The Official Journal of The Logistics & Supply Chain Management Society

The Logistics & Supply Chain Management Society
The Regional Professional Body for Logistics Practitioners

NOVEMBER 2016

this issue

LogiSYM

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from the editor

.....the biggest disruptors ever or new age enablers?

Dear Readers,

Our daily focus is to manage our supply chains and where we are constantly engaged in ensuring that there are no surprises nor risks to our business model. Running risk assessment reviews and mitigation plans to secure stable supply lines is now the norm.

But, we are now faced with major changes in views, and possibly a shift of balance in leadership, that drives Trade Agreements. We could view this scenario as both positive or negative. Depending on where you stand in the cross-winds of change, you could be troubled with the potential disruptors to your business model or you could benefit by the tide of a new age phenomenon in international trade agreements.

It is still not clear how much of the UK & USA winds of change will actually impact our businesses and supply chains. But whilst the various tones of heated rhetoric evolve into some form of pragmatic policies, we should not waste any time to cease the many opportunities in a time of some positive economic optimism in many industries.

The Trans-Pacific Partnership {TPP} was always going to be a tough agreement to reach. But having attained a workable format, it now finds obstacles at the highest levels. So as we ponder on what is being formulated in the transition period, there are 3 key questions that come to mind.

1. *Are we to believe that the US will abandon the Pacific trading region and withdraw from the many opportunities that Asian Countries present?*

2. *Are we to believe that the new US growth target of an incredible of 4% can be achieved by ignoring the traditional trade structures, that have served so many countries, regions and people so well for many years?*

3. *Are we to believe that trade agreements can be achieved without a win-win approach and to expect that any other form could actually work better?*

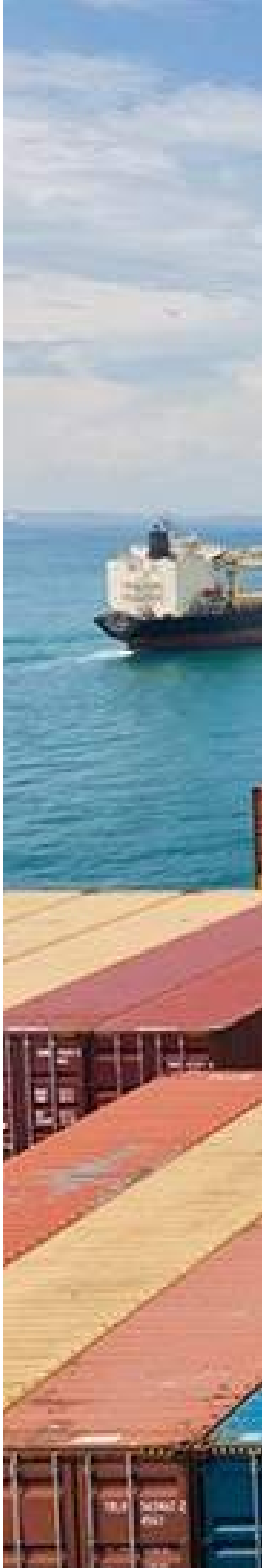
It is, at such a time, when disruption is seen to prevail, that the biggest opportunities could be there for the taking. Change means change, but shutting one's eyes to the nontraditional could also result in lost business and growth opportunities.

In fact nothing fundamental has really changed in our business environment. But what seems to have changed, are the perceptions of how trade agreements have been done versus a new approach in a changing world order and shift in wealth distribution

The crucial question is, if our supply chains are resilient for this evolution & changes?

As usual, I look forward to receiving your feedback at **info@lscms.org** and even publishing an article of yours.

Joe Lombardo
International Editor



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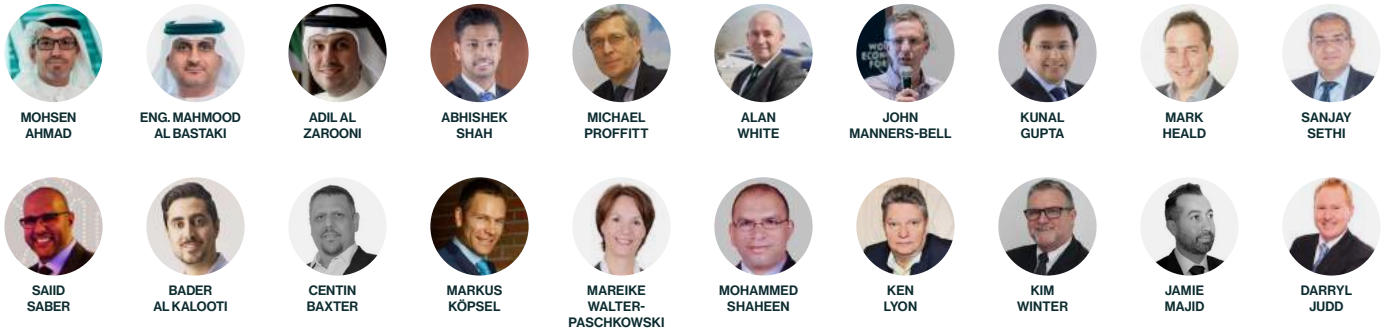

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Here are some of the Key Sessions

- Exploring Future Directions for Global Supply Chains
- Last Mile: The New Frontier in the E-Commerce Supply Chain
- Changing Business Landscapes in Middle East Supply Chains: Is Globalisation Dead?
- The Logistics Property Play: Why Logistics Property Assets are in Hot Demand in the Middle East at Present and What Happens Next
- Emerging Markets - The New Hubs of Innovation
- Disruptive Technology. Supply Chain Excellence in the Digital Age
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- Excellence to Reduce Wastage Within the Cold Chain and Transportation Networks

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a word from the president

Planning for 2017...

The hot topic on the minds of many Logistician's these last couple of weeks is the US Elections, and more specifically what will happen to the TPP once Donald Trump takes office.

If the TPP is not ratified, it could open the door for China to fill the void. This will tie in nicely with their plans for the Maritime Silk Road - something they have slowly and assuredly been working on these last few years. Access to Europe through Greece, the building of the megaport in Malacca and other strategic initiatives of this global plan will certainly affect business and how Supply Chains are formed over the next few years.

We have an excellent article on this topic and also perspectives from a few leading experts in this area in this issue and I hope you find their insights useful and relevant.

With all this excitement, the bankruptcy of Hanjin, the world's seventh largest maritime carrier that sent shockwaves throughout the supply chain seems to have been overshadowed by all this hype around the TPP but the event's long-resolution was, at minimum, an insightful wake up call for the importance of supply chains. Coupled to the formation of the J3 alliance, I believe the rate and service landscape for oceanfreight will change - and we need to take note of this as we plan for 2017.

As always, interesting times ahead and we look forward to riding the waves - turbulent or otherwise - with you as we chart our way through them.

Raymon Krishnan
President
The Logistics & Supply Chain Management Society

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In 2015, Darryl was named as one the "Top 50 influential individuals in Asia' Supply Chain, Manufacturing & Logistics industry" in the prestigious SCM Thought Leader publication by SCM World, recognising him as expert in the linkage of business strategy and supply chain best practices to human capital management.

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Air Transport is Losing Pharma Market Share to Other Modes

THE air transport sector is being challenged by demand for time and temperature-sensitive pharmaceutical products, and appears to be shifting to other modes of transport. Back in April 2015, the International Air Transport Association's (IATA) manager Rodrigo Reyes, presented a paper called "Healthcare in Air Transportation, Coping with the Challenges" at the Air Freight Logistics, Vietnam conference in Ho Chi Min City.

"Only recently, has the industry moved cargo perishables in the belly of the plane. Thanks to technology, more cargo can move through the air," said Mr Reyes, reported the American Journal of Transportation.

But moving healthcare products is challenged by time constraints, which are costly by air, and by temperature sensitivity, which needs strong industry cooperation to liase with all stakeholders to establish standards, he said.

Container shipping lines are answering the call to build refrigerated supply chains for perishables. "Ocean export is generally much cheaper than air export, but the transits from warehouse dock to consignee door are measured in weeks instead of days," according to Mr Reyes.

