Intro/Outro (00:05):

It's time for supply chain. Now broadcasting live from the supply chain capital of the country. Atlanta, Georgia heard around the world. Supply chain. Now spotlights the best in all things, supply chain, the people, the technologies, the best practices and the critical issues of the day. And now here are your hosts.

Scott Luton (<u>00:32</u>):

Good afternoon. Scott Luton here with you on supply chain. Now, along with my cohost Greg white and a special co-host Kara Brown. So welcome to today's episode. Got a special one in store today. We're talking with a business leader whose team is focused on one simple goal, optimizing carrier operations for both organizations and the environment. So stay tuned for an outstanding and very informative conversation. I should say, low first to Greg and Kara guys. How are we doing living the dream? Likewise, I'm doing great. I was going to see how you're going to talk that grant. Likewise is always a good go-to but great. Great to have you both here. I know everyone's been busy at crazy starts a year, but I'm really excited to have this conversation. We've got teed up today before we welcome in our featured guests, Greg and Kara. I want to make sure folks, Hey, if you enjoy this conversation, make sure you find supply chain now, wherever you get your podcasts from and subscribe.

Scott Luton (<u>01:28</u>):

So you don't miss conversations just like this one. And guess what? Greg money back guarantee free subscriptions, free money back guarantee. How can you go wrong? All right. All right. So with no further ado, I want to bring in our special guests here today. Farah Ali, chief technology officer, and co-founder at freight web Farrah. How are you doing hi, happy new year, happy new year. Great to have you. I've really enjoyed doing a little bit of homework on you and, and, and freight way, uh, freight web. I'm giving you the name, but you know, you've got a fascinating journey and we're really looking forward to sharing a lot of that with our audience here. But for starters, Greg and Kira, let's get the story on Farah. You know, where'd you get your, your origin story, you know, where are you from and give us an anecdote or two about your upbringing.

Farah Ali (<u>02:17</u>):

Yeah, sure. So I'm, I'm more of an outsider when it comes to the logistics industry. I'm an immigrant. I moved to the U S when I was in my twenties, I grew up in Pakistan, did all my schooling there. Then most of my college there, um, moved here, worked at Microsoft on a work. Uh, I'm now done and you got married, have two beautiful daughters. So Seattle is where I call home, but you know, all my growing up influences and my family's all from Pakistan. So it's a very interesting mix of cultures. And I always tell people, I feel like, you know, I don't belong anywhere and I belong everywhere. So it's a very nomadic upbringing.

Scott Luton (<u>02:53</u>):

It's got to be a great way to be. And, and so your two daughters, we're gonna talk about your professional journey in a minute, but their interests, have they shown any of their cards?

Farah Ali (03:03):

Yeah, so they're, uh, they're 11 and six and a half, you know, at this age, if you have, it's a big deal. So she's not six she's six and a half. And you know, since my background is engineering and technology have always been big on, you know, STEM for girls and I do a lot of volunteer work. I have actually a

nonprofit that I run. That's very focused on, you know, women in computing. And so I've tried to get them interested in just robotics. We do a lot of sort of, you know, robot kits, uh, on weekends, I got the boat started in scratch coding. Um, my older ones are Python, so I'm trying to like really influence them. Uh, but now I'm at this point where I'm like, I have to do it more. I have to be sly about it. So they don't sort of, you know, rebel it because they're like, that's what mom wants me to do.

Farah Ali (03:47):

But, you know, speaking of gaming, there was a great summer camp. I think the year before last called, um, goes, make games. And I put my in that and I think that was fantastic. Cause you know, they got to play games and then they not together as a group, they came up with a theme for a game that actually made the game presented to a group of people. So all kinds of learning there. So I'm hoping that they do something in STEM. Um, I, you know, if it's space engineering, I wouldn't, but whatever they want,

Scott Luton (<u>04:16</u>):

I love that mix of skills. It sounds like that they experienced at the camp, both technical and, and kind of your traditional, uh, tangible skills. So before we moved to Cara and walked through your professional journey, let's talk about living in Seattle. Is that where you live now?

Farah Ali (04:31):

Right? I do. Yes. That's correct.

Scott Luton (04:33):

What an incredible city. What's your favorite part about, you know, residing there and the city of Seattle?

Farah Ali (04:40):

I dunno. I mean, I think, uh, it's just a very different vibe, very different culture. You're, you know, you're in a tech company, but it's, it's a slower pace than say Silicon Valley. And you know, I kinda like the gloomy weather, like the rain. So I love that it's, it's mostly or cast and there's no sun, so I'm actually a very Seattle person. I got to do a lot of traveling when I was growing up. My, um, my father was in the airlines and the, uh, national airlines in Pakistan. And so one thing that was always a constant was we were changing schools and houses and I was traveling a lot. And so, um, I've seen a lot of the world and you know, when I come to Seattle, when I go somewhere and come back, it really feels like home. So I think that's just, you know, it, it feels like home to me. I love it.

Scott Luton (05:25):

One last question. I lied. One last question. So when you think about your upbringing and the international upbringing that you were just speaking to and, and what you do now, you know that the journey you've been on, is there a one or two things you can point to that maybe your, where your family had an impact, your parents, or maybe the surroundings? What do you think helped you carve that path?

Farah Ali (<u>05:45</u>):

I think, well, I definitely think there was a lack of role models actually. And so it was more about, you know, when somebody would tell me, this is not something you do, or this is not something women do

or girls do. I think it has kind of that opposite effect. So it did make me more sort of wanting to prove it to others. So maybe a lot of my initial trying to do things started that way. Um, I remember, I think it was in maybe like eighth grade or something and there was this like a space scam and like this remote area in Pakistan and I'd found an ad for it in the newspaper. And I went to my dad and I said, you know, I really want to go and there's a test and can we go? And he was like, okay, you know, and then, so we went and there was like thousands of kids and we were all, you know, and it was like maybe five girls or something.

