# Logisyn ADVISORS

Logistics Technology Whitepaper Series

# Trends in Task Automation

**The global logistics industry of the 21st century has been defined by large global Logistics Service Providers (LSPs) investing in efficiency.** One of the main drivers of this has been a slow but steady deployment of software driven task automation; the replacement of repetitive tasks traditionally carried out by an employee with software that automatically performs those functions. These investments have dramatically improved the efficiency of global LSPs and forever reshaped the ways in which they move freight.

Logisyn realizes that "automation" is a buzz-word that is too often used vaguely, rather than in discussions of its specific applications Our goal in this article is to highlight specific tasks in the freight process, traditionally carried out by an employee, that have been heavily augmented by software. This includes technology like Load boards that have already been widely adopted in the industry, as well as technology like workflow automation software.

## Must Watch Sectors across LSP Task Automation

Most aspects of the freight process have been touched by software in some form. The goal of this article is to explore specific aspects of the freight process whose automation has a high level of relevance to modern LSPs. Below we highlight the companies automating these core LSP tasks, and briefly outline the progress that they are bringing about in our industry. We plan to explore many of these sectors in more detail in future articles.

## Workflow Automation & OCR Software

Optical Character Recognition (OCR) Software is already widely used for processing PODs and other shipment documents as it is a significant improvement over the traditional method of forwarders processing documents manually. Recently companies have been investing heavily in the long-term potential for OCR software to feed shipment data into other company systems. This has the potential to automate significant parts of the shipment process; making the forwarding process more efficient and removing data-flow risks.

### vector.ai

**Workflow Automation & OCR**
Vector.ai exemplifies the many possibilities of next generation task automation. Their productivity platform for freight forwarders automates workflows throughout the shipment lifecycle, driving operational efficiency across accounts payable, customs and import/export documentation processes.

### BRAVOTRAN

**Workflow Automation & OCR**
BravoTran is a leading provider of payables automation & OCR software; giving forwarders simple tools to process invoices, resolve exceptions, and automatically flow data from shipment documents into their other systems. Their system is easy to use and setup.

# Systems Integrators

Because of the many stakeholders along any supply chain, automatic methods to accurately move data between systems are often not in place. System integrators make the process much easier; creating custom connections to allow data to seamlessly flow between all systems in real time. While many LSPs still rely on manual data entry to move data between systems, executives across the industry are realizing that reliable system integrations are a key component in driving efficiency across their wider operations.



### Systems Integrator
Chain.io specializes in making data flow smoothly between all the systems that an LSP utilizes. They have quickly become the standard for custom EDI integrations and are trusted by some of the leading companies in our industry including; FourKites, OIA Global, and Descartes.



### Cargo Hub Systems Integrator
Nallian is a very interesting company in the systems integration sphere of our industry. They facilitate the smooth movement of data between the stakeholders involved in air cargo shipments and offer a suite of tools to help all parties coordinate their operations.

# Capacity Forecasting Software

This software is quite powerful as it replaces the traditional guess-work of demand planning with inventory forecasts based on historic & real time data and demand signals. Managers can then use these forecasts to scale their supply chains to meet and maintain the optimal level of inventory. While many WMS providers offer inventory forecasting as part of their suite of tools, the companies below are neutral providers; ones who pull data from ERP systems rather than being just built-in functionality of those systems.



### Demand Forecasting & Planning
Netstock is the leading neutral provider of demand planning & forecasting software; offering incredibly accurate forecasting tools for inventory planning. The company was acquired by Strattam Capital through an LBO in 2020.



### Dynamic Capacity Forecasting & Planning
Throughput is a great example of how A.I. can change the way LSPs leverage their data. They offer advanced analytical tools that give managers a real-time view of how all the interoperable cogs of their business work together, and where they should best invest time and money to drive efficiencies.

# Load Boards

Traditionally, quoting and booking a shipment was a central task for 3PLs & domestic forwarders; a large part of their value has always been their ability to negotiate exclusive rates with their contacts amongst truckers and other carriers. DAT was one of the first companies to change the way this worked with their online load boards for dispatchers to book capacity without negotiating. Many TMSs have built load board integrations and shipment quoting into their systems; a trend we will explore in an upcoming article on Transportation Management Systems.



### Trucking Load Board
DAT Freight & Analytics is the industry's leading load board. They offer a simple platform for LSPs to post loads and for carriers to accept them. They have also expanded into the shipper space; giving ocean-carriers and freight-forwarders a similar tool to post and accept shipments.



### Trucking Load Board
One of the first load boards to ever go online, Truckstop.com is a widely trusted load board. They offer transparent pricing, and convenient add-on services including an in-house factoring system. The company was acquired by a private equity consortium led by ICONIQ Capital in 2019.

# Digital Marketplaces for Air & Ocean Freight

Like trucking load boards, new companies have emerged over the last decade that automate the process of quoting and booking air & ocean cargo; giving LSPs access to real time rates from steamship lines & airlines. Clerks can then book at those rates without haggling, and automatically transfer the shipment data into their other systems. The companies below are "neutral" freight quoting platforms. Their neutrality means that they simply act as a hub for real-time rates; creating a competitive freight marketplace for forwarders to take advantage of.

## FREIGHTOS

**Real Time Air & Ocean Freight Marketplace**
Freightos is a leading provider of real-time shipment quoting for global air & ocean freight. They also offer a suite of tools to automatically integrate this data with their client's operations; as well as simple tools to help forwarders evaluate their booking efficiency.

## cargo.one

**Real Time Air-Freight Marketplace**
Cargo.one offers a simple online platform for international forwarders to access real-time air-freight quotes from the leading cargo airlines. The company works with many of our industry's leading international freight-forwarders.

# Tracking & Visibility Software

As discussed in our previous visibility article, the process of tracking a shipment has become increasingly automated over the last decade. Rather than the traditional methods of clerks checking emails or calling carriers for shipping updates, forwarders can access real time data on the status and location of their shipment through simple online portals, and then use the status of their freight to make decisions across their operations.

Logisyn's Visibility Software article in this series reviewed the various trends within the visibility sector, as well as the 10 most influential visibility software providers. It's well worth the read for anyone looking to get a quick overview on the sector.

# About the Series

Logisyn's Logistics Technology whitepaper series is meant to act as a simple tool for executives to quickly get up to date with the latest trends in logistics software.

This is the third article in the series, previous articles include: Exploring Supply Chain Trends and Trends in Visibility Software.

Stay tuned for upcoming articles that will review trends in: Trucking Software, Transportation Management Systems, Supply Chain Sustainability, and other topics requested by our audience.

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Please email max.arens@logisyn.com if you would like to participate in the upcoming series or if you have an idea for a topic you'd like Logisyn to feature.

## Logisyn® ADVISORS

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We provide a variety of services including: buy-side advisory for companies looking to grow through acquisition, sell-side advisory for entrepreneurs looking to exit and capitalize on the businesses they've built, and enterprise valuation services for managers looking to gain a better understanding of the value of their business. For additional questions about our services, please reach out to a member of our team.