



SOLVING YOUR INDIA FREIGHT PROBLEMS

Historically characterised by old infrastructure, disconnectedness from global supply chains, and unpredictable ready dates, manufacturing in India has had its problems. Combined with its challenging geography and monsoonal climate the result can be long lead times and supply chain uncertainty, putting off many from doing business in India.

The Indian government is attacking these problems with vigour by investing in industrial corridors, smart cities, training and export incentives to promote advanced manufacturing processes and ensure the development of the nation.

This could not come at a better time for many Australian companies as they reconsider their reliance on a single market approach. The global shock of COVID-19 underscores the need for built-in redundancies in international sourcing - a hot topic of discussion for governments and businesses alike.

Emerging as an attractive hub for foreign investment in the manufacturing sector, India is poised to become an exciting new opportunity for many businesses.

Until then there remains a need to solve the problems associated with seafreight from India.

LONG AND UNRELIABLE TRANSIT TIMES

Given the nature of India commodities, most importers opt for seafreight. But the long manufacturing lead-times and transits from India manufacturing hubs often become a source of anxiety for many importers, especially those with urgent requirements.

The high cost of airfreight only puts them between a rock and a hard place.

The recent reduction in airfreight space due to restrictions on passenger travel has meant importers who do choose to airfreight have seen a significant surge in rates to levels not previously seen.

From India, there are still very limited services and at the time of writing, airfreight rates are still high.

With little indication of an increase in airfreight space in the near term importers unaware of Air/Sea options from India are left to make the choice between frustratingly long transit times and unaffordable airfreight rates.

Air/Sea services are not commonly offered by forwarders as they require specialist airfreight knowledge and strong partnerships at origin to create tailored solutions that meet an importer's need.

Not all forwarders do things this way.

AN AFFORDABLE WAY TO GET THE BENEFITS OF AIRFREIGHT

Magellan has many solutions for the cost-effective movement of cargo.

An Air/Sea option to suit non-urgent airfreight or urgent seafreight, can reduce airfreight costs by at least **45-50%** and significantly cut your seafreight transit time too.

Air/Sea is more cost-effective than airfreight and provides faster transit times than ocean freight. It retains all the value-added services standard to our airfreight service with substantial savings on the overall transportation costs, whilst maintaining a good transit time.

Our clients benefit from flexible routing options, global coverage via strategic Air/Sea hubs and end-to-end visibility across all modes. An indication of the reduced transit times costs compared to airfreight can be seen over.



Your supply chain is one of the most critical parts of your business – you should always be looking for ways to improve it.

Choosing a logistics partner you can trust to navigate in this uncertain environment is essential if you want to get ahead and stay there.

Visit us at
www.magellanlogistics.com.au

Transit times ex-door Mumbai to Australia			Saving on airfreight only
	Seafreight	Air/Sea	Approx.
Melbourne	36 days	25 days	45-50%
Sydney	36 days	21 days	45-50%
Brisbane	36 days	24 days	45-50%

Transit times ex-door Delhi to Australia			Saving on airfreight only
	Seafreight	Air/Sea	Approx.
Melbourne	44 days	25 days	45-50%
Sydney	44 days	21 days	45-50%
Brisbane	44 days	24 days	45-50%

A carefully chosen logistics partner with a successful track record in India can help you overcome India supply-chain complications. Our exclusive long-term partnership with one of India's largest privately-operated forwarders give you the advantage of a local contact on the ground with the experience to manage the India end of your logistics.

- Consolidation services from all major airfreight hubs, Delhi, Chennai and Mumbai
- Private bonded warehouse provides for flexibility and control around clearances, inspections and quarantine
- Coordination of cartage, cargo insurance, warehousing and customs bonds

As one of Australia's leading airfreight forwarders we have the deep operational airfreight experience and expertise to develop the right range of services to meet your specific requirements.

Full end-to-end supply chain management, including clearance and transport, allows you to realise the speed-to-market benefits of airfreight at this time.

CASE STUDY:

INVENTORY PROBLEM SOLVED WITH AIR/SEA

The impact of COVID on Indian supply chains has been severe. Capacity constraints, absenteeism, production delays and challenges in receiving raw materials have caused more than a few headaches for homewares, textiles and apparel importers.

Not the least for our client – a leading apparel retailer. Their supplier's factory was faced with these issues which resulted in a two week delay with the planned vessel departure/arrival. The next sailing would not have allowed the garments to make it into stores ahead of the Christmas trading season causing embarrassing stock-outs of advertised goods and reputational damage to the businesses. An airfreight alternative meant the stock arriving earlier than needed and unsustainable extra cost.

Our Air/Sea solution saw the shipment uplifted from Delhi two days from goods being ready, connected in Hong Kong on the intended vessel and arriving two weeks earlier than the seafreight arrival date from India – slotting in nicely with the inventory management plan.

Better yet, the 47% reduction in freight costs (compared with airfreight) preserved the profit margin.

Smiles all round. But above all our client was freed-up to get on with what they do best instead of troubleshooting logistics glitches.

Contact our team on 1300 651 888 if an Air/Sea solution could be the answer you're looking for.