

Dialling it up with logistics

Considering the essence of mobile phones in everyone's lives, the logistics involving technological handsets is anticipated to be smooth. CARGOTALK explores the challenges in supply chain of mobile phones, filling those gaps, and how demonetisation has affected the vertical.



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Mobile phones have become an indispensable part of our daily lives. Due to the convenience and varied functions, people feel handicapped without their mobile phones. There is barely a single person in the developed world who does not carry a mobile phone. With the rapid influx of mobile phones in our lives, the procurement of mobile phones is always increasing. Hence, the question comes who bring the latest mobile tool on shelves on time? The mobile handsets are not easy to handle when it comes to its logistics from one point to another. On the other side, it is an industry where time plays a crucial role. Hence, supply chain need to be flexible and responsive to adapt to the fluctuations in demand. Lead times, accuracy, reliability and availability are all of significant importance. CARGOTALK hears from the logistics service providers on the challenges faced presently and what is required to keep up with the rapidly evolving market place.

Agreeing with the fact that mobile phone is an industry with short product lifecycles, rapidly evolving technology, to name a few, Mohit Goyal, Executive Director, TKW Management Solutions, says, "There are two ways of looking at it. Because of shorter product lifecycles and new products coming out often, we have a sea of opportunity and so we are not complaining. Although it's fickle nature does make it gruelling in terms of on-time deliveries."

Talking about the challenges, Manuraj Gupta, COO, All-Ways Logistics, shares, "Time is very important element for mobile phone industry. Sometime there has been space constraint with airline which put pressure on logistics forwarders. Also, mobile battery comes under hazardous commodity and there have been various restrictions been imposed by carrier in carrying batteries in passenger flight. Nowadays, a charter flight is only alternative to carry such kind of commodity and this increases the cost of transportation."

Echoing similar concern, Goyal explains, "Also, feature-phones made way for smartphones and now 4-G phones are the next wave. Whenever a new technology hits the market, certain restrictions in terms of cargo handling do crop up. For instance – battery handling

became a pain area for the industry since mid-2015."

"We need to be updated with changes from regulation from airlines, authorities and customs," emphasises, Pushendra Pratap Singh, National Manager- Strategic Sales, eusu Logistics. "Being a consignee & forwarder, one tend to receive the changes from reliable sources," he adds.

"Across the mobile vertical the time to respond to market demands and changes is dwindling swiftly. The mobile industry is amongst the most dynamic today and products have undergone rapid changes and created endless chain of innovations and new products. Customers are demanding cheaper but superior products which are further shrinking product life cycles and leading to



"Every year there is growth of 20-30 per cent in mobile demand/ replacement. Digitisation will increase the demand. That itself is the growth opportunity as compared to any other industry. The only need is to be informed on new

S7 devices busting. However, no airline was willing to take the risk of handling batteries anymore on their passenger or cargo freighters, due to added security-measures enforced by HACTL. TKWs became the first company in India and

"From picking up cargo from shipper premises in China, custom clearance in Hong Kong, air cargo movement from Hong Kong to Indian airports, custom clearance at destination and local transportation to customer warehouses, we are



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ICA 2016 Winner & DGM
Jaipur Golden Transport Co

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speedy obsolescence. To influence the opportunities generated by customer's volatile demand, the industry need to tighten their demand anticipations, sourcing, and inventory management. To succeed in these highly competitive manufactures, we need to have more refined supply chain management," shares Ajay Khosla, ICA 2016 winner & DGM, Jaipur Golden Transport Co.

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technology and innovations. That will be the basic challenge in this industry due to tough competition plus new entrants coming in the market," says Singh.

Sharing what tailor made solutions he is providing to the trade, Goyal informs, "Battery handling due to its DG nature and some unfortunate accidents made their conduct difficult such as Samsung

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in Hong Kong to counter it, by flying its own charter planes for mobile phone industry. Amply supported by some of the large players like Micromax, Intex, Karbonn, Lava to name a few, we applied for special DG-handling license in Hong Kong and run charter-program weekly. Till date, we hold the largest charter inventory for handling international logistics for mobile phones."

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providing end to end logistics solution to mobile industry," Gupta says.

Aggressive supply chain crucial

Considering the nature of business and the challenges logistics service providers face to maintain the availability and reliability of mobile phone market,