

WHITEPAPER: UC PARTNERSHIPS CREATE NEW OPPORTUNITIES FOR KINGSGATE LOGISTICS



UC faculty and students helped logistics company tap into the latest technology for its unique challenges

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Jeff Beckham knows that in the logistics business, if you're not moving ahead, you've already fallen behind the competition.

"Innovation drives us," says Beckham, CEO of Kingsgate Logistics, a strategic third-party shipping partner and freight broker headquartered in West Chester, OH. "The constant change of the logistics industry means we must constantly advance to keep our customers ahead of the curve. Because of this, Kingsgate devotes our energies towards creating patented transportation technology and analytics-based solutions for our customers."

Because of the company's innovation needs and long-standing relationships at UC, opening an innovation space in July 2019 at UC's 1819 Innovation Hub — the nerve center of the Cincinnati Innovation District and home of UC's Office of Innovation — was a natural fit for Kingsgate.

"Our culture thrives in an environment that is conducive to creative thinking," Beckham says. "The opportunity to engage with UC's faculty and students and to tap into their pipeline of talent and innovation gives us a great advantage."

The UC edge

Founded in 1986, Kingsgate is a family-owned logistics company that provides transportation freight services and logistics support to companies throughout North America. Kingsgate has deep ties with the University of Cincinnati; in addition to being longtime supporters of the university's athletics programs, Kingsgate has strong ties with UC's Carl H. Lindner College of Business, where it has developed relationships with the college's Goering Center for Family and Private Business and the Center for Professional Selling.

Since co-locating to the 1819 Innovation Hub, Kingsgate has formed even deeper UC connections. That's exactly how UC President Neville Pinto and Chief Innovation Officer David J. Adams envisioned the function of 1819 — as the university's "front door," where university talent could be quickly accessed.

"We and our partners recognize that speed, agility and adaptability are key to addressing talent needs — students, research and education," Adams said. "We continue to work aggressively to understand our partners' needs and quickly connect them with the vast resources of the university to support outcomes."

Tom Curee, the company's senior vice president of strategy and innovation, says Kingsgate had been looking into how it could use blockchain technology to add value for its customers. <u>Blockchain</u> can be thought of as a distributed, decentralized public ledger supported by a vast network of computers in which transactions of various kinds — cryptocurrency transactions, most notably — are recorded. When Curee learned that the Kautz-Uible Economics Institute at the university had partnered with another company to hold a blockchain event, he saw another opportunity to partner with UC to help solve a business problem.

"We reached out, as we wanted to start working towards a blockchain solution for our shipper community, specifically in regard to cold chain custody," Curee says, referring to the supply chain that would be temperature controlled throughout, a factor crucial to the safety of the products transported. "We felt this connection will help us work toward a solution, while also helping our team to expand their exposure to blockchain technologies."

Kingsgate contacted Michael Jones, the institute's executive director and an assistant professor of economics at Lindner, to see how they

9100 West Chester Towne Centre Dr. | Suite 300 | West Chester, OH 45069

P 513.874.7447 | F 513.874.7653



could work together. Jones describes the Kautz-Uible Economics Institute as a nexus for businesses and community organizations to engage with UC economics faculty and students to work on meaningful research projects. That's exactly what the Kingsgate project became for four of Jones' graduate students, who spent a semester investigating the benefits of blockchain in the logistics industry and wrote a white paper for Kingsgate with recommendations on how best to take advantage of the technology.

"The students were fantastic," Curee says. "We were motivated by their passion and desire to help create a working prototype to leverage this tech. Their ability to dig in and learn and understand these new tools expedited our ability to understand them as well. They truly became an extension of our innovation team, constantly evaluating tech in this space."

UC students, Hunter Hall, Jesse Hendren-Mills, Elijah Proffitt and Samuel Ransohoff-Englert, performed an in-depth analysis of blockchain technologies and examined cases specific to the logistics industry — specifically, the protection of supply chains requiring constant refrigeration, such as frozen foods. Their recommendations on how to best use the technology included detailing how Kingsgate could develop the solution itself or outsource it to a third party.

"For logistics providers, an application of this nature provides extraordinary value," the students wrote. "With it, they can create a fully transparent and trustworthy supply chain where asset tracking, inventory management, payments and more are managed automatically by computers and accessible immediately."

Thanks to the key findings of the UC students' research, Kingsgate was able to save time and instead focus on actually working with the technology, Curee says.

Such partnerships are hardly one-sided, UC's Jones says.

"Through the Kautz-Uible Economics Institute, students can apply the economic concepts that they learn in the classroom within a real-world setting," Jones says. "They see how approaching business through an economics mindset can bring clarity to an issue. Students learn through feedback loops, and by working with business leaders, they experience a different perspective than their professors provide in the classroom alone."