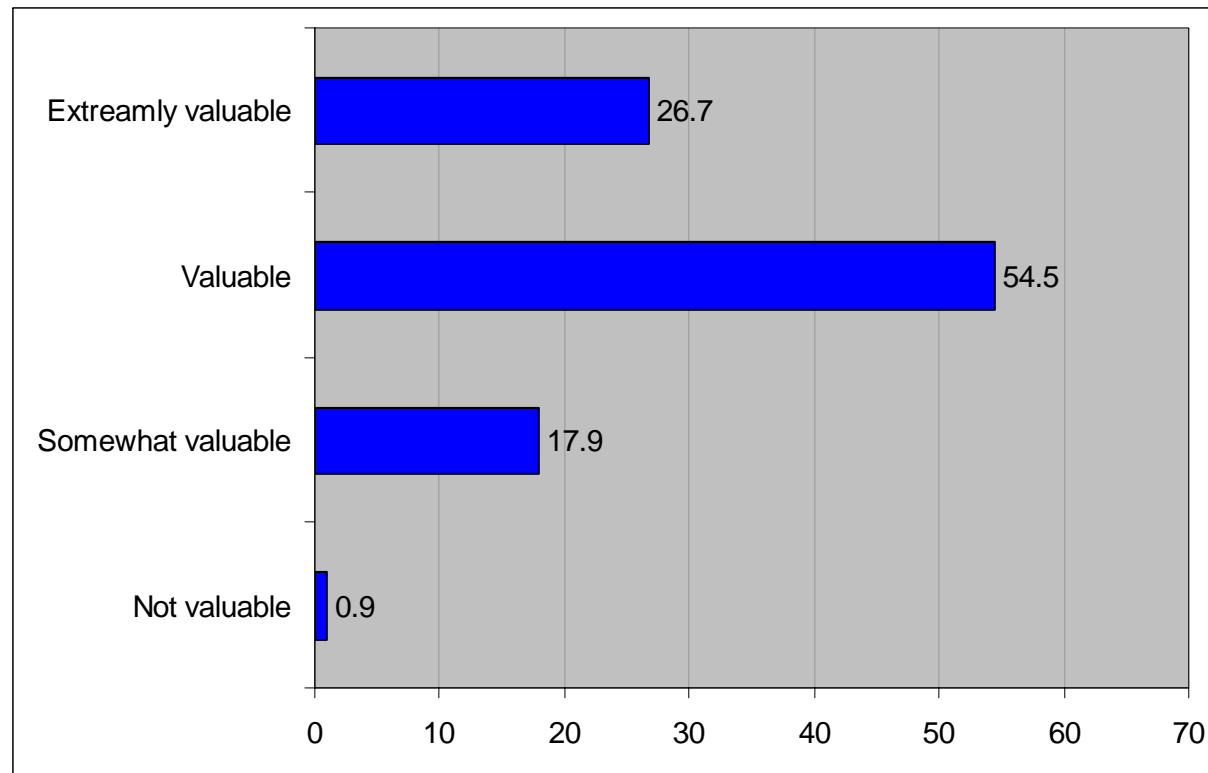
Have you ever participated in the C-TPAT Supply Chain Security Training Conferences?



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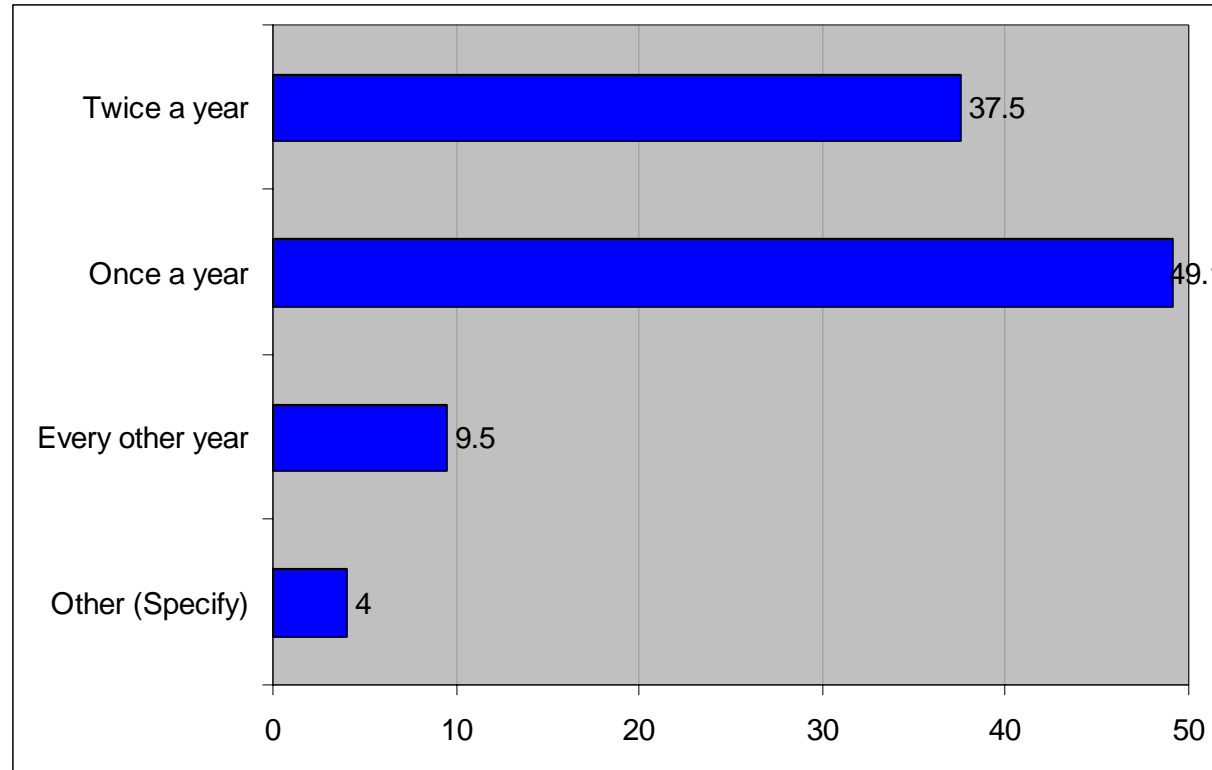
How would you rate the value of the C-TPAT Supply Chain Security Training Conferences?



