

Logistics News

June/July 2021

The independent voice of the **SUPPLY CHAIN** Industry

**3 things to
look for in
a forklift
service
provider**

**Rising role of
the Chief Supply
Chain Officer**



COVID-19:

*Advanced logistics technology critical | Pandemic proofing IT outsourcing |
Building automotive supply chain resiliency*

CALL FOR ENTRIES:

We are looking for the supply chain game changers, the practitioners and innovators who have made a tangible difference within their supply chains.

The Logistics Achiever Awards has showcased, recognised and celebrated excellence in logistics and supply chain management for over 30 years.

Do you have a story to share?

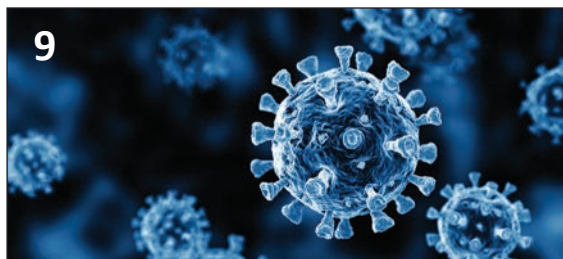
Submit your entry today, visit www.logisticsachieverawards.co.za or contact Dalan Holton at dalan@logisticsnews.co.za for further information.

Closing date for entries: 31 July 2021

LAA 2021



SUPPLY CHAIN EXCELLENCE AWARDS



- 2 Ctrack offers a variety of solutions for driver management

Thought Leadership

- 5 Rising role of the Chief Supply Chain Officer

Opinion

- 7 Tuning your supply chain with IT. By Doug Hunter
- 9 When the supply chain breaks. By Thusang Mahlangu

Features

- 11 Three things to look for in a forklift service provider
- 12 Technology and transformation supports distribution
- 13 Capturing the e-commerce gig community
- 14 Advanced logistics critical to staying ahead of new COVID-19 variants
- 17 Playing games at work to build supply chain skills
- 18 Why cloud migration is crucial in employing warehouse management confidence
- 19 Pandemic proofing IT outsourcing
- 20 Book review: *Supply Chain Costing and Performance Management*
- 21 Technical approval for private rail terminal at Tambo Springs
- 22 Building supply chain resiliency
- 24 Changing the face of deliveries
- 25 FAW Trucks committed to keeping up with market trends

News

- 28 GLTC appoints new national SHEQ manager/Supply chain gaps intensify warehouse demand
- 29 Unitrans Africa accelerates growth in Africa/Brambles becomes a carbon neutral operations company
- 30 FedEx opens new facility in Mbombela/New holistic, real-time fleet management system
- 31 Vote for SA's most exceptional truck driver/City Logistics partners with MiX Telematics

Bookmark

- 32 Associations directory

S
T
N
E
T
N
O
C

Ctrack offers a variety of solutions for driver management

Vehicles are an expensive and important asset in any business and the way they are used can have a significant impact on the success of a business.

Features



Driver Identification & Driving Behavior Monitoring

- Breathalyser
- Handbrake
- Seatbelt



Driver Display Unit

- Job Dispatch & Navigation
- Messaging
- DBI Display (Driving Behaviour Interface)
- Front facing camera (device dependent)



Driver Mobi

App allowing drivers to view their driver behaviour scores, set journeys as business or private mileage and also conduct vehicle checks.



ADAS

Advanced Driver Assistance System



Engine Performance Monitoring (RPM & Idling)



Remote Door

Unlocking with door open / close sensor



Iris Camera Solution

Front-Back-Side Facing Camera Options



Managing vehicles and drivers is a complex task; fortunately, solutions like Ctrack's driver management suite can eliminate the guesswork out of vehicle management and ensure optimal running of your fleet.

Good drivers support a positive reputation while drivers who breach road regulations not only risk their own safety, but that of others. They also cause additional costs for the business such as fuel, maintenance and insurance.

Ctrack offers a range of solutions to support business with driver performance and management across multiple

driver groups and vehicles. These solutions include a driver behaviour indicator that detects harsh acceleration, braking and cornering, while driver fatigue is managed with the help of front, rear and in-cab cameras.

Improving the driver behaviour of your employees can benefit your business through better kilometres per litre, lower fuel bills, enhanced driver safety and reduced accident rates, as well as less fleet administration and vehicle maintenance costs

Ctrack driver management tools succeed at providing you with multiple solutions to ensure your operations run

effectively, efficiently and safely, and allow fleet operators to manage drivers, asset access and driver behaviour across multiple vehicles and assets remotely.

Data leads to change

The data harvested from these systems makes it possible to upskill operators and ensure the safety of both workforce and assets. Fleet managers can provide direct operator behaviour feedback to their staff using indicators through Ctrack software applications visible on mobile devices as well as vehicle in-cab peripherals or electronic data sets.

Innovative driver management solutions

Ctrack’s driver management solutions allow companies to accurately identify, control and manage their drivers. Integration with peripherals such as breathalysers prevents access to vehicles from intoxicated drivers, and safety requirements such as the failure to wear seatbelts can also be reported.

Drivers can be identified through various mechanisms such as the Dallas iButton, RFID Cards and even virtual driver pins. Driving behaviour monitoring then ensures that the correct person is behind the wheel and that your vehicle is being driven in a satisfactory manner with parameters that keep an eye on factors such as speed, harsh braking, irregular stops and many more.

The in-cab driver display unit aids the driver with critical information such as job dispatching, navigation

and messaging, allowing the driver to focus on the task at hand, which is driving the vehicle safely, while having access to all the information needed to do their job in an efficient manner.

Various camera options further allow live video and replays of incidents on the road that could support and reduce insurance claims, including supporting possible litigation against your company and the driver involved in such cases.

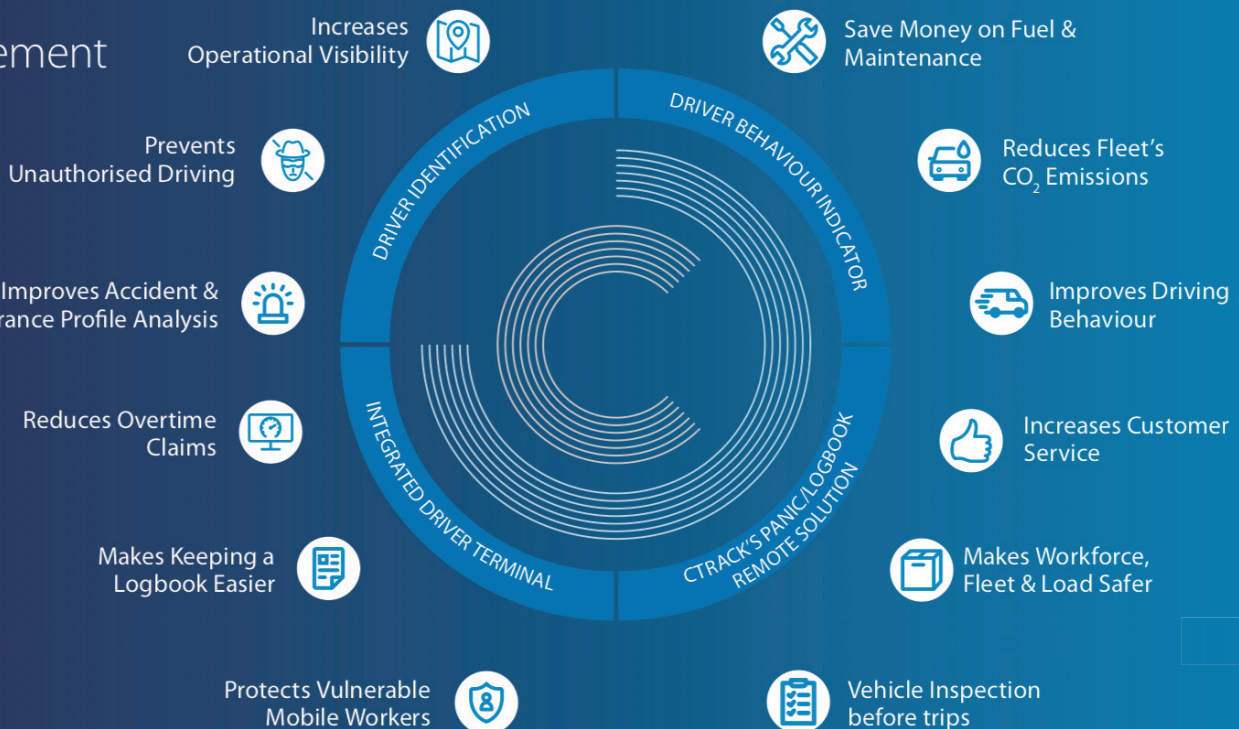
Engine performance monitoring ensures that the vehicle is driven efficiently by keeping an eye on engine speed and will also alert fleet managers to excessive periods of idling.

The Driver Mobi application allows drivers to view their driver behaviour scores and complete their logbook by marking journeys as business or private, as well as conduct vehicle checks before start-ups via their smartphone.

Ctrack has industry solutions to track a variety of assets, including cars, trucks, trailers, containers, generators, packages and confidential deliveries, which is why Ctrack is a one-stop shop for all your fleet management needs.

For an in-depth analysis of your business requirements, contact Ctrack on 0860 333 444 or visit www.ctrack.co.za.

Driver Management Tools





Always
Visible

Transport & Logistics

Keep every aspect of your fleet, **Always Visible**.

With Ctrack's 30 years experience, we can help you unlock better diagnostics, support compliance reporting, as well as provide tailormade analytics for both short term, and long-term decision making. Ctrack will optimise the right solution for your specific business needs.

Keep your eyes on the road



Iris Camera Solution

Front-Back-Side Facing Camera
Options



In Cab Device

- Job Dispatch
- Navigation
- Messaging
- Driver Behaviour Display



Asset Monitoring



Trailer Tracking



Driver Identification & Driving Behaviour Monitoring



Engine Performance Monitoring (CAN)



Temperature Monitoring



Remote Door Unlocking

Door Open/Close Sensor



Fuel Level & Consumption Monitoring



Vehicle & Fleet Tracking



www.ctrack.co.za | sales@ctrack.co.za | Call Centre: +27 (0)860 333 444



Rising role of the Chief Supply Chain Officer

By Ed Jennings Chief Executive Officer, Quickbase. Courtesy *SupplyChainBrain*

Recent global challenges have put a newfound importance on the Chief Supply Chain Officer.

