

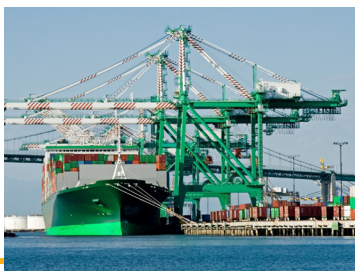
# Connecting Communities in New Orleans, Central America, and the Caribbean

## | NVOCC Rebuilds After Hurricane Katrina

NAVIVAN of New Orleans uses the Magaya Supply Chain Solution to move cargo from one warehouse to another to create consolidations for shipments to Central America and the Caribbean, including medical supplies for missionaries, small packages, and personal effects.

“This business keeps you on your toes and makes you realize there is always a solution. It’s just a matter of finding it.”

NAVIVAN President Ivan Lopez



## At a Glance

**NAVIVAN Corp.**

[www.navivan.com](http://www.navivan.com)

**Industry**

NVOCC

**Solution**

Magaya Supply Chain Solution

NVOCC NAVIVAN is based in Kenner, Louisiana, near New Orleans, and uses additional warehouse space as receiving stations in Miami, FL; Houston, TX; and New York, NY. They ship LCL, FCL, Break Bulk, and Project Cargo. NAVIVAN has agents in the Caribbean and Central America, including Guatemala, Honduras, El Salvador, Panama, and Costa Rica.

## Challenges

Some days the weather is beautiful, and it's easy to load trucks, planes, and ships. Other days it rains or snows, but business goes on. Then there was Hurricane Katrina, almost destroying New Orleans in August of 2005. With winds of 125 mph, 12 to 15 inches of rain, and storm surge that flooded the streets and 80% of the homes, the damage was extensive. Ports closed until power was restored, and bridges were damaged, limiting transportation options.

Freight forwarding company NAVIVAN Corporation is located near the heart of New Orleans, where only a few miles of land separate the waters of the Mississippi River from Lake Pontchartrain. NAVIVAN President Ivan Lopez said the hurricane damage to the city and the business was more than the immediate water damage and building repairs. The long term effects took their toll on the community as businesses closed, industries came to a halt, and employees and family members moved away.

Difficulties of rebuilding included finding qualified staff since so many people left the city and could not return. Mr. Lopez decided to stay and says the situation is getting better now, five years later. Business is being revitalized and the community is coming back with help from many sources and by companies such as NAVIVAN.

After the hurricane, Mr. Lopez had to shut down his New Orleans operations temporarily because of water damage to the facility, but he opened a satellite office immediately in Houston to keep the business going.

He credits his success to the market niche he carved out for his business, the flexibility that Magaya software gives him, and his own tenacity at problem solving. "There is no problem without a solution," Mr. Lopez said. "This business makes you realize there is always a solution. It's just a matter of finding it."



*New Orleans Skyline*

## Finding the Solution

Mr. Lopez founded NAVIVAN in 2002. He said the hardest part of opening a business was finding a name. Every name he thought of had already been registered. "One day my sister-in-law suggested I use my own name, Ivan, backwards and forwards. That solved that."

His business focuses on ocean shipments to Central America and the Caribbean. Mr. Lopez is of Cuban descent and has built relationships with Spanish-speaking shippers in New Orleans. There is a large Honduran population in New Orleans, and NAVIVAN provides door-to-door service shipping personal effects to Honduras and other Central American countries.

In addition to shipping personal effects, NAVIVAN also ships small packages, for example, items that people buy online and need to ship overseas. "We verify the paperwork and inspect the containers to ensure no illegal cargo is being shipped such as commercial goods marked as personal effects," Mr. Lopez explained. "We require the shipper to have a valid ID. Our facility cameras record all the transactions." They perform these procedures to ensure the integrity of the company so they can continue to serve their customers. "Existing customers help us get new customers by word of mouth," Mr. Lopez said.

NAVIVAN has been working with a U.S.-based Baptist organization that provides missionary services to countries in Central America. NAVIVAN receives the cargo in their warehouse for teams of doctors and other specialists who are traveling to Central America to perform missionary services. "We make sure the items are labeled and shipped to arrive when the teams arrive at the destination. This ensures the doctors can make the best use of their time because they have the supplies they need for procedures."

NAVIVAN has an LCL division for consolidations, an FCL division for full containers, and one for break bulk cargo. With 10 employees, NAVIVAN ships approximately 150 to 200 containers a month. Types of cargo include auto and construction supplies, industrial and commercial washers, and other types of cargo. "We are a travel agent for freight," he said.

Mr. Lopez has diversified his business to survive, and he served on

the Louisiana Latin America Business Development Commission to encourage diversifying exports from the Port of New Orleans. The commission was formed in 1997 by Louisiana Governor Mike Foster to help Louisiana businesses compete more aggressively in emerging Latin American markets.

Mr. Lopez has been in the logistics industry since he was 17 years old when he started working in a relative's warehouse. He was a sales manager for a carrier and a multi-modal manager for a shipping line transporting military equipment to the Panama Canal Zone. He coordinated loading ships, Customs, and the stevedores. His experience has taught him the need for quality service and accurate procedures, and how a good software program can help your business.

## From Skeptical Beginnings to Champion

When Mr. Lopez first opened his logistics business, he had a custom-made software program. When he needed to upgrade, he tried another software application, but it did not provide the functionality he needed. "By the time I heard about Magaya software, I was very skeptical about trying any new programs. My needs are not typical of an NVOCC. I need to transfer freight from one warehouse to another. The other software program could not handle that, but Magaya can."

He moves cargo from warehouse to warehouse to prepare consolidations for mixed destinations. Mr. Lopez determines if he has too much or too little cargo in one warehouse to see if he needs to transfer some to another warehouse while still keeping it in inventory. He explained an example: Mixed cargo arrives in New Orleans for many destinations. The Magaya system helps him identify which destinations can have cargo sent directly from New Orleans and what destinations need to have cargo transferred to another facility for consolidation and transport. "And I track all the items and the movements in my Magaya system. In other programs, once you shipped the cargo out, it was done. Now I can unload at different warehouses and still keep the items in inventory. That was the selling point for me."

"At first, I had a custom program tailor made for my business, and Magaya was able to exceed those capabilities and beat the price," Mr. Lopez said. "And the customer support is great. I call my sales person, Jose Barahona, and he always helps me out. He stays in touch with me, and that service after the sale is worth every dollar to me. I have referred other people in the business to him, and I wouldn't do that if I

didn't have faith in the product."

He has given his agents access to see their inventory in his database so they can create their own documentation and loading guides for their outbound loads. "Who knows better the Customs procedures for preparing a Bill of Lading for arrival in Guatemala than the Guatemalan destination agent? This gives them control of their business. They can see their dock receipts immediately and see what's been received right now," Mr. Lopez said. "My agent in Guatemala attributes his growth in revenue and volume to the way we use Magaya."



Mr. Lopez uses the Divisions feature in the software to ensure that each agent only sees their own cargo and information. He also keeps track of his inventory by creating reports in his Magaya system. He can select a date range and destination to see the volume of shipments for those criteria. "If revenues to a specific destination are down, I can find out why," Mr. Lopez said. "It lets me see where I stand."

## In Conclusion

After surviving Hurricane Katrina five years ago and rebuilding his business, Mr. Lopez says this industry has a ripple effect on his outlook on life in general.

"This business keeps you on your toes. It's different every day. It tests you," he said. "When you solve a big problem for a customer or you close a big deal, the feeling is great. I think this industry makes you more capable of coping with things out in the world. You learn to find ways to solve situations. How good you are at finding a solution is what makes you better than the next person."