Since, air transport has lost market share, from 17 per cent of Pharma in 2000 to 11 per cent in 2013.

The causes are due to a lack of compliance, standardization, accountability and transparency across the air transport supply chain. Annual product losses are between US$2.5 billion to $12.5 billion for various reasons.

IAG Launches Emergency Shipment Service

IAG Cargo has announced the launch of its new emergency shipment service, Critical. The premium service will provide the airfreight market with an emergency product that ensures critical shipments are both intensely monitored and guaranteed to fly.

Critical will become IAG Cargo's first major non-off loadable product, providing shipments with an absolute guarantee to fly on the service booked. The product is bespoke to the emergency shipment market, exclusively designed for time urgent shipments which often have significant cost implications if they don't arrive on time.

Several businesses have already signed up to the carrier's new product ranging from aerospace to high tech sectors. These, as well as many other industries have complex global footprints that cannot afford to incur delays or standstill.

On the rare occasion that a key drill bit fails offshore in Nigeria, or a Boeing 777-200 engine requires an emergency spare part in Brazil; Critical will be available to guarantee that a new drill from Stavanger in Norway or a new fan blade from the UK is dispatched and delivered on-time. Allowing global industries to minimise downtime costs and continue operations.

"We understand the pressure our freight forwarders and supply chain partners come under when a customer demands that a shipment must move that day," commented David Shepherd, Commercial Director at IAG Cargo.

"Until now we have not had a product that fully satisfies this unique need, with short cut off times and non-off loadable status, we can now meet the exact demands for shipments that simply must fly."

DHL Express Opens S$140m Facility at Changi Airport

Photo: Courtesy of DHL Express

Express services giant DHL Express has launched a new S$140 million round-the-clock automated facility in Singapore, the DHL South Asia Hub.

This is the company's largest investment in Singapore to date.

The 23,600 sq m facility in Changi Airfreight Centre at Singapore Changi Airport, launched on in October is outfitted with the industry's first fully automated express parcel sorting and processing system in South Asia.

It will boost DHL's operational capacity while offering speedier deliveries for customers, the company said in a statement.

"The hub allows us to meet customer needs more effectively in this age of an on-demand economy," said Mr Frank-Uwe Ungerer, senior vice-president and managing director of DHL Express Singapore. "With our fully automated system, the facility processes up to 24,000 shipments and documents per hour and can handle over 628 tonnes of cargo during the peak processing window - tripling our cargo handling capacity and processing shipments six times faster as compared to the manual operations in the previous hub.

> "The hub allows us to meet customer needs more effectively in this age on an on-demand economy
>
> **Frank-Uwe Ungerer**
> **Senior Vice President and Managing Director**
> **DHL Express Singapore**

"The increased efficiency allows us to look into streamlining our service centre operations in Singapore from end to end, giving our customers even faster deliveries and better business efficiency."

The new hub facility is equipped with automated systems that improve sorting speed and accuracy, multi-dimensional tunnel scanners that accelerate barcode reading, and automated X-ray systems that scan packages up to three times faster than previous systems - all of which will also boost productivity.

It is expected to have a staff headcount of 250 this year.

Date Announced for Emirates Airlines' Move to DWC

Emirates Airline will move all operations to Al Maktoum in the next 9 years. Dubai's Emirates airline will move its base from Dubai International Airport (DXB) to Al Maktoum International airport at Dubai World Central (DWC) by 2025, a top government official said during the Dubai Investment Forum.

Al Maktoum International is the second-largest airport in Dubai. It opened to passenger traffic in October 2013 and is currently served by around 17 passenger airlines and 34 cargo operators.

Emirates Airlines has confirmed to media this month that they were planning to move the entire airline to the new airport, but an official date was not made public at the time.This comes after Emirates' low-cost subsidiary, flydubai confirmed earlier this year that it would shift operations to the new airport. The budget carrier plans to move to Al Maktoum next year. Al Maktoum International airport is part of Dubai South (previously branded as Dubai World Central), which will be the world's largest airport once completed.

Dubai Aviation City Corporation executive chairman Khalifa Al Zaffin said at the Dubai Investment Forum in Dubai that Emirates Airlines would begin to move its operations to Al Maktoum in 2025.

Emirates Airlines was reluctant to confirm the official date of the move, but a spokesperson said that the airline did indeed plan to shift operations "by the middle of the next decade". Capacity at Al Maktoum is set to increase to around 25 million passengers a year by the end of 2017 when flydubai moves there, up from five million today.

The next stage of expansion will be to increase capacity enough that Emirates Airline is able to use the airport. That will require a capacity of 120 million passengers a year according to officials.

Flydubai's move to DWC next year will benefit Emirates airline in terms of more space as the Dubai International Airport is facing some congestion and delays in departure. Dubai International is the world's busiest airport for international passengers.

Government Decides on New Runway at Heathrow

In a major boost for the UK economy the government has announced its support for a new runway at Heathrow – the first full length runway in the south-east since the second world war.

The government's decision on its preferred location, which will be consulted on in the new year, underlines its commitment to keeping the UK open for business now and in the future and as a hub for tourism and trade. A new runway at Heathrow will bring economic benefits to passengers and the wider economy worth up to £61 billion. Up to 77,000 additional local jobs are expected to be created over the next 14 years and the airport has committed to create 5,000 new apprenticeships over the same period.

Transport Secretary Chris Grayling said "The step that government is taking today is truly momentous. I am proud that after years of discussion and delay this government is taking decisive action to secure the UK's place in the global aviation market – securing jobs and business opportunities for the next decade and beyond". Expansion at the airport will better connect the UK to long haul destinations across the globe and to growing world markets including in Asia and South America, bringing a significant boost to trade. Heathrow already handles more freight by value than all other UK airports combined, accounting for 31% of the UK's non-EU trade, and its expansion will create even more opportunities for UK business to get their goods to new markets.

Speaking at London Build 2016, Heathrow's Development Director Phil Wilbraham said "This decision means the economic taps will be turned on and the British supply chain will benefit. We will sign the first contracts within the coming days and week, beginning the process of injecting tens of millions in to the British supply chain and supporting jobs across the UK. This will be the first stage of delivery for Britain's new runway."

The Airports Commission estimated that a new runway at Heathrow would create up to 180,000 jobs and generate up to £211 billion of economic benefits.

Maersk to Split Amid Ongoing Shipping Instability

The Maersk shipping and transport group is to split its operations in two to focus more closely on surviving in two markets experiencing deep uncertainty and instability.

AP Moller Maersk will be launched as a pure transport and logistics company, while Maersk's energy division containing Maersk Oil, Maersk Drilling, Maersk Supply Service and Maersk Tankers will be independently operated and managed. The transport and logistics group combines Maersk Line, APM Terminals, Damco, Svitzer and Maersk Container Industry.

The move comes following a strategic review with one division focused on integrated transport and logistics, and another on energy. As part of the review, group CEO Nils Anderson was also fired.

"The industries in which we are operating are very different, and both face very different underlying fundamentals and competitive environments," said Michael Pram Rasmusen, chairman of AP Moller – Maersk.

> "The industries in which we are operating are very different, and both face very different underlying fundamentals and competitive enviroments
>
> **Michael Pram Rasmusen**
> **Chairman**
> **AP Moller - Maersk**

"Separating our transport and logistics businesses and our oil and oil related businesses into two independent divisions will enable both to focus on their respective markets," he added.

"Building on the group's unique position within container transport and port operations, and significant position in supply chain management and freight forwarding, Transport & Logistics will leverage its leading position through new product offerings, digitalised services and individualised customer solutions," AP Moller – Maersk said in a statement.

According to Seatrade, the new structure sees a management shake-up. Soren Skou will continue as group CEO of AP Moller – Maersk as well as CEO of the transport and logistics division. While current Maersk Drilling CEO Claus Hemmingsen will become vice-CEO of AP Moller - Maersk and CEO of the energy division.