Recent high-profile events – from COVID-19 to the Suez Canal debacle – have brought the role of Chief Supply Chain Officer (CSCO) into the spotlight, as organisations have had to overcome unprecedented disruption. The supply chain is the lifeline of any organisation, so it's no surprise that more and more enterprises are pursuing supply chain sustainability and resilience. As this trend continues, we will only see the role of the CSCO grow.

Similar to the roles of Chief Information Officer (CIO) and Chief Diversity Officer (CDO), the CSCO title has existed within certain sectors for quite some time, but these recent challenges have put a newfound importance on the role, and its influence on the rest of the C-suite and entire organisation. And like the CIO and CDO roles, companies looking to appoint a CSCO

will need to do more than just check the box and claim success. In some ways, the CSCO role may be even more important, as it requires cross-functional oversight and mobilisation power across the entire organisation to enable true supply chain traceability.

In a way, the CSCO will sit both within and above the traditional C-suite. Baseline responsibilities will focus on improving supply chain processes, such as optimising routine procedures, automating repetitive manual work and bridging siloed systems. But going a step beyond the day-to-day, CSCOs will be tasked with the exceptional responsibility of anticipating, mitigating and managing disruptions, including improving exception-based processes that require the mobilisation of cross-functional teams to meet short-term deliverables and ensure supply chain resilience.

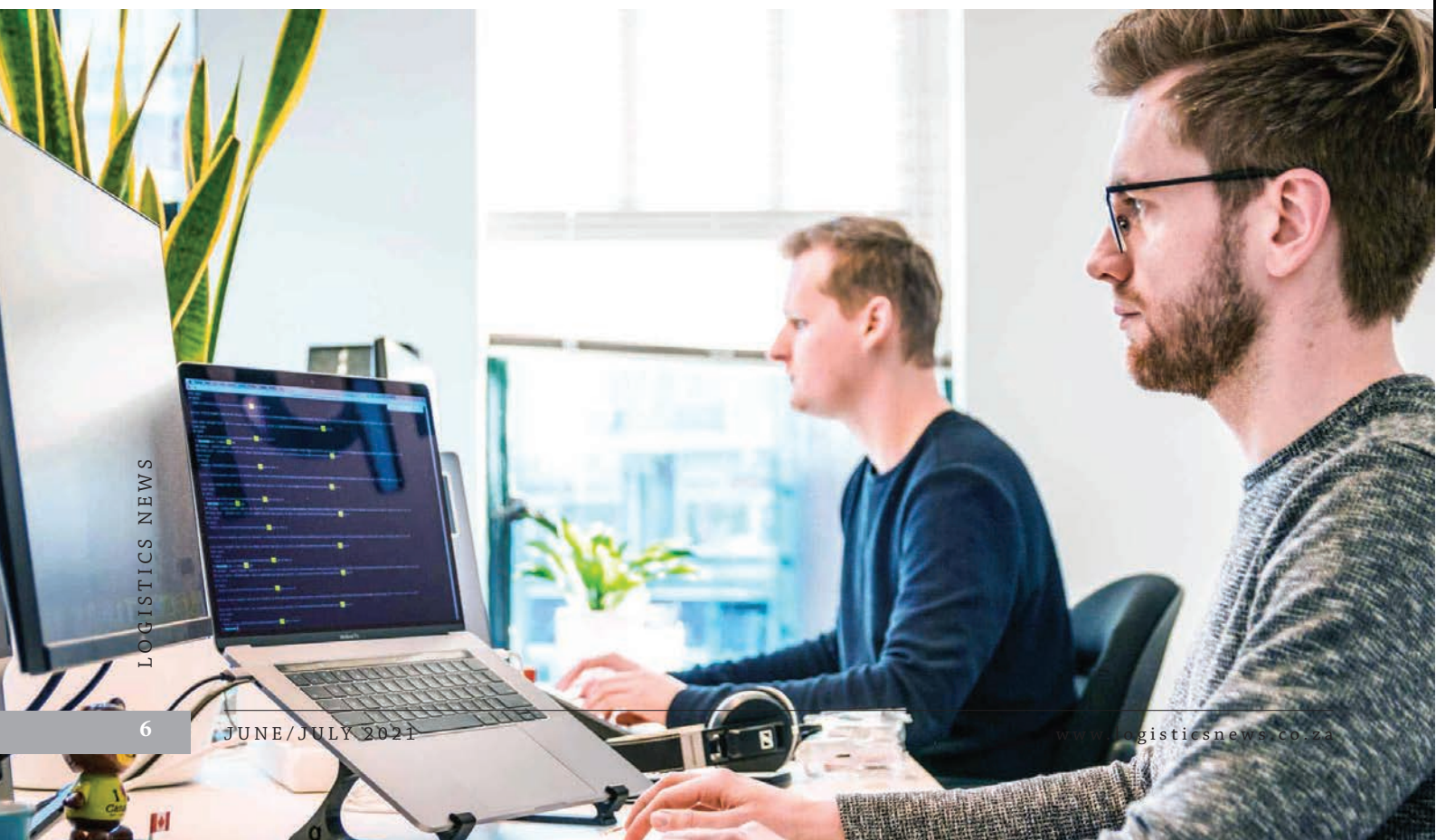
To achieve the full value of the CSCO role, companies should keep three key elements in mind:

- **Strategic leadership.** To some extent, this role will have to be elevated above the traditional C-suite to oversee all components of the business. Because the supply chain has touchpoints in so many areas, the CSCO will oversee all the ripple effects across programmes and teams, ranging from procurement, purchasing, sourcing and logistics to legal, manufacturing, finance and product development. The CSCO will also play a role in change management, as it fundamentally requires asking people to approach things differently. In this way, the CSCO will play a strategic role not just within supply chain operations, but across the business as a whole.
- **Technology expertise.** With the responsibility of working across the organisation and breaking down silos, the CSCO will need domain knowledge of tools and systems. The role will be a stakeholder in how the business buys and implements new technology to coordinate the use of data and cross-functional team collaboration. In an effort to prepare for the unknown, many companies will continue to embrace agile technology such as low-code/no-code, and the CSCO

must be a leader in the standardisation of common technology platforms that enable enterprise flexibility while providing the ability to address potential issues at ‘the edge’ or ‘last mile’.

- **Culture fit.** Ultimately, the CSCO role is one centred around change management, as it fundamentally requires the rethinking of operations across the organisation. The CSCO will need to possess the ability to mobilise people and encourage innovation, rather than staying comfortable with antiquated technology and procedures. Leading by example and working alongside other C-suite roles, the CSCO will also shape a vision for the future, promoting continuous improvements to push the culture toward innovation.

The CSCO role has the opportunity to be extremely valuable to businesses, particularly in the wake of the large-scale disruptions we’ve seen in recent years. Organisations that invest in the role and go beyond ‘checking the box’ will gain increased visibility not just across supply chain operations, but throughout the business. This visibility will be key not just for long-term supply chain sustainability and resilience, but for any organisation to be truly collaborative in the pursuit of innovation. •



Tuning your supply chain with IT

By Doug Hunter, doug.hunter@syspro.com



“I paid for the weights, so where are the muscles, mate?” Applying IT doesn’t guarantee results without waves of effort. Let’s exercise more...

You’ve done the basics – gym membership, cool outfit, matching wrist and headband, circuits twice a week. That’s like stable implementation of your ‘backend system’, typically the enterprise resource planning (ERP) you feel comfortable with.

Everyone’s doing it, but some seem fitter – what are they doing? Probably more than gym visits. Maybe training for a marathon target time. Or cycling with an Argus podium in mind. Or both. They joined a club and run/cycle with others – competition to realise their technique is no longer sufficient. Time for some new tricks.

Again, it’s the same for supply chains. Supply chain is a team sport reliant on collaborative plans and execution in harmony, where targets and focus are needed to win.

Sharing data inside your company is fine – departments talk to each other, but ‘customer-first’ companies help their customer’s customers. The next company down the line (your customer), plus the end customer without whom there would be no demand or supply chain either.

Customer first and service

Mature organisations know integration exists at both

ends – procurement to supplier and selling to customer. Sure, rely on a forecast, but what if your customer’s forecast missed real market signals? Work together creating the most accurate forecast you can – link up end consumer demand, don’t just repeat last year’s sales with 5 percent on top.

Service levels require best information, best forecasts. Uncertainty in supply and demand means more stock is kept buffering this, so reduce uncertainty. Share plans with key customers – give them access to your system to see what stock you have and when you plan replenishment. Make customer stock products specific to them; you keep buffers of products you sell to many customers – help optimise the supply chain stock mix and location. Optimise inventory.

Beware the last guy in the chain doesn’t price up to forsake all your cost savings – markets lead consumer pricing, not naive suppliers.

Procurement

Procurement IT advances include collaborative planning like the customer end. To win your race here, you should be looking at some of the following:

- Differentiate between strategic sourcing and operation procurement.
- Strategic sourcing involves analysing where/who you

spend with. Identify the percentage of spend they command – check supplier group companies and your group structure. Spend can be a broad network of group companies selling to yours. Rank them, contract them, price and deliver better with them.

- Sourcing uses request for quotation (RFQ) to keep suppliers alert. Do your suppliers do quality checking rather than you? Try trust, but support with stats. Sourcing is about selecting, negotiation price and conditions.
- Operational procurement is about plans, order quantities, meeting pack sizes (less damage), collaborating on changes to plan and near-horizon deliveries so both are effective, avoiding waste. Think catalogues and shopping cart IT here.

Manufacturing

Industry 4.0 – utilise advanced technology to increase operational efficiency/visibility and shorten production lead times while reducing costs and delivering greatly improved customer service. But COVID-19 pushed leading companies from the Industry 4.0 Train to the 5.0 Express, where man and machine are connected – collaboration between real people and smart machines

IoT, in the front carriage, gathers real-time data from a range of devices across supply chains, covering production counts, quality, safety, product and process innovation and more.

