September/October 2023

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Warehouse theft prevention: 8 tips to spot and stop it

By Michael Badwi, Chief Business Officer and Founder of Supply Chain Junction

There is no single, simple solution to prevent warehouse theft. It takes a combination of strong processes, security systems, warehouse management software and excellent hiring criteria to reduce theft in your business.

Most businesses with warehouse components suffer a great deal of loss due to inventory shrinkage caused by theft within the warehouse by their own internal employees. This goes with the territory in all regions, including the Middle East and Africa, and reducing the cost of these losses is entirely possible with the right tools and processes.

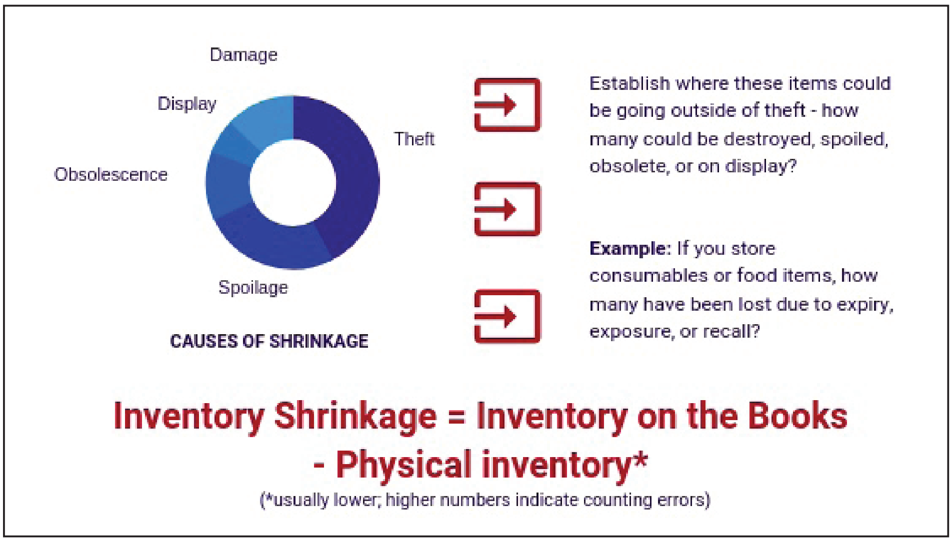
Start tackling warehouse theft by ensuring you can spot it – ensure that your inventory is correctly tracked so that you can tell the difference between the types of losses you may suffer by combining stock takes and cycle counts to accurately assess your inventory on the books.

Stock take vs cycle counting and how they help to prevent warehouse theft

Your warehouse management system (WMS) allows you to be more flexible in your warehouse, moving from traditional stock take methods to cycle counting.

The main benefit of cycle counting is that it doesn't require you to shut down your entire business. Cycle counting ensures that your inventory is frequently checked for accuracy – without interrupting your operations. You simply count small subsets of inventory in various locations in your warehouse on an immediate, daily or weekly basis. Not only is this a more productive and efficient method of inventory control, but it's also easier to spot theft because you can spot discrepancies sooner rather than later.

"Incidents involving the theft of full truckloads continued as the most prevalent method of cargo theft in the third quarter of 2016, representing 78 percent of all reported thefts with an average loss of $120,298.



Facility thefts saw a 98 percent increase in theft rate and a 266 percent increase in theft value. Warehouse locations remained the most commonplace for cargo theft. Holiday weekends saw a 40 percent increase in cargo theft cases, probably due to large shipments in anticipation of holiday sales," reports *LPM Insider*.

The best way to identify theft in your warehouse is to conduct regular stock takes. The more accurate your inventory data, the faster you'll pick up on theft. Without regular stock takes, you may not even notice that inventory levels are shrinking suspiciously until months down the line – by which time you'll be hemorrhaging cash.

Look out for the following red flags that could indicate warehouse theft:

- Your stock levels don't match your sales records.
- Sales seem to dip on days when particular staff are on duty.
- Staff rumours suggest theft is taking place.
- Certain team members avoid taking their annual leave.
- Important documentation (such as invoices) is missing

or appears as duplicates rather than originals.
- Stock is constantly found near exits or loading bays.

It is very difficult to prove that someone is guilty of warehouse theft without catching the person red-handed. It's much easier to put security measures in place that help you avoid theft altogether.

If you notice any discrepancies, look into them immediately. The longer you leave it, the harder it will be to ascertain whether the missing stock items are lost or stolen.

It's easier to do this with decent data: knowing where your stock is, or isn't, is critical and from this point, we advise taking precautionary measures to raise awareness, identify weak points and limit the opportunity for theft.

Tips to prevent warehouse theft in your business

1. Conduct background checks before hiring new warehouse staff.
It might seem like a no-brainer, but doing a basic background check on criminal records will drastically decrease your chances of warehouse theft.

Gulf Business reports: "Numerous subsets of screening services may be included in an employment background check. Which ones you choose will depend on a whole host of variables, including the nature of your industry, nature of your business, what kind of role you're hiring for, wherein the corporate hierarchy that role falls and your organisation's level of risk tolerance. Beyond that, you should be mindful of the laws and regulations affecting your organisation.

The bottom line is that when they're done properly, background checks can help ensure the integrity, fairness and consistency of the hiring process. That's good for those doing the hiring, of course, but it also benefits honest candidates who are playing by the rules and giving employers an accurate picture of themselves and their qualifications."

Check the criminal history of potential employees as well as check with previous employers to find out how long the person worked there and why they left. Trust your gut – if you're not sure about someone's credibility, don't hire them.

2. Educate employees about company policy on theft.
Make sure all your staff are aware that you have a zero-tolerance policy when it comes to theft or fraud. Have them sign a code of conduct that clearly outlines how violations will be punished.

Additionally, you can identify anonymous channels for staff to report any suspicious activity. If everyone knows that their colleagues are keeping an eye out, it will deter thieves due to a higher chance of being caught.

3. Deal with thefts immediately, in line with your company policy.
If you experience a theft, or series of thefts, take a look at your shift register to see who was on duty when the stock went missing. If you begin to notice a pattern between missing stock and certain staff members on duty, monitor their activity in the warehouse.

If you notice any suspicious behaviour (such as consistently clocking in or out at odd times), then you may need to investigate further. This can be done in line with the company policy education and process.

4. Maximise managerial visibility in your warehouse.
Having a strong managerial presence on your warehouse floor will deter theft. It can, however, be difficult for warehouse managers to spend a lot of time on the floor as many of their duties require a computer.

Consider investing in a warehouse management solution that offers a mobile component; this would allow warehouse managers a desk-free solution. The DM Mobile Solution offers a couple of advantages for managers as they walk the floor:
- Systematically record active interactions with employees, including observations and performance measurement.
- Review work in the warehouse by wave, job function and task/activity.

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- Put a task on hold, reprioritise a task, assign a task to an employee or release a set of tasks to be completed.
- Monitor, plan and forecast work in real-time.
- Track the status for a particular customer, including order lookups and wave progress.
- Your warehouse management solution should be mobile-enabled so that your warehouse managers aren't completely desk-bound. This will help you increase visibility and interaction on the floor.

Additionally, you can locate your manager's office above your warehouse on a mezzanine floor with a bird's eye view of the warehouse below. This allows managers to keep an eye on the warehouse floor at all times.

5. Limit access to stock in your warehouse.

Use the physical layout of your warehouse to create barriers that help to prevent theft. Separate your receiving and shipping docks where possible to prevent newly received stock exiting on an outbound truck before it even enters your warehouse.

Keep your pick faces and inventory storage locations as far away from your shipping and receiving areas as possible. The only stock that should be near these areas are incoming and outgoing orders.

Provide visiting truck drivers with a dedicated lounge area to wait in while orders are being loaded or unloaded. Only staff should have access to your warehouse or distribution area.

6. Ensure you have robust security systems in your warehouse.

Installing security systems like access control and CCTV cameras not only deters criminals, but also provides evidence of the theft that is caught on camera. These cameras should be strategically placed in high-risk areas. You can also install security mirrors to maximise visibility and prevent blind spots in hard-to-reach corners of your warehouse.

Additional security measures like unplanned warehouse walk-throughs by supervisors, team leaders or management can act as an additional deterrent. Make sure these walk-throughs are completely unpredictable. Some key areas to check include shipping and receiving bays, and entrances and exits.

Security personnel should be stationed at every entrance/exit to the building. Be sure to inspect any vehicles leaving your warehouse to check for any unauthorised stock leaving the premises.

Staff and visitors' parking should be located separately from your warehouse operations. No private vehicles should be near your warehouse.

7. Understand the motivation.

Knowing why employees steal will help you to curb the theft in a more effective way.

Why do employees steal? In an ideal world, we wouldn't need to ask such a question, however, there are three common reasons for staff to develop light fingers:

Poverty: Very often when an employee is struggling financially, they may be tempted to steal from their employer – either taking items home for their family or to sell for cash. Their justification is that they need the item/s more than you do, thinking the company won't miss or can easily afford to replace missing stock.

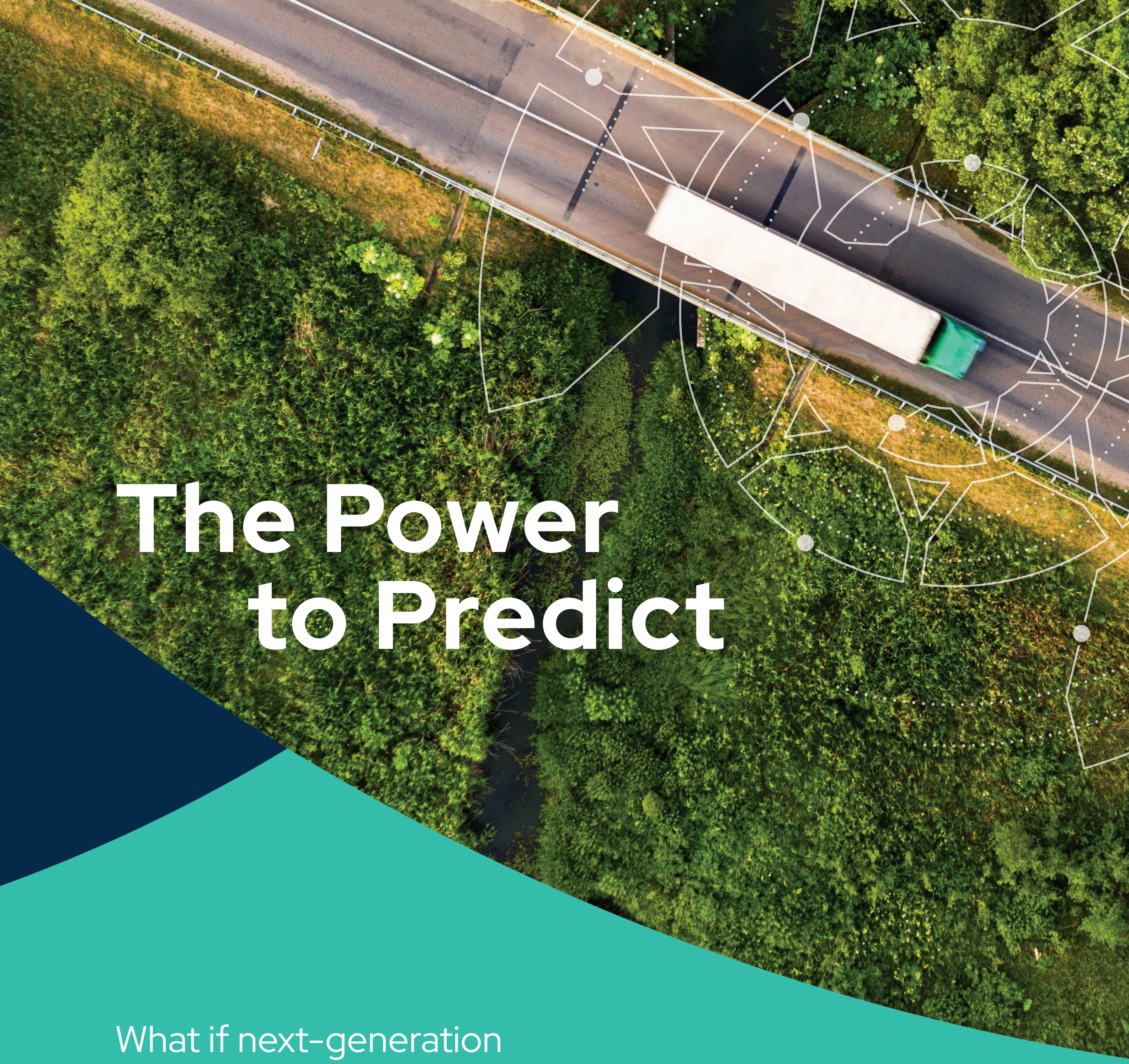
Entitlement: Some staff may believe that the company they work for owes them something. They don't see pilfering stock as theft – it's simply taking what was rightfully theirs to begin with.

Opportunistic: Finally, there are opportunists. These thieves will take something desirable just because they can. Small stock items like make-up, clothing, foodstuff and electronics are most at risk of opportunistic theft as the thieves will take items that are easy to access and conceal.

8. Implement a warehouse management system (WMS).

The less accurate your inventory records, the faster your warehouse becomes an easy target. A WMS allows you to keep more accurate, less corruptible records.

Knowing exactly what stock you have on hand (and where that stock is located in your warehouse) helps you identify missing stock immediately and ultimately reduces warehouse theft. However, trying to keep track of stock manually often leads to errors – especially if you're doing infrequent stock takes. •



Battery-powered forklift market poised for growth

Over the past few years, Toyota Material Handling, a division of CFAO Equipment SA that sells forklifts and related solutions, has seen a steady increase in demand for battery-operated equipment.

Typical market growth has been sitting at between 2 and 3 percent, mostly due to customers shifting from traditional internal combustion engine (ICE) forklifts to battery-operated forklifts. Last year, however, growth was measured at 5 percent, a significant increase that exceeded the division's expectations. This increase was driven predominantly by the adoption of lithium-ion battery-operated forklifts, which are now responsible for around 80 percent of sales versus lead-acid battery forklifts.

"Battery technologies have come a long way in the past few years. Where lead-acid battery technology might have held back the adoption of battery-operated forklifts, due mainly to the rate of discharge and the maintenance required for these batteries, lithium-ion is now propelling the market. This has been augmented by business cycles such as the large-scale fleet replacements that occur every three to four years," says National Product Manager for Toyota Material Handling – Counterbalance Equipment, Brent Light.

The adoption of battery-operated forklifts is being driven by three main benefits.

1. Greater efficiencies and return on investment (ROI)

ICE forklifts are more expensive to run. Whereas fuel for an ICE truck costs between R20 and R25 per litre, electricity for battery-operated equipment costs just R1.50 per kilowatt. Furthermore, the per hour efficiency of an electric machine makes it more economical to run, particularly considering the virtually 100 percent energy efficiency of a lithium-ion battery.

Brent Light, National Product Manager for Toyota Material Handling – Counterbalance Equipment.

"Energy consumption and the cost of that energy is less for an electric forklift compared to an ICE forklift. Therefore, in all applications, even though the upfront costs may be high, lithium-ion will eventually result in a cost saving. This saving can, however, be delayed in some very low utilisation applications, so it might not always be justifiable to the business. However, with a high or medium intensity operation, ROI will be realised fairly quickly – within 24-36 months you will see significant savings," says Light.

ROI is also realised through the cost of maintenance, which is a lot less on an electric forklift. It has fewer moving components, so less can go wrong, and tyre wear is also reduced because it is almost impossible to create wheel spin.

2. Sustainability

As the world looks towards a more sustainable future, more businesses are being guided by regulations to reduce carbon emissions. For example, in applications such as food handling, businesses can no longer use LPG units, a stipulation of new legislation that came into effect in 2020.

ICE forklifts expel diesel and gas emissions, and a lead-acid battery emits gases when charged. With the use of lithium-ion batteries, emissions are eliminated, resulting in a cleaner and more environmentally conscious working environment.

3. Driver comfort

Since an electric forklift has zero vibration and its noise levels are less than that of an ICE forklift, it is a lot more comfortable to operate.

"While we are focused on growing the electric market, most businesses still use ICE forklifts and will do so for some time. The move towards electric forklifts is happening slowly, but as battery-powered machinery becomes more capable in handling difficult environments, adoption should speed up," maintains Light.

