

Top View

“Innovation distinguishes between a leader and a follower”

At the outset, permit me to extend my warmest gratitude for taking out the time to read CRUX- Kale Logistics' small, yet significant effort to keep you abreast of the current industry trends in the Logistics and supply chain industry.

The global scenario is calibrating its course to provide the much needed impetus and encouragement to the Logistics sector. As a starting point, I am delighted to announce that Kale Logistics Solutions has undertaken proactive steps, to provide the much needed technology, and knowledge support to the growing Logistics and supply chain industry. With an improved team strength and bigger office set-up we are now ready to expand our horizons in the industry. We are extremely honoured to receive the 'Best Technology Solution Provider' award and to be featured in the list of '30 Most Preferred Tech Workplaces.'

In this issue of CRUX, Mr. Al Ameen from Fast Logistics Solutions Group gives insights on freight forwarding business and how technology is impacting the industry. Read on, 'Disruptive Technology and Warehousing', that details the effects of technology implementation in the warehousing side of supply chain. Don't miss our expert's perspective on challenges and opportunities that surround the air cargo industry. Kale Logistics Solutions' star product, 'HELIOS' bags 'the Spotlight' in this issue. Stay tuned to know about our participation in various industry events.

Your feedback is valuable write to us at: info@kalelogistics.in



Rajesh Panicker,
COO, Kale Logistics Solutions



In this Issue



REFLECTIONS
An Interview with
Mr. Al Ameen, Chairman,
Fast Logistic Solutions Group



ARTICLE
Disruptive technology
and warehousing operations



SPOTLIGHT
Transportation Management
System



ASK THE EXPERT
Mr. Vivek Pandit
AVP, Kale Logistics Solutions



NEWS AND EVENTS @ KALE



Fast Logistic Solutions Group is a leader in global transportation and Logistics sector with a strong presence across Africa, UAE, India and Far East.

Mr. Al Ameen has more than seventeen years of experience in logistics and supply chain industry. A sophisticated and a highly qualified CEO, Mr. Ameen works with the highest ethics for swiftly delivering profitable results and relies on innovative thinking along with, strong technical and managerial expertise. In this segment, Mr. Ameen shares his experiential opinion on how the freight forwarding industry is undergoing a phenomenal transformation, with CRUX team.



Mr. Al Ameen

Chairman, Fast Logistics Solutions Group

CRUX

Fast Logistics Solutions Group has strong presence in Africa, UAE, India and Far East. How has been the journey like and what are your future plans?

Mr. AMEEN

Fast Logistics Cargo was established in 2009, in Dubai; to provide best-of-breed logistics and transportation services whilst positioning and differentiating itself through a commitment to excellence, across all areas of business. This pursuit has enabled the Cargo to grow and expand the organization. Today, we are proud of our 40 offices spread across 12 countries, manned by over 700 employees within a short span of time. Coupled with strong worldwide partnerships with dedicated agency networks, Fast Logistics Cargo is now truly global. At Fast Logistics, we truly believe that 'Excellence' is not just a word but it is a way of life. As a rapidly rising company with global presence, our quest for excellence in everything we do continues.

We are on a high growth track as the industry and the general market conditions are picking-up. We are growing along with our customers who place a lot of trust and confidence in us. Going forward, we are expanding our horizons in Europe and other parts of the western hemisphere, especially South America. Our office locations in each of our current and potential locations are strategically positioned to help us grow organically, taking into consideration our business vision and goals.

CRUX

Fast Logistics Solutions Group is catering to many markets, what are the distinct challenges faced in the freight forwarding operations?

Mr. AMEEN

Unlike other industries, the challenges surrounding the freight forwarding industry are very different. I can hardly recall any other industry that is as dynamic as freight forwarding, simply because the industry is complex with an intricate flow of operations, not to mention the different stakeholders it encompasses. Freight forwarders are up against competition more than ever before. It is hard to recall any other industry facing more uncertainty with many of the macro-trends happening in the world right now. Freight forwarding challenges include everything right from the impact of technology to the state of the global economy, manufacturers moving from globalization towards regionalization and changing political weather across the world. The challenges are myriad.