Farah Ali (<u>06:28</u>):

And, you know, I didn't think there was anything weird about that at all. And I gave that test and I actually got selected. I was one of 10 girls and there were 20 boys. And I went in, was camping, um, in the space camp in Pakistan, Northern areas by myself for about two weeks, no parents. And I think, you know, stuff like that, where I think my, my family was very progressive and very sort of, I never had, you can't do something because of, you know, who you are because we don't have money or whatever. So I think the, the fact that, you know, there are all of these possibilities out, there was just always something that I believed in. I don't think it was true, you know? So in a way it could have led me down a very different, horrible and disappointing path, but I'm glad it worked out.

Scott Luton (07:10):

I love that. And it sounds like we're just scratching the surface on that upbringing. So maybe we'll have to circle back, but Kara let's, let's dive more into, uh, Berez.

Kara Brown (<u>07:20</u>):

Yeah. I live at Cara and Farrah, so great bear. I love the comments on like being the only woman sort of in the, that was the only one, but we, one of the few women in space camp, right. It seems like that's sort of been your mojo ever since then tell us about everyone. I feel like women or men have some sort of story about how they ended up in supply chain. Right. There are very, not that many, few people there are more now that does sort of make the decision early on that they're going to go to school for supply chain, but like me, I'm sure you have a story of how you sort of ended up in the space. I'd love to hear about sort of how you got to where you are today.

Farah Ali (07:58):

Sure. I mean, I wouldn't say supply chain was a passion that was born, you know, my natural inclinations, always mentor math and science. And so my, my background, I have a computer science degree. I was at Microsoft out of college. I did everything from shrink-wrap to online services, to machine learning. And then I was at eBay where I got that first sort of, you know, worked with anything logistics or last mile. I think definitely got a sense of how complicated things are. Like I remember working with sellers in Asia Pacific and, you know, thinking through like cross border trade issues. And I remember being on these phone calls with like China post and Hong Kong post to integrate them. And, you know, just, just like getting our processes through with the so hard, right. Everything is just so just with globalization, there's just so many more complications.

Farah Ali (08:44):

And so I think getting a better sense of, you know, what last mile issues are, what are with, you know, very housing, your own or outsourcing integrating at skills, you might be a very different stage in your tech turning and you're integrating with someone who's in a very different stage, either higher or lower.

So I think definitely saw the tech challenges. Didn't see as much of the business challenges before from a global point of view, definitely us centric and EA got to do a lot more with scale. So I was responsible for the platform that basically you provision and manage every service for every game. That's internal to us, every studio that wants to, you know, build, let's say first person shooter like FIFA, right? So FIFA needs identity and leaderboards and matchmaking. And so how they actually integrate with the same stuff, what they would do through our team and any external, uh, you know, publisher that wanted to publish with the AI game maker, they would go through our platform.

Farah Ali (09:38):

And so I learned a lot about scale and about, you know, using tech as a tool for, you know, driving business forward. And so when I met will, and when he decided to coupon fate web, I was really looking at my journey from like moving from third or developer tools to search, to logistics, to gaming. I'd always moved domains, but I kind of kept that core of like, I'm really good at technology and really good at machine learning data to solve problems. And I thought that transportation in general and logistics tech, there's a lot of opportunity, you know, and if I said, like the gaming, when I, when I got into it was, you know, 10 years behind the tech industry, uh, I could say their transportation and trucking is maybe 20 years behind, you know, the gaming industry. And so 30 years behind the tech industry, which means that there's a lot of maybe barrels that you can draw on in low fruit, that you can come and solve for, that hasn't been solved for.

Farah Ali (10:28):

And then there's a lot of deep tech problems as well. So for me, it's more about looking at tech challenges. And then, you know, when I got into sort of the business side, I mean, the rule of thumb is it's trucking or transportation is about 4% of GDP if any country. So that's, that's about 800 billion for the U S right. And that's huge. And about 560 billion of that is for hire trucking, which is the space that we're in. You know, there's just, you know, just 1% of that is huge, right? And so there's just a lot of places where you can add value. So that that's kind of my dream.

Kara Brown (<u>11:00</u>):

I had a boss a long time ago who told me, even though we were growing a business, that there was no way that we would ever be a leader in the marketplace because there physically couldn't be a leader in the market. This is specifically brokerage because it's just too big. And it stuck with me for a long time that it's just the power of the marketplace is so massive. Did you have any sort of experiences or key positions sort of, as you were building your career, that it really shaped your worldview for either your entrance into the supply chain space or specifically how you think about your customers or freight web? And I know Greg will go into sort of really specific questions on what freight web does, but just sort of you and how you developed your worldview. Did you have some, like moments of this is, this is why I think this way,

Farah Ali (11:49):

I think, yeah. I guess I'd have to go back to the tech cause I always look at, you know, what is something that I can do that maybe other people can't do as well. And I think that is kind of my secret sauce or whatever, my subject matter expertise. And I always thought that, you know, for example, I'll give you an example from eBay. When, uh, when I joined, we were looking at, you know, introducing sort of shipping science machine learning into shipping, and we said, okay, how do we drive business? How do we drive more opportunities for the marketplace? Um, and we said, okay, you know, what are some

variables? You have your ship cost in ship time and on a marketplace like eBay, you have sellers. And so you really are dependent on their handling time. So if you bought something from a seller, but they don't ship it until three days later, that really doesn't back to your, your end deliverance.

Farah Ali (<u>12:35</u>):

So we said, okay, can we look at all of this massive years of data that we have and predict the delivery, right. So can we actually say like, these sellers are going to be shipping this stuff in, you know, four business days or less, and then they will have free delivery as well. And then can we give anything that comes up for a search query? Like if you say, you know, Canon DSLR will rank stuff higher that has, you know, that can go in four business days or less and has free delivery will give a different treatment. We'll give those sellers a higher sort of ratings. So they are incentivized to keep their handling time low. So they're incentivized to offer free delivery. And so things like that where you, you actually are impacting your in a cross-merchandising volume that is going through the marketplace, you're impacting business metrics through say small tech innovations, right?