It is important to consider that different applications require different technologies. For example, in a brickyard or concrete facility, using electric forklifts might be a drawback as they don't have the extra power provided by ICE forklifts, and since the work area is mainly outdoors, the emissions requirements will most likely not be as stringent.

"There are also certain applications where lead-acid battery technology is still viable and lithium-ion potentially less. However, we do find customers moving to lithium-ion because of the maintenance benefit, even when they don't require the longer lifespan or the longer operating time of the lithium-ion battery. With lithium-ion batteries, they do not need to worry about topping up water levels and if they need to short-charge, they can do so without any impact on the battery," explains Light.

"Having a variety of forklifts available will continue to appeal to customers and their choice of machine will depend on what it will be used for. It is important that they consider all options and choose the most suitable machine for the application," Light concludes. •

Traditional vs pure-play retailers

By Jan Tukker, Managing Director, BusinessChain- supply chain professionals who have vast experience in strategic sourcing, logistics, distribution, supply chain systems, and people development. www.businesschain.co.za

Find out ways that traditional retailers can compete with pure-play retailers in a very competitive retail landscape.

Online-only, also known as pure-play retailers, have quickly established themselves in a very competitive retail landscape. Their agility and customer-centricity have placed tremendous pressure on traditional retail businesses, stealing revenue and customers from them. Traditional retailers have been sluggish to respond to this threat and are scurrying for solutions. Here, we outline the reasons for their slow response and provide some key takeaways.

The growing online retail landscape

I don't need to convince you that buying online is convenient, efficient and cost-effective for customers. It saves a journey to the store, finding and paying for parking and is super convenient for busy people. The pandemic has exponentially grown online sales and although this is an exceptional case, it is commonplace for international retailers to generate more than 25 percent of their sales online. H&M reported that its online sales as a share of the group's net sales in 2021 were 38 percent.

This figure for clothing retail in South Africa is only 3.5 percent, indicating that we are in the infancy of our online retail evolution. The potential growth is noteworthy, with this author believing that the figure could grow to rival international online sales figures. To back up this claim, the growth in smartphone usage is over 62 percent penetration – nobody would have believed this in 2005. It proves that our population demands connectivity and convenience. Our consumers need convenience and time, which is exactly what buying online provides them. In addition, our consumers' transport costs are a significant portion of their monthly earnings. Saving transaction costs, for them, is a key driver of online growth.

The caveat, though, is that online shopping needs to be cheap and easy, with the delivery of goods done conveniently. If done correctly, customers who are sceptical about online shopping build trust in this retail channel. This conversion rate is critical to growing online spending.

Why so sluggish?

So why were the traditional retailers so slow off the mark? And how can they leverage their capabilities to compete in the online space? The reasons for the slow reaction differ for each business, but the main themes include margin protection, legacy systems and skills.

Retailers did not want to erode their margins at the expense of shifting their business model to compete in an expensive online environment. Soon they realised, however, that they'd better start their journey to multichannel retailing or face the risk of losing market share, if not go out of business altogether. Reluctantly, they began investing, but not nearly sufficiently to change their business model. They'd soon realise that an online channel isn't about having an alternative, but rather a complement to their brick-and-mortar channel. Multichannel retailing can increase margins if the channels work symbiotically.

The IT systems issue is one where retailers developed business systems over many years to support store-based retail. Supporting these systems and developing new capabilities within them is a sizable undertaking. Redirecting attention away from the brick-and-mortar retail requirements – essentially pausing any new developments in favour of online systems development – is a game-changer. They never needed to deal with customers digitally because their stores handled customer engagement and sales. Indeed, a complete paradigm shift.

Lastly, the skills requirements for online differ from traditional retail. It's like an athlete needing slow-twitch muscle fitness for a marathon versus the fast-twitch requirements for sprinters. Selling online needs agility and speed.

Catching up

Retailers found themselves in a race against time to close the gap that pure-play retailers had gained. Once the strategic direction had been accepted, capital was released to invest more significantly in their online capabilities.

This evolution is not plain sailing, though, due to their systems, processes and culture set up to serve their stores effectively. Mindsets needed a major shift from the C-suit to the fulfilment staff.

So, how do brick-and-mortar retailers compete with their pure-play competitors?

Leverage store inventory by fulfilling from the store: One of the obvious dilemmas traditional retail faces relates to the use of its store inventory to fulfil online customer orders. Conceptually, this seems to be all too obvious. However, there are many deciding factors on how best to implement this. Depending on store locations in relation to customer delivery points, size of the store, size of the basket and where its offer lies on the commodity-fashion continuum will influence the optimal solution. The use of statistics and operations research assists retail supply chain managers in determining the best option. If done correctly, this could be a huge competitive advantage and one that the pure-play retailers are not able to use. The pure players likely see this as a substantial threat to their business.

Access to capital: Traditional retailers would likely have more access to capital. The reason is that they have a history of generating revenue and have had the ability to build up reserves versus their pure-play counterparts who are generally in start-up mode requiring funding from investors. Although the capital would still need to be used for store developments and other related items that pure-plays don't have, funding should be easier to come by versus pure-play retailers. Capital should be redirected into online commerce projects, carefully balancing the needs of stores.

Brand and product allegiance: Retailers should leverage the power of their brand support to drive their customer retention, whether online or in-store. Marketing plays a key role in making customers feel like they are engaging with a familiar brand and transaction process across channels. If the retailer has a social media following or a credit base, this should be used to establish a strong relationship. Use the voice of the customer (VoC) data to determine critical touchpoints and improve customer engagement.

Develop an agile, innovative mindset: To counteract the corporate internal silo problem slowing down decision-making, an innovative mindset needs to be part of the culture. Data-driven analysis and decision-making will develop an agile supply chain environment, resulting in the business becoming more responsive.

Takeaway

The retail landscape is going through a paradigm shift not seen before. Customers have more choices than they have ever had and competition between retailers is higher than it's ever been. Successful multichannel retail requires a carefully thought out plan, delivering the digital and in-store experiences consumers actually want versus the ones retailers think they want. It requires significant investment in systems, people and fulfilment solutions. Market share and survival are on the line. •

How to prepare for peak season: Are your DC and supply chain ready?

By Gary Benatar, Chariman of Relog, www.relog.co.za

Discover how to prepare for peak season in the southern hemisphere and why it differs significantly from its northern hemisphere counterpart.

The term 'peak season' conjures up images of bustling stores, online shopping sprees and an abundance of packages flying through the logistics network. For many countries in the northern hemisphere, this surge in consumer activity is primarily associated with the holiday season, featuring events like Christmas and New Year's Day. However, in South Africa and other southern hemisphere nations, peak season takes on a unique character due to an array of factors.

The unique dynamics of peak season in the southern hemisphere

In the southern hemisphere, peak season is a multifaceted period, characterised by several concurrent factors that drive consumer demand higher than in the northern hemisphere, where their peak to average can be 30-50 percent and in South Africa, it's often double or triple this, and for some commodities up to 300 percent. Unlike the northern hemisphere, where Christmas and New Year's dominate the landscape, South Africa and its southern hemisphere counterparts experience a more diverse peak season. These factors include:

Christmas and New Year's Day. Just like the northern hemisphere, the southern hemisphere celebrates Christmas and New Year's, marked by gift giving, family gatherings and increased consumer spending.

Back to school. January marks the start of the school year in South Africa and as parents and students prepare for the academic year, the demand for school supplies, uniforms and related items peaks during this period.

Summer holidays. While summer holidays in the northern hemisphere fall during June and July, in the southern hemisphere, these vacations take place from December to February. This extended summer season brings about an increased demand for summer-related products, travel and tourism. Also, with people going to the coast, the coastal regions experience a much higher demand than inland regions.

Annual bonuses. Another unique aspect of our peak season is the annual bonus as many companies in the region offer bonuses to their employees during this period, stimulating consumer spending.

So, the peak season in the southern hemisphere will be larger than the peaks experienced in the north and this makes the infrastructure and operations more critical in the ability to meet the demand. At the same time, a lot of our infrastructure is underutilised and over capacity for nine months of the year. Some companies make the mistake of planning for the average and get into trouble at peak. There are some basic and simple rules to follow to make your supply chain and DC meet these demands.

Supply chain availability: The key to preparing for peak season

Preparing for peak season in the southern hemisphere involves a careful evaluation of supply chain availability. To meet the expected surge in demand, it is essential to ensure that inventory is adequately stocked and the supply chain is optimised.

Inventory management. Retailers and manufacturers should make a concerted effort to secure inventory well in advance. This means placing orders for holiday and back-to-school merchandise early to guarantee availability. Additionally, it's crucial to manage existing inventories efficiently by removing non-required items such as winter ranges and heaters from the distribution centres to make room for peak season products.

Equipment and machinery. As the demands on your distribution centre increase during peak season, it is vital to ensure that all equipment and machinery are in optimal working condition. Regular maintenance and servicing is essential to prevent disruptions during the busiest times of the year. Getting the machines serviced during the quiet months is simple logic, but most people will wait until a breakdown, which is then too late.

Staff training. Preparing your staff for peak season is equally important. Offer training programmes to equip your team with the skills and knowledge necessary to handle the increased workload efficiently. This includes training on new processes, customer service and safety procedures.

Contingency planning: Expect the unexpected

Despite careful preparation, peak season can bring unexpected challenges. It is essential to develop contingency plans to address potential disruptions and ensure that your supply chain remains robust and resilient.

Identifying weak points. To create effective contingency plans, start by identifying potential weak points in your supply chain. This could include delays in shipments, equipment breakdowns or an unexpected surge in demand.

Alternate suppliers. Having backup suppliers or alternative sourcing options can prove invaluable during peak season. Ensure that you have established relationships with multiple suppliers to minimise the risk of supply chain interruptions.

Temporary staffing. Given the unpredictability of peak season, having the ability to hire temporary staff to manage the increased workload is a crucial component of contingency planning. Ensure that you have a pool of reliable temporary employees on standby.

Managing employee leave and absences

Peak season can put pressure on your workforce, and it's vital to manage employee leave and excuses effectively to maintain operational efficiency.

Leave policies. Establish clear and fair leave policies that outline how and when employees can request time off during peak season. Encourage employees to submit their leave requests well in advance to allow for proper planning.

Flexible scheduling. Consider implementing flexible scheduling options, such as staggered shifts or temporary work-from-home arrangements, to accommodate employees' needs while maintaining business continuity.

Cross-training. Cross-train your employees to perform multiple roles within your organisation. This ensures that you have a versatile workforce capable of stepping in when others are absent.

Temporary staffing solutions

I've already mentioned temporary staffing as part of contingency planning, however, here are two points to further consider to ensure your DC is adequately staffed and prepared for peak season:

Recruitment agencies. Collaborate well in advance with recruitment agencies that specialise in temporary staffing. They can quickly provide you with qualified and experienced temporary employees to meet your needs.

Onboarding and training. Streamline the onboarding process for temporary staff to get them up to speed efficiently. Provide clear instructions and training to ensure they can contribute effectively during peak season.

Therefore, successful preparation involves meticulous management of inventory, equipment and staff, along with contingency planning for unexpected disruptions. By proactively addressing these challenges, your distribution centre and supply chain can thrive during the busiest times of the year, ensuring that you meet customer demands while maintaining operational excellence. •

Prescriptive analytics delivers major cost savings to CFOs

By Carsten Schubert, Co-Founder & Ops Director, Transnova

Gain an advantage in the increasingly connected business environment by harnessing the power of prescriptive analytics.

The age of connectivity is at its outset. While today, nearly 40 percent of the world's population has an Internet connection, that number will only continue to increase. The Internet of Things (IoT), where products communicate with their surroundings via connectivity, like a car receiving instructions to slow down from sensors on a bridge detecting ice, is imminent.

Businesses and enterprises that wish to keep pace with innovation must find a way to harness insights that are contained in massive data sets. These insights may range from information about how much to charge for a product or service at a particular time of day to demographic trends that indicate how to deploy a new facility in a new location.

Business leaders who harness the power of prescriptive analytics will gain an advantage in the increasingly connected business environment that calls for data-driven risk management and capital deployment simulations. Here's how decision-makers will prevent their organisations from losing cash while driving higher profits with prescriptive analytics.

"Prescriptive analytics is the application of logic and mathematics to data to

specify a preferred course of action. While all types of analytics ultimately support better decision-making, prescriptive analytics outputs a decision rather than a report, statistic, probability or estimate of future outcomes," according to Gartner's definition in 'Forecast Snapshot: Prescriptive Analytics, Worldwide', 2015.

Simulation to initiate cost savings

As enterprise networks grow to serve larger numbers of customers and employ more workers, data will become the key to bypassing risk and ensuring cost savings are locked in. With prescriptive analytics, leaders will have the power to identify how a system would behave under different configurations. Simulations make sure that integral performance metrics are met, such as wait times, queue length, etc.

When decision-makers are faced with a variety of choices, they can implement prescriptive analytics simulations to identify how their organisation will function in the event of impending changes. For example, leaders can simulate the impact of regulatory changes, fewer employees working more hours, global price changes, fluctuations in the cost of their own products or services, an increase or decrease in emissions and the effects of various execution strategies to identify what situation might catalyse the highest cost savings.

When it comes to scope creep, prescriptive analytics will assist decision-makers in simulating future project needs so that parameters can be more reasonably understood and defined from a project's inception. For example, through a simulation, a leader would be able to establish the procedure for a stage in the project that may be years down the line.

Prescriptive analytics and stochastic optimisation to drive profits

Prescriptive analytics does more than prevent risk; it will also automatically direct business leaders toward the most profitable business plans based on stochastic optimisation.

Stochastic optimisation leverages linear programming to measure the best action plan for a business given the desired outcome and functional constraints. Constraints can include:

- Production headcount and capacities.
- Legal and regulatory constraints.
- Financial limitations like borrowing and working capital.
- Emissions.

While the error of human analysis will be removed, profits will also benefit from a precise analysis of how a given business plan will affect an organisation and what the organisation should do.

Major industries influenced

Nearly all industries benefit from the cost savings and increased profitability made possible by prescriptive analytics, but the most notable benefits have been experienced by enterprises in fields that serve large populations including:

- **Logistics.** Prescriptive analytics helps leaders assess how to scale as capacities change, how many employees to hire and how to make the most of changing global prices.
- **Transportation.** It help leaders identify how to drive profit when ticket rates change, usage fluctuates and how many employees are necessary in varying demographic circumstances.
- **Sales and service.** It helps leaders optimise price offers depending on the fluctuating nature and constraints of a customer relationship.
- **Health care.** Prescriptive analytics helps leaders drive cost savings and profits when outbreaks spread, as demographics change and how to scale as capacity changes.
- **Oil and gas.** It helps leaders minimise risk by assisting with deciding on the best drilling locations.

Competitive insights

If your organisation is ready to utilise data-driven cost savings and experience stochastic simulations to gain insight on how to position yourself to drive profits, consider harnessing the power of prescriptive analytics. •

Automated technologies can reduce risk and improve profitability

Ctrack, a pioneer in fleet management solutions, is revolutionising the industry with its leading-edge technology, Crystal.

At the heart of this transformation lies Ctrack's proprietary SMILE technology, a powerful platform that opens doors to an array of customised solutions for various industries. SMILE's versatility, combined with Ctrack's commitment to excellence, is reshaping the landscape of fleet management and delivering unparalleled benefits to clients.

Ctrack prides itself on being able to offer a variety of bespoke solutions for various industries. Making these bespoke solutions possible is Ctrack's proprietary SMILE technology, with which the opportunities are endless.

"With SMILE, we are able to program our wide variety of locally developed hardware and software offerings to assist our customers with a wide range of solutions while always prioritising risk mitigation, cost control, fleet utilisation, operations control and asset control," says Hein Jordt, Chief Executive Officer of Ctrack Africa.

Ctrack understands that every industry and every client has different priorities when it comes to fleet management. The type of cargo has a significant effect on the true focus. While some value safety above all else, others prioritise operational continuity, and with SMILE, Ctrack is able to offer solutions that cater for all of these priorities.

Ctrack can utilise a variety of valuable data streams such as camera systems and CAN bus information and, with SMILE, set up rules and parameters that allow fleet managers to control assets more precisely and in the best way for their particular industry.