I believe, part of the reason that freight forwarding is engulfed with challenges is that many logistics companies that traditionally defined themselves as something else (say an ocean carrier, or even a warehousing company) are now venturing in forwarding and NVOCC type of services. This has certainly created competition in the freight forwarding business. And of course, everyone is talking about how even Amazon is getting in the game as well. Another challenge is on commoditization. Many shippers view transportation as a commodity by placing less value on service and a lot on price. This makes it hard. Ocean shipping is a complicated and unstable business, this adds to the woes of the freight forwarder by its complex structure and surcharges. A recent trend in ocean carriers is to form alliances; with almost no notice. This can affect the rates, the contract forwarders have with the carriers, as well as service.

**DID YOU
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Transportation has become the top concern for
83% of supply chain leaders



CRUX

Traditionally, freight forwarding is highly service oriented and skill intensive. Do you think that pure technology players will disrupt this industry?

Mr. AMEEN

Innovation is spreading like wildfire over the Logistics world; promising to disrupt the freight forwarding process like never before. The freight forwarding business is rapidly changing not only in terms of the rising competition, but also the fact that expectations of the shipper's from the logistics service providers has increased. As a result, forwarders are now resorting to innovative IT solutions to manage the changes. Freight forwarders are not focusing on streamlining and linking their operations like order management systems to transportation systems to Customs systems and so on, using integrated IT systems. However, freight forwarding is actually a service, rather than a task. It is regarded as relationship based business by traditional forwarders. If shippers have trusted freight forwarders for decades, it is not only because they can get a product from point A to point B, but because these are dedicated team of people who are exceptionally good in their field. This in turn frees the shipper up to manage more complex, strategic issues. Until technology can offer the same level of customer service and relationships, freight forwarders will not bat an eye.

Having said so, differentiator or enabler, no doubt about it that technology is indeed having an impact on the freight forwarding market. Thanks to the advent of cloud-based technology in particular, forwarders of all sizes are achieving valuable gains within the supply chains as data obtained from the technology can be used for purposes such strategizing new and futuristic solutions, expanding trade lanes and more. Perhaps one can view technology as a means to enable forwarders to differentiate themselves by how they interpret their data.

CRUX

How is Fast Logistics adopting technology in this internet age to remain competitive and retain its leadership position?

Mr. AMEEN

With advent of new market entrants, changed customer expectations and new business models, the competition with immense technology is enabling greater efficiency as more collaborative operating models are reshaping the market place. At Fast Logistics, we look up at technology , to improve the operational efficiency, cut down on running costs, and offer the best service to our clients. We are constantly investing in top ranged technologies as we see many competitive benefits. With better management systems in place, we are able to dedicate more time in improving our business possibilities, going forward.

CRUX

What are your key expectations from Kale Logistics Solution's CORVI – Freight Forwarding system?

Mr. AMEEN

As our business is highly complex, we need a system, which is scalable and reliable. We are looking forward to a long business association with Kale Logistics Solutions as CORVI is built on a framework of collaboration, driving business intelligence and enabling complete business visibility; a complete package in itself.

With CORVI we expect to automate our freight forwarding operations and drive customer delight and streamlining of operations. With multiple levels of stakeholders, we are looking for paperless operating procedures. With CORVI we hope to exchange information seamlessly with minimal error between forwarders, shippers, Customs brokers, carriers and consignees. With increased security and improved forecasting and planning we hope for an optimal utilization of manpower and resources, thereby improving business performance effectively.





