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Challenges in GCC logistics market offers tremendous scope for automation

Dubai, UAE: Growing challenges in the GCC logistics market is presenting remarkable scope for automation in the region's materials handling industry, while current levels of mechanisation within the sector is relatively low, new research has revealed.

A survey by analysts Frost & Sullivan of more than 200 logistics end-users from various industries across the GCC indicated that there is strong intent to adopt automation in warehousing and transportation to improve operational efficiency and processes.



According to the survey, forklifts are the most popular forms of mechanisation in the GCC logistics industry, with 37 per cent of respondents indicating they use this equipment, followed by coding and labelling devices (34 per cent of respondents) and warehouse trucks (26 per cent of respondents).

However, the overall opinion within the GCC logistics market is the level of penetration of automation is low, with over half of the survey respondents saying they don't use automated technology in their logistics operations because such systems were too expensive.

Looking to reverse this trend and capitalise on the latent demand for automated and semi-automated technologies will be the world's leading materials handling systems suppliers at **Materials Handling Middle East 2015**, taking place from 14-16 September at the Dubai International Convention and Exhibition Centre.



The biennial **three-day event** is the wider region's only dedicated trade and networking event for intralogistics, warehousing, supply chain management, freight and cargo, and will feature more than 150 brands from 17 countries.

"Automation of materials handling processes will become increasingly prevalent in the regional logistics industry as it rapidly scales up to meet the needs of the burgeoning market," said Ahmed Pauwels, CEO of Messe Frankfurt Middle East, organiser of **Materials Handling Middle East 2015**.

"The tangible benefits of automation include the faster transit of goods through the supply chain, processing accuracy, minimised manpower, and quality control. The long-term benefits and cost-savings far out-weigh the initial capital outlay, and we expect a growing number of regional buyers to source the latest technologies to suit their business needs at Materials Handling Middle East."

Among the headline names at Materials Handling Middle East with automation featuring prominently in their portfolios are Daifuku from Japan, and SSI Schaefer from Germany. The powerhouses are the world's top two materials handling systems suppliers, and the only two providers that surpassed US\$2 billion in revenue in 2014.

Other Top 20 worldwide materials handling systems suppliers with a strong focus on automation include Spanish company Mecalux, Swisslog and Kardex Remstar from Switzerland, and US-headquartered Bastian Solutions.

Meanwhile, Austrian first-time exhibitor LTW Intralogistics will introduce to the Middle East for the first time its turnkey intralogistics systems, including stacker cranes, conveyor systems, and software.

CEO Konrad Eberle says he believes the Middle East is ready for its cutting-edge technology: "The Middle East is a fast growing market where we are expecting growth of 15 per cent every year," said Eberle. "We think the Middle East intralogistics market is ready for the technology we offer, and we're seeking firms in every sector that wish to optimise their warehouses with regard to automation, in particular pallet warehouses with high capacity and turnover."

Automated storage and retrieval systems provider Kardex Remstar will be at Materials Handling Middle East 2015 to launch its latest range of warehousing features, including a shuttle vertical lift automated storage system; vertical carousel automated filing system, and mechanical mobile shelving filing system.

UAE-based powerhouses Kanoo Group, Al Futtaim Motors, General Navigation and Commerce Company (GENAVCO), SPAN Group, and Al-Futtaim Auto & Machinery Company (FAMCO), will also be out in force to showcase their latest brands.

New features at Materials Handling Middle East 2015 include the **inaugural Warehousing and Materials Handling Conference**, a two-day summit analysing key growth drivers and restraints, emerging trends and their impact on the regional materials handling industry.

Another highlight is the 1st Materials Handling Middle East Awards, where the industry's heavy weights will be recognised and celebrated among industry peers.

materials handling

MIDDLE EAST

Show Profile

Materials Handling Middle East is the region's only exhibition for the Materials Handling industry, covering products and services in intralogistics, warehousing, supply chain, freight and cargo. The biennial three-day event focuses on solutions for the six main sectors that are impacted by the materials handling industry, including logistics, FMCG, Automotive, Retail, Pharmaceuticals, and the Oil & Gas industries. Materials Handling Middle East 2013 featured 152 brands from 17 countries, and welcomed 3,370 visitors from 55 countries. The 2015 edition will put a spotlight on the latest international materials handling solutions, with a strong emphasis on automation and information & communication technology. www.materialshandlingme.com