# Business Plan for SendIt(Logistics) app for CPEC (China-Pak Economic Corridor)

& Better than Uber Freight

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#### Introduction

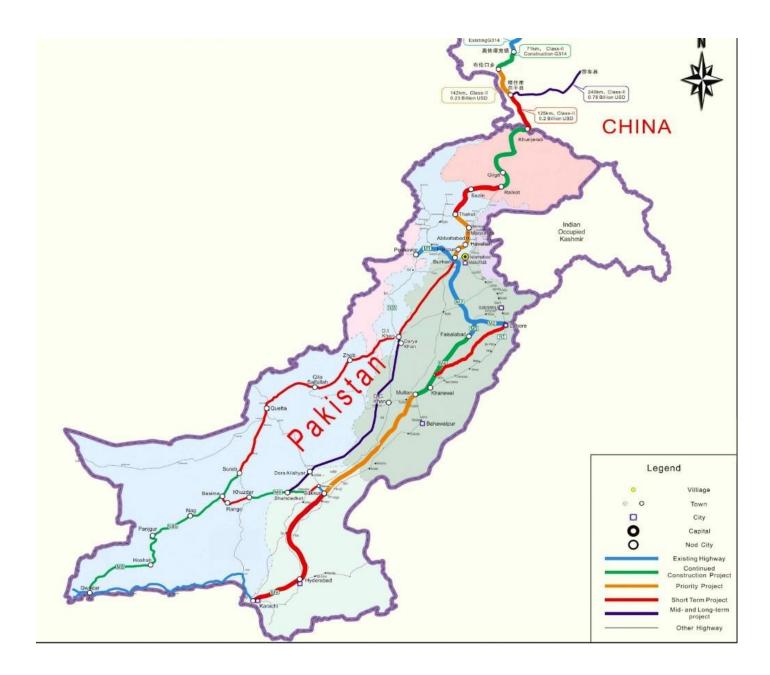
The following document was prepared as a result of an extensive analysis to identify the sectors needed to be developed, to cater to the demand created by the mega-project China- Pakistan Economic Corridor. Due to shorter access to the water and development of Gwadar port, China being one of the biggest world traders has brought a huge investment of 76 Billion USD for the Logistics sector in Pakistan.

Out of \$76 Billion, \$46 Billion have been invested already on various energy/power projects and infrastructure in Pakistan in the form of Motorways, Highways, and railway tracks. Here's what "Ministry Of Planning Comment On The Speech On CPEC By A US Diplomat"

http://www.cpec.gov.pk/news/204

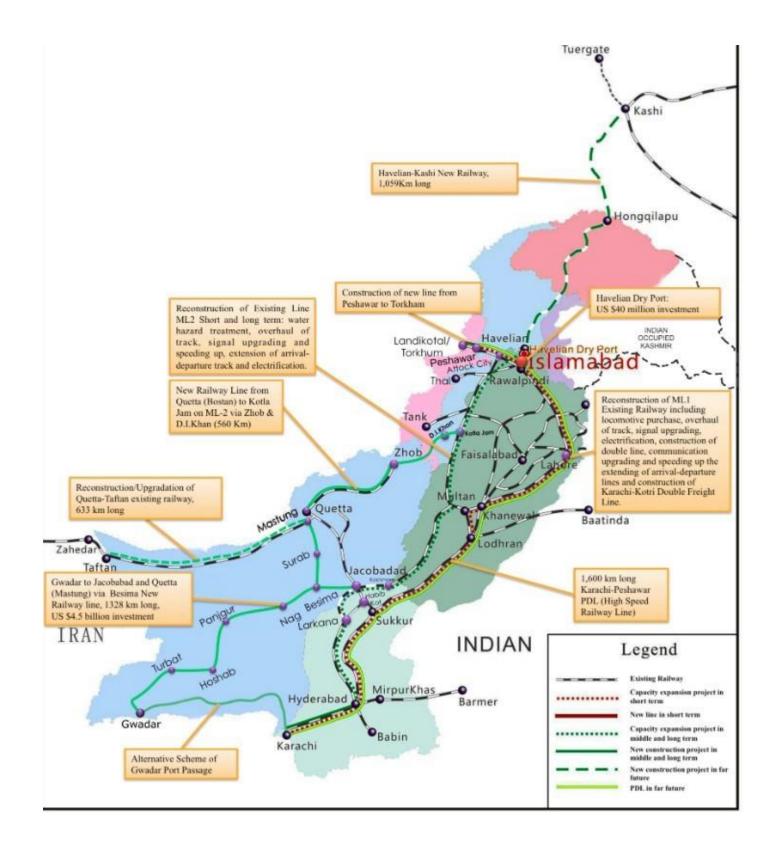
The Highway network of CPEC;