Farah Ali (13:20):

Like that's not a revolutionary idea, but at the time it was right. And it was a very simple way to sort of drive effectiveness. And so I think I look at that as, okay, I can look at data, you know, there's no central place where you can go and look at sort of every carrier's data across the ecosystem and how the care is performed across, you know, across the 17,000 brokerages in the U S and that's, if you had that data, you would be in a much better position to really address, you know, the quality of the carrier, right. Versus sort of thing. Here's how they did, you know, with broker a and broker being in broker seat. Um, and so I think just looking at data, making it more transparent, but also making it very easy to digest the metric that you're you're tuning for so that, you know, people can be data-driven and then they can be very actionable. And how, when that data changes, they're like, Oh, my business, isn't doing well because X, Y, Z, let me go work on these things. Um, so I think that's, those are the kinds of things like, Oh my God, so geeky, but that's probably what drives me.

Kara Brown (<u>14:22</u>):

I love it. I'll take all those supply chain geeks in the world, for sure. Most of them have been on those podcasts at some point. Exactly. Farrah, do you have like a, maybe in the last couple of years, as you've been building freight web and learning more about carriers specifically, and, and the supply chain market, less from the sort of, of the shipper side and more from the carrier side, have you had sort of a Eureka moment of understanding of sort of Holy cow, this is the Holy grail, or, you know, a moment that really made it sort of all clicked for you?

Farah Ali (14:59):

I mean, I'm still learning. So I don't, I don't know enough to be able to say I have a Eureka moment and I know it all, it would be, I would be lying, but I think that, you know, at least to me, it seemed, you know, with they don't, you know, w brokers and shippers talk a lot about, you know, carry relationship and relationship. Like, I hear that a lot. I see that on thing. But when I talk to the carriers, I really don't feel that they have that sense of stickiness, or they have that sense of loyalty. They will work with any broker, any shipper who will meet their criteria. And so, and, you know, and then there's a lot of demands on like, you know, technology that they have to use ELD tracking. And, you know, you're talking to a guy with four trucks or two trucks, it's, you know, they're, they're just heads down trying to run their business.

Farah Ali (15:43):

They don't have time for that. And so when we really talking about relationships, I don't know if we really think about helping carriers and truckers really make a business out of what they're doing. Um, and you know, when you, when you look at the data, it's, I think the number is something like there's nine close to 900,000 for hire trucking companies, 97% of that, or 20 trucks or less. So, I mean, somewhere in that ballpark, right. That's huge as a huge fragmentation there. And so what can we offer them? How do we build not just loyalty, but like, you know, can I go to a trucker and say, you know, I can guarantee you, you know, X dollars of freight every month, here's a check at the beginning of every month. And if you, you know, if you, if I meet your criteria, I booked this much freight for you.

Farah Ali (16:26):

Is that good for you? And if you do at least, you know, because we're thinking through freight forever, like, you know, could we build something like that where we say, if you do at least 10 bookings through us, you know, we'll provide you this thing. I don't see anybody, for example, looking at insurance health insurance, or worker's comp, you know, that's a big deal for some of these smaller companies. And so, you know, I, I think there's a lot more, we, as an industry have to do to really treat, you know, these smaller one to 20 trucking companies and even want the somebody five and 150 as businesses, and really trying to help them because, you know, you know, a lot of them are just, they fizzle out in a year because it's just so hard to keep a truck running. So that's my biggest takeaway is, you know, how do we provide the incentive to the carrier so that they will provide tracking and on-time delivery and all those things, because they are getting very clear ROI from that. And it becomes less about, Oh, they don't like tech, or they don't use tech. Right. It's like, okay, what's in it for them. Can we, does that mean they get a top carrier rating on eBay if it wasn't E-bay right. Um, so that's kind of, my Eureka moment is I think, I think we have to think through a lot more about our, our trucking side or our supply side of the market.

Greg White (<u>17:33</u>):

There's a couple of things that I would call Eureka moments there. One is the data, right? Of course the value of data these days is so clear and transparent. I mean, we evaluate companies all the time and, you know, they may have a functional or an play, but where the real opportunity is, is in the data, right? So your engineering mind, clearly engineering mind, I think, is, is natural and, and very beneficial to supply chain in that. And we see that. So often people who are engineers getting into supply chain, I know it's probably hard for our listeners and community to believe, but more of us went to space camp then went to supply chain camp as kids. Right. I can't think of one person of, you know, kind of our generation, who's going, gosh, should I be a race car driver, a rock star, or a supply chain professional.

Greg White (<u>18:28</u>):

Right. But, but that recognition is good. And also with them, right. What's in it for them. Right. So that, I think that's important. And that is the key to breaking through, especially, I mean, if, you know, I have not been familiar with the trucking industry, my whole career, I was in retail for a long time. And what I often said was here's the PO you guys go off to that dark room and find a truck to get it here on time. And I don't care who I, I don't care about the relationship. I just care about the relationship with my supplier, getting my goods here on time. So that has shifted, as you said, with the shippers, that's really impressive and that they recognize the value of that. But so, so you talked a lot about empowerment of these companies and enablement through data and your awareness of what's in it for them. So, so tell us a little bit about how you manifest all of those learnings in, in your founding co-founding of, of freight web. What of that, of those learnings does this deliver on? I'm curious.

Farah Ali (19:33):

I think we looked at, you know, we first looked at the data, we looked at the market size, so we said, okay, there's a lot of room. Even if we mess up, there's a lot of room for that too, in here. Right. So just the sheer addressable market size was one huge draw in learning. The second is there's a lot of public data available about our supply chain about transportation. There's there's data that, you know, every truck that goes on the freeway has to get weighed at the weigh station. And so there's data available about that. And it was looking at that and, you know, you know, one thing was like, there's just so much waste in this 50% of trucks are, you know, less than half full or, you know, there's one out of four is, is, is 50% full. And three out of four are, you know, 75% full or something like that.

Farah Ali (20:14):

And so, you know, we looked at that and we said, that's a huge, like, uh, the meat came up with like some number, like \$265 billion worth of opportunity. You know, you're transporting air, I'm sure we can do something better with it. And so I looked at that and said, okay, there's just, there's stuff that, you know, it's going to be better for the environment. It's better for the trucking company. It's better for the shipper. It's like everybody benefits. So why are we not solving this problem, this optimization problem. And then maybe my gaming mind went into it. Cause I was like, well, this is like Tetris. I mean, it's not, you know, you gotta, you gotta put the puzzle pieces together and you, they, you know, it's, it's, it's, uh, it's not as easy as it looks. So there's a lot of, you know, first in, first out, how do you actually plan the trips and stuff, but it's, it's a doable problem.

