

INTERVIEW: UMER SHAMS ARAKKAL, REGIONAL HEAD OF X|VISE INNOVATIVE LOGISTICS

How long has Xvise Innovative Logistics been active in the Middle East market?

Following our successful launch in Austria around 10 years ago, the Xvise management team has searched for opportunities to expand its business into other parts of the world. The growth of logistics activities in the Middle East,



Africa and Asia was particularly impressive and a decision was made to launch a central office at Dubai Airport Free Zone to overlook these regions. That was back in 2006 and we now have a dedicated team of consultants with expertise in procurement, warehousing, distribution, transportation, and project management.

What are some of the common issues that customers need to address in this region?

A number of companies are looking to boost their productivity and need the advice of experts to help with the restructuring and reorganisation of their operations. In some cases, a strategy has already been implemented and failed, so it's a case of damage control. We also receive a lot of interest from companies that have allocated a budget for new technology solutions or material handling systems, but need assistance with the selection process.

How much of a concern has the global recession been for customers in 2009?

The logistics industry has not experienced this level of recession in the past 50 years and companies are searching for ways to restructure their operations and keep their costs under control. At the same time, it's still essential to

maintain service levels and honour any prior commitments. This is where a consultancy firm can provide their expertise and onsite management services.

What are your predictions for the future of logistics activities in the region?

I think the United Arab Emirates has set a benchmark for the rest of the Middle East to emulate in terms of infrastructure, customs regulations, freight forwarding, warehousing and transportation. However, under the global recession, there will be a short-term drop in warehousing and transportation prices and when that's combined with a fall in demand, I think the 3PL sector will be involved in a price war. In the long-term, the market will start to grow, although the pace will be slower and steadier than the previous 10 years.

How will Xvise prepare for this growth?

Dubai will remain our central base for the Middle East, although we're also looking at market opportunities in Saudi Arabia, Kuwait, Jordan and other regional countries. In addition, we feel there is definitely scope for Xvise to introduce its specialisation in the Indian subcontinent, which holds a lot of appeal.