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How often would you like to see the C-TPAT Supply Chain Security Training conferences?



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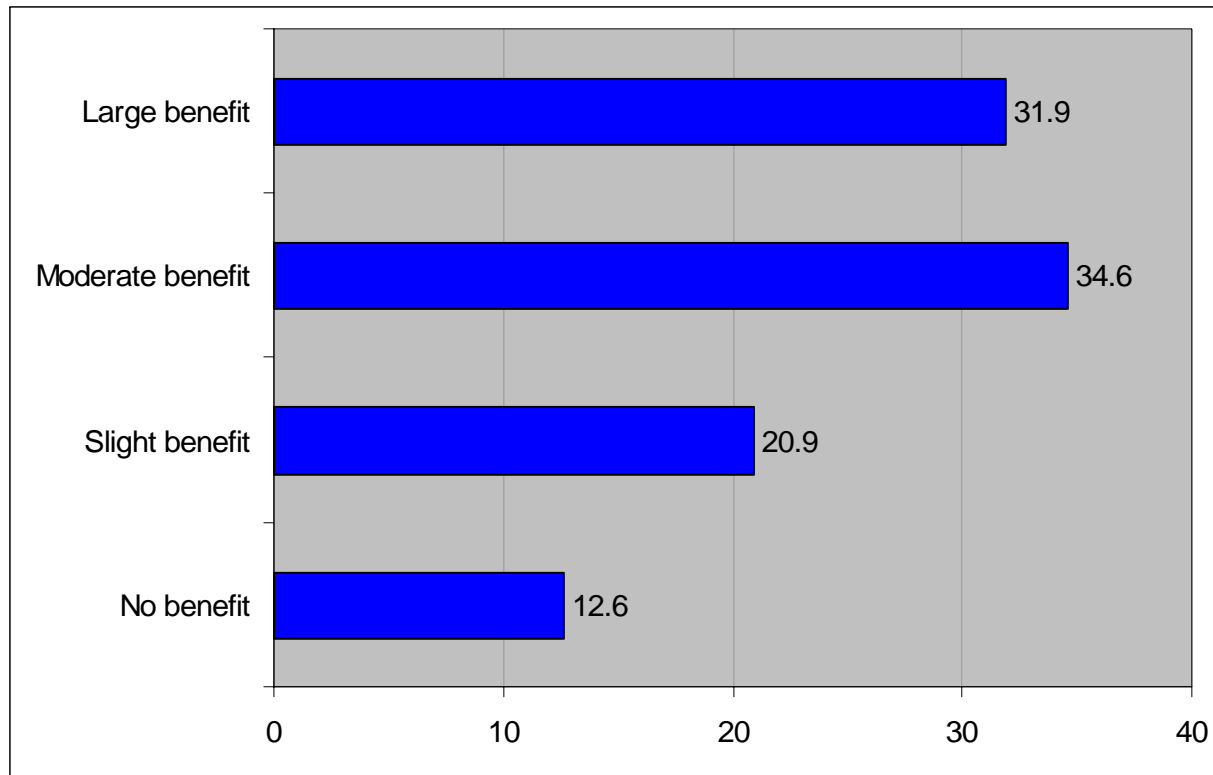