APM Terminals CEO Kim Fejfer will be taking up a role related to AP Moller Holdings and will be replaced by Morten Englestoft, currently CEO of APM Shipping Services and Maersk Tankers. Maersk Oil CEO Jakob Bo Thomason will be leaving the group and replaced by Gretchen Watkins, currenly COO of Maersk Oil.

AP Moller – Maersk CFO Trond Westlie is also leaving and will be replaced by Jakob Stausholm.

Signaling possible further consolidation in the container sector the company said that Maersk Line would grow its market share through organic growth and acquisitions.

World's Largest Shipyard To Be Built in Saudi

HaskoningDHV UK and Hyundai Engineering & Construction have been selected to perform the Front-End Engineering Design (FEED) for the infrastructure of a new maritime yard in Ras Al-Khair in Saudi Arabia.
The maritime yard will comprise a separate shipyard facility for large shipbuilding, large ship repair, offshore rigs fabrication, and offshore support vessel repair.

As planned, this facility will become the largest maritime yard in the world providing a range of services. It will be located north of Jubail on the Arabian Gulf. Royal HaskoningDHV's specialist shipyard consultancy experience combined with Hyundai E&C's track record in Engineering-Procurement-Construction (EPC) projects will provide comprehensive technical knowledge for all elements of the shipyard's design.

The maritime yard will have an impressive range of facilities including seven fully-equipped dry docks, two basins and five piers, a shiplift system, workshops, warehouses, utility services areas, as well as office buildings, living quarters, and recreational facilities for more than 10,000 workers.

Cosco Eyes Hanjin Terminals After US$738 Million Abu Dhabi Deal

According to a report in Bloomberg, China Cosco Shipping Corp, owner of Asia's biggest container-shipping company is considering buying some container-terminal assets of the troubled Hanjin Shipping Co. after agreeing to spend US$738 million on a new port in Abu Dhabi.

"We would like to study if it's put on the table and if there's a willingness to sell" on Hanjin's part, Chairman Xu Lirong said in Shanghai late Wednesday. "So far, it's not on the agenda."

Buying Hanjin's terminal assets in the Port of Long Beach California will help Cosco widen its footprint after China's government merged its key shipping companies last year to help them expand internationally. The Seoul court overseeing the bankruptcy-protection of Hanjin said Wednesday that it's considering a sale of the entire company. Xu said Cosco has no plans to buy the Korean liner's vessels.

Besides the terminal in California, Hanjin also has two other facilities in South Korea.

China last year merged China Ocean Shipping Group and China Shipping Group to form China Cosco Shipping as part of the government's efforts to shrink industries plagued by overcapacity while creating globally competitive businesses.

The combined company focuses on moving container boxes, commodities and oil and gas through its units.

One such unit, Cosco Shipping Ports, said Wednesday it entered into a concession agreement for the construction, management and operation of the Khalifa Port Container Terminal 2 in Abu Dhabi. The agreement is for 35 years, the company said in a statement to the Hong Kong stock exchange, with an option to extend it by a further five years.

DP World Starts Largest Solar Project in Middle East

DP World has begun phase one of a massive renewable energy project to install 88,000 solar panels on the rooftops of its facilities across Dubai. The project is the biggest distributed solar rooftop project in the Middle East and will significantly reduce the port operator's carbon emissions annually.

Distributed solar energy means the power is used close to where it is produced. Once phase one is completed in 2017, the project will provide enough clean power for 3,000 homes a year, but will be used to power the Jebel Ali Free Zone.

The solar panels will provide 40% of the total energy consumption of Jafza, one of the world's largest free trade zones.

After phase one is completed, phases two and three will install further solar installations in Jafza and Mina Rashid, with more than half of Jafza's energy needs expected to be met by solar panels by 2020.

Phase one will be completed in 2017.

Jafza's total energy consumption in 2015 was more than 75-million kWh and phase one is expected to reduce the free zone's carbon emissions by 22,000 tons annually, equivalent to taking 4,500 cars off the road.

"By raising awareness of renewable energy, we are working towards a carbon neutral future for the UAE. This project demonstrates the scale of DP World's ambition to be a world leader in sustainability and we look forward to sharing the learnings across our business and also with our stakeholders," said Sultan Ahmed Bin Sulayem, DP World group chairman and CEO.

Drewry: Container Carriers Still Face High Risk of Failure

Privately-owned container carriers could risk losing shippers' trust if they do not provide any data on their level of indebtedness and balance sheet strength, according to shipping consultancy Drewry.

The recent failure of South Korean carrier Hanjin Shipping has exposed the high level of financial risk that exists and created renewed demand for financial transparency.

While Hanjin's financial position was at the extreme edges and its demise is not expected to create a domino effect, a number of major carriers are still struggling and the risk of another following the same path as the Korean line cannot be discounted, Drewry said.

Drewry's Z-score carrier financial stress index sunk to its lowest ever point following the first-half 2016 results. The decline in the Z-score index has coincided with the heavy reduction in container freight rates that dropped to historical lows in the second-quarter.

"As freight rates staged something of a recovery in third-quarter we expect to see some uptick to the Z-score when the third-quarter 2016 results are published, while the removal of Hanjin from the sample will also benefit the average score. Nonetheless, carriers will almost certainly continue to reside in the so-called 'distress zone'," Drewry said.

Based on the latest available financial reports Drewry's Z-score table shows that only two, namely, A.P. Moller-Maersk and OOIL, of the 14 selected companies scored high enough to make it to the cautionary 'grey zone', with the remainder struggling in the 'distress zone'.

China Port Volume Up, Hong Kong Decline Slowest in Two Years

China's top ports booked a healthy rise in throughput year-over-year in September, taking year-to-date growth to just under 2.7 percent, as traffic declines at Hong Kong slowed to their lowest level in two years according to Turloch Mooney, IHS Markit.

The eight largest Chinese container ports handled a combined 13.1 million 20-foot-equivalent units in September, a rise of 4.6 percent on the 12.6 million handled in the same month last year, according to the latest figures from the Shanghai Shipping Exchange.

The ports handled 114.5 million TEUs so far in 2016, up from 111.6 million in the first three quarters of 2015.

The numbers follow year-over-year volume growth of 7 percent in August and 4 percent in July that helped fuel speculation of a possible trade recovery for the second half of the year in the world's second-largest economy. That optimism was heavily eroded by dismal September trade numbers that saw exports tumble 10 percent in dollar terms while imports fell 1.9 percent. Analysts had broadly expected September exports and imports to be in positive territory in terms of value.

Of the top eight ports, Shanghai, Guangzhou, Qingdao, Dalian, and Xiamen all grew throughput in September.

Container volumes at Guangzhou grew 14.3 percent year-over-year, the SSE numbers show. Volumes declined at the ports of Shenzhen and Ningbo-Zhoushan. Singapore-listed Hutchison Port Holdings Trust said in its third-quarter results announcement that volumes at its Yantian International Container Terminals in Shenzhen fell 4 percent in the first nine months of the year due to less transshipment business as container lines rationalized their networks and services.

Container volumes through mainland China's smaller ports of Yingkou, Suzhou, Nanjing, and Rizhao also rose year-over-year in September.

After months of heavy declines, Hong Kong's Kwai Tsing terminals booked a throughput increase of 4.8 percent in September, to 1.3 million TEUs. However, a poor performance by the river trade component, wherein year-over-year volumes dropped 16.7 percent, pulled the port's growth into negative territory.

Nevertheless, the overall 0.7 percent drop in throughput was the smallest monthly decline booked by the port of Hong Kong since August of 2014.

Hong Kong handled 14.1 million TEUs so far in 2016, representing a fall of 8.5 percent on the first nine months of 2015.

