

Freight forwarder Beacon raises £12M Series A from Amazon and 8VC

Nextgen freight forwarding and supply chain startup Beacon has raised a £12M Series A fundraising round, with investors including Jeff Bezos, the founder and CEO of Amazon, and leading US-based venture capital firm 8VC.

Beacon was founded in 2018 by CEO Fraser Robinson and COO Dmitri Izmailov, both former Uber executives. They were joined by CTO Pierre Martin, previously of Amazon, bringing together a management team with deep expertise in logistics, technology, finance and hyper-growth, which is committed to radically simplifying how companies import and export goods globally.

The freight forwarding and supply chain finance industries are worth an estimated \$1T and \$12T a year, respectively, with the former still a highly fragmented market in which the top ten forwarders globally control just 43%. Many of the logistics incumbents have been slow to digitise, and with fewer than 30% of shippers being satisfied with the customer service they receive, the industry is ripe for disruption.

Beacon already has an established customer base and is growing rapidly, with a mission to become a global leader in logistics and supply chain finance by making trade simpler, more transparent and more reliable for businesses. It offers a full range of services, including global ocean, air and truck freight, together with supply chain finance, all of which can be accessed and managed on a single platform.

The company uses best-in-class AI, search, optimisation, data science, cloud and automation technologies to unlock significant operational efficiencies. The platform combines a real-time view of the global delivery of cargo and a marketplace view of global shipping costs and prices, all powered by machine learning that optimises shipping routes and processes for improved cost, speed and predictability.

Beacon's supply chain finance offering sets it apart from traditional freight forwarders by helping to solve one of the biggest challenges faced by importers today – cash flow. Suppliers often demand payment before goods are shipped and, with months-long shipment times, importers need flexible finance to meet their working capital needs. To address this, Beacon offers qualifying customers financing within 72 hours, which also entitles them to shipping discounts.

Participants in Beacon's initial seed round included Uber founders Travis Kalanick and Garrett Camp, former Google CEO Eric Schmidt, as well as venture firms such as Neo, Red Sea Ventures, Mantaray and FJ Labs. The money raised in this Series A round will be invested in new hires, technology and market expansion.

Beacon co-founder and CEO Fraser Robinson said:

"Beacon has attracted investment from some of the best minds in business and technology. The traditional freight forwarder model remains surprisingly analogue, using systems and processes that are slow and inefficient, with opaque pricing and limited use of technology.

Our goal is to disrupt the trillion-dollar freight forwarder market by vastly improving the experience for importers and exporters with a more transparent and smarter shipping product. We also believe that our ability to offer supply chain finance can be transformative for our customers by allowing them to better control and manage their cash flow. We have built a team with deep expertise in technology, logistics and finance in a short period of time – these new funds will enable us to continue to strengthen that team and invest in our technology, while also increasing our international presence.

With digitalisation accelerating globally as a result of COVID-19, we believe the future of the traditional freight forwarder is more precarious than ever. Shippers are seeking technology-led products and services that will meet their needs more effectively, enhance their experience and cut their costs. We look forward to meeting that demand."

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