Farah Ali (20:57):

And so kind of looking at that, and then just looking at, there's a lack of transparency in terms of data there, they're not regulations. You don't, you know, you don't, you don't have to abide by certain things, which is okay, but that doesn't mean you don't have transparency, right. Because everybody learns, everybody becomes better. And so when we initially started with, um, lush, can we take, you know, LTL and partial shipments and match and combine them to optimize and Billy's better truck loads, right. Can we do Tetris there? And so we started, you know, um, building tech for them that, for that matching problem specifically into the partials and combining, we actually had a really cool, we have a really cool up patent pending hardware tech. Yeah. Essentially this rack that you can, that has this adjustable shelving and it has an IOT device. And so, you know, if you have a six foot thing and a three foot thing, you can actually know stack it without damage.

Farah Ali (21:47):

No. And you can think of electronics and paint cans and hazmat material. Like there's a lot of things that could be useful for, and we build it so that they're nestable and stackable and they're lightweight enough and they can go in the truck itself. So we kind of looked at like, you know, how can we optimize this, you know, drive in for cube that nobody's ever changed. Like, you know, we have all this innovation yet. The trucks never changed. Like, you know, nobody's thought about those things. And so we looked at kind of every aspect of it, and then, you know, we didn't plan for COVID, so COVID hit. Um, and then what we realized, and just in terms of running a company is the, the partial matching really only works with volume. And so when we're not able to see those volumes and renew any, we really can do a good job.

Farah Ali (22:29):

You're essentially then shipping partials and a half full trucks. So we're not really solving the problem, but we were able to prove that with our tech, that we can actually solve the problem. And if we add the racks to it, you know, there's 20% more capacity on the truck that you can utilize. And so we said, okay, what's the next step? Like, how do we, how do we actually operationalize this? And we started talking to shippers and three PLS and brokers, and we really narrowed into, you know, brokers. And what I realized is that, you know, they're actually a pretty underserved community in terms of tech because they don't have, you know, you have like ch Robinson, which is what, 20 billion, annually and fate, right. And then you have like next one down is very different. And then you have these 17 to 20,000 brokers that are all across the spectrum.

Farah Ali (23:13):

Right. And so you're, you know, 50 million a year revenue broker does not have a tech team. Um, even if they did, they wouldn't know how to get some of this data, hire machine learning person and all of that. And so, you know, we just sort of looked at, you know, how do we help these brokers compete with all these online brokerages and digital brokerages and, you know, how do we actually make it so that then they are able to run their stuff more efficiently? And that helps the supply. They're able to, you know, they're not focused on the margins as much because they are actually using texts. So in margins are much better. And we found that there was a lot of, you know, resonated a lot with the brokers. And so that's kind of, you know, we did it, if you will, from, you know, just looking at your partials. So looking at them partials and full truck load for, with brokers, primarily presence repeals, and then connecting them to supply for this, for this Tetris problem,

Greg White (<u>24:06</u>): What it does basically Tetris for a trailer.

Farah Ali (<u>24:09</u>): Right.

Greg White (24:11):

Is there an example that stands out in your mind because I'm visualizing something, not sure I'm right. Is there a particular problem that you've solved?

Farah Ali (24:22):

So w we have a internal, uh, dev team sort of a code word for it. They say it's like the Tinder for trucks. So essentially that's how you can visualize. So

Greg White (<u>24:34</u>): We have,

Farah Ali (<u>24:37</u>):

l guess,

Greg White (<u>24:39</u>): Right.

Farah Ali (24:44):

Essentially a matching problem. There, there probably is. Maybe we should brainstorm after this, but, but it's really, there's a magic problem. So what we do is we say, look, we're going data about supply, right? And so we have, you know, transactions from multiple shipments and multiple customers, and we can dynamically score a carrier based on those transactions. So instead of a broker, just knowing about the carry within their ecosystem, now we know it across the ecosystem. So think of the barrels with like eBay. We think of it as a, as an E-bay for freight brokers, where you have a common reading for the carrier, and that's a dynamic scoring for the carrier that changes with every shipment where, you know, we have better on-time delivery data about them customer satisfaction, data about them. We know their safety ratings, and as they change and, you know, pricing, as we know more pricing data, we can say, how good are they, how accurate within a certain variance?

Farah Ali (25:38):

And so what we try to do is, you know, with trucks, that's, as simple as that, it's an automated source thing and capacity platform and detect platforms, uh, trying to be the middle person. We're trying to solve that tech problem for anybody who wants to find that capacity, but we're trying to do it in a very quality driven way. So it's really looking at, you know, I care about like, you know, for example, a customer we work with, they only care about, you know, as long as I meet my equipment type criteria and you know, they're on this lane, you know, that's it, but there's other more sophisticated customers who say, you know, we want to know what small businesses exist. We want to know which businesses are green. We want to know that, you know, there someone that we've done repeat business, or they have done repeat business on this lane, we know that they've moved recently.

Farah Ali (26:25):

How many trucks have they moved to this name? Right. So we have very sophisticated ways of matching, but then we have the ability to let the customers specify what's important to them and we've made that hire. And so I would say that the four key things that probably we provide are, you know, this, this, this proprietary matching algorithm and then matching, and then converting that into. And so we do the whole transaction flow, right? You have the documentation and tracking and all of that. And then this pricing, we actually estimated what we think the current market price should be, what your book now price, uh, should be what your bidding price you initial and reserves should be. And so that's something that, and both, all of these are self-learning. So they're not static models, the more transactions to the system, the better the stuff gets.

