

Tech startup sets its sights on disrupting the local logistics sector



By [Evan-Lee Courie](#)

21 Jan 2019

Arlax is a centralised B2B logistics marketplace with the aim to bridge the gap between suppliers and transporters with a tech-enabled platform that manages the distribution process seamlessly.

Sahil Maharaj, the founder of [Arlax](#), has been analysing the logistics industry for the past four years and noticed that there is a gap in the market regarding the link between technology and the logistics industry. Thus, this led to the development of the service offering of Arlax which aims at reducing and minimising the challenges faced by both the supplier and transporter within the South African transportation sector.



Sahil Maharaj, founder of Arlax

Maharaj has been researching and analysing the logistics industry for the past four years and has managed to develop and deliver a service offering that reduces and minimises the challenges faced by both the supplier and transporter.

We chat to him, ahead of the soft launch of Arlax on 28 January 2019, to find out more about the platform and the benefits of a centralised B2B logistics marketplace.

❏ ***Can you tell us a bit about Arlax?***

Arlax is a newly established tech startup that aspires to become an industry market leader within the technology logistics segment. We provide a customer-centric marketplace whereby suppliers no longer have that nagging feeling of "Am I paying too much?" and transporters no longer need to spend aggressively on PR, people and admin to generate new clients and revenue.

For suppliers, your number one priority is getting goods delivered on time, at the best possible rate, but you're stuck in a transport contract with no control over fuel hikes, and that's where the Arlax Marketplace can be utilised. Here, you can gain access to the most efficient marketplace with complete cost transparency; no broker markups and no fixed contracts. With an Uber-like simplicity, we link manufactures who need their cargo moved with transporters on that route.

If you are a transporter, you want to carry profitable cargo 24/7 with full return loads. The Arlax Marketplace creates a direct link between SA's transporters and the buyers of transport services. This tech platform offers you a new income stream for transporters who want to receive automatic feeds to new clients and for transporters to solve the profit-sapping problem of empty return runs. This tech hub offers you a new income stream – a risk-free way to find new clients and receive more return loads while increasing and growing your company revenues.

❏ ***When, how and why did you get started?***

As the founder of Arlax Inc, the concept of creating a disruptive innovation within the logistics sector has always appealed to me. I generated this notion through research and development by identifying a gap in the market whilst in university in 2014.

In the fall of January 2018, I began evolving this concept and developed the Arlax Marketplace which is now ready for launch to improve and create an efficient supply chain environment for all parties involved.

Why? It is seen to date that the logistics sector has been neglected and the urge to introduce innovative technology features within the industry is relevant. An additional factor that contributed to the startup of the Arlax marketplace is my long-lived passion in the logistics and supply chain industry.

❏ ***What are some of the obstacles you've had to overcome since starting out?***

One of the main obstacles I have experienced since starting out is the adoption of change that users experience within the marketplace. As we are aware that technology has become a major game changer, however, within this specific industry South Africa still relies on traditional procedures and methods. Even though this tech hub is modernised to ensure efficiency in the marketplace with its simple features, some users are still reluctant to change.

❏ ***What are the benefits of having a centralised B2B logistics marketplace?***

There are several benefits, which include but not limited to:

- Reducing the high-levels of fragmentation
- Demand and supply mismatch
- Lack of transparency
- Volatile rates
- Reduction of empty trucks and an increase of fleet utilisation
- Removing the broker that charges exorbitant rates to match supplier and transporter using traditional methods
- Suppliers gain access to a large network of credible and reputable transporters.

❏ ***What are some of the challenges that you have seen between supplier and transporter?***

During high peak demands such as festivities and seasonal cycles, suppliers are often caught out in such a way that in

certain instances are unable to cope with their customer demand and delivery schedules. When this occurs, they use traditional methods to contact transporters for spot on rates, only to realise later that they could've received a better deal on their transport & distribution requirements.

For transporters, they often have their trucks running empty after delivering to their customers. Currently, in this instance transporters make use of social media platforms in an attempt to find a quick fix and dodge having to absorb the cost of their trucks running back on an empty load.



In most cases, these are very ineffective and traditional ways of finding new business fast. Additionally, transporter expenditure on marketing and PR activities have increased significantly over the years due to the number of new entrants into the market annually, which intensifies the competition within the industry landscape.

▣ ***How can the industry overcome these challenges?***

By partnering with Arlax, of course!

▣ ***What does the future of logistics look like to you?***

This is a very broad topic that could range from future drone deliveries from perfectly placed distribution centres that are near to consumers to self-driving trucks, but in terms of the future of logistics tech marketplaces:

- Freight marketplaces can bring together a set of players who are unfamiliar with each other. A blockchain-powered marketplace platform can offer end-to-end integrity and assurance across multiple functions.
- Customised dynamic spot rates have the ability to offer customised yet dynamic spot rates for suppliers is the holy grail of any disruptive freight marketplace. In order to achieve this, leaders will need to develop intelligent algorithms based on analytics which enables automatic quoting once the supplier enters their transport and distribution requirements.

▣ ***What would you like to see changed in the south African logistics landscape?***

There needs to be a major overhaul from the government in terms of the following:

- Ensuring that there are proper secure facilities in place for truck driver's in our country since the amount of hijackings and assaults on drivers has increased significantly over the years. We need to protect our drivers because fundamentally trucking companies and drivers are the backbones of our country.
- Technology workshops to train managers within the industry on how to adapt and keep up to date with the latest technological changes within the sector this will support them in creating a more efficient supply chain environment for their company and partners.

▣ ***Where would you like to see Arlax within the next five years?***

Once we reach our critical mass threshold within South Africa, we will then proceed in executing our aggressive growth strategy which includes branching out globally – as our slogan states: Local Partners, Global Markets.

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