



Arshiya Middle East recently hosted a seminar at which John Gattorna (pictured) discussed the benefits of Supply Chain Alignment and 4PL.

Moving with the times

ARSHIYA SUPPLY CHAIN INTEGRATION GM IAN BESSANT DISCUSSES HOW ITS SOLUTIONS LESSEN THE STRAIN OF OPERATING COSTS

RNME: Where is the company present in the region?

Arshiya Supply Chain Integration is a division of Arshiya International. We are an Indian-headquartered and BSE-listed global logistics and supply chain services company, with equity investments from leading private institutional funds from around the world. We are an amalgamation of several strategic verticals: FTWZ's, Rail, 3PL, 4PL, Trucking, Warehousing & IT, enabling unparalleled operational expertise & solution capability across the entire supply chain spectrum in India and the Middle East. In terms of our Middle East footprint, we are present in Abu Dhabi and Dubai in the UAE, Oman and Qatar, with expansion plans across the Middle East through a hub and spoke network of logistics facilities. Unlike many other companies, our strategy, focus and investment plans are centred on the Middle East and India. They are not just peripheral markets to us. They are core.

RNME: What has the company brought to the retail industry in the Middle East?

We physically embed our 'Strike Team' of MBA-qualified Analysts and Middle East-experienced Operations Management into our clients' organisations. They integrate with the client's team, are not affected by internal politics and agendas, and create improvement and visibility for the organisation's senior management, board or owners.

In these days of high retail rental costs, the impact of traffic, fluctuating exchange rates and increasing operating costs, it is imperative that organisations are provided with the information and implemented solutions they need to ensure an optimum bottom line. Times are changing and we are positioned to ensure that we can add significant value to the financial and operational efficiency of our clients' supply chains.

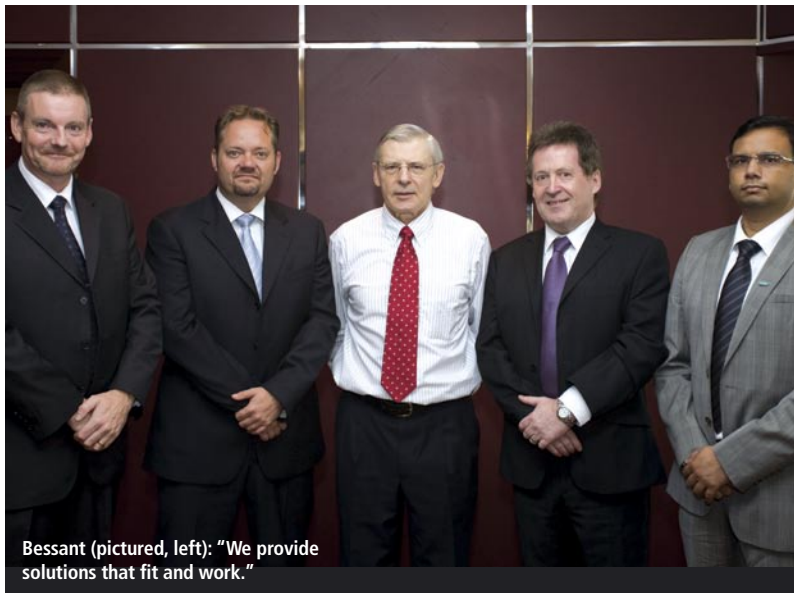
RNME: How will the company strive to stand apart from others in the market?

We will achieve differentiation by offering neutrality and a completely fresh approach, whereas competitors with established facilities, equipment and resource in the region tend to offer

these as a menu. We do not provide a menu, yet instead we provide solutions that fit and, most importantly, work. Whilst the outsourcing of logistics operations is now an accepted practise in this market and the benefits are certainly understood, we go one step further by offering Business Process Outsourcing (BPO). A client may outsource his operations to a third

DEFINING THE ARSHIYA DIFFERENCE

- Macro (Quick Pulse) Analysis to determine the areas of focus and prioritise them
- Micro (Deep Dive) Study to put some serious meat on the bone. During this phase we deploy metrics to help us to understand what is happening at, and between, the various touch points of the Supply Chain
- Project Planning and Implementation, in which we agree on the way forward, then mobilise assets and resources, and implement processes to achieve the plan
- Supply Chain Management, in which we manage the processes necessary to ensure success. We would also deploy our suite of Supply Chain Analytical software in order to provide and maintain visibility on the supply chain from end-to-end.



Bessant (pictured, left): "We provide solutions that fit and work."

Retailers should be extremely concerned if customers are willing to buy, but they are failing to provide.

party, but often the processes are not questioned or analysed, remaining static. This is the area in which we add value. In terms of our neutrality, we can deploy either our Group assets or resources, or manage those of other providers. Arshiya Supply Chain Integration is a non-asset holding division. This allows us the flexibility to adapt fully to client requirements and we have a definite remit to remain neutral in this regard. We position ourselves on the side of the supply chain, rather than focusing on how we can fit an existing solution around a client's business needs.

If a client wishes to avail of our internal assets, we can position ourselves in a Third Party Logistics role, but with enhancements that enable us to operate at a level above our competition. If the optimum solution for a client is that we manage their Supply Chain through other providers then we add value by exerting control and introducing visibility, carrying

out in-depth analysis to ensure that our operating partners are integrated and synchronised to the needs of the client's Supply Chain. This is known as Fourth Party Logistics (4PL) and we encourage the market to investigate this concept and understand the value it adds.

RNME: How did the recent visit by John Gattorna complement your strategy?

John Gattorna (www.johngattorna.com) and Michael Proffitt sit on our Advisory Board. The former was a member of the original team that created the 4PL concept during his time with Accenture.

The Board members provide excellent guidance to us, which has proved to be invaluable as it helps us brainstorm and keep abreast of the developments in supply chain strategy and operations worldwide. Our retail services depend on what we discover through analysis of the client's supply chain, yet generally they focus on cost and service.

RNME: What activities are planned to increase visibility in the retail industry?

We are actively focusing on the retail sector for two main reasons. Firstly, there is an undeniable potential for growth in this sector, due to an increasing population and levels of disposable income which drive this growth. To create and maintain visibility within this sector, we are implementing a brand awareness strategy. Naturally, we have created a relationship with a brand positioning consultancy as we believe in the benefits of outsourcing non-core activity.

RNME: Why should locally-owned business invest in the services?

Homegrown retailers could derive great benefit from developing a relationship with us. Many of these organisations have developed from wholesale or distributor origins. Speedy growth has resulted in a transformation into world-class retail operations at the front-end, whilst the supporting elements have not developed at the same pace.

The obvious impact is on operating costs and service Levels. In our view, these businesses are crying out for help. As a consumer myself, I have experienced countless situations in which I have gone to a store to purchase a product but it is either out of stock or the desired colour or size is unavailable.

My contribution to that company's footfall has not converted itself into revenue because the organisation clearly has imperfections within its supply chain. Retailers should be extremely concerned if customers are willing to buy, but they are failing to provide as brand loyalty will only stretch so far. Arshiya Supply Chain Integration is completely focused on addressing the issues that cause these problems. We can make a difference.