CHINA'S EIGHT LARGEST CONTAINER PORTS HANDLED:

SEPTEMBER 2015	SEPTEMBER 2016
12.6 MILLION 20-foot-equivalent units	**13.1 MILLION** 20-foot-equivalent units

APL Logistics Expands Oman Presence

APL Logistics Ltd. announced in August the setup of APL Logistics Oman, a new joint venture company with Arab Global Logistics LLC in Oman. The new entity will spearhead efforts to develop Oman as a regional logistics hub to serve local and international customers in the Middle East and East Africa. Customers of the new Muscat-based joint venture can look forward to a comprehensive offering of high-tech, flexible logistics services that solve complex everyday issues across inbound and production logistics, finished vehicle logistics, multi-modal transportation, consolidation, order management, customs brokerage and packaging.

"We are excited about the compelling growth prospects in Oman and the Middle East, with rising consumption and rapid diversification of economic activities," said Joerg Granzow, APL Logistics regional leader for Europe, Middle East and Africa. "We chose Oman for its strategic location within the region, well-established infrastructure and highly capable workforce."

Logistics Key to E-commerce Profitability, Says DHL Report

E-commerce fulfilment and logistics costs can be up to 400 per cent more per unit than those for traditional brick and mortar models, according to a report from DHL Supply Chain.

The report, "Omni-channel retail: fulfilling demand profitably", argues that retail growth in the omni-channel era is being hampered by rising customer expectations and legacy supply chains.

It found that some 86 per cent of retailers believe today's supply chains are not up to the challenge of fulfilling omni-channel retail. And it said retailers needed to consider and number of factors to achieve success: a supply chain with omni-channel at its heart should be a priority for retail business strategy, a customised, fully integrated cross-channel inventory allows for back-end optimisation, and for e-commerce and high street stock to be merged and dynamically reallocated on a minute-by-minute basis.

It's not a one-size-fits-all solution; retailers need to take a holistic approach and design their supply chain in line with their overarching strategy to ensure that it sufficiently supports the direction and focus of the business.

"Consumers have come to expect a convenient retail experience in the form of shorter delivery times, free deliveries and returns, and full online inventory in stores as a matter of course, but within traditional supply chain frameworks, this can be extremely expensive to deliver," said Jonathan Pilbro, DHL's VP of business development.

"However it is possible to meet customer expectations while achieving profit targets. Retailers need to reconfigure their supply chains according to the new demands being placed on them."

KWE Thailand Establishes New Office at Don Mueang Airport

KWE-Kintetsu World Express Thailand Co., Ltd., or KWE Thailand, has established a new airport office at Don Mueang Airport in Thailand.

Don Mueang Airport is the second largest international airport after Suvarnabhumi Airport in Bangkok.

Don Mueang Airport to which several Low Cost Carriers (LCCs) have flights is easily accessible to industrial complexes such as the Ayutthaya and Nava Nakorn on the north side of Bangkok city. Especially, it has more advantages in urgent import custom clearance and delivery to those industrial complexes than the Suvarnabhumi. The importance of the Don Mueang has been increased because carriers have deployed more wide-body aircraft for the flights and increased flights to and from Chinese cities.

The establishment of a new office at Don Mueang Airport will enhance the air freight services of KWE Thailand.

First Global Third Party Logistics to Receive International Halal Certification

Photo: Courtesy of DB Schenker

Schenker Logistics (Malaysia) Sdn Bhd announced that the Kuala Lumpur Logistics Centre 9 (KLC9) warehouse located in Puncak Alam, U10 Shah Alam is officially accredited for their halal logistics operations under the international halal standard for logistics IHIAS 0100:2010. The certification covers both storage and transportation.

According to Mr. Claus Kuhnert, this recognition is timely as Halal supply chain management is an emerging requirement for FMCG brands. It is a new milestone for DB Schenker to be the first certified multinational third party logistics service provider to receive this international Halal logistics recognition.

He further added "Schenker Malaysia understands the importance of a halal value chain, and an unbroken halal supply chain for big brand owners serving Muslim markets in Southeast Asia. We feel that this need is not well served by the logistics industry and we at Schenker Malaysia see this as an opportunity to become one of the first fully certified international logistics service provider in Asia. We are gearing towards full compliance to serve the halal industry as the innovative integrated logistics service provider of choice."

DB Schenker expects the halal logistics solutions offered by the company will allow their clients to achieve a total halal supply chains for food, cosmetics and pharmaceutical companies, and strengthening its position in the FMCG business.

The certificate will also enable DB Schenker to actively participate as the MNC logistics player in strengthening Malaysia's position as a global halal hub.

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Sejling Named CEO of Maersk's Damco Logistics Unit

Klaus Rud Sejling, currently head of East West Trades at Maersk Line, has been appointed chief executive officer of Maersk Group's logistics arm Damco.

Sejling joined Maersk in 1997 and has worked in various roles in Maersk Tankers and Maersk Line before joining Maersk Logistics as branch manager and later as chief commercial officer for Greater China. Most recently, he has been head of Group Strategy, and chief operating officer and chief commercial officer of Maersk Tankers, before rejoining Maersk Line as Head of East West Trades in 2014.

"Klaus Rud Sejling has had a very impressive 20-year career with the Maersk Group and has held a number of leadership positions in many of our Business Units, including a four-year-period in Maersk Logistics — today called Damco," said Søren Skou, Maersk Group ceo.

Sejling said he was looking forward "to continue to drive growth and leverage synergies across the Transport and Logistics division."

The Copenhagen-based Maersk Group said Sejling's replacement at Maersk Line will be announced at a later stage. Sørensen took over as ceo of Damco, based in The Hague, Holland, in January 2014, after serving as ceo for Maersk Tankers from 2012 to 2014.

Damco is a leading provider of freight forwarding and supply chain management services. The unit had revenues of $2.74 billion, with a profit of $19 million in 2015.

Last week, parent company A.P. Møller — Maersk AS said it was divided into two independent divisions, an integrated Transport & Logistics division and an Energy division.

The company's board said this will ensure a focus on driving synergies and developing new products and services in Transport & Logistics, as well as focus on separately developing structured solutions for its oil and oil-related businesses.

Transport & Logistics will consist of Maersk Line, APM Terminals, Damco, Svitzer and Maersk Container Industry based on a one-company structure with multiple brands. The mission of these businesses will be to enable and facilitate global supply chains and provide opportunities for our customers to trade globally.

DHL Express UAE Increases Rates by 4.9% for 2017

The global express logistics company DHL Express has announced its annual general average price increase, effective from January 1, 2017, with an average price increase of 4.9% in the UAE.

DHL Express is focused on being the quality leader in the international time definite delivery business," said Ken Allen, CEO, DHL Express. Our annual price increase supports this aspiration by allowing us to invest in a truly world-class network that generates significant value for our customers."

Allen added that the 2017 rate increases came after a broad array of investments in DHL's network, systems and people during 2016 amounting 800-million euros.

Landmark investments include a EUR 66 million gateway in Tokyo, Japan, the launch of new automated sorts at our hubs in Cincinnati, U.S., Singapore and Leipzig, Germany, and the pioneering introduction of more efficient A330-300 cargo aircraft in our European air fleet," said Allen.

More Swiss Chocs Rolling Out of S'pore

Swiss chocolate maker Barry Callebaut has invested US$18 million (S$24.7 million) to expand its Singapore manufacturing facility.

The expansion involved installing a third production line, a chocolate chips/drops moulding line and a warehouse. The new facilities were built within six months.

"This expansion is a strong sign of our commitment to Singapore and the Asia-Pacific region," said Barry Callebaut Group chief executive Antoine de Saint-Affrique.

"We have a growing customer base in Asia-Pacific and we are committed to serving these customers with an always greater level of efficiency."

The new chocolate chips/drops moulding line allows for the production of different recipes and products of various shapes. The facility now also houses 2,600 sq m of warehouse space. This will help the firm deliver its chocolate products more quickly due to greater flexibility with stock-holdings.

Most of the chocolate produced in the factory is exported to global and local food manufacturers across the region.

The manufacturing plant sits on a 1.2ha site in Senoko South Road near Woodlands and is also the first industrial chocolate factory built here.

Besides the three lines for chocolate manufacturing, it houses a chocolate academy to test and develop new products and recipes as well as rooms for training sessions for chocolate artisans, pastry chefs, confectioners, bakers and caterers.