Farah Ali (27:08):

Right? So the pricing for example, is going to be really good for driving flatbed and reefer right now, because we have more of those because as we get more, let's say, step deck or whatever, you know, we'll get better there. And then the third is this, the carrier reading. Um, and what I learned in talking to some of like big customers is internally, some of these big customers have a concept of quality. They are scoring, but that's not very common because it's just not liquid data across the industry. And so we can provide that as a standard. That's something that's very valuable because their customers can, can see how this carrier performs across the ecosystem. Right? And so that's something that's dynamic. So if a carrier moves from 80% on-time delivery, most of the time to 85 to 90, that brings their score up. And then that brings that incentive thing into play because they see that better for freight.

Farah Ali (27:58):

And then the fourth piece is where I think that's the biggest area for opportunity is actionable insights. So how do we help these companies become more data-driven right. Can they say like how this is increasing? Not just their efficiency, but their yield, right. Can they actually do twice the number of transactions because now they have their team and then they can do, you know, 50 or a hundred percent more online, right. Without humans, I can, they track things like how many shipments completed with no errors, with no payment issues and then just their network optimization. Right? You can show them like, this is, these are the people you've worked with. This is how stuff has been good. These are people that, you know, you've always lost money with or whatever have you. And so really helping them decide, like, you look at that data and you plan for the new year and you sort of track that metric. So really optimize it within your own ecosystem to, uh, there's just tons and tons of, I think that, you know, we're just scratching the surface there on the, the data analytics piece.

Greg White (28:55):

Uh, th that that's a really important component. I'm sure you face a little bit of headwinds in this industry, as you said, not naturally transparent, sometimes a little cash grabby. Right. You see a lot more people bragging about hustling and bragging about making big bucks than you do about providing great service. Uh, you know, just, just the casual observations I've made on LinkedIn and some other social media, but I think it's great that

Farah Ali (29:20):

Why is that? Why do you think the, the, you know, there, there's a lot of bragging about hustling and Sindustry which I'm like, well, that's what I, thing probably break.

Greg White (29:31):

I think that's, I think that's a really good point because I mean, you're really addressing, I mean, a lot of the hustling is inefficiency, right? It's, it's what could be an unnecessary phone call or an unnecessary inquiry or an unnecessary explanation or apology for failed service. Right. And, you know, it's kind of like ages ago, I worked for a company that got an award for customer service, which told me we had terrible preliminary service. So we had to have great customer service. And

Scott Luton (<u>30:03</u>):

W w along these lines, Greg, what was interesting is how fair I mentioned earlier in an earlier segment, how, as she's taught as her teams, talking with the carriers, despite all we hear about, about this massive appeal for relationships, and I'll admit I'm in that camp, but what she's finding, what the data's telling her team is that it's not there on the carrier side. And it's probably my hunch, uneducated hunch is, is it's, it's a lot of what you are. Two are both speaking to. Yeah.

Greg White (<u>30:32</u>):

Yeah. It's hustling. They, I mean, these small carriers, the ones that you're talking about, Farrah, I thought about that too. Scott, when, when you mentioned that fair and these small carriers, they got to eat, right. And, you know, we hear from some everyday host way, we're almost Scott immediately comes to mind and what Nerf and their Vich and his team are doing comes immediately to mind. And some of these folks, they have to run in order to eat. And, you know, the relationship with their shipper, isn't nearly as important as the relationship with their wife and family. And, you know, in the, in the grand scheme of things, what I see this is as is a leverage point that allows them to be more efficient and more effective and more timely, um, without all the hustling.

Scott Luton (<u>31:20</u>):

Right. Right.

Scott Luton (<u>31:21</u>):

I would just like to point out fare is the first guest in, uh, that I can recall. That's turned the tables on. Greg said, well,

Scott Luton (<u>31:31</u>):

You think that is Greg. Really? It was someone's last time. We've heard that. I love that. I don't know the answer. So, but you know, what I think is

Greg White (<u>31:41</u>):

It's interesting also, and fair, we just got off a call with Mike Griswold. Who's an analyst of VP analyst at Gardner. And a lot of what we talked about, you've kind of touched on here. Some of it is we talked about how certain positions have ascended to the C-suite, the chief supply chain officer, the chief technology officer. And even though the chief technology officer ascended to the C-suite ages ago, we were talking about how you used to hear the conversation about what the business people think and what the technical people think. And I think what you've demonstrated here is that tech, technical people, technology people are also the business people, because you've talked a lot more about the business than the technology. So in as much as that's the case, I'm curious, what is a day in the life of far Ali look like

Scott Luton (<u>32:37</u>):

It's a jumble, it's a, isn't it.

Farah Ali (32:42):

So I have, uh, so, you know, this is my first startup, as you know, I'm the CTO and the co-founder. And so with a very small team, a lot of my time is spent doing kind of everything. And so I think initially a lot of has been on how do we build the systems? You know, where do we, you know, do we use cloud native or what do we do there? Um, what tech stack we should use. And then as kind of we hired the right people. Then I have, you know, more senior people who can kind of drive some of the technical discussions themselves. I just come in when, you know, a tiebreaker or they need my help, you know, thinking through a problem. Um, as I spent a lot more of my time now on the algorithms on, you know, figuring out like, how can we make things smarter because that's something that's going to continuously evolve.

Farah Ali (<u>33:25</u>):

So I spent some time there, I think primary, uh, primarily I'm talking to our customers every day. So I do a lot of my time with them because that's kind of how I know what to build next. So it's really a very customer feedback driven. And that's where I'm getting a lot of what I'm talking about is, is from them or in the issues that they face. You know, they want access to more capacity. They want quality over quantity. They want actionable insight, you know, they're, they're not, I mean, some of the stuff you said about, you know, people bragging about, you know, how they're doing great and how, you know, there's, there's fraud or people not sharing. I actually, when I'm talking to the customers, I don't, you know, I don't have that sense. Like I think the, the, like the broker customers, they're very open to doing all kinds of stuff.

Farah Ali (<u>34:08</u>):

They're very open to sharing their data. I thought the hardest thing would be to get them, to give their data. They're like, well, we won the past three years or the five years, you know? And so I think we really hit on a nerve. Like they really need that help. They're saying, you know, we understand that if we are to survive, some of them, you know, like, listen for us, like if we need to grow to be able to, you know, we need to be able to be more efficient and we need to be able to get more yield. We can't just rely on, you know, just taking more of that margin because then we can do the right thing. Right. And it's not, you know, the brokers also trying to just make sure that they're running their business. I don't think they're everyday thinking, like I'm going to screw the carrier by doing this.

