

On-line freight exchanges have promised much — can this one capture the imagination?

New service urges hauliers to find trucks/loads online

By Jack Semple

The firm behind the successful online site Courier Exchange is moving into the freight mainstream with the aptly-named Haulage Exchange.

Transport Exchange Group managing director Lyall Cresswell says the Courier site saw 50% growth in January against the same month a year ago and shifted 100,000 consignments in 2005.

Members estimate that more than one million consignments were additionally moved last year as a result of the exchange, which has 1,500 subscribers.

Also in 2005, around 150,000 vehicles to be filled notices were also posted on Courier, which has been live for seven years.

Cresswell wants to repeat the formula with Haulage and sees a potential membership of 5,000. The software reflects the sector's greater diversity.

Key differentiators from other freight sites, he says, are that charges are purely subscription-based, with no pay-as-you-go or commission element and that members



are accredited, with company details displayed including O-licence details, insurers' names and goods in transit cover limit, and any ADR certification. Firms can also display quality accreditations and customer testimonials.

The system is pro-actively managed, Cresswell says. Members build star ratings based on feedback from other subscribers, up to five stars. Stars can be deducted as well as awarded and subscribers can be taken off the system. "Three complaints in a defined period normally results in suspension or removal."

A prominent role in this regard is being played by Luke Davies, a traffic planner with the SOL arm of DHL Freight who had worked on that company's Danone contract.

The exchange posts loads and vehicle capacity, including the length of load deck available if a truck or trailer

is part-loaded. Rates are excluded, however — they are negotiated between subscribers.

Also, the system notifies subscribers automatically of posts that match their home postcode and any other areas specified interest on the day. Communication is by a variety of options, including SMS message.

Shippers are excluded from the system but hauliers, forwarders and contracted freight managers can join.

Subscription rates for Haulage are set at £1,000 a year per depot, which allows full access to the basic system and database.

In addition, there are online services related to administration, including VAT invoicing and PoDs, which are charged separately. These have proved popular on Courier.

Cresswell says his new system will come into its own in consignments for three or more

pallets although he expects even ones and twos to be posted. This clearly will give some hauliers an alternative to pallet networks, which have been driving up their consignment size as they pursue growth.

"The market is now ready for Haulage Exchange," he says. "We are giving a low-risk, low-cost, high-value entry into a world you couldn't get into on your own."

Relationships in the industry are fragmented and so-called contracts frequently change.

"Hauliers have to collaborate and everyone, even owner-drivers, can have broadband internet access," Cresswell says. Even the biggest companies are a collection of small entities, he notes.

Cresswell's firm has also joined Fret Alliance, which has independent freight exchanges in France, Spain and Italy.

Posts on the Haulage Exchange so far include a batch of loads from Benelux to Ireland which Cresswell understands to have been worth more than £500,000, and steel on flat-bed trailers with goal posts.



Loads can be matched to journeys

Sweeping up part-loads

One of the most interesting aspects of The Haulage Exchange is "Journey Sweeper", a function that follows a vehicle along its intended route and times and identifies any appropriate freight along the route, typically with a diversion of up to 15 miles.

The system uses the NavTech digital map of the UK.

This could improve loading factors substantially, matched with the ability to identify not only empty but part-laden vehicles.

Constraints on the efficiency gains include unnecessarily tight delivery "windows" which are already causing firms to double-handle close to rdc's rather than run more efficient direct deliveries, Cresswell notes.

Early days, but initial reaction is positive

Haulage Exchange members so far include Bruce Express, trading as Bells (Group) Services, where transport manager Mike Skidmore says it has been "extremely successful" for his business in its first month.

It has greatly reduced the need for phone calls out to find loads for the firm's 30 trucks. Skidmore praised the detail on the site and the after-sales support, which currently extends to active load/truck matching by the Haulage Exchange.

He expects the site to flourish as numbers grow and says it would be a shame, as well as a surprise, if it didn't.

Scottish haulier Robert Wallace joined the site on Wednesday last week and gained his first load on the Friday.

He was bringing 18 pallets from Lichfield to Glasgow for £350 and was able to pick up a further eight pallets in Nottingham, adding £200 to the run. The main load tipped on Friday; the eight pallets had to be tipped on Monday at premises 15 minutes from his yard.

"It's a good way of making contacts with like-minded hauliers," says Wallace, who operates six lorries.

Part-loads are prominent on the site at present,



Six-truck RD Wallace Transport found an eight-pallet load soon after subscribing last week.

members said.

Dave Humphrey, director at RA Haulage in Edmonton, north London, says his firm joined four weeks ago and it

had filled in occasional gaps with loads from sectors it doesn't normally work in, such as air freight. His firm runs 14 trucks, mostly

doing palletised full loads for "blue chip" companies.

The system isn't exceeding his expectations but is meeting them, he says.

RJ Edwards, which does ambient work for several supermarket suppliers and is a consolidator for Iceland, joined six weeks ago because he thought he'd have a quiet January; but director Trevor Edwards says he hasn't had time to look at the system because he's been "snowed under" with demand from customers.

The company is looking to take more trucks and drivers into its 20-truck fleet.