Inspection Experience

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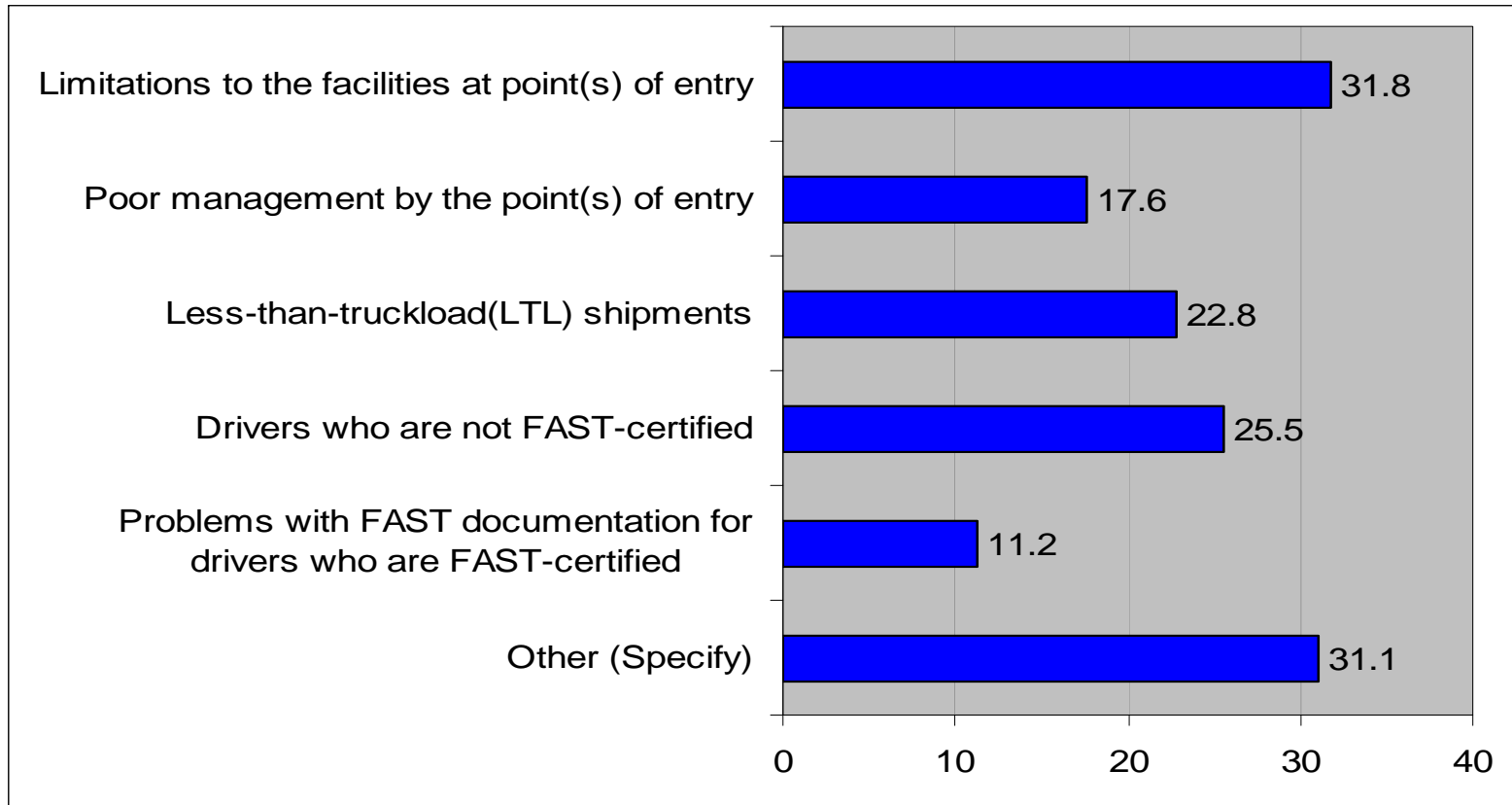
Benefit received from the FAST program (Highway Carriers)