Farah Ali (34:47):

That's just not how they're thinking. And so I think there's also, this there's a lot of misrepresentation. I don't think that there's a lot of people that are just trying to do the wrong thing. I think both sides are just trying to, you know, make the living. And then, yeah. A lot of them are, they don't want to hustle. They want a normal life. They want, you know, family's important work as in everything. And so they want to be smart about how they do stuff. They don't want to spend all their time on phones with angry people. Right. Nobody wants to do that. Um, and so I think that's where I spend a lot of my time and I learned a lot about how to build a product and then a lot of just administrative stuff, which is the stuff I don't like, but

Scott Luton (<u>35:24</u>):

Is your hand down.

Farah Ali (35:27):

And then, um, because we are a VC backed company, there was a lot of time spent with our, our investors and then, you know, talking to new investors, pitching to them. I was looking at my calendar and probably talked to 25. We sees in December and that's like one of us, a lot of talking. So yeah, it's just the external facing stuff you have to do. And then there's a lot of internal things

Scott Luton (<u>35:48</u>):

Love that. You're kind of foreshadowing where we're going next. Actually, I'm going to ask all three of y'all here where there's a, there's a strong entrepreneurial sense amongst this panel here. So I'm going to ask each of y'all, I'll start with Farrah, if there's one piece of advice that you would offer other entrepreneurs, or as I heard someone put it earlier this week, wantrepreneurs is always that phase, right? Where before you make the leap, some never make the leap. Others make it in spades. And then some or early stage companies are looking to break through, get their first round of funding or, you know, whatever, what is it fair? What's one piece of advice and Keira and Greg y'all stay tuned. I'm coming to come around to you next but fare. What's one piece of advice that you'd offer those folks.

Farah Ali (36:30):

I think from my experience, I would say, you know, going from zero to one is just the hardest thing. It doesn't matter what it is. Right. And so, you know, you're going to have a lot of rejection. You're going to have a lot of people say, your idea sucks. You don't know what you're doing. What do you know, what

logistics, you know, all kinds of things. Um, and I think it's very, very easy to be motivated. You know, I guess yourself to want to shut down the business pretty much daily in the first year. And then you have stuff like, you know, the political climate last year, the COVID, there's massive unemployment there's stuff happening around you all the time and their personal life too. And so it's just, everything can really get you down. And you can have days where it's like, you really question why you're doing this.

Farah Ali (<u>37:14</u>):

And so I think it's very, very important to have your, why be really clear in your head, you know, and have you don't need to prove to other people, but you need to have some data point or whatever it is to convince you when you're in those moments to go back and say, this is why I'm doing it. And this is why this works. So this is why I think this is a good idea. And just because an investor turns you down, doesn't mean that you're not worth it, that you don't have a good idea that you don't have a good product. The only proof is in actually providing value to customers. And if you're providing value and your customers are telling you that's really what you should be looking for. So I think just because I'm, so, um, it's only been eight years in this journey.

Farah Ali (<u>37:52</u>):

I would say that that's been one of the hardest things, you know, because you are, you probably also don't know a lot of other people around you are in that same space. And so you don't have a lot of people to vent to, or get advice from. And so, you know, if mentorship is something that helps you, but whatever it is that helps you, I would say, you know, try to have that why, and try to not second guess yourself, or don't feel like a failure because there's plenty of people that don't feel that anyway, you don't have to do it yourself, you know, put your, put your best foot forward and always, you know, don't be shy about singing your own praises. That's, that's never a bad thing.

Scott Luton (<u>38:25</u>):

What I heard some what you say they're fair as buck up, you know? Cause you gotta, you gotta put it in a headlock and, and believe in yourself. And, and he shared a lot more than just that, but I appreciate you sharing that

Greg White (<u>38:36</u>):

Fair. All right. Kara, same question. What's one thing that, uh, if you had one piece of advice to give to our entrepreneur community, that might be like,

Kara Brown (<u>38:45</u>):

I love it so much. So Ferris said something that I said to my husband last night on the couch, which is babe, should I just go get a job? Like, this is so hard. Should I? And it happens like probably weekly that I say it's sort of in a joking way and monthly than I say it in like an almost serious way. And my husband, Eric, he'll say things like, so is this the monthly tack where we have to talk about like how you're a rockstar and it's going to be fine. And I'm like, yeah, this is the moment. And I think owning that right. Is super important and hearing another entrepreneur say it, I'm like, Oh yeah, yeah, that's exactly how it feels. And so I'm going to do a shameless plug for two organizations that I think are super, super valuable when it comes to other entrepreneurs.

Kara Brown (<u>39:26</u>):

One is EO. I'm a huge fan at the entrepreneur organization. They have a group for folks that are not quite in a million dollars in revenue. And then they have a group of folks that are a million plus and then 10 million plus to get into the next club. And the six to eight people that I meet with monthly are the first people I call when I have a huge issue. They're the first ones that are like, you're going to be great. It's going to be fine. Right? Like, and sharing that as lonely at the top. Right. And sharing that with other folks that sort of they're like, I feel that way too sometimes, which is really great. And then specifically being a woman, entrepreneur does adds a whole nother level of staff, right? Less than 2% of female founders will ever break a million bucks in revenue.

Kara Brown (<u>40:03</u>):

So there's very few women that will ever sort of be in that club. That's actually 1.7, according to American express. And that's a lonely club, right. Of women, moms that sort of also get where you're at in your life. And so launchpad to X is another organization that I will shamelessly plug, which is just women, it's women entrepreneurs, and finding other people that can connect with the drama that you will go through, even if it's just self-imposed drama in your own head. Right. Super important. So the community around you, I think, is really important when you're building a business,

Greg White (<u>40:39</u>):

Excellent point lug of stuff there. All right, Greg, we'll get a chance to hear from the entrepreneurial jet here. All right, Greg. Well, Farrah didn't exactly say it, but she spoke to it when she talked about what she does in a day-to-day basis, the most she thinks she most talked about was KYC, know your customer, too many companies, too many entrepreneurs think they know what the market wants. And they even, when they investigate the market, they ask questions that project, their bias into the conversation and they don't really ask, what is it you want? And, um, I'm, I'm suddenly after, you know, talking to dozens, two dozen companies a month to evaluate for an investment. I am stunned at how many of these companies are, are, have the strong potential to pivot themselves out of business because they refuse to understand their customer sufficiently. And that, that is, that is the lucky, the singular key to success.