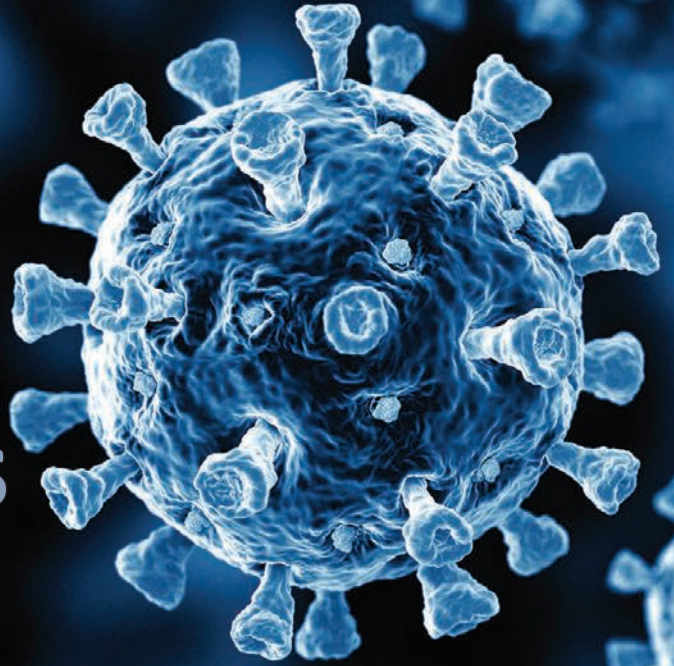
ERP has become a must for manufacturers – the basis on which to streamline processes through automation and provide accurate real-time information, reducing costs. But now, ERP is enhanced with agile applications like manufacturing operations management (MOM), predictive maintenance/scheduling, e-commerce apps... rather than trying to make ERP do it all.

5.0 spikes interest in human-centred AI, which will grow as remote work continues and social distancing remains. Artificial intelligence will be the standard for addressing these challenges, but it will fail if companies don’t consider how humans interact with and leverage these new technologies.

So, are you running a marathon or a company sports day? •



When the supply chain breaks



COVID-19 has exposed the reliance of companies on their supply chains and weaknesses in business continuity management. What is the right way to deal with the next crisis? Thusang Mahlangu, CEO of Allianz in South Africa, shares his thoughts.

Admittedly, it is not easy to take a positive view of the COVID-19 pandemic. However, the fact that increasingly more companies are coming to realise that globalisation needs to be better managed and more resilient supply chains need to be built is a development that we as business insurers and risk consultants can only welcome – and one that we have been discussing with our brokers and clients through risk dialogues for years.

The extent to which supply chains came under pressure during the pandemic is illustrated by the situation faced by automotive manufacturers earlier this year. Due to a lack of semiconductors, many carmakers were threatened with production stoppages, delays in deliveries and measures such as short-time working. There were no short-term supply alternatives. Many manufacturers had to cut production. This was a further blow to the already hard-hit automotive industry.

No wonder that according to the respondents of the Allianz Risk Barometer 2021, improving business continuity management is considered the most important measure to make supply chains more transparent and resilient against incidents. This is followed by developing alternative and additional supplier connections, investing in digital supply chains, intensifying supplier selection and, where possible, specifically creating inventory and stockpiles for emergency production and delivery.

These findings are also in line with other surveys, for example, one conducted by FERMA among European risk managers last year: according to this survey, 46 percent of respondents expect to make changes to their supply chains after a pandemic, with 70 percent of them planning to find alternative suppliers. In addition, a survey by Allianz company, Euler Hermes, also found that a similar number of US and European companies are considering finding

new suppliers (62 percent), while 30 percent favour moving their supply chains to countries closer to home.

Therefore, the direction seems clear – and can certainly be described as a paradigm shift in the global economy.

Supply chains put to the test

Questions about climate protection and compliance with human rights dominated the social discussion about supply chains before the pandemic; with the reputation of companies also receiving heightened focus. The coronavirus has now further increased the existing pressure to rethink supply chains.

Already during lockdowns in 2020, companies around the world were affected by restrictions and had to temporarily close their operations. Assembly line in the automotive industry had to shut down. Because of the plant closures, coronavirus presented global corporations with the major challenge of getting hundreds of supply links back on track. That was probably the most challenging task for production planners in the first half of 2020. Concern about renewed restrictions is still on the forefront of many boards of African companies.

To prepare for these developments, we see two opposing trends in supply chain strategies. One is nearshoring – moving production to a nearby country or closer to the sales market. The other is partial reshoring – attempting to shift production back to a country and associated suppliers. A small shift could have a big impact considering that Africa, for example, imported goods worth as much as US\$560 billion in 2019. Whichever direction it ultimately takes for African companies, the increased resilience of supply chains is to be welcomed. Not only does it help with insurability of risks, but it also helps to respond quickly to market trends.

Rethinking the contingency plans

Without a doubt, the pandemic has brought more focus to supply chains and a company's overall

business continuity management. In recent months, many companies have found that their contingency plans were quickly overwhelmed by the rapid pace of the pandemic and changes in public health measures. Repeatedly, it becomes apparent that contingency plans need to be constantly updated and tested so that they can be applied when needed. They must be cross-functional and integrated into a company's risk management and strategic processes. COVID-19 also showed that organisations need to consider a broader range of scenarios to be prepared for future extreme business disruptions. Identifying and understanding potential 'black swan' events will be our collective challenge, but the central key to surviving such crises will be the ability of companies to respond quickly.

Scenario planning before the next crisis

So how can a company protect itself against the next crisis? Today, overall, medium- to large-sized African companies' risk management is well positioned when it comes to traditional risks. However, these companies could be better positioned when it comes to protecting increasingly important intangible assets – something COVID-19 has taught us. Above all, transparency makes risks identifiable, controllable, quantifiable and thus insurable – including the supplier-customer relationships.

It is crucial to think ahead and consider how the business, the market, the customers and suppliers could change in a given scenario. There is no way around scenario-based business continuity planning, which critically examines the company's own set-up and the resilience of supply chains under different scenarios. Potential business impact must be understood, action plans should be in place and tested before the next crisis knocks on the door.

More than ever therefore, it is crucial to have an in-depth risk dialogue between the insurer and the insured and to be aware of the services provided in the area of loss prevention – from the evaluation of relevant information, using it for failure analyses, to the implementation of a targeted risk management strategy. •

Three things to look for in a forklift service provider

By Craig Bruns, Crown Equipment Corp, courtesy *SupplyChainBrain*

These three data points are an ideal way to introduce data analytics to your forklift maintenance decisions and help you recognise when your service and maintenance programme is not on track.

Saying a good service and maintenance programme is important to the health of your forklift fleet is like saying a good supply chain is vital to keep products moving. Every fleet manager knows this. The issue is not understanding the importance of service and maintenance, but rather having the focus, data and understanding that can help you determine and ensure that you have an effective service and maintenance programme.

Data analytics has introduced a powerful new tool to help fleet managers better understand how their fleet and service and maintenance programmes are performing. As connectivity within the supply chain increases, there is a growing amount of forklift data that can be collected and analysed to help you gain a better understanding of how your forklifts are being used and maintained. The big questions quickly become: where do I start and how do I use this data for making informed decisions?

Here are three numbers that can help determine if your service and maintenance programme is performing in the ways that you need.

1. Planned maintenance (PM) to breakdown ratio

Establishing and closely monitoring your PM to breakdown ratio is a good indicator of how your programme is performing. It's as simple as tracking all invoices or work orders for your forklifts annually. Comparing year-to-year numbers will give you an average. Data shows the average number of forklift service work orders is between five to nine work orders per year, depending on the type of equipment and application.

For instance, if you have seven invoices for the year, with four representing planned maintenance and three being breakdowns, then that is within an acceptable range. Now, if five of those are breakdowns and two are planned maintenance, then you have a problem.

Once you identify a ratio that best works for your operation, try to adhere to it. The key is to establish and follow a ratio. If your ratio rises above this number, it could mean you are performing PM too often. If your ratio goes lower, you may

not be performing it often enough. Be sure to track if the work orders are operator error/abuse or normal planned maintenance or breakdown. This will help you identify additional areas where you can save your company money.

2. Average cost per model

As your forklifts age, the value they provide to your operations depreciates. The average cost per model will help you determine the ideal age limit for your forklifts. The formula compares the annual cost of the maintenance and repairs needed to the number of hours the forklift is used within the year. This gives you the cost per hour to operate that truck. Your forklift provider should be able to give you industry averages or specific numbers for their makes and models. This will allow you to regularly benchmark against your numbers as your fleet ages and changes.

Note that a high cost per model doesn't automatically mean that the forklift needs to be replaced. There might be other factors in play, such as how the forklifts are being used and the frequency of planned maintenance. Numbers that are consistently higher than those your forklift manufacturer provided might point to needed adjustments with your service maintenance programme.

3. Plan replacement formula

As your forklifts age, performance levels inevitably drop. At some point, it no longer makes sense to perform maintenance on a piece of equipment, and it may be time to replace it. But when is the right time? That's where having a good plan replacement formula can help. A good formula should take into account factors such as the age of the forklift, how many operational hours you get from the truck annually and your maintenance threshold percentage. This maintenance threshold number is when you deem it is no longer viable to maintain the truck.

Identify a plan replacement formula that is right for your fleet and operations. Your forklift provider can be a great resource in helping you determine what that is. Once you have the formula, you can put in place a process whereby you are alerted when a certain truck has reached the point where it is time to replace. •

Technology and transformation supports distribution

Today's distributors require the highest level of support in their distribution processes and procedures.

Achieving sound local or global distribution reach is imperative for any distributor hoping to survive and thrive in today's socio-economic climate. Many organisations are failing as they cling to old and outdated legacy systems. These systems drastically reduce efficiency and substantially increase the probability of delays and revenue loss due to human error.

With this approach come immense productivity gains and process improvements, driving new business models and continued enhancements. This allows for the strengthening of long-standing businesses and fortifying newer business for future growth. In an industry that is seeing rapid and continual evolutions it is imperative that new business models, products and regulatory concerns are effectively supported.



Paul Bouchier.

"Today's distributors require the highest level of support in their distribution processes and procedures. Utilising advanced technological solutions, tailor-made to specific industry requirements, drives improved business productivity and agility," explains Paul Bouchier, Sales Director at iOCO within iOCO Software Distribution, Africa's leading integrated technology services company and the local Infor Master Reseller. Infor is a global leader in business cloud software.

In moving away from outdated legacy systems, organisations are able to vastly improve on the management of business processes. Through innovative solutions, like Infor CloudSuite Distribution Enterprise, distributors are increasing both efficiencies and revenue. With these advanced solutions, businesses are afforded the opportunity for organisational growth and higher quality customer engagement.

It is imperative that distribution organisations of all sizes embrace strong foundational support. "By focusing on the areas that really need attention and employing fit-for-purpose solutions, distributors will increase operational efficiency, intelligence and productivity," continues Bouchier.