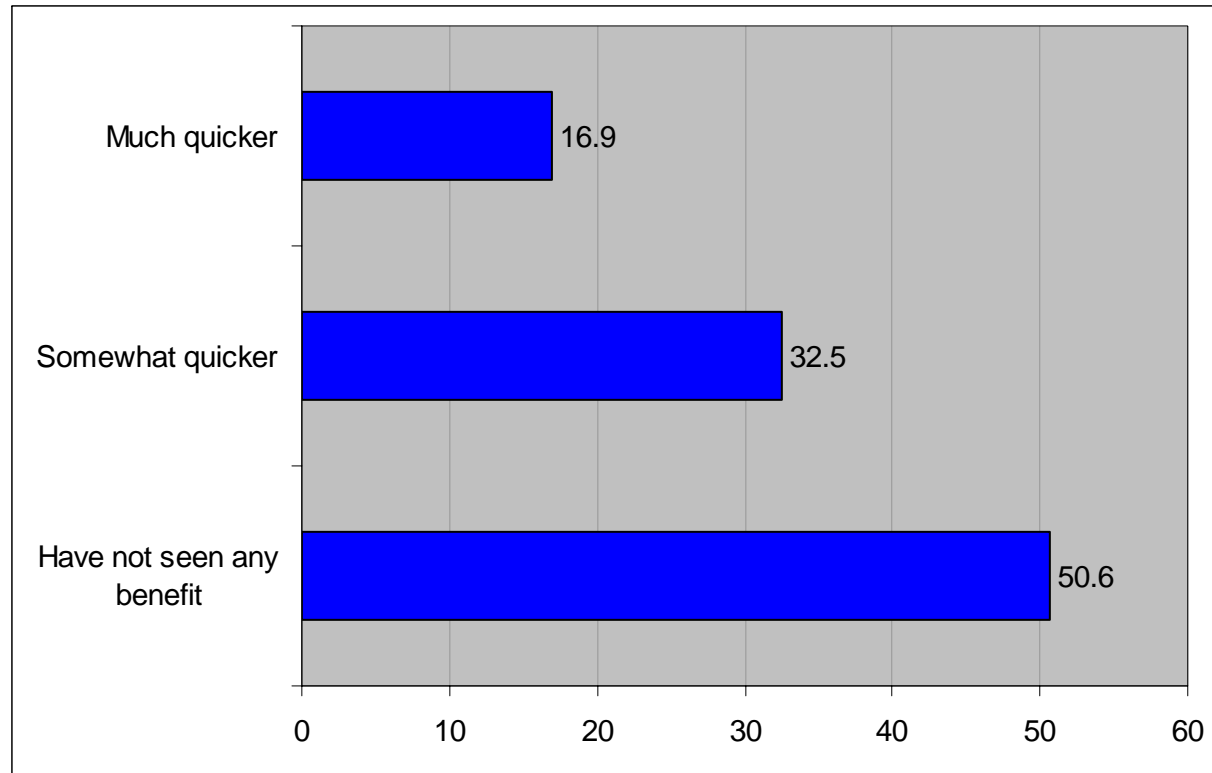
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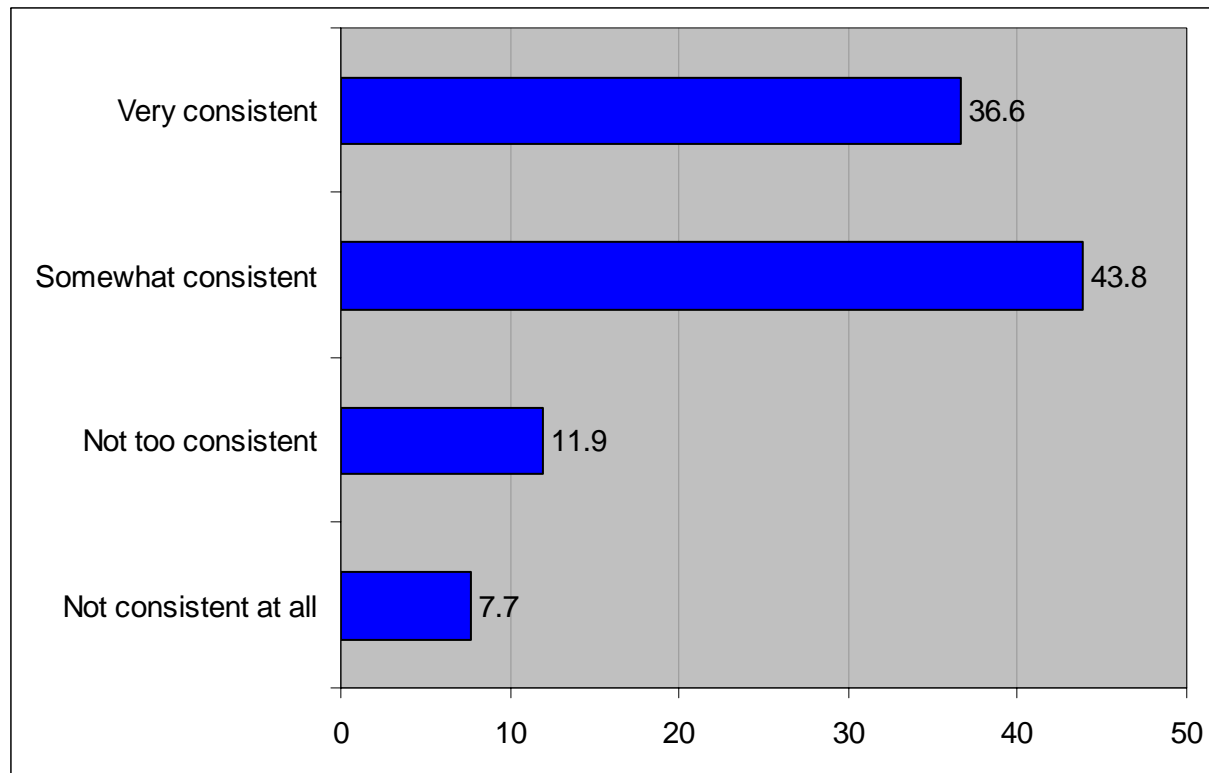
What factors prevent respondents from receiving a greater benefit from the FAST program?



How much faster are your company's inspections as a result of your participation in C-TPAT?



How consistent is your treatment as a C-TPAT participant across ports of entry?



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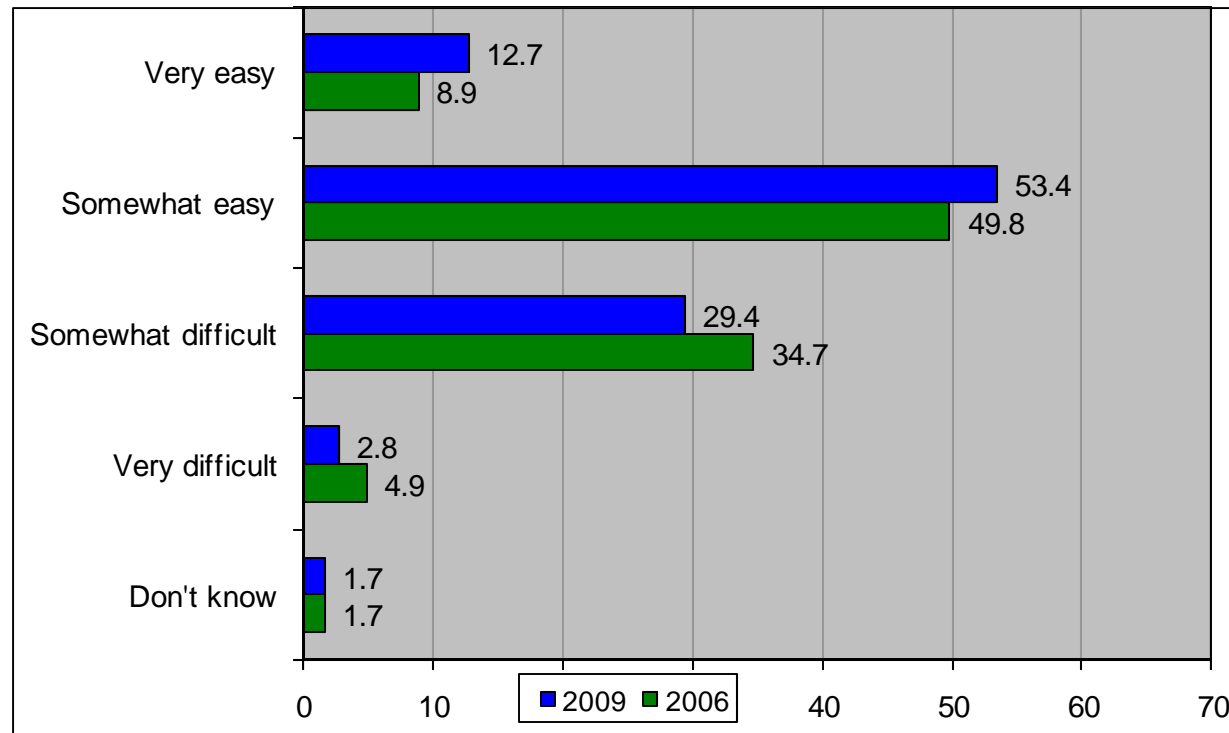