Greg White (<u>41:42</u>):

Assuming that you've got a good foundation, it is the singular operational key to success. I'll say for any early stage or startup company, know your customer and never stop asking. I mean, Farrah is talking to companies that they already do business with and figuring out what else they need to talk to companies you don't do business with, or you can't do business with, or just won't do business with you and find out those things as well, send people into the marketplace, be in the marketplace yourself, encourage everyone who ever talks to a customer or prospect to ask what it is they really need. And really mean it when they ask that because you won't, you won't know until you ask the question completely open-ended. But, um, it's, it's a very, very important thing. The most important thing as a company starts because you will inevitably pivot, you know, when you talk about some of the frustrations that Kara alluded to, I don't know Karen, your industry, but in tech, it is very often the case that someone goes in and says, this is the problem we are going to solve. And the market says, Nope, it's not the problem that you're going to solve. You're going to solve this problem over here. Cause I ain't giving you money for that problem over there. Um, and, and there will inevitably be at least one pivot, but more than one pivot is too expensive for most companies. So no, your cup,

Kara Brown (<u>43:06</u>):

Greg, I'm really curious. Do you have a rubric that you follow or is there some guru or are you the guru who should create a rubric and write the book on, on like, what are the questions that you should be asking to really get to know your customer?

Greg White (<u>43:19</u>):

I, I, I do have a guru that I follow. Yes. In fact he's at ATDC. So he was a member of the supersoaker team and sold their, their product to Nerf. And Shane is a, you can't do enough. I mean, you can't do enough market research to satisfy Shane. So yeah. I, I, I have learned that from him and from having a few companies myself and from having been entered the market with that significant level of bias. But, you know, I think, you know, I think that there's only one question to ask, right. And that is what has the greatest mind share for you in terms of problems right now? I mean, Scott and I do it. When we talk to companies about campaigns, we don't go in and say, what kind of campaign do you want to do? We say, what is the problem you're trying to solve? What's the thing that keeps you awake. What is, what is it you are running fast away from, what do you see as the biggest threat to your company? And that may not be a problem that you can solve, which is a bummer, but better, you know that now because they're going to give money. Those things that they are running fast away from, including administrative work fair. That's why RPA is so hot, right? Robotic process automation is so hot because who wants to do those jobs? Right? Fewer and fewer people every day

Farah Ali (44:45):

Keeps you humble.

Kara Brown (<u>44:48</u>):

Farrah, you're in a cool spot because when you ask that question, you actually have the technical knowhow you and your team to solve those problems and then take them back to market. I think that's really exciting is when you, when you're on the front edge and you can do a Greg says and ask the question, go back and say, Oh shoot, we're not quite solving this problem. Let's change these three algorithms and make a new UX for this thing. And then all of a sudden you've got a whole new product. That's you find that? Are you sort of in that mode right now?

Farah Ali (<u>45:20</u>):

Absolutely. Like, you know, just moving from partials to full and like, you know, just, just having the, you know, I really wanted that to work because I was like, that's a huge space, but you know, you're like, Oh, I have to solve this basic like just capacity of thing at its basic level is doesn't exist the way that it should and is not everybody the way that it should be. And if that's what my customer is asking for, then I'd better stop tinkering around here and here. And the racks are great, but nobody wants to invest in the racks because that's changed management right now for them. They really want to solve this first. So definitely I think it's also the most fun, right? Like when you're customer obsessed and you know, you're talking to them and they keep telling you what's not working and they want more, like, that's really, when you know, you have a problem market fit and that's when you know that, okay, I'm solving this. And I, you know, then scale and revenue are just things that I have to, or somebody has to look at, but I'm onto something here. I think that's the most exciting where like, for me, you know, I'm very value driven. And if I don't think I'm adding value to something, it's very hard for me to motivate myself. And so if I'm doing something and there's nobody interested in it, it's, it's a bit boring for me, you know, to do that

Kara Brown (<u>46:27</u>): Signals really quickly. Farrah.

Farah Ali (<u>46:28</u>):

Yeah. I think that was one thing that I was very surprised about is we, you know, we failed fast through our, you know, I wouldn't like there were an executive it's because, you know, it's the same underlying tech, but like we very quickly, and I think that comes from a, Greg was saying, you know, KYC is, you know, who to talk to. You're going there, you're asking a lot of the right questions and the mind share thing, really it is, is it right? And the more you try to fit your thing into there, you know, square, peg round hole, and it's just not fitting. And you're like, okay, I'm actually trying to solve a problem that they may not yet have, or that is a problem, but not big enough that this other problem here. Right, right. You were saying something

Greg White (<u>47:04</u>):

Well, yeah. I was kind of hoping to, uh, you've shared so much awareness and mindfulness and insight into this problem. I'm curious what, what outside of the problem that you're solving has really got your attention these days. I mean, anything future past current in the industry or, or maybe even outside the industry that you're really putting bandwidth toward in, in terms of concern solution or, or hope or whatever.

Farah Ali (<u>47:33</u>):

Yeah. Yeah. I do. I mean, so I do run, like I said, I have two nonprofits that I run. Uh, one is just a poverty alleviation. I do a lot of work for local homeless. There's a school, a K-12 school in Pakistan that I'm, uh, you know, funding in and running. And so I help look at like the tech curriculum, there's a vocational training. Um, so, you know, I definitely have, uh, a thing for, you know, community service. I've always had it, you know, I've been running one good act since I think 2011 and then a box to any women in computing is something I started because I didn't have a lot of role models growing up and I thought, I need to show up and, you know, pay it forward. Um, and so, you know, this past year I thought, you know, I thought about unemployment a lot.

