



Working the mine

4PL.COM:

# MOVING BULK COMMODITIES

Brendan Pearson, Managing Director, tells us how 4PL.COM has transformed the supply chain using technology and where it is headed next

Written by Ellie Duncan & Produced by Adiele Nazer

**W**hen Brendan Pearson and his business partners from the logistics industry decided to create a business that focused on the bulk supply chain, they could not have envisaged the success story it would one day become. They approached a venture capital company in South Africa with their business idea and, with the capital behind them they established a bulk supply chain company with the necessary technology, 4PL.COM was born.

As Pearson, now Managing Director,

**“Our expectations are to look across into markets like Angola, Zimbabwe, Zambia and the DRC”**

attests, the company controls the entire supply chain, offering what he calls, “mine to furnace solutions”. Typically, this process involves loading at the mine, then customised road, rail, warehousing, stock piling and containerisation / bagging solutions. Then follows clearing and forwarding, and finally, shipping to the final destination around the globe.

#### STATE-OF-THE-ART TECHNOLOGY

What Pearson and his colleagues realised early on was that in order to achieve and maintain a leading position in the bulk industry, the company would have to adopt a high-tech strategy. “In South Africa, all the FMCG environments are very much an automated environment, where information flows continuously via the web,” he explains. “But in



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the bulk environment, information flows and transparency were very poor."

Their solution was a system called the LMS.COM (Logistics Management System). It traces products right through the supply chain in real time. The web-based technology is both customer- and operator-friendly. "The more you automate it, the quicker you are to react to changes in the supply chain, therefore ensuring elasticity in the supply chain at all times," says Pearson.

From the beginning, 4PL.COM has concentrated on targeting just three markets: minerals, agriculture and commercial. The minerals market involves the movement of products such as chrome, manganese, iron ore, coal, fluor spar and copper - where Pearson believes the company can add most value. "We specialise in offering end to end solutions dealing mostly in the high volume low value commodity sector but we do handle high ticket value items such as copper," he adds.

On the agricultural side, it moves all bulk

items such as maize, wheat, sunflower, soya, beans, fertilizer and citrus products. "We also specialise in farm loading, where we collect product from the farm land and transport to silos and mills," Pearson

says, explaining the process. "At certain times of the year, South Africa and the neighbouring countries import commodities, such as wheat. We would then do the imports: the bulk shipping, then the movement of the cargo to the end destination, wherever that is," he adds, proving that the process is easily reversed.

Executive Director Sales & Marketing, Phillippus Oosthuizen, is keen to emphasise 4PL.COM's philosophy when it comes to supporting clients. "We pride ourselves in forming and sustaining long-term relationships with our

**"We created a product called 4PLEM, where we empower previously disadvantaged truck owners, helping them with finance, insurance and fuel"**

Brendan Pearson, MD

customers, as our business strategy implies that we become a preferred logistical partner, rather than just another supplier." He goes on to add that the company therefore provides "hassle-free" solutions.

The commercial supply chain sees 4PL.COM move containers and any commodity that is suitable for flat deck trucks both domestically and internationally. It also specialises in consolidation of freight, where small parcels are consolidated onto much larger loads - a cost effective solution for customers.



Brendan Pierson MD (right) with MR & Mrs Van Rensburg



FEM Tipper Fleet



Carmel Home community project

**TAKING A HIT**

When asked whether the recession affected business at all, Pearson is quick to point out that he did not know of any businesses involved in the mining industry that were not impacted. "In 2008 we had a record month every month, August being the best. In September, the recession hit," he recalls. "A large portion of our volume is export related business, so that took a major blow."

Since then though, the business has grown again with renewed vigour. "As much as it was a tough year trading wise, it was a good year for us from a strategic point of view, laying the platform for the growth of the business going forward," Pearson explains.

Certainly the stability of the agricultural sector and the commercial market helped its recovery, as did the ongoing investment in infrastructure in preparation for the 2010 World Cup.

Certainly the company believes that the rail

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industry has a significant role to play in South Africa's future, as Executive Director Rail & Facilities, Arie Hollenbach, explains. "Rail could save the South African economy billions of rands annually, have an inflationary impact, allow for job creation and make South Africa more competitive in the international market."

Over the years, the company has also been eager to promote black empowerment. Realising that we would be under pressure to meet our BEE spend targets, Pearson says 4PL.COM took action. "We created a product called FEM, where we empower previously disadvantaged truck owners, helping them with finance,

insurance and fuel," he explains. "We take them under our wing and co-manage their business with them."

As for the future, Pearson is "optimistic" and excited about the prospect of the company's growth. "Our expectations are to look across into markets like Angola, Zimbabwe, Zambia and the DRC. While South Africa provides the stability we need, those new markets are highly profitable and we can add a lot of value as a business with our technology and our skills," adds Pearson.

However, Paul Cunliffe, Managing Director Coastal & Cross Border, warns that the Angolan market in particular is a tough one to crack. "Dealing with Angolan freight requires pinpoint accuracy documentation and ongoing communication with all parties involved in the process; from the truck driver, right through to the end user," he explains.

If anyone can meet these requirements, then this company can. We anticipate hearing more about 4PL.COM's growth in the coming years. ■

**FACTS AT A GLANCE**



**COMPANY NAME:** 4PL.COM

**MD:** Brendan Pearson

**OPERATIONS:** 4PL logistics services for the bulk commodity market

**EMPLOYEES:** 100

**REVENUE:** R150 million

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