Xiaomi Hopes To Open 1,000 Stores

To date, Xiaomi has focused overwhelmingly on internet sales of its smartphones and media devices in order to keep costs down. Even its tiny retail footprint has largely been limited to service centers and "experiences." However, that's all going to change in the next few years. Xiaomi has revealed that it plans to open 1,000 honest-to-goodness retail stores by 2020. It'll make sure that customers can "touch and test" Xiaomi's technology, CEO Lei Jun says. He hasn't said where those stores will be, but it's reasonable to expect most or all of them to be located in greater China.

A spokesperson told Tech in Asia that the retail plan is an acknowledgement that Xiaomi has "become a household name" in China, and that you'll see its presence grow relatively quickly. The firm is converting its existing Mi Home outlets into full-on stores, and expects 60 Mi Home locations to be up and running by the end of 2016.

The dive into retail is bound to be expensive for Xiaomi, and a gamble when the company is almost legendary for its razor-thin profit margins on hardware. It might not have much choice, mind you. While it's true that Xiaomi is well-established, its smartphone shipments plunged this year -- in no small part due to rivals like Huawei, which has a whopping 11,000 stores across China. Physical stores could both snap up more impulsive buyers and remind customers that Xiaomi is still a force to be reckoned with. There's no guarantee that it'll work, but Apple's recovery in the 2000s was partly credited to launching stores that both increased availability and presented its products in the best light. Xiaomi is no doubt hoping for a similar effect.

CCC Bursary at DHL Supply Chain

LSCMS reached out to one of its Executive Committee members who worked at DHL and helped organise the hosting of a bursary awards presentation ceremony officiated by Singapore Deputy Prime Minister Tharman Shanmugaratnam.

LSCMS also held a panel discussion to introduce the recipients of the bursaries who were mostly university and polytechnic students to the Logistics and Supply Chain industry. Aside from Mr Jason Go, MD of DHL Singapore, LSCMS Advisory Board member, Mr Joe Lombardo and LSCMS member Manju Vijayan, a HR professional moderated and participated in the very lively panel discussions that amongst other things, highlighted the exciting innovations and disruptions that are taking place in our industry.

Photo: LSCMS Advisory Board member, Mr Joe Lombardo (left) and Ms Manju Vijayan

Photo: Singapore Deputy Prime Minister Tharman Shanmugaratnam (left) and LSCMS Advisory Board member, Mr Joe Lombardo

Three Disruptive S&OP Ideas to Boost Your ROI

Supply chain optimization technology promises to close the gap in knowledge, collaboration and competitiveness by enhancing the sales and operation planning (S&OP) processes, but not without a few challenges. Jean-Baptiste Clouard, the S&OP product manager at Quintiq, shines a light on the three common blind spots when selecting S&OP technology.

Let's be honest … S&OP is no cakewalk

Companies need better tools to implement and execute business strategies. Getting buy-in and collaboration during the S&OP process is complex and challenging but is rewarding when done well. Delivering a solid, up-to-date S&OP means excessive monitoring, checking, collecting and keeping the process on track. Distractions come in the form of shorter term considerations of the business in the here and now, which may take priority over the longer term decisions to be made by looking 18 months into the future.

The ultimate goal of the standard S&OP process is increased competitiveness. But with competing interests in your own company, and piles of processed and unprocessed information, it's no wonder most organizations find it challenging to implement an S&OP process. Likewise, many find it difficult to keep up with all the data and evolving technologies that could give them the competitive advantage in their S&OP cycle.

Let's be honest—many S&OP software implementations fail or do not achieve the expected ROI. Why?

We've highlighted three blind spots that can cause S&OP software implementations to fail. Read on to learn what it takes to achieve a significant ROI when implementing an S&OP solution.

1. Scenario-driven optimization

In an S&OP meeting, you see several stakeholders put forward their hypotheses to solve a specific demand or capacity issue. Working with standard planning software, you would invest time to develop and test those hypotheses using what-if scenarios. However, testing every possibility would be cumbersome and often, the software wouldn't tell you which combinations are optimal.

What does this mean in practice? Imagine that you're the supply chain manager. A key supplier has reduced capacity for the coming year. You're in the S&OP meeting and everyone is suggesting possible solutions:

1. Engage a new, slightly more expensive supplier
2. Use alternative recipes
3. Use pricing strategies to reshape the product demand—minimizing demand for that supplier's product
4. Produce at another plant with similar suppliers nearby

Using legacy S&OP software, you would need to create these scenarios manually to test out each hypothesis. But the software wouldn't be able to tell you that a combination of hypotheses 1, 2 and 3 would yield optimal results and the best ROI, unlocking real benefits.

When choosing the right S&OP software, go beyond asking if the solution can handle what-if scenarios. Identify whether the software can find the optimal combination of all what-if scenarios—a critical difference that will yield significant ROI during the implementation phase.

2. Data maintenance

Another reason why S&OP plans and implementations fail is because of data maintenance. No matter the

size of your company, everyone has a lot of data to maintain from multiple sources. It may even be entered manually.

Every month, your team handles the collection, checking and maintenance of all the data such as costs for raw materials, production, transportation and labor, to name a few. As soon as it's generated, data quality starts becoming outdated. If the data isn't kept up to date, the S&OP plan will be compromised and eventually, your people and departments will stop following the plan.

The importance of data quality cannot be underestimated. It's a vicious cycle that can become a critical breaking point in an S&OP plan. When the data going into the planning process is inaccurate, adherence will drop.

In any complex planning process, the volume of data is likely to defeat its owners in just a few months, which is well short of the typical 18-month time horizon of the S&OP process.

Recently, we've seen a new generation of supply chain management software come into the market that uses machine learning principles to maintain data. One of the most reliable indicators of data quality is the measurement of adherence to plan—the gap between what you planned and what actually happened. This new technology safeguards against deterioration of data by continuously measuring the gap between planned and actual. As a result, planning teams can benefit from having removed one of the main obstacles to a successful S&OP process.

3. Product design process

A commonly missed opportunity in the S&OP process is optimizing the product design process. Looking at the consequences of design decisions and integrating product specifications into the S&OP process is crucial for designing a truly optimal supply chain.

Typically, product design teams don't consider how the product will be developed, produced or shipped. And, vice versa, the supply chain team is not factoring product design decisions into the S&OP process. This means that they could be missing massive optimization potential.

Production and distribution can be optimized at a much earlier stage with the specifications of the product such as shape, size, weight and packaging. Integrating product design insights with the S&OP process brings a deeper understanding of the consequences of design decisions. By incorporating design decisions into the S&OP process, you are also taking into account all other supply chain constraints—leading to a healthier bottom line.

Early optimization of design decisions also impacts the quality of feedback. S&OP teams will be able to provide better feedback to product development teams on future products especially when it comes to production, storage and distribution costs. Soon, the next generation of S&OP processes will be able to predict the consequences of design decisions and integrate them into future S&OP plans.

The difference between S&OP success and failure

When selecting the right S&OP solution, keep in mind that these three key success factors will help you boost your ROI.

A combination of methods and technologies are required to automate and optimize the S&OP process. By raising the bar for optimization, data quality and integration with product design, you have the potential to bring significant improvements to your S&OP process. Continue assessing your current processes and the systems you have in place, and keep an eye out for new capabilities that could prove to be the difference between a successful S&OP cycle and a failed one.

Use Quintiq's S&OP ROI calculator to discover how much you could stand to gain by optimizing your S&OP process. **Calculate my profit potential now.**

Are you getting the full ROI from your sales and operations planning (S&OP)?

Discover benefits, challenges and examples of achieving ROI when implementing an S&OP solution. In the Logisym webinar, Jean Baptiste Clouard discusses the solutions to those challenges and shows best practices that will help you to reap the full benefits from your S&OP process.

>> LEARN MORE <<

Schaeffler Partners with IBM Over Digital Transformation

Photo: Courtesy of Schaeffler

Schaeffler says it has signed a multi-year strategic partnership agreement with IBM to accelerate the digital transformation of its entire operations and customer solutions using Watson's cognitive intelligence and insight from billions of sensors that make up the Internet of Things (IoT).