Disruptive technology and warehousing operations



The main aim of any warehousing enterprise is to enhance accuracy of order fulfilment, optimise resource allocation and minimise operational costs. Precisely, warehouse enterprises are seeking to smoothen their operations and make them as cost and resource effective as possible. With the advent of digitization and the revolution it has caused in the Logistics and Supply Chain sector, seeking traditional business goals has become an easier preposition for the warehousing domain. Powerful technological solutions that promise a gamut of operations at a click of a button, have provided ease of business. However, the application of technology has gone much beyond merely providing 'ease of business'. Logistics and supply chain domain have considered several disruptive technologies to revolutionise the way traditional warehouses function. Digital disruption is often confused with disruptive technology, while digital disruption refers to a disruption caused by technological evolution affecting certain business types, disruptive technology connotes a revolutionary technology that changes the way people perform tasks. Industry players are looking for numerous disruptive technologies to enable automation, growth, profitability and cost reduction. Some of the key trends in the disruptive technology observed in the warehousing sector are:

Robotics in Warehouses

Warehouses can be a harbinger for implementing automation. Using robotic equipment, not necessarily in a humanoid form, but for example in the form of automated

intelligent machines that are capable of segregation, coalition and movement of cargo within or among warehouses, are a coveted form of automation.

These robotic devices could be in the form of pallet shuttles, automated storage retrieval systems, automatic guided vehicles or autonomous indoor vehicles too. The idea is to place a robotic device that can accept command, is capable of comprehending it and carrying out the necessary warehousing functions. Robots in a warehousing can be utilized to carry out operational tasks for warehouse, such as bin picking, case and pallet transportation, robotic pick-and-place solutions, conveyor design, lift-assist systems or integrated sorting systems, among other functions. There is an enormous potential to the kind of functions an automated, well designed robot can execute for warehouses. For example, warehouses are automated with mobile robots and control software. These robots are sent on missions by a central computer system to retrieve inventory pods that are brought back to pick and packing stations. These robots are capacitated to handle about 1,000 pounds of weight and are equipped with a rechargeable battery system and internal sensors which enable free movement within a warehouse without crashing into other robots or things. The shift towards robotics and automation is likely to transform warehousing, from a person-to-goods process to a goods-to-person process.

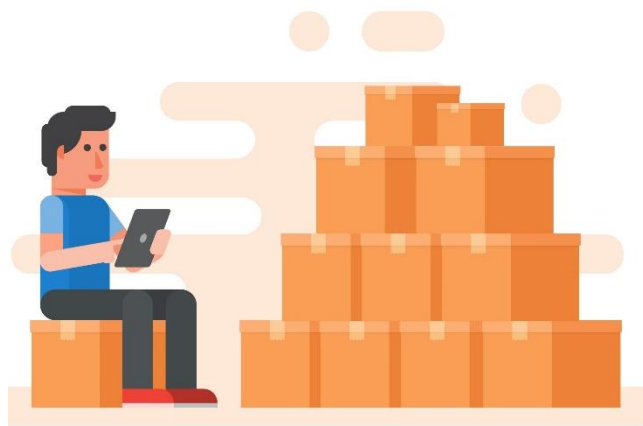
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The top speed for a battery powered drone is
50 MPH



Disruptive technology and warehousing operations



Augmented reality

Analysts are affirmative about exploring application of augmented reality in warehousing operations. They are looking at augmented reality applications in the form of headsets with interactive screens that display digital information pertaining to the cargo in front of them.

Warehouse workers can then tap directly into the order system and create records and streamline or schedule cargo movements at a click. Hands-free solutions enable pickers to navigate in the warehouse, make decisions on how many of which box need to be moved (the screen highlights the box in front of the picker to ensure they are getting the correct box) and even which warehouse loading dock these boxes need to be taken to. Traditional barcode scanning validation can be replaced by the augmented reality-driven smart glasses that can enable auto-driven scan and validation of a cargo as soon as it appears in the field of vision. Though many warehousing and distribution centers are already using similar technology through devices such as barcode scanners, augmented reality is a step ahead as it drives, more than just picking and scanning, including for example, warehouse navigation.