As globalisation advances at an increasingly rapid rate, organisations need to utilise a system that offers multi-site, multi-company, multi-currency and multi-language solutions. These solutions allow for easily managed and more efficient international operations. "This is crucial for any distribution organisation that wants to operate on a global scale, and this is why Infor CloudSuite Distribution Enterprise offers up to 49 localisations and 24 languages," explains Bouchier.

For optimal functioning across the globe, distribution organisations need to use solutions that provide flexible and scalable capabilities, ensuring adaptability to new markets and regulatory change. This firmly establishes the business as a leading organisation in the digital age. Investing in advanced digital solutions empowers distribution organisations with increased productivity capabilities, globally. This increase can be seen across operations, workforce and customer experience.

"It is imperative that distribution organisations operate at the level that global customers have come to expect," concludes Bouchier. "Utilising advanced global distribution technologies ensures these businesses flourish in the highly competitive landscape of global distribution." •

Capturing the e-commerce gig economy

By Cyle Obermeyer, Chief Operating Officer at Parcel iT, cyle@parcelit.co.za

E-commerce fulfilment warehouses are finding their niche as a quick response for the gig economy market.

The gig economy, or the side hustle, is growing at a fast pace globally, with people demanding more flexible hours and additional sources of income outside their full-time jobs. One of the most popular ways to earn extra cash is by selling products on e-commerce marketplaces such as Takealot, or from their garages.

According to Hyperwallet's 2017 study *The State of E-Commerce Marketplace Selling in 2017*, more than nine in 10 marketplace sellers bring in up to 49 percent of their total income selling on e-commerce sites. And, one in 10 sellers are focused on making enough money through online selling to quit their full-time job.

Experts in the field say that the global COVID-19 pandemic accelerated the shift to digital shipping by roughly five years. With the e-commerce sector booming, so too is the number of small online businesses with garages and living rooms packed to the ceiling with inventory. Warehousing is a critical component to the e-merchant's business, but too often the focus for these start-up businesses is on marketing their products and building a customer base rather than planning for warehousing and storage. These SMEs often grow to become too big for their garage, but too small for a warehouse. In addition, while there has been a rapid increase in e-commerce business, the amount of warehousing space has not grown enough to accommodate this increase, putting space at a premium.

Meanwhile, thanks to the Amazon Prime Effect, online shoppers have come to expect same-day or two-day delivery, for almost nothing, putting e-commerce merchants under pressure to get faster. The traditional distribution centre network just isn't agile enough to keep up with fast-paced consumer demands. This is where fulfilment warehouses and third- and fourth-party logistics (3PL and 4PL) providers come in.

What is a fulfilment warehouse?

For small businesses, warehouses can be overwhelming in terms of cost and management. Leasing space in a

warehouse can also be costly, and if the business sells a wide variety of products, they need more space, requiring more money. Here, 3PLs and fulfilment warehouses can play a huge role in the burgeoning gig economy.

While inventory is stored at both fulfilment centres and warehouses, the difference is long-term versus short-term storage. A warehouse usually stores products long-term – receiving and storing inventory but not doing the picking, packing and shipping. A fulfilment centre stores the inventory, but it is focused on getting the products into the hands of customers – ideally, products move in and out of this centre quite quickly. Fulfilment warehouses offer a hybrid approach, providing short-, medium- and long-term storage, warehouse management, order fulfilment and arranging last-mile delivery of the product to the customer. The fulfilment warehouse is also able to deliver product to a large e-commerce marketplaces, like Takealot. Using a fulfilment warehouse gives smaller businesses the opportunity to scale their business operations without investing in overhead like warehouse space and employees.

While a warehouse tends to be inactive because it's used mostly for storing inventory, an order fulfilment centre and warehouse is a hive of activity, picking and packing boxes, preparing shipping labels, shipping orders and managing returns. 4PLs go a step further by overseeing and organising the entirety of a supply chain, not just the logistics, becoming a true partner with the customer, working to create a smooth, cost-effective supply chain. The 4PL provider is a big umbrella, under which is transportation, warehouses and sometimes even website construction and design and the facilitation of compliance with large e-commerce marketplaces.

The terms 'warehouse', 'fulfillment centre' and 'fulfillment warehouse' are often used interchangeably, but using a simple warehouse space is very different from being able to benefit from the range of services a fulfilment centre or warehouse offers. What works best for any individual seller comes down to the type of service they need. •

Advanced logistics critical to staying ahead of new COVID-19 variants

By Daniel Dombach, Director, EMEA Industry Solutions, Zebra Technologies

The COVID-19 vaccine rollout is the biggest logistics challenge of our generation, but digital solutions exist that will help us succeed.

After a year of lockdowns, there is hope at last. Over 900 million COVID-19 vaccines have been administered worldwide, and the global rollout continues to accelerate. This is good news, as there have been positive signs of impact in countries where uptake has been highest. For example, one study found the Pfizer BioNTech vaccine rollout in Israel has helped reduce cases by 94 percent.

However, the pandemic is far from over. Several new virus variants have emerged across multiple continents over the last six months, with some appearing to be more transmissible or resistant to early vaccine formulations. Despite severe travel restrictions and quarantines, the B.1.1.7 COVID-19 variant that first emerged in the UK in late 2020 became the most dominant strain in the United States by April, the Centers for Disease Control and Prevention (CDC) recently confirmed.

And scientists have said there is greater potential for dangerous new strains to appear the longer we allow COVID-19 to spread. That means accelerating the global vaccine rollout with extreme efficiency is more essential than ever.

Logistics challenges such as supply chain gaps, vaccine output variability and a lack of transparency from fragmented health care and administrative bodies have delayed and disrupted vaccine drives in both developing nations and the wealthiest European countries. Consequently, advanced logistics and tracking technology has become vital in helping to overcome these difficulties.

If we can digitise every step of the vaccine distribution and administration processes, it becomes easier to make critical supply chain links. This, in turn, helps to improve coordination among stakeholders – many of whom may have never worked together before this effort. Eliminating data

black holes with digital technologies also helps to increase efficiency, speed and accountability. Real-time track and trace technology; smart, handheld mobile computers and tablets; highly accurate barcode scanners; temperature-monitoring sensors; next-generation analytics – properly integrated, these can help every company and individual involved in the distribution and administration of COVID-19 vaccines confidently and accurately execute key actions.

Supply chain transparency is key

Every step in the vaccine distribution process – and each handoff between suppliers, distributors, logistics providers and administration site staff – increases the risk of vaccine damage, delay or even loss. But with the right Internet of things (IoT) technology in place to maintain first-to-last-mile supply chain visibility, many of these issues can be mitigated.

For example, affixing wireless track and trace devices such as radio frequency identification (RFID) tags and electronic data loggers to the pallets and packaging used to ship vaccines can enable both location and temperature data, respectively, to be collected and shared among those charged with logistics planning and reporting. Depending on the type of technology used, the data may be aggregated and distributed via the cloud in easy-to-understand graphs. In other instances, the data might be available for download onto mobile apps via Bluetooth enabled devices upon arrival at a destination. Either way, location technology is key to achieving:

- Fast confirmation of shipment status at every hand-off point.
- Enhanced teamwork across multiple logistics and health care providers.
- Better identification and resolution of bottlenecks impacting vaccine distribution and administration.
- Confidence in the performance of the cold chain.

However, logistics monitoring – and vaccine temperature

monitoring – doesn't stop once vaccines arrive at their final destinations.

Combining tech and data to streamline point of care

We're familiar with the 'last mile' concept in logistics. But, when it comes to achieving an efficient vaccine rollout, it's critical to recognise that this extends beyond the doorway threshold and all the way to the vaccination station, which could be inside a grocery store or individual's vehicle in a parking lot. Therefore, health care providers and others hosting vaccination clinics must have the same visibility into distribution operations as traditional supply chain logistics managers. Furthermore, they need technology tools that allow them to securely collect, store and share patient records (i.e. vaccine credentials), daily vaccination figures, potential side effects of various vaccines, fluctuating supply levels (to include inventory use/waste) and even storage temperature once the vaccines have been delivered.

That's a daunting challenge when point of care facilities in national vaccination drives can range from the largest hospitals and sports stadiums to local pharmacies, schools and places of worship. Not all of these sites traditionally have the technology resources needed for real-time data collection – and not all are digitally connected to government and public health agency databases (yet).

How do we link them all to establish a baseline system of high-quality data accessible across such diverse administration facilities? In a perfect world, every site would have mobile computers, tablets and wireless printers built for health care or enterprise use. RFID-enabled mobile handhelds can quickly capture data about vaccine inventory and other medical supplies (i.e. needles and personal protective equipment) that have been properly tagged. Barcode scanning devices can help staff retrieve a patient's

data to confirm identity, synchronise records and even read data on a vaccine credential to confirm first dose information before a second dose is administered. The less time spent on manually completing paperwork, the more time staff can commit to other high-value tasks that are key to increasing vaccination appointment volume. Also, automating data capture like this reduces the risk of data input errors and misinformed patient care actions.

Of course, the digital capture and distribution of information captured by electronic data loggers located in freezers and refrigerators also makes it easy for facility staff to monitor and verify that the proper temperature is being maintained for vaccines on hand without having to physically check the temperature on a regular cadence. If an excursion occurs, they will be able to quickly investigate and take appropriate actions to mitigate further inventory losses. If doses do have to be disposed of, patients can be notified before they arrive for their appointments and rescheduled accordingly.

Cutting-edge artificial intelligence (AI)-based prescriptive analytics solutions can also be deployed with workforce management applications to quickly forecast first-dose demand, inform second-dose appointment planning and help define both supplies and labour requirements as vaccine availability and appointment volume fluctuate.

The takeaway

The COVID-19 vaccine rollout is the biggest logistics challenge of our generation, but digital solutions exist that will help us succeed. Used together, real-time track and trace technology, enterprise-grade mobile computers and cloud-based prescriptive analytics software can optimise vaccine distribution and administration so that we can, in turn, execute an effective global campaign that will curb this pandemic. •



SAPICS

THE PROFESSIONAL BODY FOR
SUPPLY CHAIN MANAGEMENT

THE LEADING EVENT
IN AFRICA **FOR**
SUPPLY CHAIN
PROFESSIONALS

refine **rebuild**
 **reconnect**

43RD ANNUAL SAPICS
VIRTUAL CONFERENCE

24 - 26 August 2021

Register at www.conference.sapics.org

For more info visit: www.sapics.org.za | +27 11 023 6701 | info@sapics.org.za

Playing games at work to **build supply chain skills**

In response to the growing demand for skilled, knowledgeable supply chain professionals amid the challenges brought on by the global COVID-19 pandemic, some South Africans in the field are playing games at work.

