

Ep.2. 49 - Pranadhi Koradia, Chetan Koradia

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SPEAKERS

Announcer, Ed Clemente, Chetan Koradia, Pranadhi Koradia

- A** Announcer 00:01
Welcome to The Michigan Opportunity, an economic development podcast featuring candid conversations with business leaders across Michigan. You'll hear firsthand accounts from Michigan business leaders and innovators about how the state is driving job growth and business investment, supporting a thriving entrepreneurial ecosystem, building vibrant communities and helping to attract and retain one of the most diverse and significant workforces in the nation.
- E** Ed Clemente 00:29
Hello, I'm your host, today, Ed Clemente. And today we have a unique combination of a father and daughter who run a business together. And we have Pranadhi Koradia and Chetan Koradia, and I should also we can call you C.K. you gave me permission, right? C.K. [Yes, indeed. Yes.] And welcome to the show to Pranadhi.
- P** Pranadhi Koradia 00:52
Thank you.
- E** Ed Clemente 00:54
And your organization is called Transphere Inc., and you're in supply chain logistics. But this is where I give you guys and I don't know if one of you wants to give the sort of overview of what the company does. If it's you guys choose one of you, which one of you want to go first explain the company.
- P** Pranadhi Koradia 01:14

I guess I can let the founder take care of that question.

E

Ed Clemente 01:18

Your dad okay. [Yes.]

C

Chetan Koradia 01:23

Transphere Inc., was founded in 1987 as a moving company, internationally, that's how we began and slowly, slowly we became a forwarder and then added a warehouse where we started doing the storage as well as packing, wrapping loading, and slowly, slowly became a customs house broker and complete logistical organization. Ever since Pranadhi came in, she added more dimensions to it. And she started the back office and did a vertical, you know, complete transition of maintaining all levels of transportation. And we have come a long way since 1987. Pranadhi anything you want to add on?

P

Pranadhi Koradia 02:24

Yeah, I can add on to where my dad had spoken about the vertical integration, what I added was an NVOCC called Transcend International and NVOCC stands for a non-vessel operating carrier. And works similar to a travel agency that books up space on flights, we would also book up a certain amount of space on steamship lines that we can then give out to other forwarders like ourselves.

E

Ed Clemente 02:55

And you use quite a bit of language that's sort of in house part of the show, we know a lot of people listen to this, but is there really a fundamental difference between like logistics supply chain and then you throw out the word freight forwarder, right? Those are all similar things to each other is that sort of like normal for the business.

C

Chetan Koradia 03:20

Generally speaking, the freight forwarders require a federal maritime license. So, the difference to become a freight forwarder is you have to obtain a license for which you need a bond for which you need a setup with appropriate insurance coverages. So, essentially, they are all the terms used for transportation companies that carry cargo overseas, but they have certain limitations when it comes to their liabilities. So, as a freight forwarder, you are practically a travel agent for cargo going overseas as an NVO. You are actually the carrier yourself. In other words, you can issue your own bill of lading. So, yes, they are a little different, but they do serve the same goal of transporting a cargo from point A to point B, which is your final destination.

E

Ed Clemente 04:11

E Ed Clemente 04:41

And, maybe it's for you Pranadhi, but explain like you're the, should mention your Chief Operating Officer and owner and your dad is Chief Executive Officer and the founder. So when did you start becoming the COO, Pranadhi?

P Pranadhi Koradia 05:01

So yeah, I joined the company right after I graduated from college in 2011. And I worked my way up. By 2016-17, I had taken over as COO. And in that role, I began to oversee the full logistics for door to door of all our shipments, whether it was our specialty of the household goods shipments, or commercial and nonprofit shipments. So whether, you know, it was a commodity that was time sensitive or hazardous, non-hazardous, the full logistics was overseen by me. And then, at that same time, when I took over a COO is when I also took an exam to become a customs broker, which allowed me to add in the importing sector to our business, we were a more export heavy business prior to that. And then I started adding in that to become a full logistics company.

