Introducing Our First Newsletter

We are excited to launch our corporate newsletter with you by sharing a recently published article.

www.convoylogistics.ca



As the world of project cargo continues to change and each facet of client needs, vessel owners, rigging services and each piece of the puzzle that brings solutions together evolves, it is a great time to launch and share some of these experiences. We look forward to building and sharing our next newsletter with you. Should you wish to opt out, please visit the opt out section.



"We don't want the easy stuff"

Toronto-based forwarder Convoy Logistics relishes its project cargo niche

By Chris Barnett

Dona Asciak says no boiler plant checklist can cover every aspect of planning and pricing a project move.



PROJECT FORWARDER DONA ASCIAK has no interest in handling a large volume of general cargoes that generate a steady stream of predictable revenue. "Anyone can move a five-by-five box if you give them the dimensions, a destination, and a timetable. We don't want the easy stuff," said Asciak, founder and CEO of Toronto-based Convoy Logistics Providers.

Convoy's niche, she said, is "project and specialty needs cargo that can take six months to three years, where you are sometimes quoting without even knowing actual weights, dimensions, densities or dozens and dozens of critical details. The devil is in the details".

Convoy is a 16-year old company with a staff of 12, but Asciak said being small can be an advantage in project forwarding, where relationships are critical and maintaining an experienced staff is essential.

Her company was voted 2017 member of the year by the Project Cargo Network whose 232 forwarders in 102 countries rate each other's performance on joint international moves in an annual quality control survey.

In one such move, Convoy worked with PCN members Farcont Project in Ukraine and Gruber Logistics of Germany on an urgent three-country shipment of 10 outsize cargoes from the US to a power plant site at Chernobyl during Christmas.

The long process of sales, bidding, winning, and executing transportation "life cycles" for project cargo requires relationships built on "trust, continuity, reliability, and nonstop education," Asciak said. "Margins are tight today, but logistics providers have to look beyond the price and connect all the dots on the services and solutions provided."

Forging these relations starts with deep research and asking engineering as well as logistical questions. "From a packing standpoint, are there final shipping drawings available for new cargo? Or if it is used, has it been modified, and are the drawings up to date? Can the cargo withstand vibrations, and does it have suitable lifting and lashing access points that meet all rail, road, barge or vessel rigging requirements? Or do the components need to be disassembled and shipped separately?"

Though there always are basic questions, Asciak said no boiler-plate checklist can cover every aspect of planning and pricing a project move. "Every move is unique, totally different, intricate, and we have to identify the client's requirements whether they are spoken or unspoken or even unknown at the time," she said.

For example, it's important to establish not just the cost but the terms of financing. Knowing, how Convoy's client, the shipper, is being paid by its customer is as important as how she is getting paid, Asciak said.

Does the shipper have any liquidated damage clauses in its contract where there is charge - either a flat penalty or a percentage of the value of the contract - imposed if the cargo arrives even, say, a day late? On complex project cargo shipments, there are so many little details that can cause a delay, there can be great exposure for the shipper and the logistics provider."

"The revenue model for big logistics companies is to streamline the job and put people in single faceted tasks they can repeat, perfect, and improve productivity."

The glue in the relationship is having a proposal - and a contract - that identifies and addresses all the inclusions and exclusions on a move. "What services, precisely and exactly, will be provided? Asciak said. "What are the parameters, conditions, timeline, and what are the exclusions and circumstances where additional costs and risks could be incurred, leaving nothing to chance?"

Asciak entered logistics after earning undergraduate degrees in political science and commerce. She spent the first half of a near 30-year logistics career learning the ropes, first as a commercial analyst for TNT Skypak, an Australian-based express courier company, and then as a business development manager for three Canadian international freight forwarders.

In 2002, she left her post as Toronto branch manager of Transera, a Canadian projects logistics provider, to join project cargo startup Convoy Logistics as managing director and a junior partner. She bought out her two senior silent partners nine years later.

Staff knowledge and expertise is key to project cargo, Asciak said. "Employee turnover is a killer in the project cargo market because assignments take months and years," she said. "If a key person leaves you or the client early on or midway into the project, the interruption can be disastrous. It's not just a process where someone picks up where someone left off."

Jim Lindsay, project manager at EMS-Tech, a Belleville, Ontario, engineering company that designs and builds ship loaders and vessel offloading equipment worldwide, said Convoy is organized and detailed-conscious. "They will say, 'This is Plan A, but if it goes south, this is Plan B and Plan C. Plus, the people involved in the planning are also on site at the final moment until the job is completed."

Small and medium-sized forwarding and logistics firms such as Convoy must "invest" in their employees, to make the job interesting, give them pride of ownership and treat them well, Asciak said. She maintains this can be easier at a small company.

"The revenue model for big logistics companies is to streamline the job and put people in single-faceted tasks hey can repeat, perfect, and improve productivity." she said. "So when three is turnover, the replacement can step in and learn the task quickly to keep things running smoothly.

"At Convoy, we immerse employees into the whole scope of the project, from stem to stern, so they have continuity and a big-picture perspective," Asciak said. "The guys on the ground in Brazil where the cargo is discharging are the same guys who built the cost sheet in Toronto, who liaised with all the vendors - from truckers to stevedores to vessel owners to rigger."

Email: chris@cbarnmedia.com