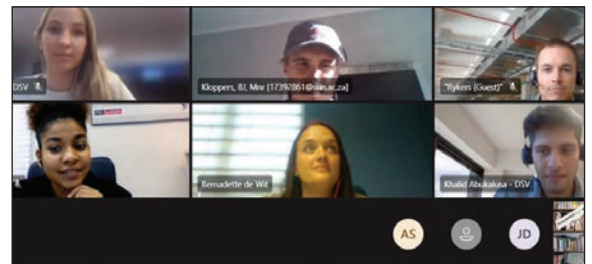
These games are a serious business, however, according to SAPICS (The Professional Body for Supply Chain Management). Tonya Lamb, Business Development Executive at SAPICS, explains that 'The Fresh Connection Challenge' is an innovative business simulation game that is delivering big benefits for companies around the world.

Developed in the Netherlands nine years ago, The Fresh Connection was launched in South Africa in 2010 by SAPICS. South African teams from the retail, logistics and aerospace industries are currently pitting their skills against the best in the world in the annual Fresh Connection Global PRO Challenge.

"For optimal performance, a supply chain needs the collaboration of team members from across the organisation," Lamb expands. "Breaking down silos and creating the right cross-functional mindset, however, can be a major challenge. The Fresh Connection is a unique supply chain management training tool designed to equip participants with the skills to rise to this challenge. In the game, company and individual teams, each comprising four members, participate in web-based challenges and compete against other international teams. They must make the best strategic and tactical choices to save a virtual company, The Fresh Connection, from financial ruin. Each function – including supply chain management, sales, purchasing and operations – can make a limited number of decisions and they must work together closely to positively impact return on investment. What makes the game even more interesting is that supply chain risks are randomly activated and can seriously harm the company if not mitigated against."

Fresh Connection Trainer Ken Titmuss has worked with teams from South Africa, France and Singapore over more than 10 years. His company, Kent Outsourcing Services, is a SAPICS Corporate Partner and an Authorised Education Partner. "The Fresh Connection allows participants to

understand how and why they need to collaborate in their organisations in making tactical and strategic decisions to improve the business. It is a risk-free environment to try out different approaches," he explains.



The Fresh Connection teams in action.

With the importance – and vulnerabilities – of supply chains highlighted by the COVID-19 crisis, it is fitting that this year's edition of The Fresh Connection Global PRO Challenge focuses on the theme of 'Supply Chain Resilience'. Teams are being challenged to manage a supply chain to ensure that it is prepared for the unexpected. They must mitigate black swans – or unforeseen events – under time pressure and strive to be the fastest to recover and get back to a stable situation.

"With shock waves and uncertainty being the order of the day in supply chains, being able to pivot and respond quickly and effectively without compromising your business could be a make or break," Titmuss stresses.

Three South African teams have joined The Fresh Connection Global PRO Challenge 2021 to date. They have high praise for the business simulation game. "It helps you think holistically of the decisions made in an organisation as decisions in each department impact other departments. It also assists the team members to align to a strategy and to test this high-level strategy in a risk-free environment," commented Rykers Voges of Pep Stores.

Titmuss says that more teams are expected to join The Fresh Connection Global PRO Challenge with the competition's second 2021 intake in August. Anyone interested in entering a team should contact Gugu Mashiane at SAPICS by emailing gugu@sapics.org.za •

Why cloud migration is crucial in employing warehouse management confidence

Courtesy www.bizcommunity.com

By moving the warehouse management system to the cloud, organisations are supported by a comprehensive solution that is continuously updated.

When companies rely on a dated warehouse management system (WMS) to run distribution centres, it's not uncommon for the IT staff familiar with the system to move on. Unfortunately, this leaves the company without an in-house expert to manage issues as they arise. Added to this, if the original vendor is no longer supporting that version of the system, it can be difficult to get the system back up and running.

very core of the business, any scenario that puts it at risk can be detrimental to getting products out the door."

Mitigating risks

One of the ways to mitigate this risk is to accelerate cloud migration. By shifting the WMS to the cloud, organisations are supported by a comprehensive solution that is continuously updated. This guards against new trends forcing upgrades to the system down the road. "A trusted cloud partner should have a substantial investment in IT personnel that would be difficult for some of the largest organisations to match. A small army is dedicated to monitoring the organisation's WMS and its data to ensure both optimisation and protection," adds Lewis.

A recent CIO tech priorities survey by IDG showed that "despite increased budgets and interest in new technologies that can positively impact business in the future, organisations still face familiar challenges to adoption. The top challenges that IT leaders encounter are lack of sufficient budget (48 percent), lack of staff (46 percent) and lack of skill sets (42 percent)."

It's time to shift the responsibility of managing and maintaining the organisation's WMS over to a cloud provider with modern capabilities. "With this approach, organisations will not only create an opportunity to reset expectations and priorities for their IT staff, but also ensure their WMS always has the support it needs to stay up and running so that customers receive their orders on time and in full," concludes Lewis. •



"Over time, each organisation builds the distribution ecosystem that uniquely addresses its needs. The challenge emerges when only a handful of people understand how to manage and maintain that system successfully and perhaps only one individual truly understands the complete picture," says Phil Lewis, Infor's VP of Solution Consulting EMEA. "With a mission-critical WMS and corresponding data at the

Pandemic proofing IT outsourcing

IT outsourcing makes sense as it creates efficiencies and eliminates redundancies, but the COVID-19 crisis has highlighted the importance of making sure that your organisation's IT suppliers are 'pandemic proof', says Jon Butler, Principal at consulting firm StrategyShore LLC.

Speaking at the second annual IT Sourcing Summit for African IT professionals, Butler noted that companies sourcing from one location had been hard hit when that location was impacted by COVID-19. "Always choose to source from multiple suppliers and multiple locations when you can," he urged delegates attending this virtual event hosted by Smart Procurement World.



Jon Butler, Principal
at consulting firm
StrategyShore LLC.

IT department will get more expensive. If you outsource, the service provider can manage career costs and attrition, moving people in and out of your business as required. They can bring people in from other locations, to constantly deliver fresh ideas and new talent, helping you to make your organisation world-class."

"But the service provider must not have too much control," he stressed, and cautioned

delegates not to "let the tail wag the dog" with outsourced IT services. "Good contracts and proper governance are vital. Penalise providers when they miss things. Put pressure on your service providers."

"Beware the 'watermelon effect'," Butler said. He explained that this is when service providers constantly provide green statuses in project and service level agreement (SLA) reviews. "Are people in your organisation in agreement, or are they experiencing problems with the service while the provider is giving all green statuses? If this is the case, then you have a watermelon situation, where things are all green on the outside, but red on the inside," he explained.

The Wall Street Journal reported that in the first quarter of 2021, nearly all Fortune 500 companies had some level of exposure to India's COVID-19 crisis in their IT operations, according to consulting firm Hackett Group Inc. Interviewed in the same article, US-based Butler said, "Spreading out third-party IT support among global providers can help companies guard against sudden shocks to operations. Relying on a single location for critical IT services is playing with fire. Things can and will happen, and when they do, those in singular locations are always seen scrambling and rarely meeting their prior commitments."

Butler's advice was, "You need to create a supplier network that can sustain you when different nodes are down. Your contract should include being able to go in and audit the IT service provider at any time. Check their security. Check their disaster preparedness. Go in and start up generators. Do a 'country down scenario' and a 'city down scenario'. Are they ready? Make sure that your ecosystem of suppliers can survive any kind of pandemic or chaotic disruption."

Expanding on the benefits of outsourcing, Butler noted that there were substantial advantages to outsourcing an organisation's non-core competencies. "This is work that is not producing a product or selling a service and includes IT activities. Outsourcing creates efficiencies, eliminates redundancies and can enable an organisation to reduce its workforce and thereby cut costs. As people advance in their careers, they will expect to earn more. Your in-house

The IT Sourcing Summit, which Smart Procurement World hosted this year for the second time, this year, aims to help African IT sourcing and procurement professionals to tackle the unique challenges they face as they strive to meet their organisations' digital needs. Commenting on the importance of this summit amid the challenges of the COVID-19 crisis, Debbie Tagg, Smart Procurement COO, says, "There is no denying that the global pandemic has catapulted us into the 4th Industrial Revolution. Globally, the way that we do business has changed and the drive for digitalisation within organisations has left many procurement and IT professionals scrambling to access the best hardware and software solutions to enable efficiency across their organisations. The spotlight is on IT procurement and professionals need to have a clear grasp of what to do and how to go about making purchasing decisions." •

Supply Chain Costing and Performance Management

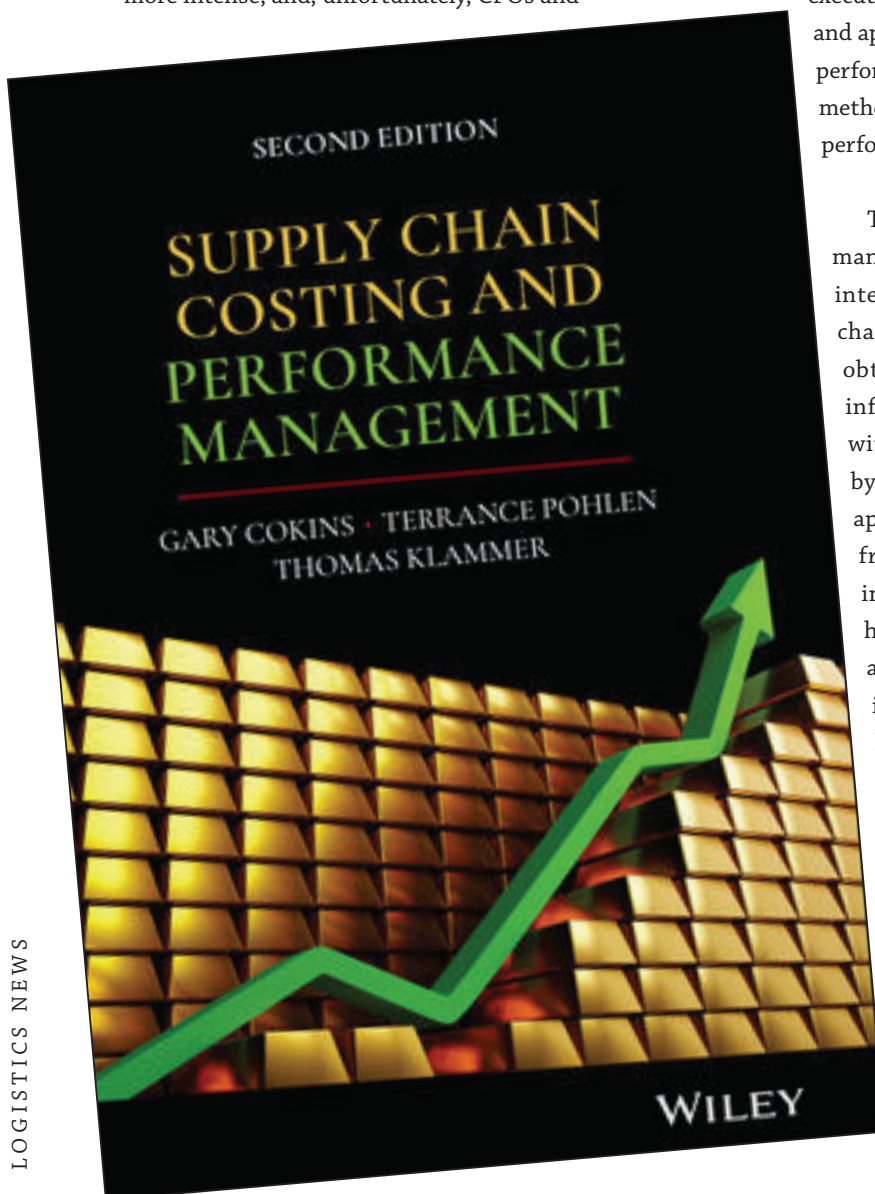
A second edition, this how-to guide is for supply chain professionals who need accurate cost information for end-to-end processes.