Security

Ctrack can improve the security of loads by ensuring that commodities are only offloaded at their intended location. By programming the vehicle's PTO and setting up geo zones, Ctrack can ensure that goods can only be unloaded at the precise geographic location set by the system by mandating where the truck can tip its load or open its cargo doors. Benefits are multiple and include reduced theft of commodities such as coal, increased loads and payments and improved customer service.

Theft

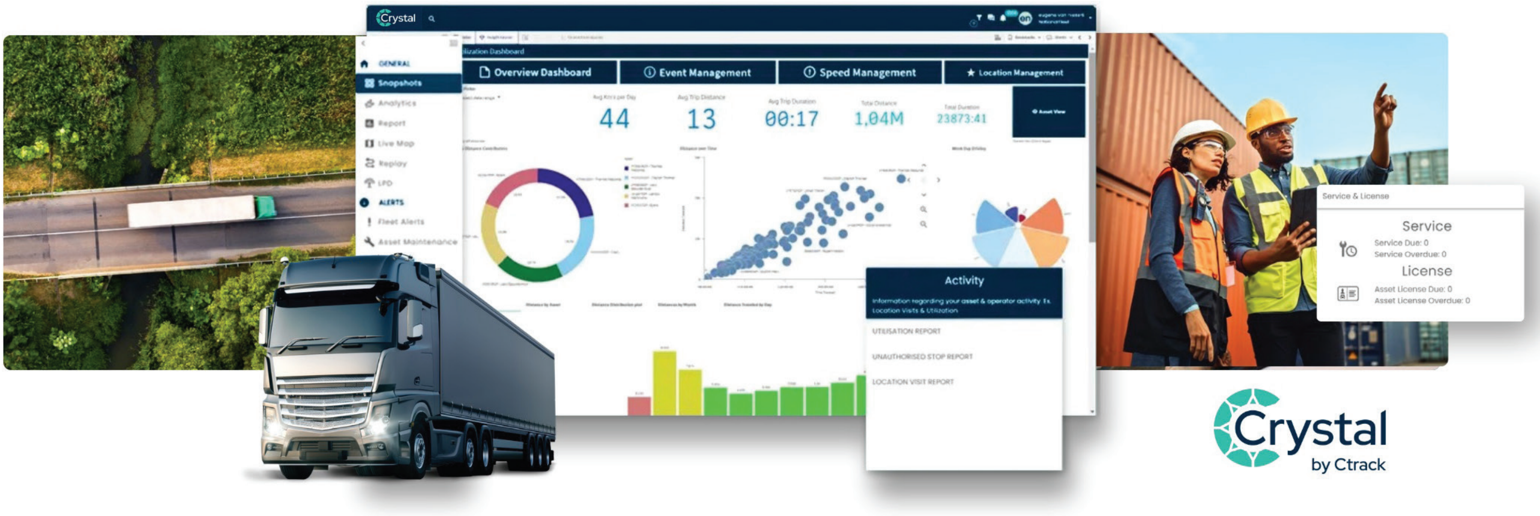
SMILE ensures the real-time reduction and mitigation of vehicle and cargo theft in various ways. If GSM jamming of the tracking system is detected, the vehicle's hooter and hazards will be activated, followed by the remote immobilisation of the vehicle by cutting the engine.

These measures have been proven effective in deterring potential hijackers and thieves who then move on to target less secure assets.

Case study: Dairy farms and agriculture

SMILE has proven invaluable in reducing maintenance and downtime in the dairy industry. Vehicles transporting milk often have to travel on dirt roads or roads in bad condition. By setting up geo zones on these farm roads with a regulated and enforced maximum speed (through speed limiter programmes), the condition of the vehicles and the roads are protected, and the safe delivery of produce is guaranteed.

Limiting speed on bad roads has proven to reduce wear and tear on trucks and trailers and their



maintenance needs. In the long run, this results in less vehicle downtime, improved customer service and a more profitable operation.

Case study: Bridges

SMILE can also be utilised to prevent tall vehicles from colliding with low bridges. Again, geo zones are able to entirely prevent vehicles with high body profiles or trailer configurations from crashing into low bridges by navigating them to passable routes or activating the vehicle's immobiliser unit and stopping the driver from continuing when an unpassable bridge is being approached.

Cash-in-transit

It is well known that cash-in-transit vehicles are at extremely high risk, especially as we approach the festive season. Ctrack's SMILE can control doors and vaults based on operational conditions and activate security mitigation solutions autonomously in case of emergencies.

SMILE integrates with hardware such as cameras, allowing fleet managers to monitor vault, door and hatch usage. In addition, with the assistance of artificial intelligence, smart programming can identify events captured by cameras such as the evidence of firearms or gunshots and automatically put emergency measures in place without the driver or fleet manager needing to react.

Cranes

Ctrack's SMILE has also proven invaluable in the construction industry, particularly with regard to the operation of cranes. SMILE can be configured to prevent overloading or operation when the system detects wind speeds exceeding preset parameters. Warning operators via an audible buzzer in the cabin ensures the safety of workers and equipment. Non-compliance with the set time limits will also immobilise the crane, while operations managers are automatically alerted via SMS when a crane is shut down.

"Ctrack is always evolving, and the development and refinement of technology and capabilities such as SMILE allow us to continually offer our customers the best solutions in an ever-changing world, across a variety of industries," concludes Jordt.

Ctrack's innovative SMILE technology is transforming fleet management across diverse industries. With a commitment to risk mitigation, cost control, fleet utilisation, operations control and asset management, SMILE empowers businesses with tailored solutions to meet their unique priorities. From enhancing cargo security and reducing theft to minimising maintenance and downtime, this versatile technology provides real-time benefits that improve operations, bolster security and enhance profitability. As Ctrack continues to improve its offering and refine its technology, it remains at the forefront of delivering top-tier solutions to a dynamic world, serving a wide range of industries with excellence and innovation. •

Five reasons to prioritise safety for freight transport

By Pieter Vermeulen, CEO, Crossroads Distribution

Safety is the paramount concern for freight companies operating in South Africa and recent statistics underscore its critical importance.

According to the latest data from the South African Road Traffic Management Corporation (RTMC), the country continues to grapple with alarmingly high freight road accident rates, with more than 4,600 fatal crashes involving freight vehicles. These numbers not only represent a staggering loss of life, but also have profound economic and social implications.

Road freight accidents also have substantial economic repercussions, costing the nation billions annually. According to the South African Road Federation, these accidents account for more than R140-billion in direct and indirect costs every year. This financial burden includes expenses related to medical care, vehicle repairs, lost productivity and legal proceedings.

Furthermore, the World Health Organisation reported that South Africa had an annual road traffic fatality rate in excess of 25.1 per 100,000 people, highlighting the human toll of these accidents. This rate is significantly higher than in many other countries, including those in Europe and North America, where road safety measures and infrastructure are generally more advanced. In the US, for example, the rate is less than 12.5 per 100,000, while European countries are significantly lower, at 2.8 and 2.9 for Sweden and the UK respectively.

Addressing road safety therefore remains a critical challenge for South Africa's economic and social well-being.

Prioritising safety

Safety isn't just another box to check, it's the very foundation on which our industry stands. It protects lives, builds trust, safeguards the environment and ensures long-term sustainability. That's why prioritising safety is not just a choice, it's an ethical and professional responsibility.

Protecting lives. Safety measures and adherence to compliance standards are paramount for one fundamental reason – they save lives. In South Africa, the business of freight transport is filled with unpredictable variables, from weather conditions to congested traffic, broken infrastructure and even unforeseen events like social unrest. By implementing rigorous safety protocols, freight companies can reduce the risk of accidents and minimise the potential harm to drivers, the public and the environment.

Unfortunately, the problem is exacerbated in South Africa, with many smaller operators tending to get away with under-compliance, while some larger operators overcompensate by over-regulating themselves. There needs to be stricter control of compliance breaches, and clients would be well advised to only partner with reputable operators who are members of the Road Freight Association.

Reputation and trust. Reputation is everything in road freight. By prioritising safety and compliance, freight companies can work towards building a solid reputation as reliable partners. Clients and partners value this reliability and expect their goods to be transported safely, on time and without incident.

Legal and financial consequences. Failing to comply with safety regulations and standards can also have dire legal and financial repercussions. Non-compliance may lead to hefty fines, protracted legal battles or even the revocation of licences. When freight companies invest in safety and compliance, it acts as a shield, protecting people from potential liabilities and securing their future. This not only helps them meet legal requirements, but also safeguards their bottom line. In the long run, adherence to safety standards is an investment in financial stability and business longevity.

Environmental stewardship. Transporting dangerous goods carries inherent environmental risks. However, adhering to safety and compliance standards significantly reduces the likelihood of spills, leaks or other environmental disasters. By doing their part to minimise environmental risks, freight companies can actively contribute to sustainable practices and protect our natural environment. This isn't just about avoiding costly environmental clean-up operations, it's about preserving the planet for future generations.

Employee well-being. Commitment to safety and compliance is paramount for employee well-being. A work environment where safety comes first boosts morale, enhances job satisfaction and reduces the likelihood of accidents or injuries. Freight drivers and employees aren't just workers, they're the backbone of their organisations. By investing in their safety, freight companies cultivate a culture of professionalism and responsibility that extends across the industry.

Beyond the tragic loss of life, accidents involving freight vehicles have far-reaching consequences. They lead to significant disruptions in the supply chain, increased insurance costs and damage to a company's reputation. Moreover, safety concerns also impact employee morale and productivity, making it imperative for freight companies to prioritise safety.

South African freight companies must continue to invest in stringent safety measures, employee training and vehicle maintenance to mitigate these risks and contribute to safer roads for all. Moreover, they should be striving to apply global industry certifications as part of this process.

This is not just lip service, certifications help to shift the focus of freight operators towards holistic management and safety improvements, with the ultimate goal of attaining a net-zero accident rate. •

Digital transformation in the logistics sector: Be a transporter of choice

By Mo Malie, Chief Technology Officer, Blupath Technologies

Your customers, both current and potential, are going digital. Whether they are manufacturers, distributors or retailers, leading organisations are using the latest technology tools to drive operational efficiencies across their supply chains. Digital solutions are automating repeatable tasks to boost efficiency and promote faster and better decision-making and early adopters are enjoying a competitive advantage in their chosen markets.

The outsourcing of services, especially transport requirements, has become the norm. Companies are focusing their time and resources on developing their core businesses while engaging experts to deliver support services. It is becoming increasingly clear that transporters need to keep pace with the way their customers wish to engage with their service providers. The migration to an interconnected transport world is already here.

Why are companies going digital?

According to a recent KPMG presentation at the e2open Connect 2023 conference, there are five real disruptors in global supply chains, driving the need for digitisation.

With disruptions come the opportunities to improve. Changing customer preferences and omnichannel expansion is altering buying behaviour. The business-to-consumer (B2C) market is directly influencing the business-to-business (B2B) model with expansion in the use of handheld devices and mobile applications. This can be seen in the popularity of home delivery apps like Uber Eats and online travel aggregators such as Booking.com. The consumer is now used to tracking their order from meal preparation to last mile delivery and the corporate customer is now asking for similar visibility and tracking from their transport and logistics service providers.

What the customer wants

Leading companies in every industry are aiming for the most cost-effective method of moving goods from source to destination. The goal of adopting new digital technologies is to improve customer service and reduce operating expenses. With transport services, companies are looking to outsource to specialist service providers but retain control; to do this they need visibility, flexibility and transparency. Agility is key to being able to deal with supply chain disruptions and unexpected delays, with supply chain intelligence driving proactive rather than reactive decision-making.

But that's not all. Customers also want confidence that their communications are secure, that there is compliance with

5 Major Real Time Disruptors in Today's Supply Chains

Changing customer preferences	Fluid market dynamics	Labor and material shortages	Geopolitical disruptors	Technology developments
• Increased customer service expectations • Focus on Environmental, Social and Governance (ESG) • Omnichannel experience • Growing reliance on digital technologies	• Greater consolidation of markets through inorganic growth • Near-shoring of formerly global supply chains • **Prioritization of low-risk supply chain vs. low-cost supply chain** • **Shift from "Just in Time" to "Just in Case" supply chains**	• Bullwhip Effect–unexpected surge in demand for unprepared supply chains • Upstream supply chain bottlenecks • 'International labor shortage increasing labor competition and labor cost • US driver shortage increasing lead times and cost	• Barriers to trade (Brexit, US-China) leading to increasing regulatory complexity and cost • Compulsory climate reporting and more ambitious CO2 targets are imminent • Consideration of adjusting driving time-based regulations to address driver shortage	• Rise of digital operations and its impact on workforce and customer expectations • New platforms have supported expansions of aggregator / group purchasing organizations, enabling dis-intermediating in the market • Use of blockchain to improve supply chain traceability

Source: KPMG & e2open 'Trade and Transportation – E2Open Single Platform' e2open-Connect 2023.

regulations and there is an audit trail of transactions. There is also pressure on all companies, particularly listed ones, to embrace sustainability goals and be able to report on it in their annual financial reports. For transport service providers, this may mean a requirement to track carbon emissions and provide road safety statistics to your customers. All of this is dependent on real-time data that is accurate, reliable and integrated – a key area that is a current weakness for the small to mid-sized transporter. To achieve this, customers are embracing applications rich in data such as transport management systems (TMS) and telematics or IOT devices to gain real-time visibility of supply chain activities.

What does this mean for transporters?

The days of running a transport business on WhatsApp groups, email and Excel spreadsheets are behind us. The way transporters receive offers of loads from customers will continue to change as the journey to digital transformation evolves. It is now common for a transporter to have to log in and monitor multiple customer ERP systems or TMS platforms to view offers and accept loads. This means being able to view and accept demand (often at short notice) from multiple systems and platforms – a task that would be far simpler and more accurate if it were system talking to system rather than human intervention, which has its own limitations. Data transparency, integration and visibility are key factors in driving improvements in transport logistics and visibility of data means knowing what is happening in your organisation now as well as providing vital clues for what may happen in the future.

What are customers looking for when hiring transporters?

Beyond transparent pricing and the right service offering, companies look for customer service, reputation and proven experience. Also important are technical capability and data rich technology solutions that are widespread across the transport sector such as track and trace and telemetry. Customers are looking for access to the data that you can provide from IoT or telematics devices for real-time monitoring of loads to ensure that their goods are being optimally handled with the minimum delay.

Any transporter aiming to stay relevant should focus on how best to track shipments online and communicate this data in real-time with the customer, ideally through integration with their systems. Transporters who are slow to modernise and embrace new technologies may soon find themselves left behind.

Overheads and margins are always top of mind for transporters and although any additional cost may seem like a grudge purchase that will need to be passed on to the customer, the best way to differentiate yourself from your competitors is to embrace this new reality and accept that it is the modern way of doing business. Fortunately, prices are coming down as more companies take advantage of these necessary cloud-based Software-as-a-Service (SaaS) solutions in transport management.

In responding to the challenge to become integrated, real-time and accurate, transporters must invest in a platform that enables:

1. Fast, flexible connectivity to partner systems (customers, telematics, drivers, warehouses).
2. Real-time integration of data feeds (such as telemetry, real-time pricing, demand signals) to enrich existing business processes.
3. Automation that supports proactive intervention.

Platforms built for transporters

Transport management platforms have transformed the way companies requiring outsourced transport services engage with transporters. For transporters operating in this new environment, demand may come from multiple sources including directly from manufacturers and their systems, via distributors or from the customer's contracted 3PL or 4PL service providers.

Blupath is a platform built for transporters by people with a deep passion for transport. It is a multiparty platform that allows a transporter to consolidate all its demand (from multiple sources) in one place and execute its daily plans from different client systems on one platform.

