



KANSAS CITY IS LOGISTICALLY CONNECTED

TECHNOLOGY PROMOTES TRANSPARENCY AND EASE OF BOOKING IN LOGISTICS INDUSTRY

When booking an airline flight, the common practice today is to jump on a laptop or mobile device and check out a variety of offerings on Travelocity or Orbitz. Viewers see many different airlines and choose the best fares, then can book a flight at the push of a button, all in real time, without talking to a single customer service rep. Why can't this same simplicity and transparency be offered in the freight world? That's the question Kevin Childress and Wayne Auer asked, and not surprisingly, they now offer an answer to this puzzle. Their response is called FreightorGator, and it can be thought of as the Expedia of the LTL market.

Childress is CEO of MyFreightWorld, a third-party logistics provider (3PL) that offers full truckload, LTL, and specialty shipment services. Auer serves as Chairman of the company, and together they are trying to introduce new concepts to the logistics industry.

“Our target is the occasional shipper – maybe one or two pallets a week. That is a huge market, though, estimated at 100,000 to 200,000 shipments per day,” Childress said.



“FreightorGator is, admittedly, a little bit ahead of its time,” Childress said. **“We are introducing some disrupting ideas.”**

The biggest “disrupters” in the offering are its transparency (showing multiple quotes from different carriers), anonymity (no sign-ups required for quotes) and its use of yield management. Yield management is the practice airlines use to continually adjust prices based on timing, demand and convenience. As time marches toward a holiday, prices rise. When demand is the most slack, such as a Tuesday or Wednesday, prices drop. If a plane nearing takeoff is not full, it’s bargain basement time. Yield management is not widely practiced in the logistics industry, and FreightorGator is seeking to change that.

“We want to create an ‘exchange’ where carriers can post pricing, and customers can book shipments without human intervention,” Auer said. **“Carriers do everything on a fixed price system now, but we’re trying to bring transparency to the freight world. We’re after the LTL shipper who currently has no buying power – since they are paying full retail price.”**

Customers with many shipments each week require the hands-on services of a 3PL, and this is the market for MyFreightWorld (www.myfreightworld.com). But for the segment that ships infrequently and doesn’t engage a 3PL, yet still needs track and trace, visibility and transparency, FreightorGator (freightorgator.com) offers these services on a mobile device or desktop at the simple push of a button.

“We created an elegant front end for FreightorGator, but it uses the backend (data system) of MyFreightWorld,” Childress said.

KANSAS CITY AS A TECHNOLOGY HUB

Childress, who spent 20 years on Wall Street, says Kansas City is an ideal location to launch a market-changing product.

“Kansas City is a wonderful location for transportation. It is almost like the perfect storm – a nice technology culture, centralized location, and in a major railroad, trucking and airline hub,” he said.

Auer added, ***“There are more people devoted to the technology end of the freight business here than any other city. The culture here is much more receptive to solving freight issues.”***

With that technology edge, Auer said the future will focus on taking the human element out of freight.

“You gain tremendous efficiencies when you minimize or eliminate paperwork, minimize keystrokes, and minimize touchpoints,” Auer said. **“We’ve done it in healthcare, why not transportation? The opportunities are unlimited.”**



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