With the increasing pace of globalisation, supply chain professionals find that they have less and less margin for error in their decision-making processes. Competition is becoming more intense, and, unfortunately, CFOs and

accountants do not currently provide supply chain managers with the information required to make better decisions. *Supply Chain Costing and Performance Management*, Second Edition, will show you (and the executives you report to) how to understand and apply various enterprise and corporate performance management (EPM/CPM) methods related to costs and profit margins and performance measurements.

This book assists supply chain managers and employee teams to obtain interenterprise cost information on supply chain processes. It provides techniques for obtaining accurate cost and performance information on the activities performed within a firm and on activities performed by trading partners. The techniques and approaches in this book were developed from supply chain costing practices implemented by cutting-edge firms. Learn how to can gain access to reasonably accurate costs and profit margins involved with suppliers, products, stock keeping units (SKUs), service-lines, channels and customers, and gain insight into the activity costs in end-to-end business processes, including the 'drivers' for each type of cost.

The information in this book will empower supply chain managers with the ability to make better decisions and improve their organisations' performance and profitability. •



Technical approval for private rail terminal at Tambo Springs

Tambo Springs Logistics Gateway (Tambo Springs) has achieved a significant milestone with Transnet Freight Rail approving the technical layout for a private rail terminal and private rail siding unlocking southern Africa's largest inland port.

The government's support for Tambo Springs comes at a crucial time as the country needs to unlock large infrastructure projects in partnership with private enterprise. It marks an important step for the overall development of this next-generation inland port as the rail terminal sits at the heart of the project. Previous plans for Transnet to develop and outsource the rail terminal to a concession were scrapped during lockdown last year when their particular concession process failed.

"This forced us back to the drawing board to come up with an alternative rail solution," says Tumi Mohulatsi, CEO of the Tambo Springs Development Company (TSDC), the landowner and master developer of the project. "We are very excited about the approval as it sets us on course to move the project forward without further delay."

The 607ha industrial development with bonded and secure zones, strategically located on the southern border of the Johannesburg and Ekurhuleni metropolis, has been years in the making and is set to change Gauteng's transport, logistics and warehousing scene for good.

According to Mohulatsi, whilst the rail consortium failure was a considerable stumbling block, it has since been overcome and the project is back on track. "The project's intermodal rail terminal remains a key focus, and our decision to develop it privately showcases our commitment to delivering sub-Saharan

Africa's largest intermodal terminal," says Mohulatsi. "We submitted our drawings and engineering of how the rail terminal is envisaged to Transnet last month and received approval in record time. The next step in the process is obtaining the necessary Railway Safety Regulator approvals."

According to Mohulatsi, once completed, Tambo Springs will have easy access to major road and rail networks linking strategic seaports, the OR Tambo International Airport and industries in the province. "Tambo Springs will be equipped to meet all manufacturing, warehousing and distribution needs and will double current freight logistics capacity in and out of Gauteng. It will provide customs clearance and the benefits of a Special Economic Zone, offering any business with a footprint in the precinct major advantages."

According to Mohulatsi, the development of the intermodal rail terminal is critical to the overall success of the project. It will also ensure that current and future container traffic is efficiently and appropriately serviced on rail, alleviating the existing and projected pressure on the national road infrastructure. •



Tumi Mohulatsi, CEO of the Tambo Springs Development Company (TSDC).



Building supply chain resiliency

How to build trust and visibility across the automotive supply chain.

By Phil Lewis, Infor's VP of Solution Consulting EMEA

M myriad factors can create disruptions to the supply chain. If any event reveals the need for resilient supply chains, it's COVID-19. The disruptions shook (and continue to shake) every industry, including the automobile sector. Abroad, early 2020 forecasts projected a significant drop in new vehicle sales, but ultimately turned out much better with only a 15 percent reduction from the total 2019 sales.

It's no surprise the pandemic has prompted several automotive companies to embrace new supply chain strategies that allowed them to recover quickly while also setting them up for future growth. Many automotive companies established crisis teams and control towers to improve visibility and



Phil Lewis, Infor's VP of Solution Consulting EMEA.

maintain profitability. This, in turn, developed into an advanced strategy around predictive risk management and multitier supplier collaboration.

Even with the automotive industry embracing new supply chain practices, another disruption has risen in the semiconductor chip shortage. With modern vehicles often containing thousands of semiconductors, this crisis underscores another dimension of supply chain risk exposure and highlights the critical need to collaborate with multitier partners for globally limited supplies.

When the automotive demand initially dipped, chip manufacturers saw a rise in demand from other sectors like home electronics and high tech, creating a diversion from

chip manufacturers to fulfilling demand from these other sectors. When automotive demand bounced back earlier than anticipated, the limited supply was painfully exposed.

The microchip crisis mostly emerged due to the semiconductor industry's diamond-shaped supply chain. In this type of supply chain network, only a few manufacturers are completely vertically integrated and self-reliant as most manufacturing is outsourced to sub-tier suppliers who are often capacity constrained and stretch lead times. Any disruption at the sub-tier level directly affects the tiers above, and indirectly affects the original equipment manufacturers (OEMs).

OEMs with visibility into sub-tier supply levels are better positioned to identify bottlenecks early and better manage the crisis. Now manufacturers are starting to realise that supply chain visibility and supplier collaboration are no longer 'nice-to-have' capabilities, but have become table stakes for staying competitive or in business at all. The key is harnessing visibility to build resilience.

Sustained collaboration only comes when transparency creates trust across the network. Supply chain visibility can carry different meanings depending on who you ask, but at its core it's about providing transparency and access to supply chain events. This gives the organisation the ability

to see where orders and goods are in the network, enabling collaboration and synchronisation between partners, customers, dealers, etc.

On the demand side, many automotive companies increase visibility through customer preference research, creating better forecast models and mix levels. Achieving visibility into the demand and supply outlooks allows for early detection of risk so better decisions can be made sooner.

Creating a culture of providing visibility to the network sounds great, but it's difficult to achieve. The ability to share information both within and outside the four walls of the company is constrained by behaviours built over decades. Some of these behaviours need to be dismantled so higher levels of trust are established and to generate this degree of visibility.

To build this level of trust, digital ecosystems should incorporate stringent identity and access controls related to network participant activities and data access. Multi-enterprise collaboration platforms or digital supply networks provide the appropriate security that can foster more trusting behaviors and user adoption of new technologies within the network. This encourages OEMs and suppliers to share information at scale in a sustainable manner that wasn't possible before, which is the key to creating an agile and responsive supply chain.



Changing the face of deliveries

Picup has become a model for innovation in the courier and logistics space with its launch in June of the Picup Plus driver model.

Branded deliveries through Picup, a crowdsource delivery and tech company, is now possible. The innovative last mile delivery company has introduced a unique concept where its drivers become the face of any specific brand.



Until now, companies that are fully e-commerce have almost no face-to-face interaction with their customers. However, Picup is changing this by introducing its premium driver network for businesses.

Picup Plus is a premium service aimed at businesses that require drivers to represent their brand. This service was specifically designed for

business clients that require the delivery experience to align with their customer experience strategies.

Picup Head of Operations and HR, Ashley Arendse, gives us a closer look at this new division, which was launched in June 2021. “The innovation did not stop when the country went into lockdown during the pandemic. In fact, it allowed the team to flesh out yet another layer of their manifold success, the Picup Plus driver model. We were inspired by customers who were looking for drivers to represent their brand and act as not only drivers, but brand ambassadors,” he adds.

Picup Plus works on a strict selection basis when measuring driver performance. This comprises key factors like experience, track record, internal ratings and regular customer feedback. These drivers already have a key understanding of how Picup works, their individual clients’ needs, as well as the company culture and current focus areas. They are groomed so that they understand everything about the brand and can present those values and processes when they interact with the customer.

Picup’s sophisticated technology and AI modules have been developed in a way that promotes good behaviours and the willingness to work. Arendse adds, “While we need to maintain good level of supply and demand to the driver network, we need to ensure we are rewarding drivers that are going the extra mile and want to earn more.”

Drivers with higher ratings will get preference on trips, which drives positive behaviour through the network. They will offer guaranteed trustworthiness, as well as a lasting positive impression on collection and delivery.

Arendse says all drivers will undergo extensive training through their e-learning platform and attend virtual workshops. “We are also open to collaborating on custom driver branding. This means that drivers could have shirts and caps that reflect the corporate identity of the company for which they are delivering.”

Picup Plus can now also introduce specialised offerings such as facilitating payments or ID verification on delivery. Picup Pay, which will be launched shortly, will allow credit card and Snapscan payments on delivery.

‘Picup Legend Network’ is a term that has become synonymous with its virtual driver culture, streamlined crowdsourced recruitment process and its strong focus on on-demand gratification. •

FAW Trucks committed to keeping up with market trends

Ongoing research and development (R&D) are key to the sustained growth and survival of any vehicle brand. This applies to FAW Trucks, which has, over its 27-year history in South Africa, become renowned for its quality products and ability to cater to the unique needs of the South African commercial vehicle market.