Schaeffler manufactures millions of precision-engineered products that help to keep the world's machines moving, from those that go into automotive clutch systems, to those in hybrid engines and the huge industrial bearings used in wind turbines. Through the agreement, Schaeffler will tap IBM's cloud-based Watson IoT technologies to help transform every aspect of its business from product development, through to manufacturing and its supply chain, sales and aftersales service.

Advanced technologies such as artificial intelligence, cloud computing and the Internet of Things are driving increased connectivity and automation across the manufacturing industry. At the same time, engineering companies like Schaeffler are pioneering the development of innovative 'mechatronic' solutions which combine mechanical, electronic and software capabilities into individual components and systems which have the ability to monitor, report and manage their own performance.

"This is an era of unprecedented industrial transformation defined by factories, machines and parts capable of self-assessing, triggering actions and exchanging information with each other, and with the people who manufacture and maintain them," said Harriet Green, general manager, IBM Watson IoT. "Schaeffler is leading the way and literally redefining approaches for designing, producing and maintaining machines, making them safer and more reliable."

As a partner for its digital reinvention, Schaeffler has turned to IBM. The goal is to build virtual models representing entire industrial systems enabling new approaches to product design, manufacturing and aftersales service. Tapping the connectivity and analytics capabilities of IBM's Watson IoT platform, Schaeffler will analyse huge amounts of data from millions of sensors and devices across its operations and provide insight to help it to be more flexible, make faster decisions and optimise the performance of equipment in the field.

Schaeffler says it is leading the way in the development and manufacturing of products for engine, transmission and chassis applications. New technologies will allow Schaeffler to extend the functionality and lifespan of components for the automotive industry. Real time analytics and cognitive systems will turn data from components and systems into valuable insight which can be used by manufacturers to increase the reliability of cars and offer new value-added services to customers.

Crown Launches Versatile MPC 3000 Series Lift Truck in Southeast Asia

Crown Equipment has released a new series of state-of-the-art lift trucks combining the benefits of an order picker with the advantages of a counterbalance forklift.

The new Crown MPC 3000 Series combines a high-lift, clear-view mast with an outrigger-free counterbalance design and an ergonomic ride-on platform; a combination that creates a versatile, multi-purpose lift truck capable of performing tasks usually requiring more than one piece of equipment.

It features the tried-and-tested Crown AC traction motor for reliability and powerful acceleration, and is capable of travelling up to 12.5km/h and lifting 1200 kilograms to a height of 4.3 metres. It can lift full-capacity loads (at a 600mm load centre) to the full height of the mast.

MPC 3000's all-round solid steel construction is designed and tested to withstand intensive use while its large, long-life load wheels are easily accessible for quick replacement.

The MPC 3000 automatically adjusts cornering speed and acceleration depending on steer wheel angle, fork height and load weight, for stability. Combined with responsive brakes and a suspended, shock-absorbing floorboard, MPC 3000 maximises operator safety, comfort and confidence.

UNIQUE LAYOUT

The MPC 3000's layout makes it ideal for order picking as well as replenishing low-level pick slots from high-level storage, an activity that usually requires separate reach trucks and high-lift trucks.

A lack of outriggers aids work in close proximity to machinery, sandwich-stacking four-way pallets and manoeuvring in tight or congested areas efficiently and safely.

MPC 3000's nested I-beam mast construction, plus clear-view fork carriage and overhead guard, provides operators with an almost unobstructed field of vision both forwards and upwards for swift, precise and safe usage. Optional lift/lower buttons on the backrest offer even better vantage points for positioning loads both on and off the truck. Crown Product Engineering Development and Support Manager Michael Croxford said Crown has delivered a highly developed product capable of streamlining lift truck fleets and increasing efficiency for an array of material handling operators.

"With the MPC 3000, Crown has delivered a state-of-the-art machine capable of performing multiple warehousing tasks such as order-picking and sandwich-stacking multiple pallets while reducing the amount of equipment required," Croxford said.

"It is also capable of simplifying the put-away process at the receiving facility in certain applications.

"Combined with its ergonomic refinement, reliability, durability and operator safety features expected of Crown equipment, the MPC 3000 is capable of reducing operating costs and saving time in a number of applications."

The MPC 3000's advanced design includes other proven Crown features such as Access 123®, e-GEN™ braking and electronic steering. Fleet managers can also choose from a wide range of optional Work Assist™ accessories, enabling them to customise forklift trucks for specific requirements and create an even more ergonomic and user-friendly working environment.

TransRush Expands in Australia

TransRush, a wholly owned subsidiary of China's cross-border e-commerce logistics provider 4PX Group, has expanded its logistics business in Australia.

With rapid development and keen competition in the e-commerce industry, geographical borders will continue to diminish and become an irreversible trend in the global logistics realm. TransRush's arrival will undoubtedly exert a strong influence on Australian international delivery market.

Widely known in China, TransRush helps customers purchase goods from global online retailers by offering freight forwarding services to both retailers and end consumers based in China. It gains professional logistics experience and financial support from 4PX, which was founded in 2004, and closed its latest investment round with Alibaba's logistics arm, Cainiao, and Singapore Post.

Cainiao and TransRush have already reached an agreement for cooperation in the cross-border logistics field, and this partnership will significantly speed up the construction of an intelligent global warehouse distribution network.

TransRush currently offers many shipping routes from overseas to China, including the United States, the United Kingdom, Germany, Japan, South Korea, Singapore, Australia, and operates 27 overseas warehouses in five global regions.

Long-term strategic partnerships with Visa and Bank of China have helped fuel the growth of TransRush and with more than 200,000 m2 of global processing centers, comprehensive product lines and services, and competitive technical assistance, the company is emerging as a leader among the many Chinese cross-border logistics companies.

TransRush's newest Australia-China Express route has finished preliminary testing, which indicates forwarding goods from Australia to China will only take five to seven workdays at a total cost 20% lower than the industry average offered by its competitors. Red wine, for which Australia is famously known and which is in great demand in China, can also be shipped through TransRush.

UAE's First 3D-printed Car at GITEX

The UAE's first 3D-printed autonomous vehicle led launches of 3D printed technology at GITEX Technology Week.

UAE-based robotics company DigiRobitics revealed WiGo, the first 3D-printed unmanned vehicle manufactured, assembled, and programmed in the UAE. WiGo is ideal for mega-events, and was used to ferry passengers from the metro station to the Dubai World Trade Centre.

DigiRobotics also ran live demonstrations of its new DG3Print 3D printer – a six-axis machine that can produce complex, large-scale shapes.

GITEX Technology Week ran 16-20 October at the Dubai World Trade Centre.

Kewill Initiates Steps to Join WCA's WIN E-platform

Kewill, provider of innovative solutions for supply chain execution, officially begins process to add WIN connectivity to its MOVE forwarding platform and becomes the newest vendor member of the WCA. "With over 6,000 independent forwarder members in 180 countries, many of whom already use Kewill solutions, our partnership with WCA will help us to grow our customer base," said Doug Braun, CEO, Kewill.

"MOVE's architecture already supports seamless connectivity and the new connection to WIN will give our customers broad reach to reduce their reliance on email and redundant data handling by exchanging shipment data, documents, and milestones with their WCA agency partners."

"WCA is firmly established as the largest and most successful network for independent logistics providers – and the only one with the ambition and resources to develop solutions like WIN to directly benefit members," said Dan March, Chief Executive Officer, WCA.

"I am delighted that yet another leading freight forwarding software company has given the go ahead to partner with WIN. We are very pleased to welcome Kewill to the network," said John DeBenedette, Managing Director, WIN.

"Independent forwarders already have an edge on service and local expertise but lag behind their multinational rivals on seamless IT connectivity.

"WIN makes the systems of forwarders anywhere in the world interoperable so they can work on a level playing field with multinationals who have more homogeneous IT landscapes.

"Members frequently come to us asking which software solutions we recommend and we always recommend the visionary companies with open connectivity strategies such as Kewill."