http://www.cpec.gov.pk/brain/public/uploads/maps/Highway-Network-of-cpec.jpg



Railways network of CPEC;

http://www.cpec.gov.pk/brain/public/uploads/maps/Railway-Network-of-cpec.jpg



The Send-it app will be used as a bridge between local-foreign transporters, Multinational Companies, Suppliers, Vendors, Customers, Drivers, and Investors to directly take advantage of the biggest infrastructure in the entire continent (Asia) or around the globe. People will use this app in their own way to interact with each other and communicating with each other in their own native languages. This app will translate/convey each of the perspectives/needs of one stakeholder to the others to fulfill their local needs using natural language processing. This app will also be used for booking shipments, freights, warehousing, Tracking vehicle and shipments on the mobile devices, important deliveries using drones from China, Russia, India, Afghanistan, Tajikistan, Iran to the entire world.

Please watch What CNN says about this CPEC contract;

https://www.youtube.com/watch?v=lyXZYyvDpQQ

https://www.youtube.com/watch?v=p3P3phdEibY

#### **Brief Description of Project and Product**

The Send-it app is aimed to facilitate more than 200 million potential users from all over the world investing(time, resources, money) in CPEC from China, Pakistan, Russia, South Asia, Afghanistan, Iran, and middle eastern Asia and Europe. China is the biggest player and using the CPEC route for more than \$4 trillion by trading Cargo of 15 billion tons annually to the western world. Almost 900 thousand potential tucks, freight carriers are taking part in this giant venture. Around 20 million people will get jobs directly and indirectly through our app as the potential market is so enormous. According to the economic survey, 47% of these trucks are 2-3 axle rigid trucks, around 25% are multi-axle while articulated trucks are 28%. Instead of trucks, Drones will also be used in this project to deliver critical goods to the Gwadar port.

14 warehouses are also ain	med to build besides the	ne send-it app at	different cities:
----------------------------	--------------------------	-------------------	-------------------

|--|

- 2. Gilgit Baltistan
- 3. Muzaffarabad
- 4. Peshawar
- 5. Islamabad
- 6. Lahore
- 7. Dera Ismail Khan
- 8. Multan
- 9. Quetta
- 10. Panigor
- 11. Sakhar
- 12. Hyderabad
- 13. Gwadar
- 14. Karachi

Our tracking device will be with each truck/vehicle using our SEND-It app(tracking device can be a vehicle tracker having GPS or we can install our app in smart phones of individual drivers)
Tracking devices maybe 10,000-20,000 or more connected to our app.
Potentially 50 drones can be used in this venture from the warehouse to the warehouse.
We will Track each vehicle from Kashghar (China) to Karachi and Gwadar (Pakistan).
Our app is a complete 3PL supply chain management.
Almost 100-200 Marketing persons all over (136 cities) Pakistan who will reach out to truckstand owners drivers, and shipment owners helping them to get familiarized with a very simply designed app.

Digital/E-marketing will be used in this project too (Facebook, Twitter, Google, and in-appads).

The total project cost is 29.65 million USD. Including the capital cost of **21148200** million USD and the working capital of **6636175** million USD. Given the cost assumptions, the Internal Rate of Return(IRR) and payback are **15%** and in 6.6 years respectively, hence making the project viable.

NOTE: Our earning is through in-app advertisements and shipment commissions. (3-5% initially), referenced in financials.

#### **Work-Flow and Concept of Send-it App**

The basic workflow of our app is very simple and effective so that everyone can use our app.

The working model of the app is: <a href="https://cloud.protopie.io/p/a199027dca">https://cloud.protopie.io/p/a199027dca</a>

#### 1. Splash Screen.



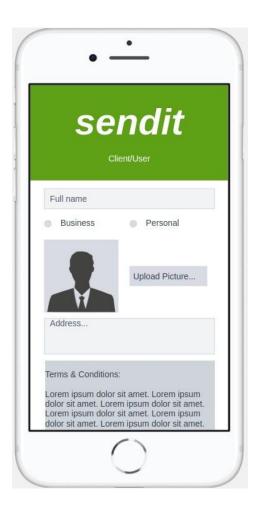
2. Sign up and login screen.