Overall Experience

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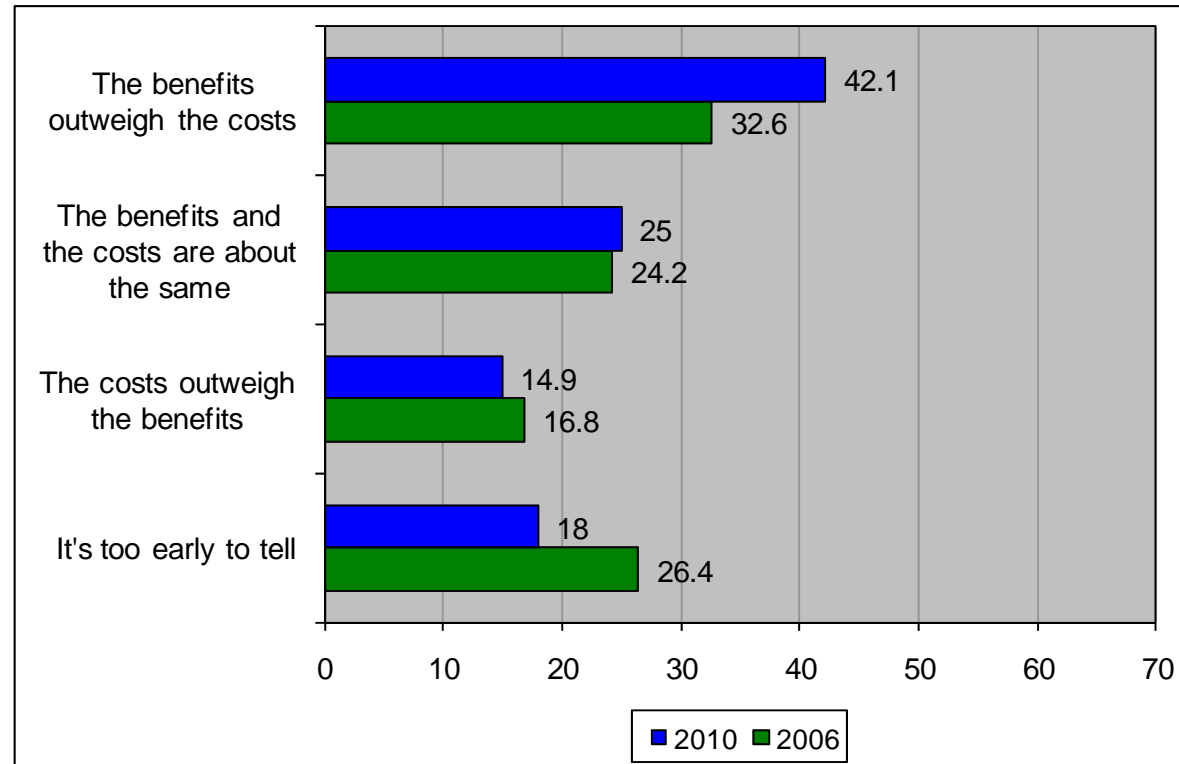
Ease of Implementation of the C-TPAT Program



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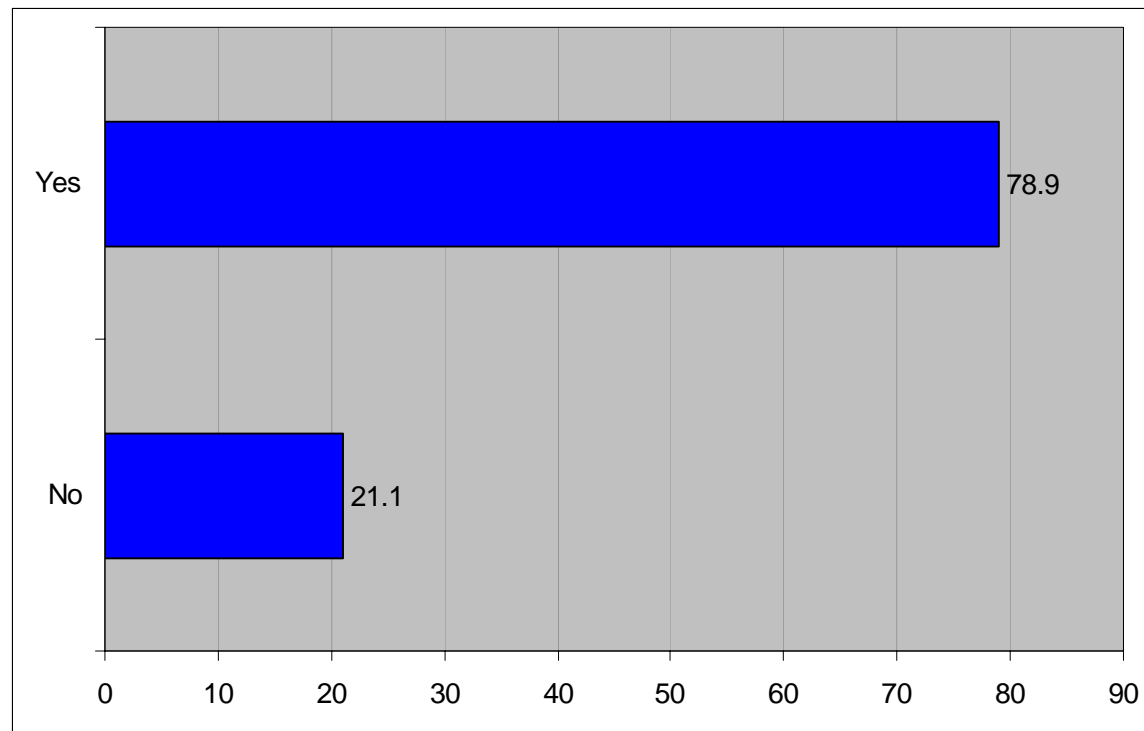
Overall C-TPAT Experience