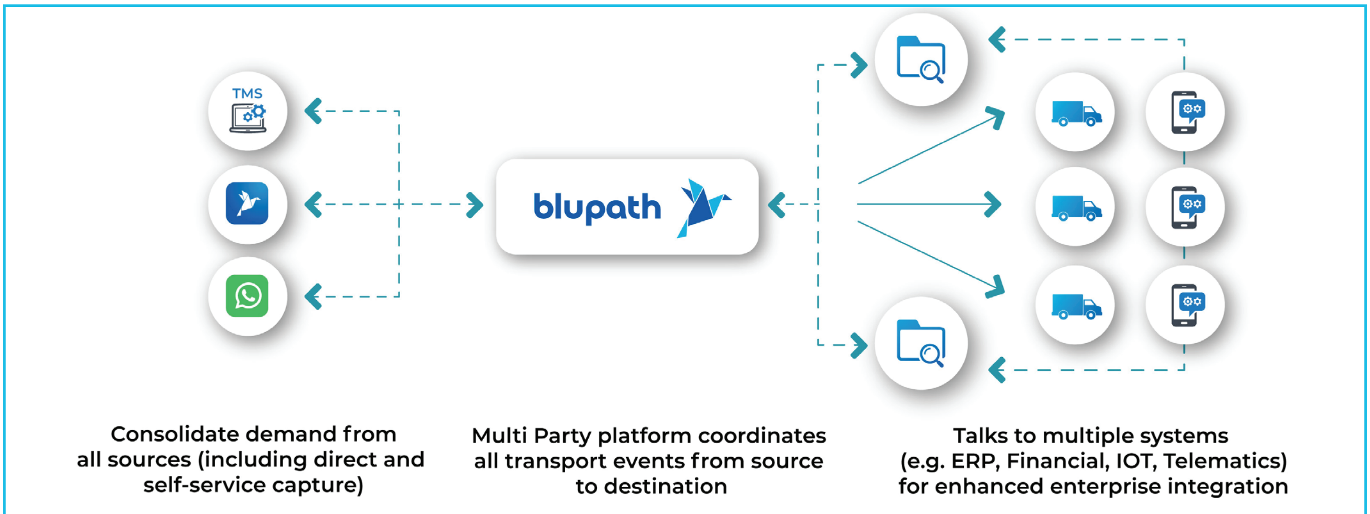
Blupath comes with a Driver App that speeds up invoicing and improves cash flow with faster proof of delivery (POD) turnaround time as the driver can send an invoice quality POD directly from the app on delivery. It also has a Management Console to plan and execute all loads daily with information presented visually on a dashboard in real-time, accessible by all relevant users – anytime, anywhere. •

A platform custom built for transporters

The days of running a transport business on WhatsApp groups, email and Excel spreadsheets are behind us. It is now common for a transporter to have to log in and monitor multiple customer ERP systems or TMS platforms to view offers and accept loads. This means being able to view and accept demand (often at short notice) from multiple systems and platforms – a task that would be far simpler and accurate if it were system talking to system rather than human intervention, which has its own limitations.

Blupath is a transport management platform built for transporters that will transform the way you run your transport business. It is one platform that lets you consolidate all your demand in one place, integrating multiple systems, processes and customers into one fluid ecosystem.

Blupath is a cloud-based SaaS solution with a Management Console for the planning and execution team and a Driver App that enables real-time execution visibility and accelerated POD turnaround time for faster invoicing and improved cash flow.



Blupath helps you connect and integrate with all your customer demand points, enabling the management and execution of all your transport loads from one centralised platform.

Built by people with a deep passion for transport

Blupath has been developed in close collaboration with Transnova, leveraging the operational insights and knowledge of a team that has over 10 years' experience in the transport industry, specifically with implementing TMS platforms for leading companies across southern Africa.

Book a demo

Blupath keeps you and your customers connected at every step of the delivery journey. Our team of transport experts are here to make your life easier. Here's what you can expect from the demo:

- 30-45-minute walk-through of the system.
- We will focus on areas that will help your business the most.
- Explain the benefits to you, your drivers and the customer.
- Answer any questions you have.
- Outline the next steps and actions.

To book a demo, visit www.blupath.com or contact Harry on 082 782 8424 or via email harry.osborne@blupath.com

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South Africa's freight rail and ports crisis in the spotlight

Urgency and hope were the key messages delivered in an important update on the National Logistics Crisis Committee's (NLCC) work at the recent SAPICS Spring Conference in Johannesburg.

Panel discussion on the National Logistics Crisis Committee's work at the SAPICS Conference.

At the SAPICS Spring Conference, a panel discussion addressed the status of the NLCC's critical plans to drive economic growth by improving the performance of industry supply chains, including South Africa's freight rail and ports.

Addressing the supply chain professionals who attended the event, Rudi Dicks, Head of the Presidency's Project Management Office, stressed that the situation is dire and urgent change is imperative. "If we don't see fundamental changes in rail and ports, we are dead in the water. South Africa cannot compete globally. Our products will not get to market. There are no alternatives to ports. We cannot build new ones. Trade will go to our neighbours," he stated.

Echoing Dicks's sense of urgency, panellist Mxolisi Mgojo, who is a past CEO of Exxaro Resources and a key role player on the NLCC, noted that R50-billion was lost in commodity exports in 2022 due to rail performance. He said that mining companies are reconfiguring in line with the current reality and delaying capital investment, which is putting jobs at risk.

The NLCC has three key objectives. The first of these is to improve the operational performance of industry supply chains, including freight rail and ports. The committee is also implementing reforms to modernise the freight transport system and restore its efficiency and competitiveness. Its final objective is to create enabling conditions for the freight transport system to operate effectively, including legislative changes and exemptions where necessary to enable efficient procurement processes and adequate funding of the network.

With more than 130 South African CEOs and leading businesses supporting the NLCC and committed to working with government to achieve these objectives, SAPICS Spring Conference presenters Dicks, Mgojo and Ian Bird offered attendees glimmers of hope as they shared their insights on the committee's progress to date.

Bird, who is the Senior Executive responsible for the transport and logistics focal area at Business for South Africa (B4SA), stated that the NLCC has the attention of President Cyril Ramaphosa. "Progress has been slightly slower than we hoped, but we meet directly with the President every six weeks to provide an update," he informed SAPICS Spring Conference delegates. Non-executive Transnet directors have also been assigned to each of the NLCC's corridor projects.

Bird said that two NLCC workstreams formed in August have achieved milestones. "The Minerals Council of South Africa Corridor Optimisation Teams have transitioned into NLCC Corridor Recovery Teams (CRT), which are working on five key corridors. Terms of reference and key performance indicators (KPIs) are being finalised per corridor, including the identification of project teams. A central coordination centre and self-regulation tool concept paper have been drafted. Engagement sessions have been held with potential data partners to establish the central coordination centre. A multidisciplinary team has been formed to address congestion challenges at the Lebombo border crossing and N4," Bird revealed.

He also explained that the Border Management Authority (BMA) and SARS were rolling out an efficiency improvement pilot programme, with mobile units for customs clearance and immigration. The teams' short-term focus was on the N4 and thereafter on the N3, N12 and N2, he said.

Numerous successful arrests were a positive development in the NLCC's security workstream. This workstream aims to secure railway, port and pipeline infrastructure. It has also established a link between the NLCC and the Joint Initiative on Crime and Corruption (JICC). Currently, this team is assisting industry in collecting incidents to conduct crime pattern analysis and crime threat analysis, Bird said. "They are also conducting resource assessments of existing security measures and resources within industry, providing aerial surveillance capability and establishing an escalation mechanism to report incidents for quick resolution."

He reported that significant work was being done by the SA Police Service to secure the North Corridor line from Thabazimbi to Richards Bay, which includes the export coal line to Richards Bay and that the aim is a crime-free corridor.

Dicks reported that progress had been made in unblocking inefficiencies in Transnet's procurement and financing. "We are working with the National Treasury and Transnet to ensure the procurement process is more agile and adaptive and that there are no delays in procuring urgent spares and equipment. State-owned corporations, including Transnet, are engaging with National Treasury regarding required exemptions to improve operational efficiencies and on procurement matters relating to private sector participation transactions."

Dicks cited the example of a shortage of batteries to start locomotives. He said that the procurement issue of taking three months to get them shipped to South Africa was a priority that would be resolved, along with other 'nuts and bolts' problems topping the NLCC's agenda. "We need to communicate hope and we will make a difference very shortly," Bird concluded.

This year's SAPICS Spring Conference was held in collaboration with the South African Association of Freight Forwarders (SAAFF). •

The Pareto Principle in the warehouse

Contributed by Fortna, www.fortna.com

The Pareto Principle, or the 80/20 rule, has helped distribution organisations better understand inventory needs, optimise resource allocations and determine the automation solutions needed to grow and scale operations.

In 1896, a French economist, Vilfredo Pareto, published a textbook that contained a concept he named the Pareto Distribution, which examined the distribution of wealth in Paris, France. Over a hundred years later, this concept has been adapted to modern times and is better known as the Pareto Principle or the 80/20 rule. It is a statistical model that suggests that 80 percent of all outcomes come from 20 percent of the effort.

Across the distribution landscape, this principle can be applied to many segments, including inventory, order fulfilment and the allocation of resources. Here, we will examine how the principle relates to warehouse processes and design, the operational data needed and how to apply the principle to optimise inventory and operations.

Gathering data

Before applying the Pareto Principle, gathering and analysing warehouse performance data is essential. Warehouse-driven key performance indicators (KPIs) to consider include:

- Order fulfilment time.
- Order accuracy rate.
- SKU velocity.
- Inventory turns.
- Stockouts.
- Delivery lead times.

Knowing these KPIs will allow an organisation to analyse data, make data-backed business decisions and assist in conducting a Pareto Principle analysis. A warehouse management system (WMS) or warehouse execution system (WES) can help analyse and visualise real-time data, anticipate fluctuations in demand and identify inventory trends.

Classifying inventory

Another step to take before using the Pareto Principle is classifying inventory. This step can help gain critical insights into demand, value and velocity. A broad spectrum of factors can be used in the classification, such as item priority, storage needs and cost per order.

Inventory classification types:

- **ABC classification.** This method assigns a value or an importance level to SKUs, with the most valuable inventory as A, the next level as B and the least valuable as C.
- **XYZ classification.** Like the ABC method, this system classifies inventory into three tiers based on their demand variability, with the X tier being the most variable demand, Y being the next level and Z being the least variable demand.
- **FSN classification.** This classification method values the rate at which SKUs are consumed. They are placed in three categories: fast-moving (F), slow-moving (S) and non-moving (N).
- **HML classification.** This method places its emphasis on the monetary cost of the SKU: high value (H), medium value (M) and low value (L).

The Pareto Principle lends itself to any inventory classification method; however, it will be up to the operation to set the priorities and objectives that are the best fit.

Applying the Pareto Principle to drive productivity

In our example, we will use the FSN inventory classification to determine the SKUs that fall into each category, then leverage the operational KPIs to recognise the top 20 percent of total SKUs. By prioritising these fast-moving SKUs and understanding their demand patterns and

replenishment cycles, an operation can begin to optimise inventory levels and reduce inventory carrying costs.

By applying this data, an operation can reconsider warehouse layout, slotting practices and picking methodologies.

- **Warehouse layout.** By taking the SKUs in the top 20 percent, an organisation can create an operational design that maximises the SKUs' velocity for on-the-floor placement, picking travel time and order fulfilment speed.
- **Slotting opportunities.** Slotting SKUs from a Pareto Principle analysis can slot inventory in the best optimised spaces, creating faster fulfilment and throughput.
- **Picking optimisation.** Employing a picking methodology to match the findings of the Pareto Principle analysis can reap productivity gains. For example, an organisation employing FSN classification can use a zone-picking concept to place its SKUs in the top 20 percent into one zone where SKUs are easily accessible and can be picked quickly, ensuring that the fastest-moving items get priority.

Using the Pareto Principle to drive automation decisions

The Pareto Principle is not just an inventory concept; it can help drive decisions on the types of automation and operational processes needed. A clear understanding of inventory value and velocity can highlight the technology and automation an organisation will need to grow and continue to satisfy customer demand.

For instance, if an organisation is genuinely 80/20 regarding its inventory and its SKUs can fit into a tote or a bin, a high-density solution like AutoStore or an automated storage and retrieval system (AS/RS) could be worth investigating. Other automated solutions could be more appropriate if an operation has SKUs that fall into the 70/30 to 60/40 area of value and velocity. •

Making the case for drug and alcohol testing in fleet insurance

By Rhys Evans, Managing Director at ALCO-Safe

If driving under the influence is a reason for insurers to reject claims for vehicle accidents, can drug and alcohol testing programmes be used by businesses to reduce cover premiums for their vehicle fleets?

Insurance companies are always looking for ways to reduce their risk. One way to do this is by charging higher premiums to businesses that have a higher risk of accidents. Any organisation with a large fleet of delivery vehicles is a greater risk purely from a numbers perspective and while the risk of driving under the influence is not currently a weighting factor when calculating business insurance premiums, it should be. Workplace testing can reduce the risk of accidents caused by drivers who are under the influence and by regularly testing drivers for drugs and alcohol, businesses can identify and remove drivers who are a risk to themselves and others. This will naturally reduce the number of accidents that occur – leading to enhanced overall fleet safety and efficiency. In turn, surely this should then translate to lower insurance premiums?

Legislative context for workplace testing

When considering commercial drivers, the Occupational Health and Safety Act requires employers to take all reasonable steps to ensure the safety of their employees, which includes ensuring that employees are not under the influence of alcohol or drugs while working. The Road Traffic Act (RTA) defines 'driving under the influence' as having a blood alcohol concentration (BAC) of 0.05 percent or more while prohibiting driving while under the influence of drugs that impair a person's ability to drive safely. The National Road Traffic Act (NRTA) has a number of provisions that are designed to improve road safety, including stricter penalties for driving under the influence of alcohol or drugs.

Severe legal and commercial consequences

Liability for a road accident caused by an occupational driver under the influence of alcohol or drugs will depend on the specific circumstances of the accident, but, in general, the driver can be held liable for the accident if found to be under the influence of alcohol or drugs. Additionally, the employer can be held liable for the accident if they knew or should have known that the driver was under the influence of alcohol or drugs and failed to take steps to prevent the accident. Furthermore, accidents caused by drivers under the influence can have significant business consequences. These include financial losses due to liability for damages, potential legal fees and increased insurance rates. Furthermore, the business's reputation can also suffer, leading to customer loss, and productivity may decline if a driver is injured or suspended. In this regard, the business can be held legally liable for such accidents.

From awareness to action: Practical risk mitigation

To mitigate these risks (and avoid these costs) businesses should have a strict workplace policy that clearly outlines their stance on driving and consuming intoxicating substances. Employers must consistently

enforce their policy while providing training on the dangers of driving under the influence and promoting responsible driving practices. One of the most practical ways to do this is by investing in workplace testing for alcohol and other intoxicating substances.

At their dispatch hubs, a number of significant South African logistics and delivery companies have started a pilot programme for mandatory testing and before drivers are permitted to leave the site with a delivery, they must submit to a breathalyser test. This process is repeated each time the driver returns to the depot to collect a new order for delivery. Such testing is unmanned and automated, requiring simply the mounting of a testing device to a wall near the access control point at a depot location. The access control system can be linked to the results of the breathalyser test – if the driver fails, they are not permitted to proceed. Such testing apparatus can be used to conduct hundreds of tests daily, storing all the data results in a cloud-based platform, which makes for easy driver fleet management reporting.

Safety is in the numbers

Using these analytics, it is possible to identify problematic drivers for rehabilitation purposes and to get a clear indication of the overall safety performance of the business. This data can be used for auditory purposes by the relevant labour inspector checking safety compliance and can just as easily be presented to an insurance provider to petition for and justify a reduction in insurance premiums. Just as insurance companies reward individual consumers for driving well (through the placement of vehicle monitoring devices), so too should insurance providers reward businesses with lower premiums in return for proactively mitigating their risk by ensuring driver safety through workplace drug and alcohol testing. •

The unforgiving march upwards in the price of diesel

By Gavin Kelly, Chief Executive Officer, The Road Freight Association

What the fuel price increases mean for South African road freight logistics.

Road freight transporters use both petrol and diesel, but diesel is the main fuel in most road operations. Once fuel prices increase, transporters will need to increase their pricing to cover the increased cost of diesel. Whilst this sounds like an 'easy' or simple process, there will be transporters who will not be able to increase costs (either they are contractually bound or they just price themselves out of the market).

One of the biggest challenges faced by transporters is the need to fund operations whilst only being paid months after the work has been done – in some cases, up to three months afterward. In the meantime, the next load needs to be moved, and so on, and that all needs fuel for the vehicles. There just aren't limitless reserves of cash to continue the high level of fuel expenditure against the delayed payment for work already done.

The Road Freight Association (RFA) is hearing from more and more of its members how the fuel cost strain is affecting survival – with more and more businesses in stress/business rescue, whilst customers reduce volumes that need to be transported or even curtail stock movement (depending on consumer consumption levels).