3D printing

Adoption of 3D printing will enable faster roll out of new products, shorter lead times and better customisation. However, from a warehousing perspective since local/regional supply base will have more capabilities to be more responsive to local and regional needs, reliance on large facilities that can produce high volumes at low cost could lessen. This will result in diminishing demand for bigger storage warehouses. Warehousing solutions may need to alter or rethink their offerings.

Driverless carts

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Cloud-based technology

Cloud based services can deliver better speed and savings compared to traditional systems. Warehouses can share cloud-based services and avail them at lower prices as compared to traditional software. The community nature of cloud drives alliance from fellow warehousing companies to tackle joint challenges such as facilitating a fully electronic supply chain, meeting new regulations and changing established ways of working across the industry.

Extension and Expansion

Another digital disruption that has already affected the warehouse domain is the entry of allied businesses. With e-Commerce capturing global market, companies like Amazon, Alibaba etc., have extended their business and are establishing in-house warehousing solutions to cater to their growing business. Fully equipped warehousing solutions are helping the new entrants to lower their costs and manage in-house operations effectively. However, this move has already challenged many exclusive warehouses, who view it as a potential threat to their sustainability.

PYXIS - fully automated, truly comprehensive Warehouse Management System

PYXIS automates all warehouse operations from the arrival of cargo, storage, location management and dispatch. It is a readily configurable system in which the user can define the location rules, package types, picking rules, shipment procedures, packaging techniques, and all other significant details regarding warehouse operations. It optimizes these tasks based on detailed algorithmic rule engines. It enables warehouses to improve space utilization, lower inventory carrying costs, boost productivity and improve bottom line.



Transportation Management Systems changing the customer expectations

The demand for Transportation Management Systems (TMS) is on the rise. Just like in other industry for e.g., Netflix with entertainment content, or Airbnb with hospitality, innovative technology is being adopted to disrupt the transportation industry. The days of manual entries and excel sheets to maintain transportation fleet are fading. Robust TMS streamlining information exchange between shippers and freight carriers to move reliably, efficiently, and at the best possible cost, are on the rise. Thanks to cloud computing, shippers of all sizes can now afford to foot the bill for a TMS and be at par with the industry.

HELIOS - The Best-fit Solution For Fleet Owners & Operators

Kale Logistics Solutions is built on the platform of deep industry knowledge and technical expertise offering a comprehensive Fleet Management System – HELIOS, which allows companies that rely on transportation for their business, to control the risks associated with vehicle investment, improve efficiency, reduce overall transportation and staff costs; and provide statutory compliance. Any idling or underutilization of resources can incur significant expense to the transporter or fleet owners. The need of the hour is to get real time control on costs, leverage all cargo placement opportunities and offer visibility to customers.

Transportation companies need a modern IT system to cater to all functions of their organization in an integrated manner. According to the market needs, Kale Logistics offers two domain specific modules of HELIOS; HELIOS TRANS and HELIOS FLEET that complement each other. While the former helps in managing the contracts with customers and vendors, HELIOS FLEET is designed to manage all aspects of the fleet business covering trip sheet, job sheet management, route cost management and financial accounting.

With HELIOS FLEET a Transportation/Logistics Service Provider can manage transportation for end customer from the stage of vehicle planning to driver settlements, fuel optimization, load planning, route optimization till measuring profitability. It can be seamlessly integrated with an ERP to manage all operations and achieve financial control over fleet hub. It can also be integrated with GPS systems to provide real-time visibility of vehicle positions and their status.

HELIOS TRANS enables to manage customer & vendor contracts, demand management, Tracking, POD management, Online accounts, trip sheet, reports, security, Invoice & payments all in a single integrated system which can interface with the system of CFS/ICD or Port system. HELIOS can maintain docket entry by extracting data from customer & vendor contracts modules and further receive En-route status update, delivery status and POD movement.

The industry is entering an era where the current state of legacy TMS technology as we know it, is approaching the end of its lifecycle. Today's businesses need TMS, which will accommodate artificial intelligence, demanded in tomorrow's supply chains, cutting-edge technology architecture to stay relevant and serve as company's control tower with widespread visibility across all departments.