UPS Orders Fleet of 747s, Dashing Carrier Hopes of More E-commerce Contracts

Carrier hopes of picking up e-commerce volumes from integrators have been dashed by news that UPS has ordered 14 747-8F aircraft, with options for another 14. UPS said yesterday it would use the aircraft on major routes between Asia and the US, and Asia and Europe, when the new aircraft arrive between 2017 and 2020.

Boeing confirmed that the order was for additional capacity, not fleet replacement. UPS plans to move its older 747s to replace smaller aircraft on other routes.

David Abney, CEO of UPS Airlines, told Reuters: "It's really a cascading effect that is more than the sum of its parts. We may be adding only 14 at this time, but … there's going to be multiples of larger aircraft with more capacity and many more locations."

The news comes as the air cargo market continues to suffer low volumes and poor yields, and while there are signs of a "strong peak", few carriers have high hopes for 2017.

E-commerce delivery and the package sector are areas of growth, although carriers have struggled to define their place in the market, except as capacity providers to the express operators.

Robert van de Weg, commercial chief for Volga-Dnepr, added that the airline group was seeing extra e-commerce volumes through forwarders.

"The integrators are active, but Amazon and Alibaba do work with forwarders and we carry a significant amount of that traffic – and it's growing. But the curve of e-commerce is very different from general cargo."

He added that it was harder for companies such as Amazon to offer long-haul services.

"E-commerce companies can't in-source intercontinental services more economically than we do. They have to depend on traditional suppliers. They have in-sourced 767s but on long-haul it's a different game. It's like EasyJet – the same strategy does not work on long-haul.

"I think we have a fighting chance to win this business, as we are extremely efficient. We have been disciplined by the market year after year; there is no fat."

UPS's order came as a disappointment to several carriers. Boeing, however, is delighted that the threatened 747 has received a new lease of life.

200-Year-Old Snail Mail Operator Taps Alibaba Giant for Growth

Malaysia's biggest postal company is seeking a more direct role in providing logistics services to Chinese e-commerce giant Alibaba Group Holding Ltd, tapping a boom in online retailing.

Pos Malaysia Bhd plans talks with Alibaba on bypassing the middlemen when shipping goods sold on its platforms, Mohd Shukrie Mohd Salleh, its chief executive officer, said. Surging parcel deliveries for online shopping drove a 40 percent jump in profit in the fiscal first quarter and full-year earnings will be higher than a year earlier, he said.

Postal companies in Asia are remodeling themselves by expanding overseas to meet rising demand spurred by a global retail e-commerce market valued at about $1.2 trillion by the Universal Postal Union. Pos Malaysia, which started work in the early 1800s delivering mail by bicycle, is the top performer this year among 14 global courier stocks with a market value of at least $500 million, recording a total return of 49 percent, beating United Parcel Service Inc. and FedEx Corp.

While Pos Malaysia handles parcel deliveries for Alibaba through freight forwarders, or so-called consolidators such as Japan's Sankyu Inc., the Kuala Lumpur-based company wants to deal directly with these marketplace owners, said Mohd Shukrie.

"The future is about cutting the middleman, and the existence of consolidators will be under threat," he said. "Right now, we deal more with consolidators for parcels from China to the world, but understandably marketplace owners want to deal with logistic players directly."

Singapore Post Ltd., which counts Alibaba as its second-biggest shareholder, said a year ago it plans to expand freight services and warehouses in the U.S. and Europe as Asia's emerging middle class drives online purchases from overseas.

In September, Pos Malaysia completed the purchase of KL Airport Services Sdn. from parent DRB-Hicom Bhd., controlled by businessman Syed Mokhtar Al-Bukhary. The move will boost revenue to 2 billion ringgit ($482 million) in the year ending March 2018 and allow the company to offer more logistics services overseas, said Mohd Shukrie.

KL Airport now has two aircraft and the capability to pick up cargoes from the region including Hong Kong, he said. It can expand the fleet by one plane annually in the next five years in tandem with business growth, said Mohd Shukrie, who mentioned Ingvar Kamprad, Ikea's billionaire founder as an inspiration for building a steady and sustainable business.

"The pie is growing very fast, we do not want to settle with growing with the market, we want to grow more than the market," he said.

Google Express Goes Nationwide in US as Amazon Fresh Adds More Cities

Tech titans Google and Amazon are stepping up their 'shopping wars' by rolling out more consumer delivery services across the USA. Search giant Google has extended its Google Express shopping service to 13 more states and claims to cover 90% of the continental US now, while Amazon is rolling out its Fresh grocery delivery service in more US cities.

Google Express is an online marketplace for "neighbourhood and national stores", offering mostly popular consumer goods and dry, non-perishable groceries. Following pilot schemes, the company has reportedly decided not to broaden the portfolio to cover fresh and frozen food, which is more complex and costly to deliver, in order to scale the service up more quickly.

The service, which is seen as a response to the rising trend for consumers to start product searches on the Amazon marketplace instead of on Google, offers a mix of same-day, next-day and 2-day deliveries. Delivery is free for Google Express members and starts at $4.99 per store for other customers.

"We work with delivery companies such as OnTrac, FedEx, UPS, Dynamex and Lasership to serve as wide an area of shoppers as possible," the company wrote on its Google Express page. In addition, there is a Google Express-branded crowdsourced same-day delivery service in some urban areas that competes with the Amazon Prime Now service. Google Express general manager Brian Elliott told US media that the latest expansion means the service now covers 90% of the US population, and explained that Google Express will soon be integrated into the general Google search results.

Meanwhile, Amazon announced yesterday that its Amazon Fresh service has expanded to Chicago and Dallas. It was already available in Northern Virginia, Boston, Baltimore, Seattle, New York, Philadelphia, Stamford, Trenton and seven regions across California as well as other US locations. In Europe, it is so far only available in London.

"We continue to expand AmazonFresh into new regions so that more and more customers can take advantage of the service," said Ben Hartman, VP of AmazonFresh. "Whether they are busy with family, work, travel, or something else, we believe all Prime members will enjoy the convenience and flexibility of AmazonFresh, in addition to the vast selection and low prices that the service offers."