Farah Ali (<u>48:15</u>):

I thought about a lot of the people that I was interacting with on the industry were just finding it hard to survive and, you know, trucking, wasn't their only job. And, you know, and you, you, you mentioned families, you know, there's, there's wives with new babies who are like dispatching, right. But there was just a lot of stress. And so I've been thinking about sort of how the, you know, how this massive unemployment impacts our market, you know, and how does that change the future of work right through, you know, I think we're going to be in a space where maybe creation, creating things is going to be more democratic. And that's how some of these employment opportunities will happen. I'm seeing a lot of that on LinkedIn, you know, popping up, which I think is great, but you know, it'd be great to have, you know, how do we go and kind of help them outside of like yes, investing in these companies, how do you discover the right people?

Farah Ali (<u>49:03</u>):

So, you know, just thinking about that, how do I find deal flow for stuff that I'm interested in? I think just healthcare supply chain manufacturing are going to go through massive changes, post COVID. Right. I think that's something I look at as just overall for it, for interest. I think one of the best things was how

quickly this vaccine got made and approved and in the market, like I did not, I was, you know, thinking maybe, you know, 20, 21 summer, maybe we'll start seeing something. And so it shows me that the globalization of, of healthcare and, you know, sharing of data is, is, has made it possible to get this to the market so fast. And, you know, developing countries are also benefiting, right? Like in Pakistan, there's a company, I think AstraZeneca, um, I think they they've just got approved. And so, you know, that, that equity, there is something that's making me feel very good about some of the globalization.

Farah Ali (<u>49:54</u>):

And so I'm very interested to see how, you know, how we can solve some of these equity problems with employment and with healthcare. So that's just something that I'm very interested in. And, and I think, I guess lastly, you know, when you think about technology and we say, you know, a lot of stuff, like if he, if you zoom a future where a lot of stuff can be done by computers, does that mean that there's a high value that we put on on people and them creating their creative side, you know, art and music and stuff that, you know, you know, I think humans can do better. And so how we actually think about, you know, the value of some of those things that we create and do that, does that become more important going forward? So, yeah, I think about a lot of things I read a lot, but I really, you know, I'm hoping to be able to spend some time to steer, to help where I can with, you know, definitely unemployment in the U S I think it's going to be a huge for us if we, if you don't think about it and help solve it,

Scott Luton (<u>50:48</u>):

Outstanding a ton of stuff there left to save that for our follow-up episode with you, Farrah, I appreciate you sharing. And I appreciate how active you are beyond, you know, your, your, your primary venture, all the nonprofits and all the give back, you know, locally and abroad that you're, you're speaking to and involved with it. That that's what we need. And, and, and, and on a broader sense, your way to beginning of this conversation, you talked about how, you know, you didn't, you weren't, you don't, you didn't, I can't remember exactly how you put it, but basically you weren't born to do supply chain. Well, it is such a neat thing, and it is so needed for industry to have folks that weren't born and do supply chain. That's how this industry is getting so much better, uh, at a time when, as Kara has put it before, this is supply chains, how do you put that

Kara Brown (<u>51:34</u>):

Supply chains moment? This is it right now, star moment, rockstar moment. We're dusting off the VPs of supply chain and shaking them off. I love it. That's right.

Scott Luton (<u>51:44</u>):

And we couldn't do that. Despite all the respect I have for how supply chain existed when I stepped into my first manufacturing role 15, 20 years ago, whatever it was, it is such a great thing to see how it's evolved and how we've embraced IL on so many different levels, this, this new creative, different type of thinking. So the, the global industry is better off, and I'm looking forward to seeing what you and the freight webs team are up to in the months to come. It sounds like you're on the move. So on that note, let's make sure folks know how to connect with Farah, Farah. Where do you point people to

Farah Ali (52:17):

LinkedIn? You can shoot me in, in mind and, uh, you could email me and F a R E h@myfateweb.com. Yeah, I'm pretty sure

Scott Luton (52:25):

Outstanding. And then we'll make sure we have that in the show notes. We'll have your URL in the show notes, make it, you know, after that one, click make things easy. So thank you so much. I'm going to go around the horn to Kara. How can folks connect with you and leave coverage? Yeah.

Kara Brown (<u>52:38</u>):

We're at Lee coverage.com. Just like it sounds I'm Kara at Lee coverage back home. It's just that easy. And Greg, I don't use it,

Scott Luton (52:45):

Do this. Cause we, you know, if folks wanna learn more about what we do and all the conversations we have supply chain, now that com, but I bet the entrepreneurial conversation, each of y'all what you contributed here might generate some interest. So how can folks connect with Cassie at the wizard of Wichita things?

Kara Brown (<u>53:00</u>):

Can I say that anymore? Made it official.

Scott Luton (<u>53:04</u>):

Yeah. Pay no attention to the man behind the VC. Yeah. Well, I mean, aside from aside from supply chain, now I do work with, uh, Kibera venture capital. So Greg at Kibera, K U B E R a means wealth and, uh, Hindi, I think.vc cabera.vc. Perfect. Yeah, just say I learned something new today. I didn't know that what could bear stood for. So, uh, but, but really enjoy. I know we of, we couldn't go as deep into some of these really subjects that we're all passionate about, but fascinating story Farrah and freight web. We're going to keep our finger on the pulse there and see what what's, what the next big things that you are driving. So thanks so much. Farrah Ali, chief technology officer, and co-founder at freight web. Thanks so much for joining us. Thanks. All right. Um, so we'll go where we're going to sign off a big, thanks to course Kara Brown and my tag team partner, Greg white, great conversation, outstanding conversation wide ranging a lot of passion room. I will have to book some sequels, but regardless to our audience, hopefully you enjoyed it as much as we have to learn more and find similar conversations, just like this one, go to supply chain now.com. Of course you can find us and subscribe for free money back guarantee. Wherever you get your podcasts from on behalf of the entire team here. This is Scott Lewton signing off for now. Hey, do good. Give forward. Be the change that's needed. He'd be like Farrah Ali. And we'll see you next time here on supply chain now,

Scott Luton (<u>54:34</u>):

Uh,