- 3. Sign up has 5 major plans.
- 1. Clients/Users
- 2. Companies
- 3. Contractors
- 4. Drivers
- 5. Partners



4. Sign up as a client.



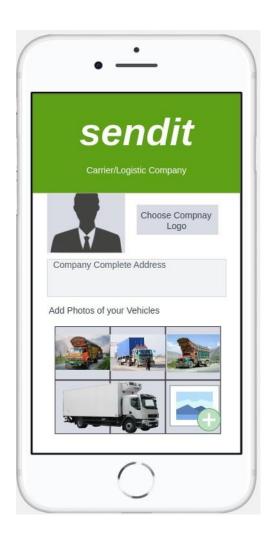
Sign up as a Company.

Part 1. sing up



part 2 of company sign up.

Where they can upload their truck, carrier photo as well



Part 3.

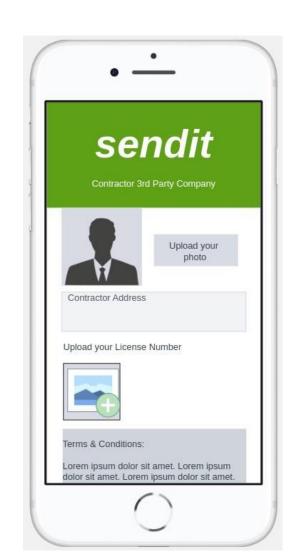


5. Sign up as a 3<sup>rd</sup> party contractor.

Part 1.



part 2.

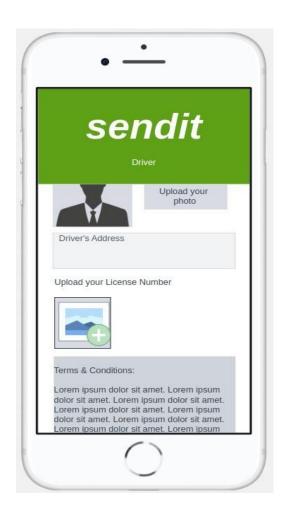


6. sing up as a driver.

Part 1

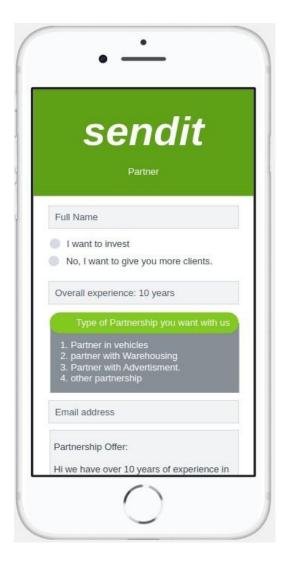


part 2



7. Sign up as a Partner.

Part 1



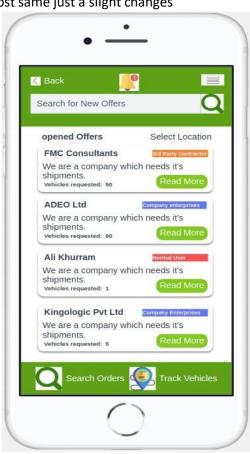
part 2



8. Client profile and placing an order



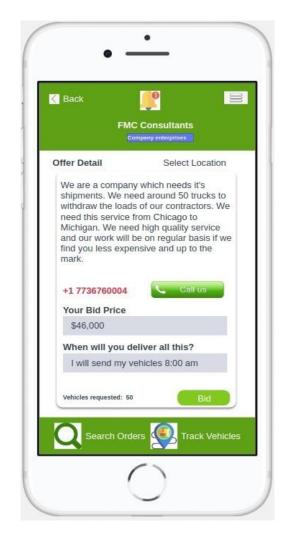
9. Company, Contractors, drivers, and partners profile and dashboards are almost same just a slight changes



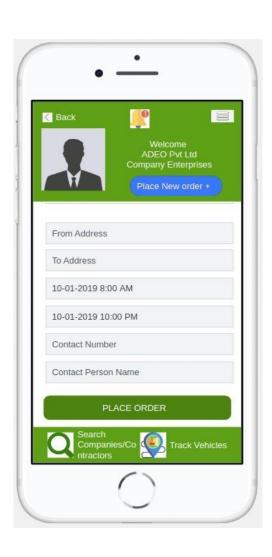
10. Search new offers, orders and shipments screen is as follows.



11. Client/company offer details are as follows;



12. Placing a new order can be done as follows;



13. Accepting and rejecting an offer/bid is something like this;



14. Real time map tracking can be done something like Uber or better than that;



#### **Introduction to Warehousing**

Warehousing & Storage is primarily used by producers and manufacturers, importers and exporters, wholesalers, retail sellers, delivery and transport companies, customs, and many others. They are mainly focused on operating stocking and storing of general merchandising goods, fast-moving consumer goods, refrigerated and frozen goods, and many other warehouse products. As a warehousing & storage provider, the company ensures the storage of goods and their security as well. Most warehousing & storage companies offer alongside their main focus other services such as logistics and distribution of the stored goods that consist of labeling, pricing, packaging, transportation, etc.

