

# GemCap acquires Linebooker from Oceana Group

African Rainbow Capital Investments subsidiary, GemCap has announced that it has acquired online transport management business, Linebooker from Oceana Group Limited. The investment being made by GemCap will provide a springboard to expand and grow the existing business and its digital solutions within the freight and logistics sector.

Linebooker, through its interactive mobile friendly bidding platform, provides customers with instant access to multiple pre-approved transport companies. This not only ensures the best price of the day but also alleviates vehicle shortages over periods of high demand. The customer enjoys access to the Linebooker execution desk where a dedicated logistics coordinator oversees the execution of their load.

The transport industry is currently fragmented and not guided by pricing standards. This is further exacerbated by limited - to no transparency between customers and transport companies alike. The opportunity presented by Linebooker is a real-time logistics application that efficiently and transparently matches trucks to loads.



## Investors notice Africa's transport and logistics opportunities

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The company was established in February 2017 as South Africa's first commercial, online transport bidding platform and to date, has completed more than 3,400 loads. Over 100 reputable commercial transport companies have joined the Linebooker platform. Collectively, these transport companies have a truck compliment of over 5 000 vehicles that essentially make up a 'virtual fleet' that can meet customers' transport demands within an hour of posting a load request. The company has built up a strong base of repeat customer transactions, resulting in impressive growth quarter on quarter.

Linebooker is a Level-2 BBBEE company and offers customers a single creditor solution. The value proposition also extends to transport companies. Transporters have access to more customers, this assists with business expansion and alleviates vehicles returning empty. The transport company deals with a single debtor and is not subjected to any broker markups.

Commenting on the transaction, Nick Hoffman, chief operating officer of Linebooker, says, "The investment by GemCap is significant in that it gives us the scope and capital to expand our service offering and logistical reach to benefit customers and transporters beyond the borders of South Africa."



Nick Hoffman, chief operating officer of Linebooker

“Much of our success can be attributed to the transparent nature of our online platform and operating model – coupled to the fact that we have been able to show our customers savings of between 12% to 21% on their existing transport costs,” added Hoffman.

Given the rising costs of transport from fuel costs to insurance, the ferrying of goods from point A to point B remains the most significant portion of logistics costs (58%). Today, more than half of the cost of products can be factored back to transport and delivery - and ensuring goods are at the right place, at the right time.

“Our straightforward business model has alleviated companies’ workloads by saving them time on sourcing their own transporters – whilst also cutting the costs of high broker fees,” notes Hoffman, “As a transport management company, our business model is not a means to drive up competition within the transport sector but rather to improve efficiencies across the sector. We also drive down the unnecessary costs associated with empty vehicles returning from deliveries and provide real revenue generating opportunities to growing transport operators.”

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