E Ed Clemente 06:06

And could you guys, either one of you, just give some examples. Just generally like things you would be shipping or bringing in or, you know, or receiving, I'm saying sending out or bringing in.

P Pranadhi Koradia 06:24

Yep, so initially, when my parents, my dad specifically started the company, it was our niche was in household goods and personal effects. So that's something that we still maintain to this day, it's still our main focus. But we added on to that. And now we do commercial products, which range from automobiles, auto parts, machinery, heavy, or maybe more specialized equipment. We also deal with nonprofit partners who ship medical equipment and supplies, pharmaceutical supplies, sometimes MRI machines that require more specific mode of transportation, due to its needs for temperature control, or the battery control during the transport. So yes, that's kind of a full range. The only things I say we don't ship are food products. And then anything defense related.

E Ed Clemente 07:33

I know your headquarters are in Westland, Michigan, but, like, is most things, because we're on the Great Lakes, could you guys sort of define, because I think you do mainly saltwater only you don't do freshwater, am I mixing them up?

C Chetan Koradia 07:51

No, traditionally speaking here, Great Lakes are not you know, in today's date, are hardly used for international transits or, you know, ocean carriers, because of the mini land bridge. By mini land bridge, what we mean is connections of the railways is easy and faster to get connected to

land bridge, what we mean is connections of the railways is easy and faster to get connected to the coast and therefore, increase the efficiency of the actual transit time by connecting to the ocean ports. The local Great Lakes ports have greatly diminished in their present participation like they did. So yes, we are strictly ocean carriers connecting to the salt lake not fresh water.

E Ed Clemente 08:59

Bodies of water, right. And so, for example, if you're going to get a cargo container in they could be coming from the east coast or the west coast or do you have one side you go to more?

C Chetan Koradia 09:15

No, well, generally speaking, they could be coming from East Coast, West Coast, South ports, you know, from Houston, where we are from, from Florida, I mean, the best portion of our business now is every region has inland container depots, customs, areas and customs offices, or you can call it actual inland ports. Inland depots where the cargo can come as if it's coming to Detroit port, in spite of coming through the transit on rail, it still enters U.S. domain after clearancing. At the final point, which is Detroit, until then, it is not cleared. And it remains outside the system to enter. Pranadhi, if you want to add something.

P Pranadhi Koradia 10:29

Yeah, besides the East and West coast and even the South region of the U.S. because of Detroit's geographic location, we also have many imports that come by rail from Canadian rails, whether it's Montreal or from Vancouver. And then they would come straight to Detroit after, you know, crossing Windsor or whichever port point of entry. So yeah, really, they could reach Michigan from almost any side, and we would be able to handle that.

E Ed Clemente 10:59

And, so I mean, I remember when I was in the legislature, when they were trying to develop a corridor that came right from Nova Scotia, and that might be the same one that goes through Montreal, I would guess, because of the shipping times to come from Europe, that where a lot of the Canadian kind of come from, like, along the Montreal, Toronto corridor, kind of?

C Chetan Koradia 11:22

Yes, there is two ways it can come is the St. Lawrence Seaway, if it is coming on the water, and there are charter vessels for private manufacturers or private traders, they do have vessels that are chartered for their purposes only but it's during a very limited time of the year. It's not year round. However, the shipments coming through the rail comes constantly throughout the year, once it hits Montreal, Halifax, or Prince Rupert on the West Coast or, you know, Vancouver, they could be very well connected by the rail, and they make it to Detroit within approximately 10 to 14 days.

E

Ed Clemente 12:21

So this kind of leads to one of the next questions is obviously during the pandemic, but now even sort of, with, you know, inflation and things like that. How did those variables kind of affect your business? And how did you, I know, Pranadhi, we talked earlier about how you had some interesting stories that were going on that businesses opened up, actually, because of the pandemic, some opportunities for you, right?