With the FAW Group Corporation, China's oldest and largest vehicle manufacturer, as its majority shareholder, the local operation is able to provide South African customers with products that have been researched and developed to excel in even the harshest working environments, without compromising on innovation, technology and comfort.

FAW Trucks places a high premium on R&D in order to not only maintain its leadership in the Chinese market, but also to ensure that it keeps up with the rapid advances being made in technology. Its R&D facility is based at the FAW Trucks manufacturing facility in Qingdao, China. "The R&D centre greatly enhances the brand's technological research and development capabilities, accelerates development of new products and strengthens its position in global markets," says Jianyu Hao, CEO of FAW South Africa. "One such global market is South Africa, where FAW Trucks is consistently ranked amongst the top sales performers on the sales charts."

The brand's local popularity can, in part, be attributed to the fact that all models sold in South Africa undergo testing to prove that they can withstand the unique – and often harsh – working conditions associated with African markets. In order to ensure that products live up to their reputation of being trucks that are built in South Africa, for Africa, most of the current model range, such as the 6.130FL and 8.140FL as well as newer models such as the JH6 28.500FT, are Euro 3 compliant. Adding further peace of mind for buyers in South Africa and in other countries on the subcontinent, FAW Trucks offer warranties of up to three-years/600,000km.

"In the highly competitive South African commercial vehicle market, durability and quality are key factors," explains Hao. "Customers expect their trucks to withstand a rough operational environment, but also expect the vehicles to be fuel efficient, lightweight and technologically

advanced. They also want a wider choice. Thanks to the R&D facility in China, we are able to bring to market robust, high-quality vehicles."



A prime example of this continued innovation and progress is the fact that FAW Trucks is on the verge of introducing a new automatic model in the heavy commercial vehicle (HCV) segment of the local market. A new model in the eight-ton segment will also go on sale here before the end of the year.

FAW Trucks achieved a significant milestone in its local history by taking the top spot in the HCV segment of the local market for the first time in the first quarter of this year. It has performed consistently well in the segment ever since. "As China's leading producer of commercial vehicles, FAW Group has earned a reputation for leading that country's automotive industry with the latest innovations. The company continues to steer its own course rather than simply imitating others. Thanks to the work done at the Qingdao R&D facility, FAW Trucks is able to lay a clear path for the future. It goes without saying that FAW Trucks here in South Africa will also reap the benefits," Hao concludes. •



The most influential business platform for freight forwarding and supply chain in South Africa!

VIRTUAL SAAFF SUMMIT

16 – 17 September 2021 – ONLINE

SPEAKER LINE-UP



Derek Watts
Programme Director



Jason Blackman
Senior Director - Customs, Trade Compliance and Regulatory Affairs: DHL Express - Sub Saharan Africa



Cas Coovadia
CEO: Business Unity South Africa (BUSA)



Prof Dennis Davis
Former high court judge



Dr Maria du Preez
Business Development Director: Bidvest International Logistics and Chair: SAAFF Gauteng Chapter



Trudi Hartzenberg
Executive Director: tralac



Nuram Idris
Healthcare Manager Africa: GS1 Global Office



Prof Jonathan Jansen
International expert in education



Dr Juanita Maree
Chairperson: SA Association of Freight Forwarders (SAAFF)



Garry Marshall
CEO: SA Express Parcel Association



Dr Ralph Mathekg
Political analyst and author of *Ramaphosa's Turn*



John Mein
Executive Coordinator of the Alliance for Modernisations of Logistics and Foreign Trade - PROCOMEX



Devlyn Naidoo
Executive, SARS and OGAs: SAAFF



Dr Stavros Nicolau
Head, Health Working Group: B4SA



Alex Stancu
Head of Account Management, South & East Africa at International Air Transport Association (IATA)



Peter Vardell
CEO: NEPAD Business Foundation



Dr Ronald Whelan
Chief Commercial Officer: Discovery Health



Bruce Whitfield
Radio, TV and print journalist and speaker

Why you need to attend SAAFF Summit 2021

Learn

about the latest developments impacting on the freight forwarding industry

Grow

your network in freight forwarding customs and supply chain

Win

some exciting prizes

On the Agenda

- Political Overview
- Africa Continental Free Trade Agreement - Challenges and Opportunities for Global Value Chains: Regional and International Perspectives
- Enhanced Trade & Compliance Efficiency: Unlocking the Single Window
- Reality Redefined for Smart Borders: Strategy, Design & Implementation
- eCommerce
- Synergised Connectivity: Other Government Agencies (OGAs) Digitised, Pioneering the Future - Creating a Seamless Supply Chain
- Ethical Leadership
- Ethics and the SARS WCO Integrity Diagnostic Mission
- The COVID-19 Vaccine Roll-Out
- The Changing Aviation Centre of Gravity - a Look at the Next Ten Years
- Educate Today to Empower Tomorrow: the SAAFF Academy
- Navigating the World's Uncertainties - the Upside of Down



Platinum Sponsor



Silver Sponsor



Register now at www.saaffsummit.co.za

SA Association of Freight Forwarders | 011 455 1726 | www.saaff.org.za

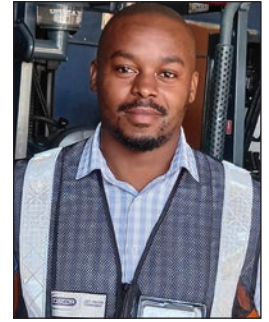
GLTC appoints new national SHEQ manager

Having joined Goscor Lift Truck Company (GLTC) in January 2018 as National ISO Safety Practitioner, Thando Khumalo was recently promoted to the role of National SHEQ Manager. The key objective in this move is to support and drive the company's improvement efforts in safety, health, environmental and quality (SHEQ) outputs.

In his new role, Khumalo will largely be responsible for leading, developing and

maintaining GLTC's workshop and sites' SHEQ management programmes and systems, as well as supporting line management in delivering site SHEQ objectives.

Khumalo holds a SAIOSH NQF Level 5 qualification in Occupational Health & Safety, as well as an NQF Level 5 in Total Quality Management Systems. A SAIOSH registered professional, he has over six years' working experience in the SHEQ environment.



Thando Khumalo – National SHEQ Manager.

Supply chain gaps intensify warehouse demand

Scarcely one year since moving into its 16,152m² state-of-the-art warehousing facility in Durban, Rhenus South Africa is expanding its storage space and diversifying its warehouse operations. Its Durban warehouse space has grown by a massive 53 percent in just two years. Increased demand for warehouse space, as well as more service offerings, such as the addition of a Special Storage Warehouse (SOS) bond store, are driving strong growth for the global logistics provider.

Strategically and conveniently located within 21km of King Shaka International Airport and 24km from Durban Container Terminal, the warehouse includes 1,250m² of bulk handling area and 5,823 racked pallet positions. The facility offers a range of solutions, including bond, packing and wrapping, unpacking, cross-docking, as well as fine and batch picking. It's also graded to handle food items.

Kishore Kanayelal, Regional Director at Rhenus South Africa, says that the strong growth over the past year can be attributed to a number of factors. COVID-19 has disrupted supply chains worldwide, with importers increasing their stock levels to ensure reliable delivery to their clients. "The exorbitant air freight rates are also having a strong knock-on effect, with some customers opting to save on air freight rates through larger consignments, resulting in higher stock levels," continues Kanayelal. Kanayelal adds that another driver in the demand for warehouse space is a growing realisation that outsourcing warehousing can be a cost-effective and efficient solution to stock challenges.

Another imminent development is the approval by SARS of a Special Storage Warehouse (SOS) bond store within the Durban facility. The SOS bond store is specifically licensed for the storage of dutiable imported goods, excise goods, including duty free goods for export (in terms of Section 21 (3) of the Customs Act), as well as imported goods for duty and tax-free outlets. The SOS bond store will bring additional benefits to Rhenus clients, including improved cash flow as a result of deferred duty and VAT payments, as well as speed to market.

Rhenus South Africa has also seen increased demand for its unpacking and cross-docking services. Cross-docking means less handling of goods, reduced labour costs and faster delivery times.

"The growth of our warehousing division is an indicator that our economy is starting to recover, which is good news for everyone," concludes Kanayelal. •



Unitrans Africa accelerates growth in Africa

Through its key partnerships with NRZ National Railways of Zimbabwe, CFM Caminhos de Ferro de Mocambique and Traxtion, Unitrans Africa is spurring trade in Africa by offering a dedicated rail link between Maputo Port and three major Zimbabwean trade hubs – Harare, Bulawayo and Gweru. Until now, this key section of rail has been largely underutilised and is vital for providing access to trade routes across the globe.

Operational since 16 June 2021, the new rail link enables importers and exporters to utilise Maputo’s multipurpose deep-water port, connecting customers in the hinterland with their global trade partners. Africa, as a continent rich in mineral wealth, has high export demand for use in the production of finished goods. In correlation, these facilities, alongside a growing population, create demand for the import of goods and

services in support thereof. This new transport service will be a game-changer for relevant stakeholders and underscores Unitrans Africa’s commitment to driving sustainable growth within sub-Saharan Africa.

As well as promoting new trade opportunities for customers in both Zimbabwe and Maputo, this dedicated rail service aims to reduce transit times, increase efficiency and offer a more reliable service. The service also complements initiatives to improve health and safety through lightening the load on an already overburdened road infrastructure. The positive economic impact of this more cost- and time-efficient trade corridor will be felt throughout the region. Also, in line with global focus on sustainability, an improved environmental impact exists, as rail transport reduces like for like carbon emissions by nearly 80 percent in comparison to road freight. •

Brambles becomes a carbon neutral operations company

Brambles, the global supply chain solutions company operating in 60 countries through the CHEP brand, announced in September 2020 the successful completion of its five-year sustainability programme and the launch of an even more ambitious one, aimed at pioneering regenerative supply chains. This new programme includes the commitment to a 1.5°C climate future aligned with the Paris Agreement and a science-based carbon emissions target for its supply chain.

As part of this objective, Brambles has become carbon neutral in all its own operations. This means that the company’s net CO₂ emissions have been brought down to zero across the scope 1 (direct emissions generated from the burning of fuel) and scope 2 (indirect emissions resulting from the production of electricity that is purchased) of the standardised Greenhouse Gas (GHG) Protocol.