Transporters will feel this impact on their businesses. Many transporters will not be able to muster the guarantees required for purchasing fuel on credit (this is required as customers take up to 90 days to pay after the transport has been provided) – and the transporter has paid for fuel, paid the driver, covered other costs and still needs to operate a business, whilst others just don't have any cash to carry themselves for 90 days.

Whether we like it or not, the continuous increases in the price of diesel inevitably drive the cost of transport and logistics up, step by step. And, with roughly 85 percent of all goods moved through and around the country having a road leg at some part in the journey, there will be increases to consumers as the cost to transport goods increases.

Fuel breached the 50 percent mark in daily operating costs during the third quarter of the year. Now, as we head into the final months of 2023, with this increase, the sector is heading towards the 60 percent level seen during the last months of 2022. That's a huge increase in cost to company (any company or business that requires goods to be transported to manufacturing/processing/packaging/staging/distribution or retail operations) that simply cannot be borne by the company.

That cost will, in most cases, be borne by the consumer. You and I will pay more for, well, everything – from food to fuel, from clothing to electronic goods and everything in-between. Prices will rise, some immediately, but more so, a domino effect will ensue – the next in a long line of such domino effects that we have seen too often in the last few months. Transport costs will rise. There is no alternative for transporters – and those that cannot afford to carry loads at the rates or prices customers are prepared to pay will simply close down. •

The world's newest logistics hub

With its strategic location and thriving industry, Saudi Arabia is poised to step into the global logistics spotlight.

Industry is the backbone of much of the economic development that is happening today, and logistics is its key enabler.

In recent times, it has become evident that the supply chains we depend upon are not as robust as previously believed. Factors such as global trade tensions, geopolitical disputes and the impact of the pandemic have led to the scattering and disturbance of these supply chains. As a result, the logistics sector has assumed a central role within the industry, acting as a vital link between markets, consumers and the ongoing equilibrium between supply and demand.

This has helped elevate the sector to the point where it now plays a key role in the socio-economic transformation of nations, the creation of high-value jobs and connections of people to essential services such as health care and education. Logistics often is highlighted as leading the current trend towards globalisation and promoting competitiveness.

As the Kingdom of Saudi Arabia diversifies its economy, guided by its ambitious Vision 2030, logistics is at the core of its economic diversification programme. With the volume of current investments currently reaching $559-million, the Kingdom's logistics sector is witnessing unprecedented transformation as the nation strives to play a leading role in global industry and trade.

In 2021, Saudi Arabia launched its comprehensive National Strategy for Transport and Logistics Services (NTLS) to systematically advance the logistics industry by building high-quality systems and services and applying competitive business models to the sector to enhance productivity and sustainability in logistics.

A direct outcome and proof of the consolidated efforts by the Ministry of Transport and Logistics Services (MOTLS) to transform the Kingdom's logistics sector is its vastly improved performance on the latest Logistics Performance Index (LPI) published recently by the World Bank. Saudi Arabia moved up 17 ranks to reach 38th position among the139 countries included in the index.

The country's world-class infrastructure, combined with recent legal and regulatory ecosystem transformations that it has undertaken, has positioned Saudi Arabia well to be a strong competitor in the logistics space. One of the drivers of this transformation, and which was a key outcome of Vision 2030, is the National Industrial Development and Logistics Program (NIDLP), whose mission is to make the country an industrial powerhouse and global logistics hub. Working at the nexus of four key sectors – energy, industry, mining and logistics services – NIDLP aims to improve logistics services, including making import and export processes more accessible; enhancing infrastructure, including ports, air, rail and roads; transforming legal and regulatory frameworks; and privatising the sectors that make sense.

In alignment with NTLS, trade zones such as Jazan Economic City are being introduced with additional duty exemptions, subsidies and benefits. New transport infrastructure developments such as Jazan Airport, NEOM Bay Airport, SPARK, expansion of the Red Sea Gateway Terminal

Suliman Almazroua, CEO of the National Industrial Development and Logistics Program (NIDLP).

King Abdulaziz International Airport.

(RSGT) and the introduction of commercial routes linking seaports and airports are examples of the many government initiatives designed to expand the Kingdom's logistics operations to make it a global transhipment hub.

Saudi Arabia is also creating greenfield industrial sites and cities, a notable highlight of which is King Abdullah Economic City at Rabigh, near Jeddah. Primarily focused on industry and logistics, the city has its own seaport, the King Abdullah Port, with a current capacity of 5.5 million TEUs and a goal of expanding to 10 million TEUs in the near future.

Jazan Economic City

The size of the Kingdom's maritime sector has doubled in the past decade. As of April 2021, 53,000 marine vessels registered in 150 countries were transporting 11 billion tons of cargo annually through the country's system.

Saudi Arabia can boast more than 2,200km of coastline, much of which overlooks two of the world's busiest global shipping routes. It also is uniquely situated geographically between Asia, Africa and Europe, making it a convenient hub for the region and the wider world as they strive to tap into global demand.

The Kingdom's consistent upward progress in the maritime sector is reflected in the UNCTAD's Liner Shipping Connectivity index, where Saudi Arabia is moving up every quarter, reaching 16th position globally and first in the Arab world in the first and second quarter of 2023. With three of its ports featured among the 100 largest ports in the world, the Kingdom is significantly raising the performance of its seaport network, making it one of the fastest-growing destinations for container ships.

The 2021 Global Container Ports Performance Index report by the World Bank and S&P Global Market Intelligence placed King Abdullah Port in the first spot as the most efficient container port in the world, among 370 global ports. Two more ports made the cut as well – Jeddah Islamic Port and King Abdulaziz Port ranked eighth and 14th, respectively.

Another measure of success is the Kingdom being elected to the prestigious Council of the International Maritime Organisation for 2022-23. This is helping Saudi Arabia achieve its market share goals in regional transhipments; it currently holds a 32 percent share of the regional logistics market and aims to have the largest share of transit maritime trade in the Red Sea. Its aim by 2030 is to hold a more than 50 percent share of the regional trans-shipment container market.

Last year, the Kingdom nearly doubled its general cargo throughput, reaching more than one million tons in 2022 versus 500,000 the year before, leading to a greater than 50 percent year-on-year share increase in the regional container transhipment market.

King Abdullah Port.

Moving on to the Kingdom's air sector, Saudi Arabia attracted investments worth 2.4 billion riyals in 2022. In addition, it signed several investment contracts to further enhance the freight handling capabilities of King Abdulaziz International Airport, including the establishment of an express parcel services area, providing air cargo handling service, and expanding the 'SAL' station.

In addition, four of the Kingdom's airports were featured among the top 100 airports globally and among the top 10 in the Middle East. In 2022, King Khalid International Airport in Riyadh received the Skytrax International Award as the best-developed airport in the world, while King Fahd International Airport, Dammam was named among the best regional airports in the Middle East.

Finally, Saudi Arabia Railways (SAR) ranked among the safest railway companies, according to the International Union of Railways. SAR also is enjoying commercial success, having entered into an agreement with the global chemical company SABIC to transport polymers via railways from Jubail Industrial City to King Fahd Industrial Port in Dammam for 25 years.

This agreement is expected to lead to the transportation of more than 300,000 containers via rail. This will lead to an estimated 19 percent reduction in carbon emissions annually as well as ensure that roads will last longer.

Reforms in governance structures and regulations across the Saudi logistics ecosystem are paving the way for market liberalisation and private sector participation and leading to enhanced operational safety and efficiency.

Another critical effort is well underway to attract investment into the Kingdom's logistics sector by boosting public-private partnerships (PPP). Launched in 2022, the Global Supply Chain Resilience Initiative (GSCRI) aims to bring global industrial companies to invest and set up in the Kingdom. Led by the Saudi Prime Minister and Crown Prince HRH Mohammed bin Salman, GSCRI's targets include securing $10.6-billion in investments in its first two years, leveraging the Kingdom's resources and infrastructure, and allocating $2.7-billion in financial and non-financial incentives for participating companies and investors.

MOTLS is working closely with the public and private sectors to strengthen local supply chains and integrate local SMEs with large strategic industries to maximise local content in national products and develop industrial value chains.

Keeping in line with Vision 2030, the Kingdom is planning to establish 59 logistics zones to facilitate the development of local supply chains and enhance connectivity with regional and global supply chains under the National Transport and Logistics Strategy along with NIDLP and the Global Supply Chain Resilience Initiative.

As part of the initiative, agreements worth more than SR1-billion will be signed to boost private-sector investment in domestic and global supply chains and stimulate industrial and economic growth. From among these zones, 19 will be transformed into broader industrial zones to aid and accelerate the growth of the Kingdom's logistics sector. This will involve a constellation of PPPs and an initial investment of SR29-billion.

The GSCRI will continually assess potential partnerships to advance and 'future-proof' Saudi Arabia's logistics and transport assets and processes. It also will attract and assess investment in these sectors. One example of success is the nine agreements negotiated to develop and operate cargo facilities at several Saudi airports. One of those, at the Jeddah Islamic Port, resulted in an investment of SR9-billion.

A second example is the merger of the General Corporation for Railways into Saudi Arabia Railways; this not only promotes privatisation in the transport sector, it also increases efficiency and resilience while enhancing connectivity.

All these developments are supported by strategic investments by the Saudi government – more than SR550-billion in more than 300 projects in the transport and logistics sector by 2030 – and the private sector.

Following the launch of its powerful Vision 2030 and subsequent specialist strategies designed to deliver against it, Saudi Arabia is poised to achieve its goal of becoming a global logistics hub. •

Navigating the SCM career path:

Balancing degrees and professional certifications

By Nikita Reddy, MANCOSA Academic, SAPICS Board Member

With the increasing complexity of global supply chains, supply chain management (SCM) has become a lucrative career option. Aspiring professionals frequently ponder the relationship between obtaining a degree and professional certifications. Here, we examine the SCM career path and the importance of both.

The changing SCM field has evolved from a traditional logistics-focused discipline to a strategic and interdisciplinary one where supply chain professionals must be able to adapt to technological advances, globalisation and ever-changing customer demands.

The importance of degrees

A degree in SCM, logistics, operations management or a closely related field provides a solid foundation for a career in SCM. A bachelor's degree equips individuals with essential knowledge, analytical skills and a comprehensive understanding of supply chain operations principles and best practices. A master's degree, such as a Master's of Business Administration (MBA) or Master's of Commerce (MCom) with a concentration in SCM, provides a more in-depth comprehension of strategic management, supply chain optimisation and leadership abilities. An academic degree in SCM provides a curriculum structure that encompasses fundamental ideas, frameworks and case studies. Internships and projects provide students with opportunities to collaborate, network and acquire industry exposure. In addition, a degree frequently increases one's credibility, particularly when beginning a career or pursuing leadership positions within an organisation.

The value of professional certifications

While academic degrees provide a firm foundation, professional certifications in SCM validate expertise and demonstrate a commitment to lifelong learning and professional growth. Typically offered by industry organisations and institutions, certifications are tailored to address specific SCM domains or skill sets. They equip professionals with specialised knowledge and abilities in fields like procurement, logistics, inventory management and supply chain analytics. These certifications provide a competitive advantage by demonstrating expertise in a specific domain, demonstrating a commitment to professional development and enhancing marketability to prospective employers. In addition, certifications frequently necessitate continuing education and renewal, ensuring that professionals remain current with the most recent industry trends and best practices.

Achieving the balance

The optimal strategy for developing a successful career in SCM involves striking a balance between academic degrees and professional certifications. Both paths offer distinct benefits and complement one another in the professional's journey.

Academic degrees provide a thorough understanding of the discipline and cultivate critical thinking skills and a broad perspective. They prepare individuals to acclimatise to the ever-changing demands of the SCM profession. Pursuing a degree early in one's career establishes a solid foundation, allowing professionals to effectively address complex supply chain challenges. Professional certifications, on the other hand, provide targeted and specialised knowledge that supplements the broader knowledge acquired through academic degrees. They enable professionals to develop expertise in specific areas of SCM, demonstrating a commitment to continuous development and maintaining relevance in a field that is constantly evolving. Certifications are particularly advantageous for professionals attempting to advance their careers, specialise in a specific domain or transition to a new role within SCM.

In conclusion, SCM careers offer numerous opportunities for growth, innovation and influence. Individuals must establish a balance between academic degrees and professional certifications to navigate this field successfully. Academic degrees provide a firm foundation, whereas professional certifications augment specialised knowledge and validate expertise. Professionals can position themselves as highly competent, adaptable and in-demand supply chain leaders by pursuing both paths. •

Career coaching vs mentoring: Why you may need both

By Chantal Kading, Managing Director at The People Shop

Coaching and mentoring are increasingly being recognised as two approaches that can foster growth in the realm of personal and professional development.

While some people may regard coaching and mentorship as synonymous, their methodologies, approaches and areas of focus differ significantly. Here, we shed some light on the key distinctions and advantages that coaching and mentoring can offer.

Relationship foundation

The foundation of mentorship is relationship building. Mentorship is more intimate and typically involves a more personal relationship characterised by mutual trust. As such, the relationship is often long, allowing the mentor to gain a deeper understanding of the mentee, their goals and aspirations. The key advantage is that the mentor and mentee develop a deeper bond and understanding of each other, which plays an important role in successfully mapping out long-term goals.

Conversely, coaching is more formal and structured, taking place within a predefined time frame. Instead of building a long-term relationship, coaches make use of various strategic questioning techniques and active listening to help the coachee gain clarity, set short-term goals and develop skills. The key advantage of coaching is that the process is more time-efficient and results-orientated, always focusing on what can be achieved in the here and now.

Focus areas

Mentorship's long-term and intimate approach makes it holistic. Mentors are often role models, offering advice, imparting wisdom and sharing their personal and professional life experiences. The focus is always on the mentee's long-term outlook and trajectory. The key advantage of this approach is the fostering of both personal and professional development due to the personalised nature of the relationship.

Coaching, on the other hand, is all about measurable outcomes in the short term. It is hyper-focused on identifying areas of improvement, developing an action plan, reviewing and enhancing performance as well as acquiring the necessary skills to deliver the desired results. The key benefit is that coaching's focus on measurable outcomes grounds the individual in what is possible while offering tools and techniques to help them push beyond their perceived limitations to reach their full potential.

Direction

Mentorship is centered around storytelling in which the mentor offers the mentees perspective and guidance using real-life examples. Their role is more directive in nature as mentors are essentially advisors – there to offer the mentee suggestions and advice based on their intimate understanding of the mentee as well as their own personal experiences. The key advantage is that this understanding combined with storytelling can help build confidence and encourage the mentee to break perceived limitations by allowing them to see themselves in the mentor's or protagonist's position.

In contrast, coaches are non-directive in their approach. They encourage coachees to think critically and attain self-discovery in order to arrive at their own solutions. Acting more as facilitators, the key advantage of coaching is that it allows the coachee to take ownership of their decisions and actions, which can be a powerful tool for growth and self-actualisation.

Therefore, mentoring and coaching, though different, offer distinct approaches that can lead to distinct advantages in the realm of personal and professional development. While mentorship's long-term guidance and intimate approach help the individual gain a broader perspective to answer the big questions and lay the foundation, coaching's laser focus on actionable and measurable outcomes can play an important role in providing the building blocks.

Simply put, mentorship could be viewed as the road map, the career as the vehicle and coaching as the fuel we use to reach our desired destinations. •

Navigating cybersecurity challenges within African transport and logistics

By Ben de Klerk, Eastern Cape Branch Manager at Datacentrix

The African transport and logistics sector is a rapid adopter of industrial automation, embracing technologies such as the Internet of things (IoT) and operational technologies (OT) to enhance efficiency. However, with these advancements comes a well-documented history of cybersecurity vulnerabilities that still demand attention.

The rapid development and deployment of new technologies are also often associated with limited protocols governing their use, which poses its own set of risks.

The complex landscape of cybersecurity risk

The local transport and logistics industry relies heavily on the smooth flow of goods across a complex network of multiple entities, from suppliers and manufacturers to distributors and retailers. This intricate supply chain structure is highly vulnerable to cyberthreats as attackers can exploit any particular point in the supply chain.

Moreover, the industry's reliance on IoT and OT devices such as sensors, GPS trackers and automated control systems introduces new potential vulnerabilities. This is a serious security challenge within the sector as these sensors often lack robust built-in security features. This vulnerability opens the door to cyberattacks that can disrupt operations, compromise data and lead to costly downtime.

Another area of great concern to OT security leaders within the transport and logistics industries is the risk of either unwitting, unaware or malicious insider threats.

