

Aurik/Finweek Business Accelerators

At your service

Entrepreneurs: Ashley and Tania Mulligan
Company: Kushesh Trading

In business, service is paramount. It's often a competitive edge for astute small businesses struggling to compete with their bigger rivals on price. Kushesh Trading, a courier service company specialising in medical consumables across Gauteng, plays by that maxim.

Co-founder and MD Ashley Mulligan says providing excellent service to his clientele is what distinguishes Kushesh from its competitors.

"This is a cut-throat industry. If you're not able to deliver the right product on time, the client will just take the business to someone else," he says.

"We differentiate ourselves by the fact that we specialise and make sure that our service is unparalleled. That's the culture we try to inculcate in our employees."

Kushesh is a family business, established in October 2008 by Ashley and his wife Tania. It services between 16 and 24 of the 200-strong medical suppliers in Gauteng.

Since it started operating, Tania says the courier has never lost a single parcel or a client out of poor service – a testimonial to its excellence.

The courier industry is indeed a cut-throat business dominated by multinationals. The Mulligans carved a niche by focusing on medical consumables rather than offering a general courier service. Ashley says it made sense to specialise in the pharmaceutical and medical devices industry because of its size, and the fact that medical consumables are time sensitive. There's also the risk of contamination if they're transported with other things in a delivery truck. However, a specialised courier service, like Kushesh, removes that risk.

Kushesh does "last mile" distribution; taking finished products from suppliers to hospitals, pharmacists and doctors. To optimise the process, Kushesh first takes the products to its central warehouse for sorting according to regions. The medical consumables it delivers include catheters, test tubes, bandages, condoms and gloves.

Distributing medicine is an area of growth these entrepreneurs would like to explore at a later stage. But they want to first make a significant dent in the medical consumables market before getting into the more sophisticated delivery of medicines, which requires refrigerated vehicles.

Getting the company to where it is today had a lot to do with persistence. Ashley mentions that it took between nine and 12 months to get the company's major client, Akacia Healthcare. Today Kushesh does about 65% of Akacia's distribution.

Says Ashley: "Clients were quite reluc-

tant to give a tender to a small, new company. We convinced them that we're not looking for exclusivity and that we're only looking for 10% of their distribution business."

To be efficient, Tania says Kushesh had to deploy best technology systems right from the beginning. She says: "Delivery is a bigger portion of costs for our business. When we started we decided to go for the top notch systems, which allow us to track live our delivery vehicles and to optimise the delivery in terms of the routes we use."

Another competitive edge is flexibility, says Tania, who also consults on BEE. As a small business, Kushesh is able to take an assignment on short notice and deliver on time.

From four employees when it started, Kushesh now employs 19 people. It started with three vehicles and now has 14 in its fleet.

Kushesh plans to double its revenue over the next two years. That will happen either through an acquisition/merger or organic growth. It's currently in talks for a tie-up with a rival. It also has plans to open a branch in Cape Town and another in Durban to service its current clientele and to grow the business into a national operation.



Andile Makholwa

andilem@finweek.co.za

@AMakholwa