Becoming carbon neutral in scopes 1 and 2 is the first step towards the ambitious and more challenging decarbonisation of Brambles’ entire supply chain, which would also involve the emissions generated by subcontractors’ operations (scope 3). To do so, the company will set a science-based target for emissions in its direct control and in its supply chain.

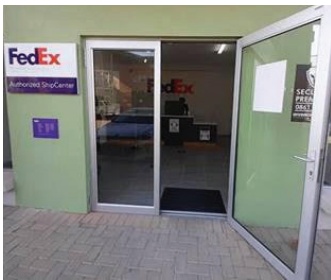
“I could not be prouder of this milestone,” says Brambles CEO, Graham Chipchase, “but the work does not stop here. The real challenge lies ahead of us in advocating for our customers and suppliers to become carbon neutral in their operations too. We will extend and build new partnerships with them to leverage the circular economy and the best available low and zero-carbon products and services to decarbonise our entire supply chain.” •



FedEx Express opens new facility in Mbombela

FedEx Express, a subsidiary of FedEx Corp. (NYSE: FDX), and the world's largest express transportation company, has opened a new facility in Mbombela, in the north-east of South Africa. The new location provides customers with easier access to the global FedEx network. The facility will provide the essential logistics solutions as well as products and services necessary for small and medium businesses to unlock their potential and achieve international growth.

"We are excited to provide customers with easier access through this facility. As we extend our footprint, our goal is to continue working with customers and supporting them on their journey to reach new clients and new markets," says Natasha Parmanand, southern Africa Operations Manager at FedEx Express.



FedEx understands that as trade conditions improve and opportunities emerge for small and medium businesses following the COVID-19 lockdowns, companies are looking to work with service providers that have the know-how to assist with their growth. With the introduction of this facility, customers in Mbombela will have immediate access to support and guidance from FedEx Express and direct access to the 220 countries and territories it serves.

The FedEx Express global network provides time-sensitive, express services worldwide. This means that customers in Mpumalanga have access to more convenient offerings with a drop-off and pick-up point right at their doorstep. "We are excited to present our new location and look forward to continue working with local businesses as they grow globally," concludes Parmanand. •

New holistic, real-time fleet management system

Tracker has introduced a new addition to its fleet management system, Tracker Dashboards & Analytics. These dashboards provide a holistic, real-time overview of fleet performance, categorised in terms of KPIs, safety, utilisation, behaviour and trips.

The analytics assist management with fleet business intelligence in five key areas, namely risk, cost control, fleet utilisation, operations control and asset control. Management has access to consolidated, clear information on vehicle locations and trips, as well as real-time trending data on all events – time, distance, driver behaviour and scoring – enabling live tracking and handling of a fleet.

The Dashboards & Analytics therefore assist management with:

- Informed decision making.
- Balancing vehicle usage across the entire fleet.
- Monitoring the productivity of the fleet.
- Identifying risky behaviour to reduce risks associated with costs, possible accident exposure as well as compliance.
- Detecting trends and helping to draw conclusions about fleet utilisation and driver behaviour.
- Reducing the workload of analysing static telematics reports.
- Identifying drivers with poor driving behaviour that may lead to accidents, fines and/or high fuel consumption.
- Identifying drivers with good driving behaviour that could

be used in an incentive scheme.

- The identification of trips in excess of the allowed time to ensure rests are taken timeously.

The Dashboards & Analytics are easy to implement, understand and use, and are accessible via the Tracker web app. Drivers have access to a mobile app.

Kobus Visagie, Executive: Business Solutions at Tracker South Africa, says, "The Dashboards & Analytics provide a full holistic overview on vehicle and driver performance and further highlight any trends, for instance, speeding, which can then be addressed easily without having to draw and print multiple reports to come to the same conclusion. We are excited about the value it will bring to our business customers."



Vote for SA's most exceptional truck driver: #ThankYouTrucker

The nominations are in and the finalists of South Africa's first #ThankYouTrucker have been announced. Five of the country's most exceptional truck drivers have been shortlisted for this prestigious award and now it is time to vote for the most exceptional truck driver. The winner will receive R50,000, the runner-up gets R10,000 and the third placed driver will receive R5 000. #ThankYouTrucker is an initiative of IVECO SA and the Road Freight Association.

About the finalists – what their nominators say

Audrey Chiloane – Zosi Group (Gauteng): “In an industry dominated by men, Audrey has always had her ways of standing out. This ranges from her exceptional driving skills as a super-link truck driver, her random acts of kindness to those in need and her four year-long clear track record.”

Ayanda Mvelase – Crossroads (KwaZuluNatal): “Ayanda is our only female driver within the Crossroads group. For Ayanda, trucker and mother to eight-year-old Lizeka, becoming a truck driver was really all she ever wanted. Being a woman behind the wheel brings its own challenges, but Ayanda has embodied the essence of good driving with perfect scores in speed, harsh braking, over revving and excessive idling.”

Nimrod Maseko – Maphanga Logistics (Mpumalanga): “Nimrod is the eldest amongst the group of truck drivers in our employ. Despite being illiterate, he always strives to fulfil all daily compliance requirements like completing his daily trip sheet, his pre-inspection sheets and all related paperwork – without fail. He is an asset that makes logistics such a seamless function within the supply chain.”

Matthew Moonsamy – Imperial Contract Logistics (KwaZulu-Natal): “Matthew started driving for us in 1987. Over the years, he has evolved from a double diff driver to a super link driver. During 2020, when our depot was hit hard with COVID-19 cases, Matthew was tasked to report for duty early every Monday morning to issue out vehicle keys and take control of the early country departures. He managed this added duty with no complaints and seeking no additional recognition. With his experience, he also assists us with the review of the planning by providing us with an oversight of the issues experienced on today's roads.”

Chris Smit – DRK Logistics (Pty) Ltd (Gauteng): “Chris has a disability. Since the start of his tenure with us, he has been dependable and extra hardworking. He pushes through every border and makes each delivery. When he leaves South Africa, he has a truck load of food for the border runners and children along the way. Despite his disability, Chris always has a friendly word of encouragement and a smile on his face. We, as able-bodied South Africans, can really learn from this man!”

How to vote

Vote for your favourite drivers at www.thankyoutrucker.co.za. Voting closes on 24 July. •



City Logistics partners with MiX Telematics

MiX Telematics (NYSE:MIXT, JSE:MIX), a leading global provider of connected fleet and mobile asset management solutions, recently signed a long-term strategic partnership contract with City Logistics that will add value to the company's operations and facilitate it to continue providing world-class services to its customers.

City Logistics has an extensive network throughout southern Africa, with 14 depots and a fleet exceeding 1,000 vehicles, delivering to over 85,000 retail distribution points monthly. It offers cost-effective supply chain solutions, together with the highest service levels and omnichannel capability, ranging from retail distribution, e-commerce, line-haul services, contract logistics, distribution centre management and warehousing, and Into Africa services to logistics technology solutions that are 'customer focused, solutions driven'.

The company selected MiX Telematics because of its decades-long experience in risk mitigation and fit-for-purpose industry specific solutions that deliver enhanced fleet efficiency and driver safety. This strategic partnership equips City Logistics with an extensive suite of connected fleet solutions to ensure safe vehicle and driver operations. A safer fleet allows it to further improve customer service excellence as well as operational efficiency. •

Logistics News

The independent voice of the SUPPLY CHAIN Industry

Publishing Editor:
Dalan Holton

Editorial & advertising:
info@logisticsnews.co.za
P.O.Box 1806, Gallo Manor
Sandton, 2052
www.logisticsnews.co.za
www.supplychainonline.co.za

Deputy Editors:
Lynne Yates
Loren Shirley-Carr

Subscriptions:
www.logisticsnews.co.za

Design & DTP:
Nicole Cook

The publisher is not responsible for the opinions expressed by individuals.

© No part of the publication may be copied or reproduced by any mechanical or electronic means without the written permission of the publisher.

38th year of publication.

ISSN 1025-0492



Directory of supporting industry associations

CILTSA

Chartered Institute of Logistics and Transport SA
011-789-7327 | www.ciltsa.org.za

CIPS

Chartered Institute of Purchasing and Supply Southern Africa
012-345-6177 | www.cips.org/southernafrica

CSCMP

Council of Supply Chain Management Professionals
SA Round Table
011-678-1820 | www.cscmp.org

RFA

Road Freight Association
011-974-4399 | www.rfa.co.za

SAAFF

SA Association of Freight Forwarders
011-455-1726 | www.saff.org.za

SAEPA

SA Express Parcel Association
info@saepa.org.za | www.saepa.org.za

SAIIE

Southern African Institute of Industrial Engineering
011-607-9557 | www.saiie.co.za

SAPICS

SAPICS – The Professional Body for Supply Chain Management
011-023-6707 | www.sapics.org.za



DESIGN AND DEVELOP
INFRASTRUCTURE
AND OPERATIONS TO
MAKE YOUR SUPPLY CHAIN
A SUCCESS



ILS
INDUSTRIAL LOGISTIC SYSTEMS^{(Pty) LTD}

Supply Chain & Logistics Consultants From Strategy to Execution

- Supply Chain Strategies
- Market and Location Analysis
- Materials Handling Systems
- Facility Design and Development
- Project Management
- Operational Systems
- Best Practice Standards
- Warehouse Management Systems
- People and Productivity Optimisation
- Operations Set-up



www.ils.co.za
info@ils.co.za

Johannesburg: (011) 656 1100



**KEMACH
FORKLIFTS**

INNOVATIVE SOLUTIONS

TO COMPLEX APPLICATIONS

*With our newly formed KEMACH Forklifts division, we now have
over 50 state-of-the-art
forklift machines to choose from!*



FORKLIFT TRUCK



HEAVY EQUIPMENT



REACH TRUCK



TOW TRACTOR



STACKER



PALLET TRUCK

Contact your nearest branch today [f](#) [t](#) [i](#) [in](#) [v](#)

www.kemach.co.za

KEMACH
EQUIPMENT

JOHANNESBURG +27 (0) 11 826 6710
MIDDELBURG +27 (0) 13 244 1839
PRETORIA +27 (0) 12 548 2956
BLOEMFONTEIN +27 (0) 51 432 3978
KWA ZULU-NATAL +27 (0) 31 700 8278

RICHARDS BAY +27 (0) 87 357 8985
CAPE TOWN +27 (0) 21 949 7442
GEORGE +27 (0) 44 878 0366
PORT ELIZABETH +27 (0) 41 453 1819
EAST LONDON +27 (0) 43 732 190