Addressing security challenges

In order to mitigate these risks and bolster cybersecurity, organisations within the transport and logistics sector should look at adopting a comprehensive approach that combines technical, personnel and policy-based measures.

Ideally, this should include:

- **Identifying and prioritising assets.** Start by identifying and categorising OT assets based on their importance to the business. This prioritisation helps focus security efforts on critical assets first.
- **Safeguarding devices.** Secure all IoT and OT devices by implementing encryption, firewalls, access controls and regular patch management to prevent attacks and the associated costly downtime.
- **Securing supply chain and remote access.** Establish secure supply chain access protocols to ensure that only authorised personnel have access to critical systems. Implement robust authentication mechanisms for remote access.
- **Undertaking regular security assessments.** Conduct routine security assessments to identify vulnerabilities and take corrective action before they occur, assess the effectiveness of security measures and proactively address potential weaknesses.
- **Establishing employee training.** Employees can be a significant source of vulnerability in any organisation, so it is essential that employees are educated on cybersecurity best practices to enhance their awareness of potential threats and empower them to respond effectively.
- **Putting in place robust cybersecurity policies.** Develop and implement strong OT cybersecurity policies and processes, with continuous monitoring and a disaster recovery plan to ensure business continuity.

As the African transport and logistics sector continues its digital transformation, securing OT and industrial control systems (ICS) is of paramount importance. By adopting a multifaceted cybersecurity strategy, including risk assessment, device security, employee training and policy development, organisations within this space can navigate these challenges and safeguard their operations in this dynamic industry. •


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Flexible delivery options vital for online shoppers

Ninety-five percent of online shoppers abandon a purchase if their preferred delivery option is not available, according to DHL eCommerce's brand new Global Online Shopper Survey for 2023 and newly published European Report.

To gain profound insights into their e-commerce purchasing patterns, shoppers were surveyed from 10 countries across Europe and, for the first time, from 13 countries across the globe for the 2023 DHL eCommerce Global Online Shopper Survey. The surveys offer insights into where and why they shop cross-border, what they buy and spend, their attitudes to delivery and returns and why sustainability matters to online shoppers worldwide. Major global markets within Europe, the Americas, Middle East and Africa as well as Asia Pacific and China are covered.

"The results of our latest Online Shopper Survey indicate that delivery flexibility and transparency are crucial for customers. But sustainability is also becoming an increasingly important issue, with almost half of the customers even willing to accept longer delivery times. However, the willingness to pay more is still relatively low at 28 percent, but we are convinced that this will also change with the growing number of sustainable delivery options and solutions. Our report provides many more valuable insights into what online retailers need to pay attention to in order to ensure customer happiness and how successful customer journeys can be achieved," says Pablo Ciano, CEO DHL eCommerce.

Flexibility and plannability are key

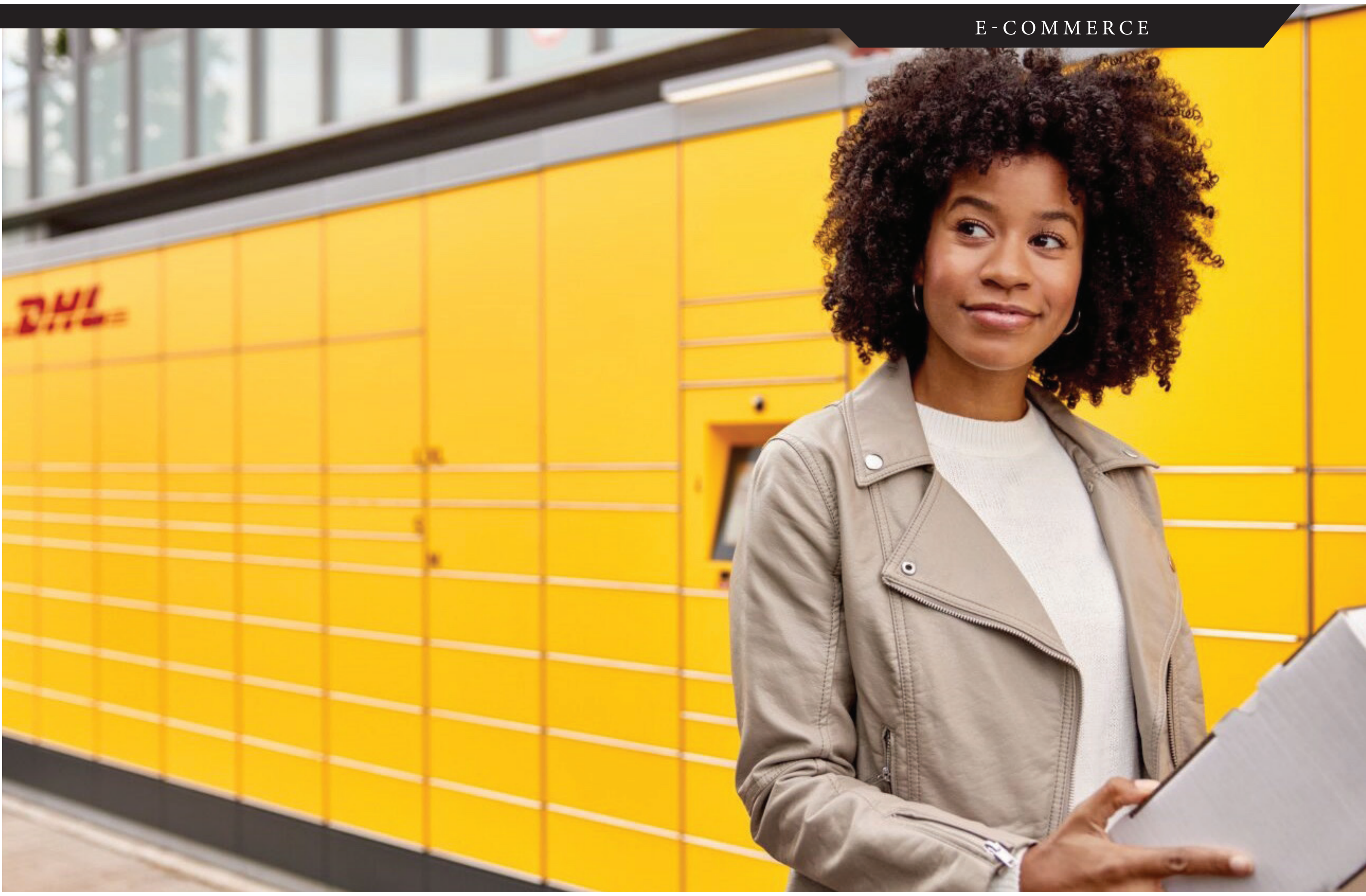
Flexible delivery options are vital for online shoppers. Ninety-five percent of shoppers around the globe report they have abandoned a purchase in the past because a preferred delivery option, such as home delivery or the ability to ship to parcel lockers or parcel shops, wasn't available. The same goes for consumers in Europe. Ninety percent of European shoppers say they didn't complete an online order because the goods couldn't be delivered to a location or at a time that suited them.

Also important for customers is the option to redirect their deliveries at the last minute. Seventy-five percent of global shoppers and 72 percent of Europeans want the flexibility of ensuring their parcel is delivered to another safe place when they're not at home.

Furthermore, around two-thirds of European online shoppers want to know what delivery company handles their parcels before placing an order. Forty-three percent would even abandon their cart if they didn't like the delivery provider offered. When looking at consumers around the world, a similar picture emerges. Seventy percent say knowing about the delivery company is very important and 43 percent would cancel an online purchase if they didn't trust the delivery partner. The number in regions such as the Middle East and North Africa even rises to 61 percent. In summary, a range of delivery options plays a crucial role for online shoppers in Europe and around the world.

Social media shopping and subscription services are on the rise

Social media channels are becoming increasingly important as a sales channel for retailers. Seven out of 10 shoppers worldwide use social media for shopping inspiration. China and Thailand lead the ranking regarding social media shopping. More than half of the respondents say they regularly shop on social media platforms versus a global average of 28 percent. In Europe, 48 percent of customers have purchased via social media in the past, with Facebook and Instagram being the lead channels. However, TikTok is noticeably gaining ground here and the popularity of streaming videos makes YouTube an important player in the social media sales market too.



Also on the rise are subscription services. Thirty-one percent of Europeans say they have at least one subscription with an online retailer, with beauty and food subscriptions being the most popular. Across the globe, 36 percent of shoppers have a subscription service to an online retailer. Beauty products are the number one subscription, followed by food and clothing.

Shoppers want to go green

Sustainability continues to be an important aspect for online shoppers. Sixty-four percent of Europeans say that shopping online sustainably is important to them, but only one in five are willing to pay extra for a greener delivery – expecting retailers to pay for the additional costs. However, 49 percent of European customers are prepared to accept longer delivery times if that means that the delivery is more sustainable. Viewed globally, a similar picture appears. More than 70 percent of respondents say that sustainability is important to them when they shop online and almost half would be prepared to wait longer for their deliveries. But, given a choice, only 28 percent see fit to pay more for a more sustainable delivery.

Customers enjoy a variety of payment options

E-commerce retailers across the globe offer a variety of payment options. Eighty-five percent of European online shoppers and 85 percent of global shoppers are satisfied with the payment options offered at checkout. Credit or debit cards and digital wallets such as PayPal are still most popular, but buy now, pay later (BNPL) options are on the rise in Europe, particularly in Sweden, the Netherlands, Germany and Austria, while cash on delivery still plays an important part in large parts of the world such as the MENA region (32 percent), the Czech Republic (22 percent) and Italy (15 percent).

The DHL Online Shopper Survey 2023 provides insights into the international e-commerce industry, specific markets and consumer preferences. DHL eCommerce commissioned the study to better understand consumers' online shopping habits across Europe and the globe. The global survey took place across 13 global markets (Argentina, Australia, Brazil, Canada, China, India, Malaysia, Morocco, Nigeria, South Africa, Thailand, UAE and USA), plus 10 European countries and involved 11,500 participants. •

SPAR Group introduces SPAR2U 'green fleet' for sustainable online deliveries

THE SPAR Group has begun the roll-out of its electric vehicle fleet for deliveries ordered via online shopping platform SPAR2U. The extensive roll-out, which follows a successful pilot phase implemented in March this year, reinforces The SPAR Group's commitment to reducing carbon emissions and promoting sustainability in the retail sector.

In partnership with Inhance Supply Chain Solutions and SkyNet, The Spar Group is replacing 65 of its conventional fuel-powered bikes with cutting-edge, energy-efficient vehicles. This transition is projected to save over 212.4 tons of tailpipe carbon emissions annually, making a significant contribution to the company's sustainability goals, which include achieving net-zero emissions across all operations by 2050.

The initial deployment of vehicles has already commenced in Gauteng, KwaZulu-Natal, Western Cape, Eastern Cape and the Lowveld. It features two-seater, 300kg load capacity four-wheeler city vans, 53 electric motorcycles with an 80kg load capacity and 12 three-wheel motorcycles with a 200kg load capacity.

"At SPAR, we are dedicated to minimising our environmental impact while positively contributing to the well-being of our social and natural ecosystems, and we are excited to be extending our commitment to sustainability to our delivery vehicles," says Blake Raubenheimer, Executive: Omnichannel at The SPAR Group. "Our goal is to achieve a 50 percent SPAR2U green fleet by 2025, not only enhancing our nationwide availability, but also delivering a greater positive environmental impact."

"Since the launch of SPAR2U earlier this year, we have successfully conducted proof-of-concept trials, validating the viability and efficiency of our electric vehicle solution. To power our vehicles, we diligently source electricity from renewable sources, including solar, guaranteeing a reliable and sustainable energy supply while reducing environmental harm."

The electric two-wheelers possess an impressive range, allowing them to complete 15 trips on a single charge. Each bike has an average range of 80km and to ensure continuous operations, spare batteries are provided, enabling a swift battery swap and an additional 160km of travel per day before the need for recharging arises. Although the daily distance covered may vary and presently remains relatively low due to ongoing growth, there are plans to steadily increase it over time.

One of the most notable benefits of these electric vehicles is their positive impact on the environment. By adopting a dual charging approach, with 50 percent solar and 50 percent Eskom charging, an estimated annual offset of approximately 3.27 tons of carbon emissions per bike is achieved. This reduction in carbon emissions plays a pivotal role in The SPAR Group creating less carbon-intensive warehouses and contributing to Scope 2 carbon emission reduction.

SPAR2U's electric vehicles will also contribute to a quieter and cleaner urban environment. As they lack traditional engines, noise pollution is eliminated, providing a pleasanter experience for both commuters and residents. Furthermore, the transition to electric vehicles results in a decrease in oil leaks on consumer driveways, thereby reducing environmental hazards and unhappy customers. •

Seabourne Logistics expands to new improved facility in Gauteng

SEABOURNE LOGISTICS is moving into its new, expansive facility in Gauteng. The new 22,000m^2 premises signals a significant step forward for the company's growth and operational capabilities in the country. Located in the Eastport Logistics Park in Kempton Park, the move positions Seabourne as a critical player in the region's logistics landscape. With ample space and a well-planned layout, the facility is set to enhance Seabourne's efficiency, capacity and ability to serve its clients. Centrally located near the airport and all of the major highways in Gauteng, it will allow for easy access and movement.

The contemporary office and warehouse complex boasts an expansive 18,500m^2 under roof, complete with newly installed 15m-high racking systems. During the initial phase, 5,600 pallet spots will be readily accessible within the racking infrastructure, while an additional 5,400 places are slated for implementation during the subsequent stage.

The new facility is a central element of Seabourne's forward-looking growth strategy, aimed at solidifying its position as a prominent player in South Africa's logistics sector. While the company's current facility has come a long way since its inception in a modest 25m^2, today, spanning nearly 8,000m^2, Seabourne recognises the need for increased capacity to support its ambition of becoming an unparalleled one-stop shop catering to diverse client needs.

The transition from a building that was not conducive to cross-docking facilities to one equipped with 10 dock levellers, 10 courier doors and 10 warehouse handling doors represents a significant leap forward. These enhancements will have a profound impact on the company's operations, enabling it to better serve clients and streamline logistics processes. "This move represents a significant milestone for Seabourne as we continue to execute our active growth strategy that has been crafted to leverage every angle, from courier and e-commerce to warehousing and final mile delivery," says David Frank, newly appointed Warehouse Executive at Seabourne.

"We are well equipped to provide seamless logistics support. Our new facility is a testament to our commitment to providing top solutions and exceptional service to our clients. The new facility moves us closer to achieving our expansion goals and improving efficiency," says Rouche van der Westhuizen, Johannesburg Branch Manager.

Enhanced with top-end technological systems and advanced equipment, the facility boasts a layout that facilitates current operations. It paves the way for future expansion, enabling Seabourne to adeptly meet the escalating needs of its clients and the market. Furthermore, the facility's robust infrastructure empowers it to block stack goods at double efficiency and even triple levels, offering specialised accommodation for hazardous materials. "We can address diverse requirements while being aware of our storage objectives," continues Frank. "Seabourne upholds exceptionally rigorous standards, driven not solely by profit motives, but also by the imperative to align with our reputation and uphold specific benchmarks. As a business, we pride ourselves on the relationships and partnerships we build with our clients."

The company is scheduled to transition out of its current facility by December. To ensure minimal disruption to operations and partners' businesses, Seabourne will gradually move its principals over weekends. "Our approach is methodical planning and a systematic schedule, with a dedicated effort from the entire team," concludes Frank. •

Logistics and supply chain have a critical role to play in the shift to eMobility

WHILE SOUTH Africa's electricity crisis is cited by many as the reason that the country is not ready for electric vehicles (EVs), Accenture's Greg Cress contends that load-shedding could be the catalyst for the decentralisation of the country's green energy roll-out and may fuel the shift to eMobility.

Speaking at a conference for supply chain professionals co-hosted by SAPICS (The Professional Body for Supply Chain Management) and SAAFF (South African Association of Freight Forwarders), Cress said that it was critical to put the gas on (without the gas) in the race to net-zero carbon emissions. He stressed that South Africa needed to focus its EV transition not just on private cars, but also on trucks, light delivery vehicles and buses. According to the International Energy Agency (IEA), road transport (cars, trucks and buses) accounts for 28 percent of global CO_2 emissions.