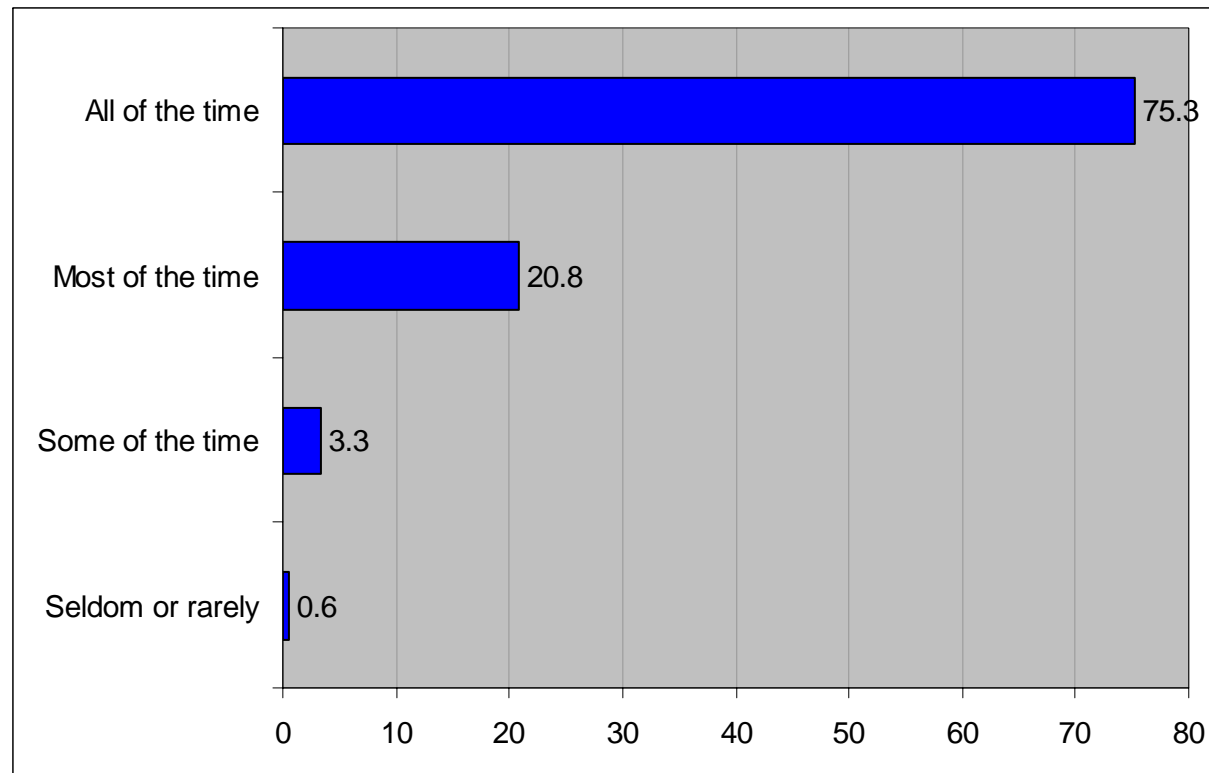
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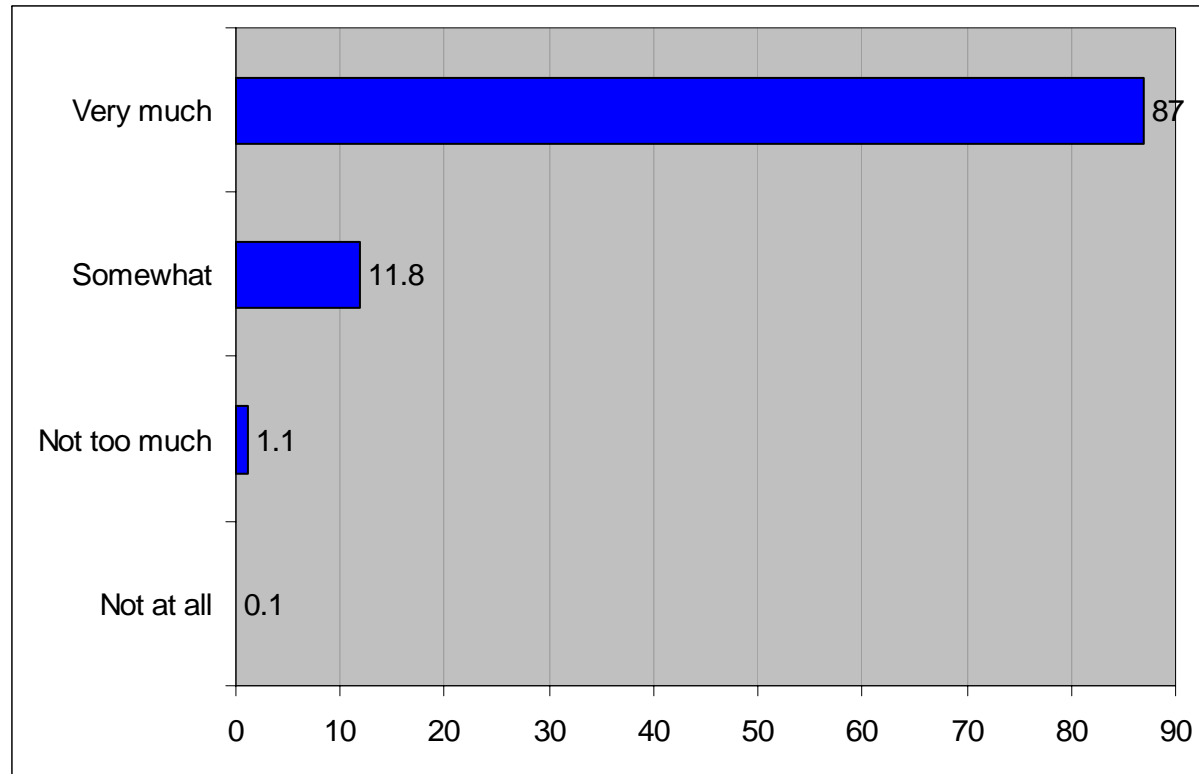
Have you had contact with your Supply Chain Security Specialist in the last 12 months?