#### **Warehousing Concept**

A warehouse is a physical location where goods are stored for a period of time. It is an essential part of the logistics network with which products are delivered from manufacturer to end customers. The warehouse can have different functions within a supply chain. This function depends on the type of products that are stored and the particular demands of the next party in the supply chain. Specific logistics warehousing concepts can be applied in order to gain cost efficiency and increase customer service, and in this way become important marketing tools. Examples of these warehousing concepts include cross-docking or merge-in-transit concepts. Below are a few examples of functions that can be fulfilled by a warehouse:

#### Central Distribution Location

In this concept, the warehouse serves as a central point in the market from where goods can be ordered by customers or by regional warehouses for replenishment. One of the advantages of a central distribution location is the lower cost of interest and storage.

#### Cross-Docking Centre

Cross-docking means using just-in-time scheduling so that products can be moved from the receiving area through staging, and onto a transport vehicle without ever having to be physically stored. Advantages are the profiting of inbound economies of scale and savings on interest costs and storage costs.

#### • Flow through Facility

In this concept, the warehouse functions as a facility where value-added activities take place after vendors have supplied (semi-finished) products. After these activities, products are supplied to the market.

#### • Merge-in-Transit Center

In this case, several vendors supply different components of a product to the warehouse facility. The complete product is assembled in the warehouse and is ready to be shipped out to a customer.

#### **Vendor-Managed Warehouse**

In this concept, the vendors manage their inventory themselves, but share the same facility and sometimes share the same IT-system. After a customer places an order the client of the vendor becomes the owner of the goods in the warehouse and sells the product immediately to the end-customer. The project is related to setting up a warehousing facility with the following detail:

#### **Technology:**

Shipping and transport services have been utilized for centuries, making logistics one of the oldest and most established industries around. However, the tech boom of the 20th century has dramatically enhanced our ability to track and protect products as they move around the globe. Whether you're shipping within a specific city, area, or across the country, keeping your cargo safe and secure using the latest technology is a top priority. Here's a look at three logistics technologies that have completely changed the shipping and transportation industry:

#### Real Time Inventory and Shipping Reporting

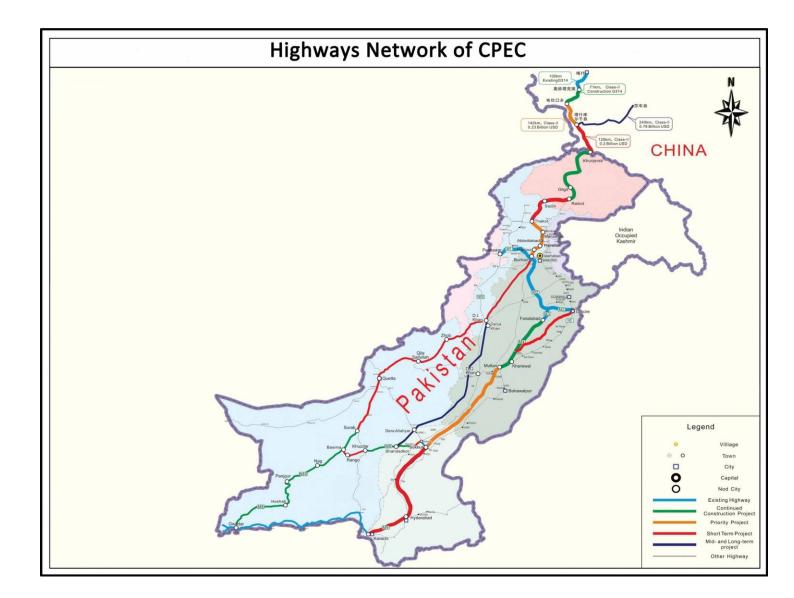
Real-time data has utterly developed the way that information is shared and used throughout the world. Today, the logistics industry is faster, leaner, and more efficient than ever before due to improved networking and IT capabilities. Today, logistics operations are the key to a successful warehousing, trucking, or distribution company since industry leaders and their clients rely on quick access to the most accurate information.

#### Transport Equipment and Vehicles

The logistics industry simply would not exist without the vehicles and equipment that make moving your cargo possible. Modern logistics is built around the utilization of a wide variety of trucks, storage equipment, and specially designed facilities that are essential to the safe and efficient transport of items around the country. Without them, your cargo would literally be at a standstill.