Cress, who is the Sustainable Energy and eMobility lead at Accenture, outlined two possible eMobility scenarios in South Africa's future. In the 'Beetle' scenario, the country will have continued on the status quo path, only investing in manufacturing and exporting ICE vehicles, and not transforming facilities to make and assemble EVs. "If this plays out, South Africa will become irrelevant on the global stage. Demand for our exports will decline, unemployment will rise and large original equipment manufacturers (OEMs) may exit South Africa's automotive manufacturing sector," he asserted.

He stressed that South Africa needed to pursue the 'Charged-up' scenario, in which the country's assembly plants have been transformed for electric vehicles, 60 percent of which are exported. Expanding on this scenario and the benefits, Cress said: "Consumers will have transitioned towards green and sustainable technologies and adopted EVs. Cities, OEMs and independent power producers will have created an 'energy alliance' to offset the dependence on Eskom for EV charging infrastructure. Understanding the benefits of an EV future, government will have made tremendous progress in removing all the red tape that hampers EV adoption. South Africa's economy will have recovered, the GDP will be growing and unemployment dropping in this scenario."

Cress said that the retail logistics and supply chain sectors have a critical role to play in the move to sustainable mobility. He noted that, globally, many logistics companies are transitioning to electric vehicles. These include FedEx, UPS and DHL. Heavy commercial OEMs like Volvo are focusing on EVs, and Coca-Cola, which is switching to electric trucks, aims to have transformed its fleet to 100 percent electric vehicles by 2030. In California, Volvo and Shell Recharge have partnered to build an Electrified Charging Corridor Project for medium and heavy-duty EVs.

Volvo's first electric truck sold in South Africa was delivered to KDG Logistics earlier this year, while Woolworths is the first South African retailer to embark on an extensive roll-out of electric panel vans in partnership with DSV and Everlectric, Cress said.

He stressed that the diversification and decentralisation of energy generation are national imperatives for South Africa right now, and that both small-scale and large-scale generation projects have roles to play. "More EVs will lead to more decentralised (and mobile) energy storage. It is also critical to establish a viable EV battery recycling value chain in South Africa," he noted, and added that the Global Battery Alliance, which has leading mining companies among its members, is leading the way on this front.

Sustainability and the shift towards eMobility are among the important topics that will be explored at the 46th annual SAPICS Conference, which takes place in Cape Town from 9-12 June, 2024. This important conference is the leading education, knowledge sharing and networking gathering for the African supply chain community. In 2024, it will be held under the theme 'Supply Chain Metamorphosis' and hosted by SAPICS in association with SAAFF. •

Takealot launches electric truck fleet in Cape Town

SOUTH AFRICA'S leading online retailer, takealot.com, has announced a step towards sustainable e-commerce in South Africa with the launch of a new fleet of electric trucks.

Through its collaboration with renewable energy company Aeversa and lease vehicle supplier Avis, the online retailer is setting a new standard for environmentally sustainable transportation, coupled with retail innovation and sustainability.

"As the world of sustainability continues to evolve, we will continue to evolve with it. This exciting collaboration marks an important step for us as a consciously innovative business in South Africa," says Frederik Zietsman, CEO of takealot.com. "Backed by the Forest Stewardship Council, introducing electric trucks into our business reinforces our commitment to sustainability. We don't just deliver packages; we are delivering on our promise to reduce our carbon footprint and provide a sustainable shopping solution to our customers."

The journey towards this milestone has been filled with meticulous modelling of the JAC Electric Trucks. Takealot has worked closely with Aeversa to strategise and implement optimal integration methods, ensuring the seamless operation of the fleet in the Western Cape. The support from Avis onboarding the fleet is a first-of-its-kind project in the world of commercial vehicle leasing.

One of the key highlights of this partnership is Aeversa's innovative approach to addressing the driving range of electric vehicles. By harnessing the potential of the JAC N75EV's 200-kilometre range per charge, Aeversa has transformed it into a 400-kilometre-plus daily driving range by implementing strategic charging solutions. This revolutionary approach not only enhances operational efficiency, but substantially minimises environmental impact.

"This partnership is about so much more than electric trucks and charging stations; we envision this as the first step towards a much-needed shift in logistics," says Rick Franz, CEO of Aeversa. "Through this partnership, we are excited to weave a more sustainable approach into the fabric of logistics and transport in South Africa."

The partnership also marks a significant milestone in the realm of charging infrastructure, with the inauguration of the largest DC fast charging station in the Western Cape. The station, boasting a remarkable 240-kilowatt capacity earmarked for 2024, ensures rapid charging and reliability, enabling Takealot to maintain an uninterrupted supply chain and meet customer demands without disruption.

Aeversa's commitment to sustainability extends beyond the vehicles themselves. The company leverages its proprietary Ampcontrol software to maximise the use of green energy sources, further reducing carbon emissions while lowering the total cost of ownership for takealot.com's vehicle fleet.

The JAC N75EV electric trucks, powered by Aeversa, are also equipped with advanced safety features, enhancing driver safety and operational reliability, ultimately reinforcing takealot.com's dedication to delivering swiftly, safely and sustainably. The collaboration signifies a meaningful stride forward in South Africa's reimagined transportation practices, driving the online retail sectors towards greater innovation in the quest for a greener future. •

Webfleet releases latest Road Safety Report

WEBFLEET has released its second annual Road Safety Report for 2023. The report was supplied with insights from 54 respondents representing 7,948 trucks operating in South Africa and outlines common safety factors, challenges and solutions that South African transport operators face.

Justin Manson, Sales Director at Webfleet South Africa.

"With the survey now presenting at least two years of data, we are able to identify persistent patterns as well as one-off events or feedback from participants," says Justin Manson, Sales Director at Webfleet South Africa, Bridgestone's fleet management solution. "There have been some clear trends consistent with the first report, like the condition of road infrastructure and the effects of congestion on driver concentration and well-being. However, it is concerning to note not only high levels of road incidents, but also an increase in their severity," he says.

The latest study recorded a total of 1,313 collisions, a massive increase compared to last year when only 1,252 collisions occurred out of a total of 14,073 trucks measured.

Out of the 10 respondents who were worst affected, representing 87 percent of incidents, five stated that most incidents occurred at night between 10pm and 6am. When asked to rate the most prevalent causes of incidents, respondents identified other drivers, poor road conditions and criminal activity as the most common.

Industry challenges

When asked to name the biggest challenges they faced in maintaining road safety, respondents identified road conditions (59.26 percent), driver behaviour (59.26 percent), compliance (44.44 percent) and cultivating a safety culture (31.48 percent) as the top concerns. Other factors included fatigue management (24.07 percent), driver training (24.07 percent), vehicle maintenance (22.22 percent), budget constraints (14.81 percent), technological limitations (5.56 percent) and criminality.

"You could distil these into two or three factors as they address the same objectives," Manson says. "For instance, without sufficient budget, an operator could not afford training, technology or substantial programmes that drive a culture of safety. Chasing profits often leads to more driver fatigue and greater risk of injury to road users."

Measuring road safety policies

The most common method of measuring the effectiveness of road safety policies was the use of driver incident reports and analysis (72.22 percent), followed by driver behaviour monitoring through telematics or GPS tracking (66.67 percent). Vehicle maintenance and inspection records were used by 53.70 percent, vehicle collision data and analysis by 51.85 percent and safety protocol and policy compliance by 50 percent. Around 80 percent of respondents called for increased government funding for road infrastructure development and maintenance. Additionally, 51.85 percent wanted to see improved road signage and markings, and 50 percent wanted enhanced driver education and licensing requirements.

Telematics for safety

Over 80 percent of the respondents said using a fleet telematics system was effective in reducing collisions, and half said the impact of this technology in preventing incidents is significant.

"Although telematics technology can very quickly have a strong impact on a business, operators must always look at what they can do across all operations. Without proper training, maintenance of vehicles and policies designed for driver well-being, even the best digital tools have their restrictions and limits," concludes Manson. •

Value Logistics sets new industry standards with ISO 13485 and ISO 9001 certification

VALUE LOGISTICS has announced a historic achievement as the first warehousing and distribution service provider of its scale in South Africa to attain ISO 13485 certification, a globally recognised standard for quality management systems in the medical device industry. This significant accomplishment has been realised well ahead of the January 2025 deadline set by the South African Health Products Regulatory Agency (SAHPRA).

Value Logistics has been awarded the prestigious ISO 13485 certification, reaffirming its unwavering commitment to maintaining the highest standards in medical device logistics. Concurrently, it has also received its fourth ISO 9001 re-certification, a testament to its dedication to excellence in quality management.

The handover ceremony was held at the Value Logistics Johannesburg Super Hub 'Value City' in Elandsfontein. Oliver Naidoo, Managing Director of JC Auditors (JCA), presented the ISO 13485 and ISO 9001 certifications to Jattie van Wyk, Divisional Director of Warehousing for Value Logistics.

During his acceptance speech, van Wyk enthusiastically articulated Value Logistics' company ethos and emphasised the organisation's steadfast commitment to 'getting the job done' – while consistently adding value to its clients' operations.

Oliver Naidoo, Managing Director of JCA, provided valuable insights into the integral role of standards in building sustainable businesses and stressed how adherence to ISO 13485 and ISO 9001 standards positions Value Logistics as an industry leader, providing a solid foundation for continued growth and success.

Shiroma Bennimahadeo, the JCA specialist medical device lead auditor, provided a synopsis of key risk areas within the medical device sector and alluded to future innovations and technology changes in the sector, highlighting the importance of adaptability in an ever-evolving industry.

Bianca Crossley, Projects Manager at Value Logistics, offered a captivating glimpse into the strategic roadmap of the business. She shared insights into their intention to integrate compliance and efficiency, whilst harnessing innovation as a cornerstone of their business continuity drive.

This Value Logistics achievement underscores its relentless pursuit of excellence and its commitment to maintaining the highest standards in the medical device and broader logistics sector. •

MiX Telematics and Powerfleet merger to form global IoT powerhouse

POWERFLEET AND MiX Telematics have entered into a definitive agreement to form one of the largest mobile asset Internet of Things (IoT) Software-as-a-Service (SaaS) providers in the world, with an unparalleled artificial intelligence-enhanced SaaS solution portfolio and their 1.7 million combined subscriber base expected to provide immediate scale. The increased scale is expected to enable the combined entity to more efficiently serve its customers and create an advantage to compete in an industry characterised by the need for high pace of development and innovation.

This powerful combination will form a scaled, global entity of choice focused on helping customers save lives, time and money by solving mission-critical business challenges, including safety and risk management, compliance, sustainability and operational efficiency.

Their combined geographical footprint, deep vertical expertise and expanded software solution sets, coupled with extensive direct and indirect sales channel capabilities, will enable them to maximise significant cross-sell and upsell opportunities within an impressive joint customer base.

Steve Towe, CEO of Powerfleet.

"By leveraging our proven SaaS strategy across the combined business, spearheaded by our Unity platform and data highway, we firmly believe we will be extremely well positioned to drive incremental market consolidation. Realising transformative scale, this transaction with MiX will provide the go-forward company with 1.7 million subscribers and the ability to sell additive and accelerated AI and data-powered software solutions to a truly global set of customers," says Steve Towe, Powerfleet's Chief Executive Officer, who will continue serving as CEO of the combined Powerfleet company. "Combining with MiX, an extremely well-run and profitable organisation, will establish the combined entity as a world-class SaaS company, giving us the speed and capability to achieve improved growth in high quality recurring revenues and expanded profitability much sooner."

Stefan Joselowitz, Chief Executive Officer at MiX Telematics, intends to retire at the conclusion of this transaction. Joselowitz adds: "I am extremely proud of our heritage and the high quality business MiX is today and I am delighted to have finally found an ideal partner that shares our values and strategic goals to take the company to the next level. We strongly believe that Powerfleet's Unity strategy and our combined scale perfectly position us to revolutionise the mobile asset IoT SaaS industry and drive transformative growth. As a shareholder, I am very excited about how this combination will accelerate the achievement of our shared strategic goals."

The transaction is expected to close in the first quarter of 2024. Upon close, the combined business will be branded as Powerfleet, with its primary listing on Nasdaq. •

Scania Southern Africa is planting a forest

SCANIA SOUTHERN Africa is planting one tree for every customer who partners with it to drive the shift to a sustainable transport solution. Scania's sustainable transport solutions include low-emission Euro 5 vehicles, the soon-to-be-launched Scania Super with Euro 6 engines and zero-emission Scania Battery Electric Vehicles.

The trees will be planted in areas where they have the most impact. Many communities in South Africa lack green spaces. Research links trees to a reduction in crime, better school performance and improved health benefits. Every tree planted in a Scania Sustainability Pioneer's name will create a healthy and sustainable community ecosystem.

"Considering that our roads carry more than 70 percent of all goods transported across South Africa, ensuring that the effects of climate change are drastically reduced is a pressing responsibility," explains Erik Bergvall, MD, Scania Southern Africa. As the only heavy vehicle manufacturer to set science-based targets aligned to the Paris Agreement, Scania, together with its sustainably minded customers, is taking collective ownership of its role in climate change. "Already, our vehicles produced in 2023 emit 20 percent fewer carbon emissions than those produced in 2015," comments Bergvall. "To further increase efficiencies, we have introduced optimised vehicle specifications that include better powertrains and further fuel efficiencies."

In South Africa, the transport sector is the third largest contributor to greenhouse gas emissions, with most vehicles running off internal combustion engines powered by fossil fuels. Transport contributes 12 percent to South Africa's total carbon emissions. Of that, freight transport is responsible for 85 percent. "The shift to sustainable transport solutions is a collective effort," says Bergvall, "We can't do it alone. By partnering with our Scania Sustainability Pioneers, we are working together to reduce the carbon emissions necessary to limit climate change in southern Africa."

The shift to sustainable transport solutions offers transport operators a competitive advantage. Many companies have climate-related targets and are looking across their supply chains for opportunities to reduce carbon emissions. A fleet that includes sustainable transport solutions could well be a factor to enable transport operators to win in a competitive bid. "By differentiating as a transport operator with a distinct focus on people and the planet, your company engages with a sense of purpose and could attract a new customer base who prefers to do business with sustainably minded suppliers," says Bergvall.

The costs of inaction are steep, especially if carbon emissions continue to rise. Resilient transport interventions can significantly help to reduce future losses across the transport sector.

"We look forward to growing our Scania Southern Africa Sustainable Forest, with each tree a symbol of the on-the-ground partnership we have with our visionary customers," adds Bergvall. "By managing their operations with less climate impact than their competitors, they are paving the way for a new and sustainable transport system across southern Africa." A shift that promises to deliver long-term benefits for the transport industry, society and the environment. •

Retailability's riot-hit Durban DC back in operation

SOUTH AFRICAN retail group Retailability has described the reconstruction of its 13,000m² apparel distribution centre (DC) at the Cornubia Ridge Logistics Park north of Durban as a "massive collaboration" and a "good news story" for the regional economy. The retail brand, which includes Edgars, Legit, Swagga Style and Keedo, was just one of the hundreds of businesses that suffered considerable losses during the July 2021 violent unrest where an estimated R50-billion was wiped from the economy and two million people lost their jobs.

Steve Pearson, Retailability's Head of Supply Chain, says the opening of the reconstructed DC this month was not only ahead of schedule, but was key to allowing the business to prepare for peak season trading. "In May 2021, we moved into our newly built DC at the Cornubia Ridge Logistics Park. On 12 July, 2021, the DC was compromised due to the fires that took place in the area, resulting in another unforeseen relocation outside of the Cornubia area. And now, almost two years later, we are back and geared for growth. That speaks to our resilience and extraordinary teamwork by our landlord and the stakeholders."

Pearson likens business operations since the disaster to "open heart surgery while keeping the blood supply flowing. We managed to supply our 600 stores across southern Africa during the unexpected relocation to temporary premises that we occupied for the two years since the unrest. For a retailer of our size to move and set up a DC while at the same time guaranteeing stock flows without disruption takes a significant team effort and a relentless commitment."

Pearson lists landlords Fortress Real Estate Investments Ltd and contractors such as construction firm Abbydale, conveyor and racking provider Conveyall and logistics provider City Logistics as those who made it possible to complete and deliver the new premises ahead of schedule.

Brian Venter, MD at City Logistics, says the goal from the start was to make sure that Retailability could continue trading through a very difficult time. "We made sure we had the required resources available to move equipment and stock over to the temporary facility. We view our clients as our business partners, which means we see it as our responsibility to pull out all the stops when it is needed the most," Venter says.