How often did you receive timely answers to your questions?



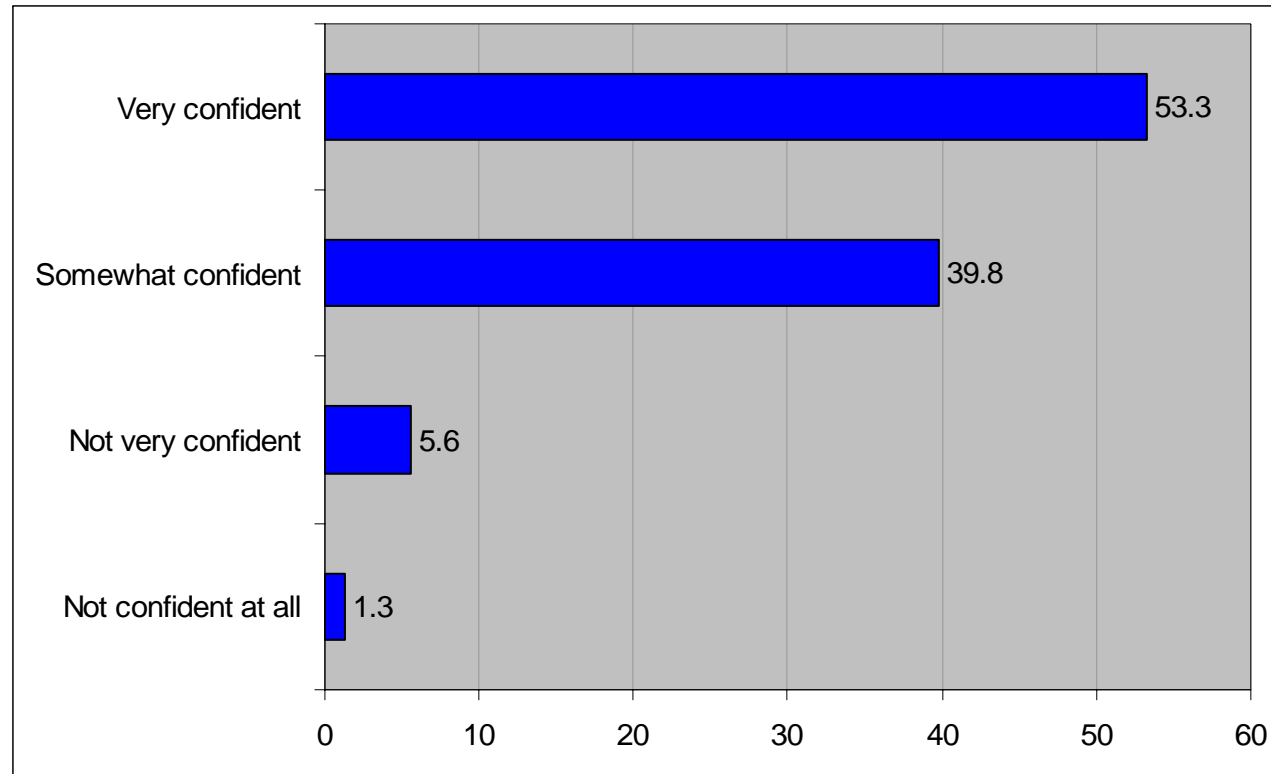
How much do you trust your Supply Chain Security Specialist?