#### **Location:**

С	Our warehouses will be mainly in these areas a map view shows a better understanding of this;
	Khunjrab
	Gilgit Baltistan
	Muzaffarabad
	Peshawar
	Islamabad
	Lahore
	Dera Ismail Khan
	Multan
	Quetta
	Panjgor
	Sakhar
	Hyderabad
	Gwadar
	Karachi



#### Product

The warehouse provides storage services to the products on a temporary basis. Warehouses serve as points in the distribution system at which products are received from suppliers and quickly shipped out to retailers/distributors or customers. In some cases, such as with distribution centers handling perishable food (e.g., produce), most of the product enters in the early morning and is distributed by the end of the day.

#### Target Market

The target customers of a warehouse business can be local manufacturers, multinational companies, Importers & Exporters, farmers, minerals & mineral products, dairy & dairy products, meat & meat products, transporters & logistics companies and government.

#### Employment Generation

The proposed project will initially provide direct employment to 50 persons. The minimum 2000 indirect employment can be easily generated depending on the businesses using the facility.

#### Profitability

The Financial Analysis shows that businesses will be profitable from the very first year of the operation.

#### **Warehouse Process Flow**

#### Merchandising Receiving Area:

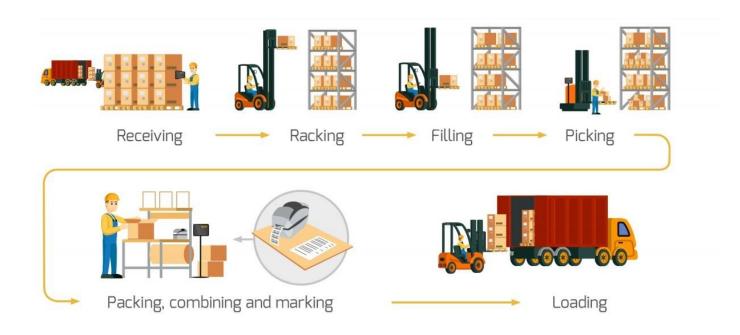
The area is specially designed for receiving goods/merchandise for storing. A docking station on each gate is built for the purpose to load and unload the merchandise. The number of containers or packages of materials unloaded/received from the carrier's vehicle is checked against the carrier's manifest (freight bill or delivery order) to ensure that all the full consignment or order has been delivered. All containers or packages of materials are also inspected for external damage; any damage found is inspected by the carrier's representative and noted on the receipt where the receiving clerk signs. Failure to follow this procedure before accepting a shipment or delivery can relieve the carrier of all liability, except liability for concealed damage not evident until the container is unpacked

#### Merchandising sorting & Storage area:

In this area, the received goods are sorted according to the nature of the goods and the shipment plan of the merchandise received Warehouses store a wide range of products and it is up to the warehouse workers to sort the deliveries out and group the same type of products together. Sorting the deliveries also facilitates record-keeping and filling of orders when the time comes to ship the merchandise to end-users.

# Picking & Packing Area Shipping Area





#### **Installed and Operational Capacities**

The warehouse will have an operational capacity of 22,258 square feet /Year for storing out of the total 27,822 square feet. The remaining area measuring 5,564 square feet is used for passageway/ material handling areas.

#### **Critical Factors**

The following factors should be considered thoroughly:

- Right selection of location, the area must have a central location and have proper road infrastructure/ links.
- Design and size of the warehouse according to the market requirement
- Facilities, compliance, tools & proper equipment for (handling, loading and Unloading)
- Selection of trained human resources
- Acquisition of land and contracts at competitive prices.
- Ability to generate work orders through networking, direct marketing, and negotiating long term contracts.

#### **Geographical Potential for Investment**

Geography endows Pakistan with the potential to reap huge economic gains by becoming a hub for regional trade that will have spillovers for economic growth. Moreover, local demands by large manufacturers, multinational companies, and importers for storage their products increase day by day. Furthermore, warehousing businesses can benefit from the China-Pakistan Economic Corridor. Chinese exporters can benefit greatly by utilizing warehouses on China Pakistan Economic Corridor or near the Gwadar Port helping them to minimize the storage cost and reducing lead times. Since no basis for demand estimation is available, the number of warehouses required cannot be assessed. However, if Pakistan is to develop Export Processing Zones, Special Economic Zones and Industrial

Parks alongside the trade corridor, 100 modern warehouses are assumed to be established, initially. The warehousing segment is expected to provide employment to 200,000 individuals.

### **Potential Target Customer/Markets**