Conveyall was commissioned in 2021 to design, manufacture, install and commission the material handling system for the new DC. However, during the riots, many of the new conveyors, electrical supply and control systems were destroyed. Bruce Jamieson, owner of Conveyall, says they managed to get the temporary DC up and running within weeks with some of the salvaged equipment and receiving conveyors. "Retailability was at least getting product in and out to its stores," he comments. "Within a record-breaking three months, we were able to hand over another completed turnkey distribution warehouse facility to Retailability, so it could continue its distribution operations from the temporary premises," Jamieson adds.

"All these companies would have signed contracts for the work, but their teams went way above and beyond what was on a piece of paper. They worked long hours and over weekends and were so proactive to make sure that we could move in ahead of schedule. We now have a fully automated, state-of-the art apparel distribution facility that will serve our needs and more for the next 10 years. We are very grateful to our team and partners," Pearson concludes. •

AutoStore launches new R5 Pro Robot

AUTOSTORE, a leading robotic technology company represented locally by Relog, has introduced the R5 Pro Robot, the latest version of the company's field-proven R5 Robot. This new robotic solution is designed to address the specific demands of large-scale e-commerce operations, emphasising better space usage, higher performance and reduced total ownership costs for companies running multishift operations at scale.

Carlos Fernandez, Chief Product Officer at AutoStore, points to the growing demand for large, high-throughput systems in the e-commerce sector: "The R5 Pro offers an edge by augmenting productivity per robot during extended operations, optimising space usage and reducing the total cost of ownership, ultimately enhancing the customer experience while boosting profitability."

The R5 Pro is designed to meet the needs of e-commerce organisations with large-scale multishift operations. Key features and benefits of the R5 Pro Robot include:

Enhanced productivity. By deploying the R5 Pro at a large AutoStore site, customers can reduce the number of robots required on the same grid by up to 15 percent when compared to using the R5 Robot, enabling better routing and enhanced system efficiency.

Continuous operations. The use of a lithium-titanium oxide (LTO) battery in the R5 Pro allows rapid charging, improving individual robot availability during multishift operations.

Space and cost optimisation. Up to 86 percent fewer chargers required with the LTO battery allows for more efficient use of warehouse space, accommodating additional SKU storage or reducing the required footprint. In addition, customers achieve significant cost savings related to electrical infrastructure.

Fernandez continues: "The introduction of the R5 Pro improves both our market position and the value proposition for customers managing very large systems and high-throughput operations typically characterised by extended operating hours and a substantial robot count."

One prominent AutoStore customer, Tobias Sjölin, CTO, Fulfilment and Logistics at Boozt, shares the

Carlos Fernandez, Chief Product Officer AutoStore, presenting the new R5 Pro at the Customer Event 2023 in Amsterdam.

customer perspective: "As a leading e-commerce company, we are always looking for new ways to optimise warehouse operations. We are excited about the R5 Pro, the latest addition to the AutoStore R5 series, which will bring tangible benefits to customers with large AutoStore systems that require speed. Being able to reduce charging time during multishift operations offers great potential for improved productivity. The projected higher productivity per robot means we would need significantly fewer robots and chargers to achieve our required throughput – and also fit more SKUs within our existing grid. But, in the end, it is all about the total cost of ownership. All these incremental savings add up over time and allow us to remain competitive."

Autostore is represented locally by Relog – the only lighthouse consultant for AutoStore on the African continent. Relog is authorised to perform the primary designs of an integrated Autostore solution should this be a potentially viable option for a project at hand. Its team of in-house engineers has been issued their official certification to perform these primary designs on Autostore's design software.

This adds another dimension to Relog's extensive toolkit that gives it the ability to explore a wider range of potential technologies and enables Relog to develop holistic solutions that are practical, scalable and sustainable. An Autostore system, like other automated and robotic solutions, forms part of a bigger integrated system that needs to work in harmony with other systems and processes to allow for a sustainable operation. •

Unitrans wins two prestigious awards in annual MasterDrive competition

UNITRANS HAS once again demonstrated its commitment to excellence by securing two prestigious awards in the annual MasterDrive Fleet Safety Awards. The company landed first place in the Best Employer and Best Company – Medium Commercial Vehicles categories.

"Unitrans is steadfastly focused on fostering a culture of safe driving practices and on-road experiences. We believe that the well-being of our drivers is paramount to the success of our operations," says Tracy van Helsdingen, Unitrans Head: Centralised SHERQ Services. "We are truly honoured to receive these awards in recognition of our relentless pursuit of excellence in logistics. At Unitrans, safety and innovation are at the core of everything. These awards are a testament to our team's hard work and dedication and our commitment to providing the best possible service to our clients."

The Fleet Safety Awards were introduced last year to recognise the efforts of fleet managers and companies dedicated to promoting road safety in South Africa. In addition to the top two categories, Best Fleet Manager and Best Company, three new categories were added in 2023 to honour individuals and companies contributing to road safety: Road Warrior, Best Employer and Best Truck Stop.

In the Best Employer category, Unitrans stood out as a company that prioritises the well-being of its employees, providing a supportive and nurturing work environment. Its dedication to driver training, ongoing education and overall safety culture has satisfied employees and led to improved efficiency and better service to clients. Organisations had to exhibit their commitment to road safety through fleet policies and strategies and showcase how they foster a company culture that values road safety.

Unitrans emerged as the Medium Commercial Vehicle category winner, highlighting its ongoing investment in cutting-edge technology and adherence to strict safety protocols. Through innovative solutions, the company has further enhanced its operational excellence, ensuring the safe and efficient transportation of goods for its customers.

MasterDrive's Eugene Herbert, Carli Venter, Nishani Chetty and Gomolemo Kutlwana.

According to Eugene Herbert, CEO of MasterDrive, Unitrans stood out amidst the more than 100 entries received this year. "It is one of the most far-reaching organisations in the country when it comes to transportation and has a reputation for going the extra mile," he said. "Lowering the alarmingly high number of road fatalities is a shared responsibility among all South Africans and one effective way to initiate this change is through businesses."

A critical factor in Unitrans's success is its commitment to driver safety. The company's dedication to ensuring the safety of both its drivers and the public is evident in its strict safety protocols, continuous monitoring and education programmes. "Safety isn't confined to a single department; instead, it embodies the pursuit of excellence throughout our entire organisation. It encompasses the entirety of our value chain, encouraging us to think differently. We understand that achieving excellence in one department while neglecting others, or vice versa, is insufficient. Ultimately, it's a mindset that drives our pursuit of excellence," explains van Helsdingen.

With over 4,000 drivers in the organisation, the Unitrans commitment is not just about doing what's right; it's about doing it correctly and constantly improving. •

New SSA an audacious and bold response to driver safety and wellness

THE SAFERSTOPS Association (SSA), an innovative organisation dedicated to transforming the landscape for commercial drivers in South Africa through comprehensive safety and driver wellness initiatives, celebrated its official launch in July 2023. In its early stages, this groundbreaking public-private partnership has already gained significant traction, fuelled by a bold vision to create a more secure and supportive environment for all commercial drivers across the country.

"SaferStops emerged from the gender-diversity initiatives facilitated by the Commercial Transport Academy (CTA)," explains Nicci Scott-Anderson, Founder of the CTA and SSA. "In the process of pinpointing obstacles preventing women from embarking on long-haul trucking careers, we discerned a profound shortage of truck stops addressing female drivers' unique requirements. Our investigation of truck stops along principal routes revealed widespread shortcomings in catering to the enduring physical and emotional well-being of drivers – irrespective of their gender. We also identified a pattern linking a multitude of road accidents to chronic fatigue. This exhaustion isn't merely linked to insufficient sleep, but is frequently tied to poor nutrition, adrenal burnout, sleep apnea and lifestyle diseases commonly affecting truck drivers."

The groundbreaking SaferStops initiative is founded on five key pillars:

- **Health and wellness initiatives.** Providing access to tailored resources and support for maintaining physical, emotional and mental health.
- **Improving truck stops infrastructure.** Setting an industry benchmark for the standardisation of truck stop facilities and infrastructure, creating a space for drivers to rejuvenate.
- **Education and development.** Offering opportunities for training to move from the class and into the cab as drivers use new technologies to enhance their skills and knowledge.
- **Research and data collection.** Conducting research on truck driver welfare, working conditions and industry trends to inform policies and programmes.
- **Public awareness campaigns.** The launching of campaigns to increase awareness of the challenges that truck drivers encounter daily.

Collaboration for success

The SaferStops initiative has received pivotal support from the US Agency for International Development (USAID), providing vital seed funding and unwavering support. Additionally, numerous prominent companies, government departments and leading industry associations have forged partnerships with SaferStops, demonstrating their commitment to the cause. Notable collaborators include Hollard, Ctrack, Engen, UD Trucks, Guud, Michelin, the Department of Transport, the Gauteng Department of Roads and Transport as well as the Road Freight Association and the National Bargaining Council for the Road Freight and Logistics Industry.

Nicci Scott-Anderson, Founder of CTA and SSA, and Kas Govender of CTA.

Key activities

SaferStops has already initiated several projects aimed at improving driver well-being and safety. One such project introduces healthy meal alternatives for commercial drivers at truck stops. Additionally, the focus extends to exercise facilities, with plans to provide drivers with access to on-site gyms, allowing them to break the routine of spending up to 12 hours in a truck.

Mental health is another priority for SaferStops. "We now know that depression is one of the leading problems that truck drivers suffer from, particularly with the time they spend alone. Mental, physical and emotional health are all key and we will be looking to address all of these requirements," says Scott-Anderson. Moreover, there is a dire need to provide drivers with Wi-Fi access and entertainment facilities at truck stops to enable them to rest and recuperate en route.

To empower drivers with valuable skills and new qualifications, SaferStops is actively developing easily accessible and user-friendly education and learning materials. These resources will be designed to be readily accessible and easily digestible, ensuring that drivers can conveniently enhance their knowledge and acquire new qualifications. •

2023 Road Freight Summit celebrates successful debut

THE 2023 Road Freight SME Summit successfully debuted on 20-21 October at the Maslow Hotel in Sandton, with topics delivering to the needs of the audience and the broader trucking sector, and industry specialists, government department heads and academia occupying the speaker platform.

Targeting small fleet owners with five to 100 trucks on the road, topics covered included critical success factors for road freight SMEs, safety and compliance, the transportation of mining commodities, industry trends on effective and efficient fleet management, the complexities of securing funding for trucking SMEs in South Africa and various topics about the next step towards growing a business.

Rirhandzu Mashava, Deputy Director General: Integrated Transport Planning at the Department of Transport (DOT), gave the keynote address, pointing out that 90 percent of the more than 100,000 businesses active in the road freight sector are SMEs. They had a significant impact on the economic landscape, she said. “These SMEs are not merely businesses, they are job creators and contributors to the national economy. The summit’s primary focus is to provide an enabling platform for these SMEs to scale up and take their businesses to the next level.”

JC Auditors’ Managing Director, Oliver Naidoo, said that a primary focus of the summit was raising awareness of safe systems as a key building block for SME road freight businesses. “If we are to address South Africa’s poor road safety record, there is a need for impactful initiatives to promote safe and compliant fleets on our roads.”

Mashava highlighted opportunities created by technology. “The rise of technology and digital platforms has provided SMEs in the road freight sector with enhanced opportunities for growth and success. Digital platforms enable them to streamline operations, optimise routes and offer real-time tracking and customer support. This allows SMEs to compete effectively with larger established companies and provide efficient and reliable services to their clients.”

Rirhandzu Mashava, Deputy DG at the Department of Transport.

The Managing Director of SME company Atarah Solutions, Lehlohonolo Mpshe, said of the summit: “Frank talk, insightful, enjoyable, thought-provoking – and commitments were made!” Sinethemba Cobo of Isuzu Motors said the summit made him appreciate the company’s support for the sector and re-evaluate how he influences change. He added: “These are the platforms that SMEs require to connect, work together and make a difference.” Annah Ngxeketo, CEO of Mamoja Trading & Projects, found the conversations with industry leaders “insightful”, noting the key learning was to “have a collaborative spirit with other SMEs”.

The inaugural summit was well supported by industry, and support services in the road freight sector and many industry associations also showed support for the event, including the Association of Chartered Certified Accountants, the Chartered Institute of Logistics and Transport: South Africa, Freight Logistics South Africa, the Global Federation of Chambers, The Road Freight Association, SAPICS, the African Women in Supply Chain Association and the SA Express Parcel Association. •

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.saaff.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

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The Independent Voice of the Supply Chain Industry

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Design & DTP:
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38th year of publication.

ISSN 1025-0492

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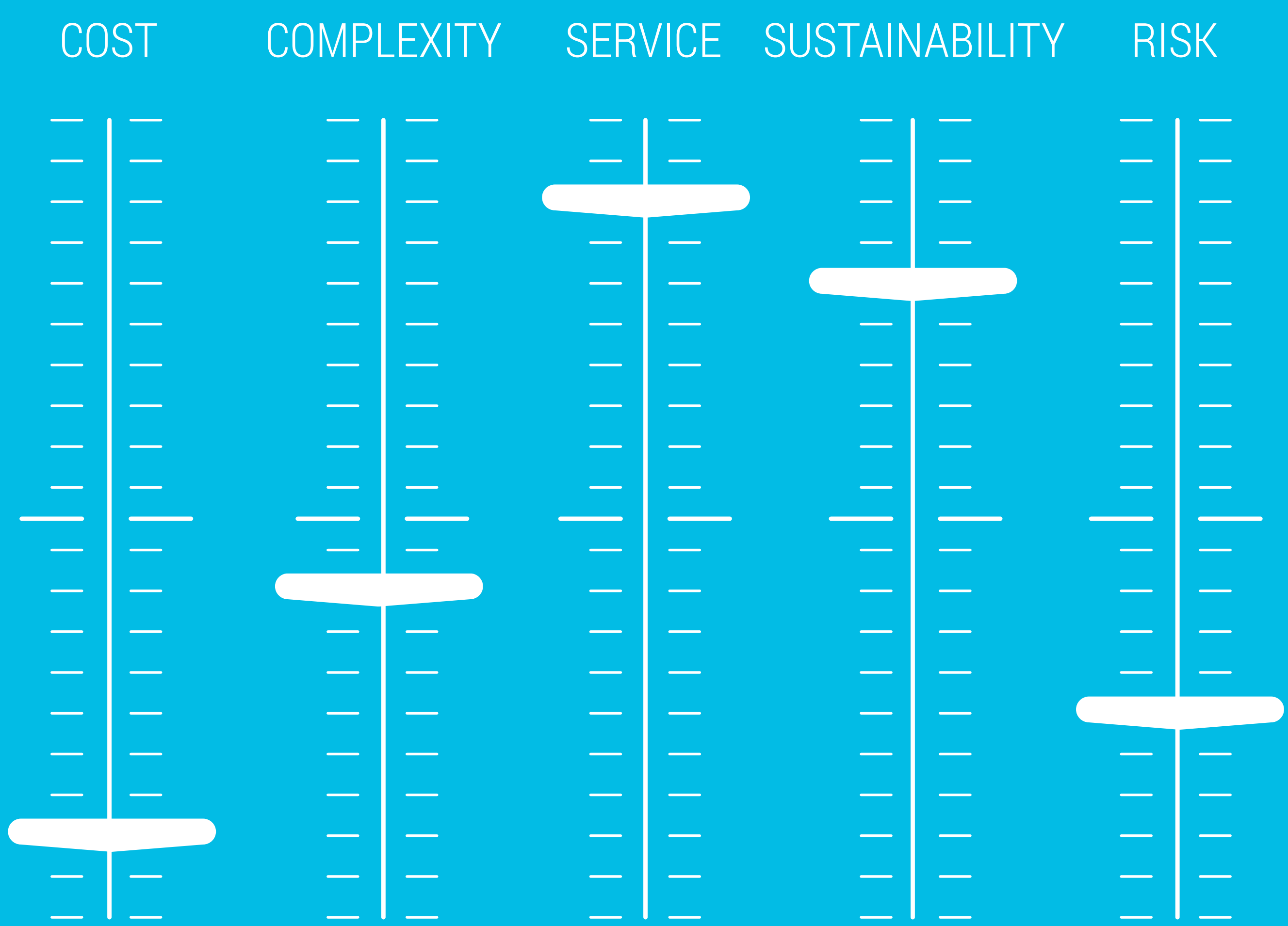

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