P

Pranadhi Koradia 12:53

Well, I guess I could kind of take it back to how logistics was looking like during the pandemic, and the big change that's happened, thankfully, over time. When the pandemic initially hit, we had many issues with of course, you know, labor being at a shortage, drivers then being at a shortage. It created so many bottlenecks from the port to the rail to you know, bringing things inland. During the pandemic, at its worst, there were about 190-200 vessels in line, off the coast of L.A., just waiting to be docked at the port. So you can imagine the number of containers that are just blocking that ability to bring it in, for that many vessels to be waiting. So that was definitely a tough time in the industry. And I guess yeah, there were some companies that would, you know, could take on the challenge and find solutions and that gave them an opportunity to you know, open up businesses, a lot of businesses shut down but then as things got better the need for drivers had increased so much that that was definitely turned into opportunity for many people. And then I guess at that same time another opportunity that arose was trying to take advantage of the different inland ports, I guess you could say like our port of Detroit was something that I think people started looking at a little more closely how we could use these advantages to kind of counteract the congestion that was happening from the rail, maybe there was opportunity there with using our with using the St. Lawrence [Seaway] Seaway yeah, sorry. And then you know, opening up land bridges. So, yes, that was all a tough time which has now become eased up over time. We still see congestion now and then again, you know, when the holidays arise, it all kind of starts up again. But yes, that was that was 2019, 2020 and things are looking up now. So a little less stress for us.

A

Announcer 15:19

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E

Ed Clemente 15:36

C.K., you were born in India, right? And you went to university there, but then you came here to go to university too, right?

C

Chetan Koradia 15:45

That's correct. Yes.

- E** Ed Clemente 15:46
And you got to, I think, just talking to you beforehand, but you sort of got into the business almost kind of through a not a very traditional way right?
- C** Chetan Koradia 15:57
True, that is true, very true. That was again, an opportunity just happened. And yes, I was let go from a job and no other job to be secured. So started my own and I was blessed with with an opportunity, that just took off, fortunately.
- E** Ed Clemente 16:29
And you know, get back to Pranadhi again, you mentioned you went to university, but you didn't plug University of Michigan, which you do all the time. But what'd you get your degree in over there?
- P** Pranadhi Koradia 16:43
Yes. Go Blue. I studied economics and psychology. I double majored in those subjects and I minored in international studies. Yes. All of that, I think combined for great use in this industry.
- E** Ed Clemente 17:01
Oh yeah, I'm sure the psychology part. You have to do what I imagine, you guys have to deal with people from every time zone possible too, right, trying to get stuff around.
- P** Pranadhi Koradia 17:12
Yep, that's right. This industry never sleeps. So emails are coming in day, night. You know, the vessels are moving throughout the day. So tracking and keeping an eye on the logistics is a day and night job.
- E** Ed Clemente 17:29
Yeah, one other thing too, is it unusual? You know, you're is this more like is it unusual to have a woman in a freight forwarding industry? Or is that pretty typical? Or is it? Are you unique? Or what as I don't know, too many other people doing it? So?
- P** Pranadhi Koradia 17:44
Yeah, I would say it's unique. I mean, I'm definitely in the minority. I attended conferences for

this industry where maybe 10% or less was comprised of women. So yeah, I think the number is growing, but it was never really an industry that had that many women participating in it.

C Chetan Koradia 18:09

Yes, I would agree that you know, this was a little bit in the time behind. Generally it was very heavily men dominated because they could travel and meet and they had to deal with people far away. And sometimes most of their sales used to take part by traveling and therefore at one time, it was less profitable to have woman participation at the at the management level.

E Ed Clemente 18:49

And we should put a plug in for your wife and Pranadhi's mother, she works there quite a bit too, right, you two started at kind of together originally C.K.?

C Chetan Koradia 18:59

That is correct. So and in that respect, let me backtrack by statement. No, no, this company would not have succeeded without woman participation. So I'm sorry.

E Ed Clemente 19:15

That's okay. Case I run into her I want to make sure she got her props. So, last couple of questions for you. Um, I know you what are some other problems? Or should I say challenges do you see on the horizon? Why don't you go first problem, then you CK.