**DID YOU
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According to Wikipedia barcode were first used to label railroad



CRUX

The air cargo industry is in an interesting phase, where it has opportunities like growing e-commerce, trade facilitation, and growth of economy and trade and at the same time, it is grappling with challenges like lack of standardization, innovation and slow adoption of technology. What according to you, should the industry focus on for sustained growth?

VIVEK

Air cargo is a vital motor of the global economy. It continues to face challenges of sustainability, lack of innovation, profitability and customer satisfaction. Last decade has seen a change in the way industry is looking at automating cargo handling. Competition is stronger than ever with other transport modes such as shipping and rail offering new products. Customers are also looking at mixing transport options to balance costs and speed. Global implementation of electronic airway bill to date is less than 50%. With a not so rosy picture, there needs to be more investment in Information Technology and related infrastructure to streamline the processes and make best use of technology to achieve better results. Sustainability can be built with focus on people, profit and planet.

CRUX

What are the new technologies impacting this industry?

VIVEK

Digital world is putting a strong foothold in the Logistics industry and is changing the way it works. Various types of technologies are now available for stakeholders to smoothen cargo handling. New trends in the HHTs and Tabs are emerging. With mobile technology revolution, not only smartphones but also normal phones are put to use. People have access to additional information with respect to the movement of their cargo. Some other new technologies impacting this industry are Block-Chain, Internet-of-Things, 3D printing etc.

CRUX

How is GALAXY mainstreaming the air cargo industry?

VIVEK

The air cargo industry is subjected constant changes, which are catered by GALAXY with a through brainstorming of both internal, and external customers; this has been the best part of GALAXY implementations. With capabilities to interface/integrate with any other technologies, GALAXY is probably the best fit for any airport irrespective of its size. It has emerged as one of the most valued software solution across the globe. Kale Logistics' immediate vision is to support the globe with 'Less Paper' if not 'Paperless' movement of cargo. And future vision is supporting the cargo movement not only from origin airport to destination airport, but from consignor to consignee without paper involved. Successfully replacing the legacy systems and bringing harmony to lives of people with relatively quick turnaround time, is the essence of GALAXY.

CRUX

Now that GALAXY is getting popular in the European and African market, what the future plans?

VIVEK

Various topographical regions in Europe and Africa have different ways of operations/handling, which is essentially dependent on local laws, business environments and industry regulations. This leads to non-standardization of processes which was the most challenging phase of GALAXY, especially when we started looking at other continents. GALAXY now can handle even non-standard operations and streamline airport processes. Security of cargo is a critical element of air cargo supply chain. E-CSD module is the best fit to address this security concern. Integration with Customs to channelize faster clearance is our major achievement. e-Commerce is the talk of the town and GALAXY will be fully prepared to substantiate this tremendous growth under its wings



Vivek Pandit, AVP at Kale Logistics Solutions has a rich and varied experience of over 18 years in Air Cargo industry. He focuses on addressing new businesses formation for airports and business structures, drafting policies and structuring community transactions. As an SME his expertise lie in feasibility studies, technical design, cargo handling operations, training and management development and project planning and evaluation.



Kale Logistics Solutions gets featured in the list of "The 30 Most Preferred Tech Workplaces"



Amar More, CEO, Kale Logistics Solutions, receiving the "Best Technology Solution Provider" Award at the India Cargo Awards 2017.



Mr. Amar More, CEO, Kale Logistics Solutions at the IPCSA annual conference 2017 - "Globally Connected Logistics" at Brussels, Belgium



Kale Logistics Solutions exhibiting their state-of-the-art Air Cargo solutions at Air Cargo Handling Conference 2017 at Budapest



Mr. Vineet Malhotra, Director, Kale Logistics Solutions at the 2nd International Maritime Nation India exhibition 2017.

7th International Biennial Networking Conference & Exhibition

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