Interview DSH Global Logistics celebrates 25 years of service

Paul Zalai, Director FTA speaks to Dominic Harrington, Managing Director, DSH Global Logistics

1. PAUL ZALAI – what inspired you to start your own business?

I had been a Licenced Customs Agent (that's what we were called; I actually prefer it over being a 'Broker' which sounds more like an insurance salesman rather than an indirect tax practitioner) since 1988 and had been employed by the same company for 8 years. I really felt that I had something more to do in my career than being an employee only.

I was quite dejected when denied an opportunity to buy into the business and immediately thought about changing jobs but then questioned how this would improve my predicament. I went home to my wife and basically said that I wanted to start my own Customs Agency or Brokerage as it is now called.

I guess that Sue knew how determined I can be and said "Dom, if that's what you want to do, I'll support you". Sue fell pregnant with our second child a few months later and I have no doubt that our growing family was a further catalyst to drive us to succeed in this venture.

2. PAUL ZALAI – what was your service offering when it all began in 1993?

The name that we chose for the business was D & S Harrington Pty Ltd which represented both Dominic and Sue Harrington. We decided on having Harrington in the name as it was how I was recognised in the industry

and when I went on sales calls, I would be instantly recognised as an owner or at least related to the owner, this seemed to have a greater impact than when I did sales at my previous job.

We offered the standard customs clearance services which included Quarantine clearance and delivery services. At my previous job I had been a Tariff and Trade Consultant, so we also offered customs consultancy services. In fact, in the first 12 months of business it was the Consultancy Services which really kept us going.

Sue is an accountant and would do the accounts at night or over the weekend and I would begin work at around 6 am and finish around 10 pm most nights.

3. PAUL ZALAI – how and why did the business evolve?

When Optional Port Lodgement of customs entries began, we were able to offer a truly national customs clearance service from our Sydney office. In 1996 we chose to move from an office only environment to an office / warehouse configuration which we leased with some friends who had begun their own freight forwarding company. In 1998 a friend of mine who owned a trucking company struck financial difficulty so I purchased two trucks from the Liquidator and began operations as a carrier.

The customs brokerage side of the business

was growing quite well so in 1999 we decided to purchase our own office and warehouse in St Peters. This was rather a modest warehouse of around 85 square metres, but it was ours and it gave us security of tenancy as well as a financial asset to help build our business.

We began our international freight forwarding operation in 2003 as it was clear that in order to grow, the company had to diversify into other areas of logistics. I began travelling extensively to establish a reliable network of overseas agents who had good relationships with shipping and airline companies. That allowed us to develop a reliable international freight forwarding operation. I should say that we also had some great assistance with local co-loaders who we still continue to do business with today.

As time went on people would refer to our company as D & S. In fact we even started to call ourselves D & S. It probably had to do with the interesting fact that many companies in this industry have three letters in their company name, take DHL or UPS as an example. This led us to change the branding of our company to DSH Global Logistics which really reflects what we are in our present form.

In 2013 we achieved IATA Accreditation meaning that we could now offer a great export product to the market. This was the catalyst for us to purchase a new warehouse in Padstow with 1000 square metres of racked warehouse in 2014.

Now when you go from an 85 square metres warehouse to 1000 square metre one there is a whole lot of extra space that needs to be filled or utilised. The additional space allowed us to offer a new range of services such as, pack / unpack of containers, storage etc. In 2015 / 2016 we obtained a customs 77G Depot Licence and became accredited as a Quarantine Approved Premise.

Currently in 2018 at our 25th business year we are able to offer the full range of International Logistic Services such as customs clearance, freight forwarding air and sea, project cargo, FCL pack/unpack, storage and distribution, Quarantine services etc.

4. PAUL ZALAI – what do you attribute as contributing factors to the longevity of your business?

Sue has always been actively involved in the business as our accountant which has contributed immensely to our success, having the right financial advice and guidance is crucial to any business.

Our clients have been very loyal to us and many have travelled the road with us from day one. We really appreciate this loyalty.

Having great employees who create a wonderful team environment which in turn goes to develop a fantastic customer service and 'can do' attitude. Our longest serving employee has been with us for 20 years and many are 10+.



I would have to say that developing a worldwide network of reliable agents allowing us to move freight both by sea and air from anywhere in the world is a key factor of competing with the larger organisations.

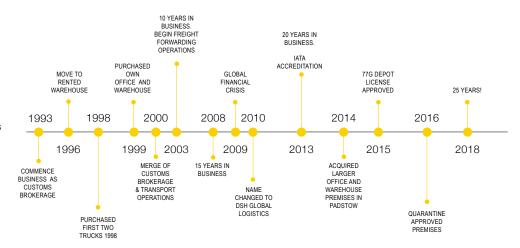
I believe in honesty and integrity in a business as I do in life in general. Clients and employees alike can see how a business is run and they will find out soon enough if a business is worth supporting.

5. PAUL ZALAI - What are ongoing challenges and emerging opportunities?

The emergence of E-Commerce certainly presents a challenge to the logistics industry. The average person now has an expectation of 'buy today and receive tomorrow'. We are even faced with 'buy today and deliver today'! How does this translate into our sea or air freight shipments? We are all aware of the "faster, cheaper" requirements of many companies.

This does however present an opportunity to those in the logistics industry who are able to tackle E-Commerce successfully, such as FBA (Fulfilment by Amazon) shipments.

Controlling your debtors in an uncertain financial environment is another challenge all businesses are facing. As the business environment in the logistics industry is so competitive we need to keep one eye



on our sales strategy and one eye on our disbursements. Customs brokerages are all too well aware of how much money is spent on a daily basis in paying duties and GST to the Australian Border Force so we can move our client's cargo off the wharf or airport.

6. PAUL ZALAI – while you now manage a diverse business, customs brokerage remains at the core of your service delivery. Do you see an ongoing role for customs brokers in a world of ongoing change?

Most certainly. I have been hearing about the demise of the customs broker since the day I

became licensed.

Today's customs broker has been tasked the responsibility for more than declaring the correct Tariff Items and Duty Rates. He/she is an expert in the import/export requirements of food items, motor vehicles, animal and plant products, the list seems endless.

Given the tough penalties that apply to customs brokers and brokerages I cannot see regulatory authorities changing the situation any time soon. Think of the cost to the Government of hiring all the additional staff required to do what we are now doing and to perform as efficiently and accurately.

