

Navis growing through acquisition

Navis has acquired Biarri Rail, part of Biarri Group, a wider transport software company established in 2008 in Melbourne, Australia.

Biarri Group specialises in mathematical modelling for decision-making tools, including data analytics and predictive modelling, across various industry sectors. The company has grown and set up several subsidiaries, including Biarri Rail and Biarri Logistics.

Navis, part of Cargotec Corporation, is acquiring the Biarri Rail business only. In an interview with *WorldCargo News*, Scott Peoples, Navis's chief acquisitions officer, said Navis sees a number of strategic benefits flowing from the acquisition. In the first instance, it increases Navis's presence in the rail vertical, including in the intermodal rail and on-dock rail sectors. Biarri is also a pure software-as-a-service (SaaS) business, which aligns with Navis's own strategic direction, and is a best-in-class application.

On another level, Peoples emphasised that adding Biarri brings in broader competency in optimisation techniques to the wider Navis group. The Biarri Group competes with Quintiq and other optimisation specialists, many of which are involved in planning and scheduling for logistics applications, including container logistics. Access to Biarri's strong optimisation capabilities at the enterprise level will, over time, "pair up well" with the optimisation capabilities in Navis's marine terminal solutions. The acquisition "increases our commitment to optimisation research and mathematics", added Peoples.

Following the acquisition, the Biarri Rail team will continue to operate out of its Melbourne and Chicago offices, under the direction of existing CEO Tom Forbes. Navis will continue to use the Biarri name for a period of two years, after which the business will be rebranded as a Navis product.

Reaching into rail

Biarri Rail has experienced a period of strong growth. Its clients include GE Transportation, Freightliner in the UK, Union Pacific, Kansas City Southern Railroad, Aurizon, Pacific National, Tas-Rail, Qube, Freightliner and Rio Tinto, among others.

There are synergies with Navis on several levels. In Australia, Biarri is working with Qube on its Moorebank Logistics Park project, where Navis is also providing software. In the US, Biarri has a presence with the Class I railroads that Navis lacks. The N4 TOS, and SPARCS before it, are not currently used by any of the US Class I railroads to manage their intermodal terminals. At one point, Navis did have a project with Norfolk Southern, but *WorldCargo News* understands the railroad does not use Navis software today.

Biarri's footprint with railroads opens up new opportunities for Navis as those railroads look to adopt more sophisticated yard management systems for intermodal terminals. Navis sees an opportunity to increase its presence in yard management at these facilities. Peoples said the market needs software ranging from a "light" application with a simple UI, all the way up to N4 for terminals such as Moorebank that are implementing automated equipment. There are opportunities in the market today, he added, and Navis' proven capacity to deliver multi-terminal solutions "is of great interest".

There is also the opportunity to broaden Biarri's products and services. Its key applications, Boss Rail Ops and Boss Loco Ops, have been designed to interface with other railroad systems and data inputs, including the railroad's train management system, to optimise assets across the network.

The larger Class I railroads in particular have extensive applications that are either built in-house or by contract developers. While these might include functionality that could be covered by applications from within the expanded Navis portfolio, the key for Navis is to build a relationship with Class I railroads so it is "present and valued when it comes time to re-platform some of these applications", said Peoples.

These opportunities might not be im-

Acquiring Biarri Rail adds a SaaS platform with advanced planning, scheduling and optimisation functionality to broaden Navis's offering

mediate, but Navis is prepared to play the long game. Peoples stressed that one of the main reasons Navis decided to acquire Biarri is its reputation with clients, and this is something Navis will be looking to leverage and build on.

Wider supply chain

The acquisition is also a move by Navis to mirror the strategy of lines and terminal

operators as they seek to become logistics providers. "The real bullseye of the Navis strategy is to help our core customers that are looking to become end-to-end logistics providers," said Peoples.

Industry leaders such as Maersk, CMA CGM and DP World are all very familiar with Navis, and are also looking to a broader, end-to-end logistics strategy. At the moment, the applications that cur-



Kansas City Southern Railroad is using Boss MP Loco, Biarri Rail's cloud-based locomotive master planning software

rently plan and manage different modes and terminals across the logistics chain are siloed. Navis has made earlier acquisitions to expand its reach into these silos on the vessel side, and now, with Biarri, in rail.

The fact that Navis's parent company

Cargotec agreed to the deal at the same time as it is exploring ownership options for Navis is a strong indicator that it is looking for a buyer with the same, much wider focus than core marine terminal operations. □

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