P Pranadhi Koradia 19:37

Meaning in our industry? [Yes, yeah, yes.] Um, I guess problems I would say right now, is a transition maybe into the technology sector. It's not a problem, but it's a great thing that's happening in our industry, but the transition part is a little bit, you know how that happens, and any transitions it takes a minute and that process, it's a little shaky. But yeah, I think getting all the different sectors on a similar platform, whether it's, you know, the trucking side, the customs side, the forwarder side, finding a standardized platform that works for everybody to streamline the process is trial and error right now. But I think eventually that's going to turn into a really great streamlining process and make, you know, less errors, less things falling in the cracks. It's going to be a good time for the industry in the next couple of years, for sure, once we strike that balance.

E Ed Clemente 20:41

Sort of like the digitization, like, all the industries are kind of going through now.

P

Pranadhi Koradia 20:45

Yes, yes, yes. And ours is kind of you would sometimes think of it as it's almost still in a dinosaur age in certain ways. You know, I think there's a lot of room to integrate tech. So again, that's another place where our industry has many opportunities to kind of disrupt and then enhance.

E

Ed Clemente 21:04

CK did you have anything to add?

C

Chetan Koradia 21:06

Yes, this is where I see a difference between me and my daughter, argue about it, basically, every product actually moves from a point of manufacturing to a final customer, it has to go through a transportation and this manufacturing point of origin is going to increasingly be more spread out across the globe finding its value and therefore, the international transportation is going to increase, it will still be, the fact is still going to be, it has to move from point A to point B, no matter how much technology you add, unless you are prepared to attentively keep sourcing the right channels and leverage it to the right sources, it will be difficult to manage. So I would say the area of transportation in international logistics is yet growing and will only grow aggressively.

P

Pranadhi Koradia 22:30

Yes. And to add, I don't think technology can replace what's already existing. It can only add to it. I mean, there's the the amount of manpower and visibility that's required to keep things moving. It needs the support of technology, it cannot be replaced by anything.

E

Ed Clemente 22:51

Well, I'm glad I could create a divide between you two.

P

Pranadhi Koradia 22:54

But see how it ended with a compromise, see this is how family businesses are able to flow, this is the key moral of this podcast.

E

Ed Clemente 23:02

Yeah, that's because you're not in the same room. You know, just to kind of tie this up a little bit more. And, you know, I know both of you and I've met you both, but is there anything that you'd like to add about? Because I know you're very engaged in your community, I'm just gonna put in one plug that you guys are Jains, too. And that's a unique, if you guys just give me

30 seconds about what Jains are? Because I think it's a really unique community. And I know you guys are, I know you brought you know, you were Jains, and you still go back and forth to India quite a bit too, right?

P Pranadhi Koradia 23:43

Yes, that's right. Um, Jains are, I think one of the smallest populations of religions in the world I'd have to look up the number but I remember the percentage was maybe .01% in the population are Jains. So it's a very interesting religion. That's also I would say, a life philosophy or a way of life, you could say, but yeah, the three main tenants of the religion, which I value a lot, are Ahimsa, Anekantavada, and Aparigraha, which means non-violence, non-attachment and multiplicity of views, you could say so open-mindedness.

E Ed Clemente 24:29

Well, I hate to say this, but we're kind of out of time. But I wanted to, once again, thank our two guests, the father and daughter C.K. and Pranadhi, and I appreciate both of you from Transphere. for taking time out to make this happen. It sounds like you guys are continuously busy. And thank you to both of you for agreeing to do the podcast today, too.

P Pranadhi Koradia 24:54

Thank you so much. This was a great time. It's always fun talking with you, Ed. So thanks for giving us this opportunity.

C Chetan Koradia 25:01

And Ed, I'm still waiting for you to come and visit us. Please. Thank you so much for for having us.

E Ed Clemente 25:09

It's my pleasure. Join us next week where guest will be Casey Cowell. He's principal and owner of Boomerang Catapult up in the Traverse City area.

A Announcer 25:19

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