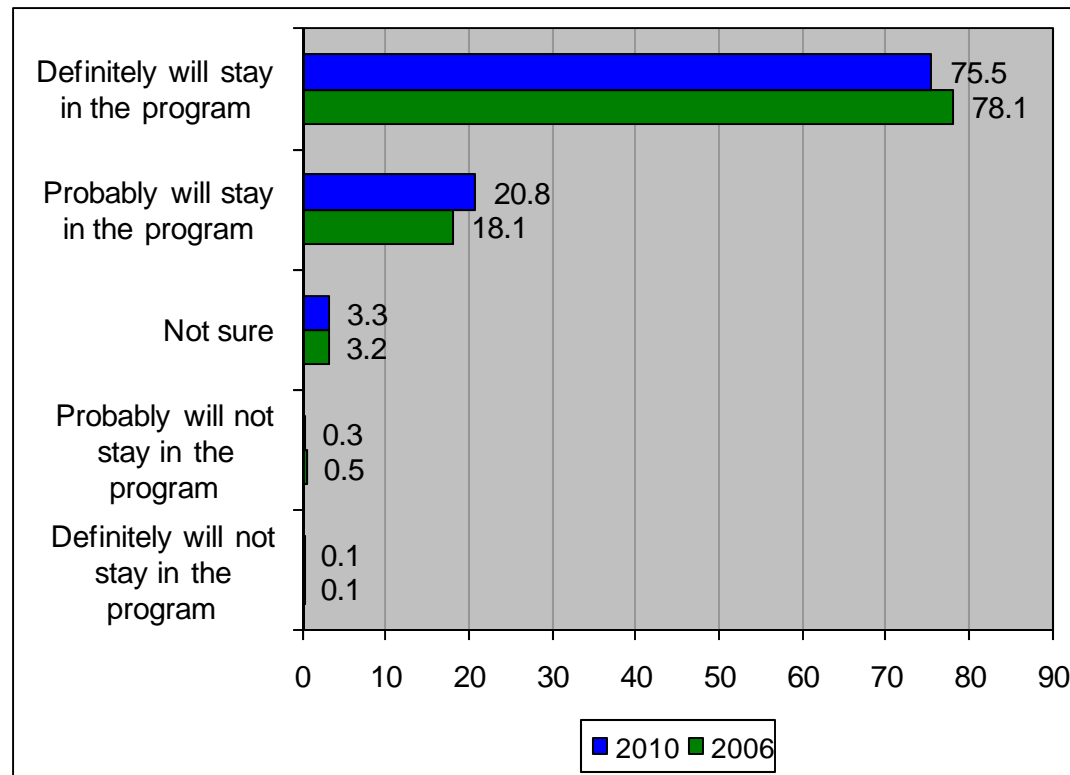
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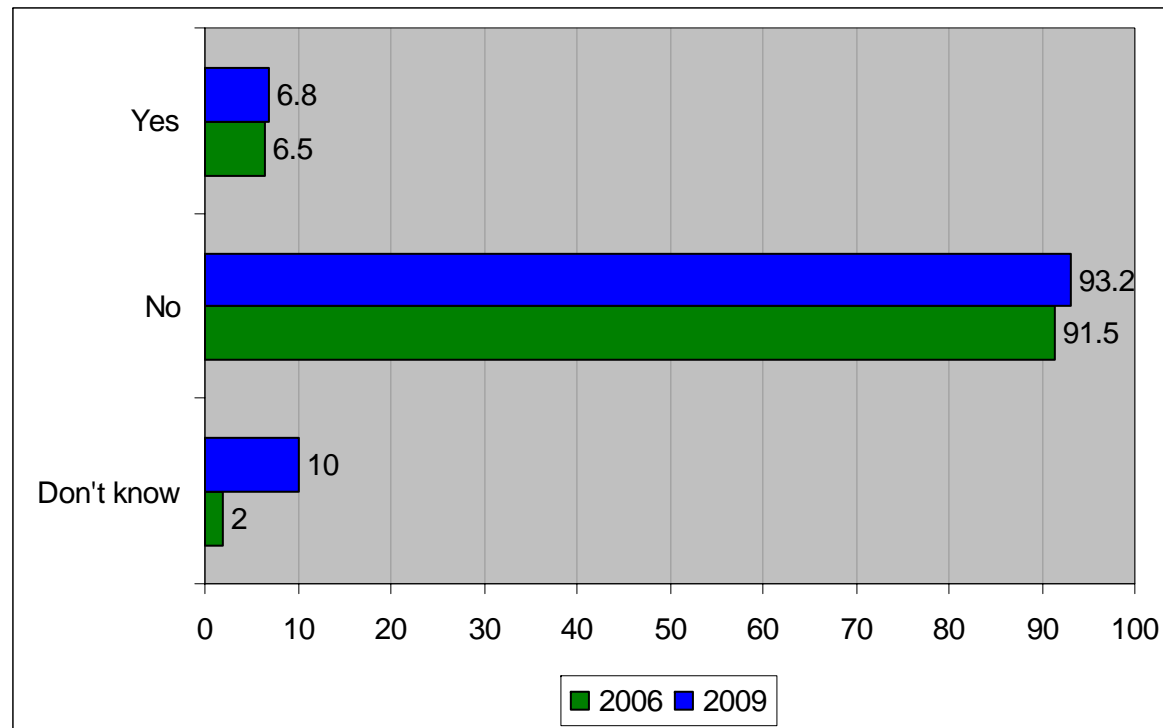
How confident are you that CBP will be fair when a breach of security is reported?



Likelihood of Company Staying in the Program



Has your Company ever Considered leaving the C-TPAT Program?



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