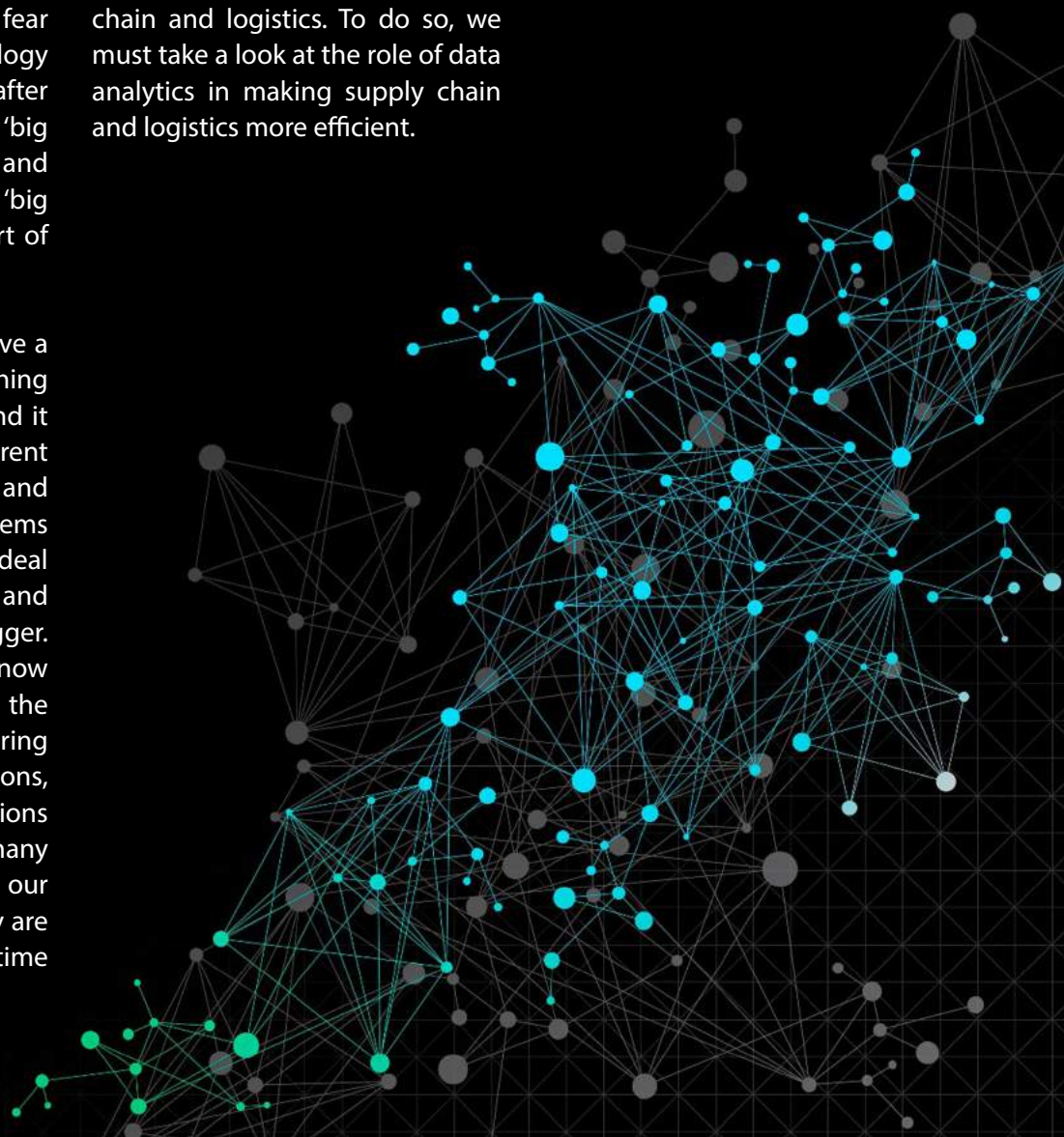
TO DESCRIBE, PREDICT OR PRESCRIBE:

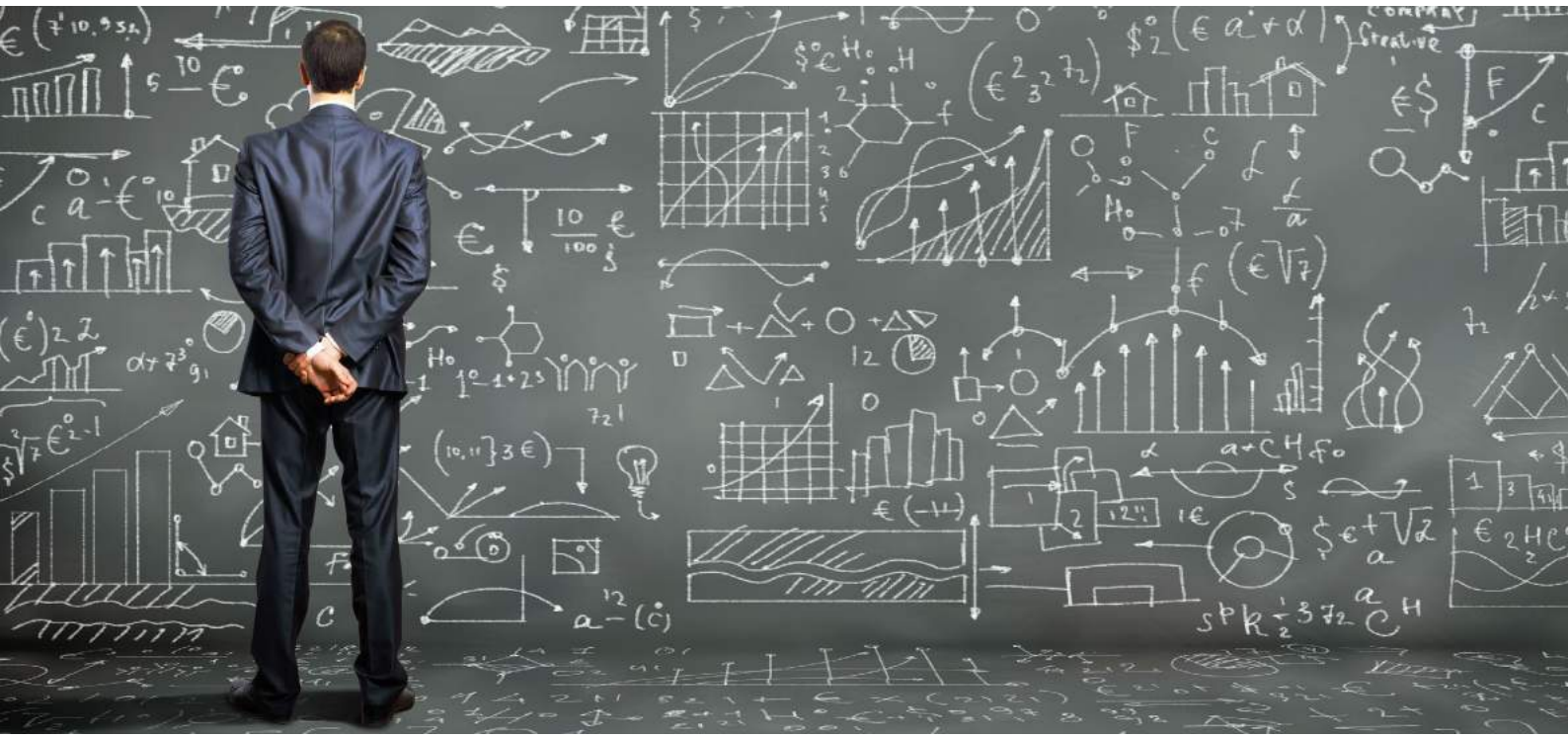
Analytics in Logistics & Supply Chain Operations

Industries have that uncanny tendency to overcomplicate technology issues, while wrapping them up in self-serving hyper marketing announcements. The noise about 'big data', closely followed by "artificial intelligence" has been built up to resemble something akin to the bogeyman of corporate IT departments, so much so that the mere utterance of the phrase has been meet with fear of falling behind the technology innovation curve. Conference after conference brings up the scary 'big data' coming to supply chain and logistics, ignoring the fact that 'big data' is already an integral part of the industry.

Big data simply means you have a lot of data. That's it. There is nothing that specifies what 'a lot' is, and it is usually compiled from different systems like ERP, MES, TMS and whatever other transaction systems a company might have. We deal with big data on a daily basis, and admittedly, it's only getting bigger. A simple shipping manifest now includes multiple addenda on the nature of the goods, pre-clearing inspections, clearing inspections, authorizations, confirmations of security checks and many others. We can now see where our shipments are, what state they are in and whether they arrive on time at the correct destination.

It goes without saying that all this data are indeed important. But we must also remember that not all data is important to everyone. All this data is important to one or more participants in the chain, but the value of all this data taken all together is less clear. Therefore, it becomes important to find a way to deal with all this data in the context of managing supply chain and logistics. To do so, we must take a look at the role of data analytics in making supply chain and logistics more efficient.





THE DIFFERENT FLAVORS OF ANALYTICS

When talking about analytics, we would probably use one of the three adjectives to describe the nature of the beast: descriptive, predictive or prescriptive. Descriptive analytics has been de rigueur of data analytics, and terms like "data warehouses" and "business intelligence" have become part of the vernacular. Simply put, descriptive analytics shows us what has already happened in our business. It is a major part of business analytics.

One would be able to see various data points from the past — shipment volumes, delays, shipment losses and much more. But what happened in the past is not as informative to the supply chain as what could happen in the future. Using a very rudimentary example, descriptive analytics will merely inform you that 100 shipments have been hijacked between port A and port B in January and March over the last 5 years.

What about predictive analytics? It uses data that the company already has to predict data that the company does not yet have. Predictive analytics is a misnomer, in that there's no actual predicting of what's going on. Predictive analytics simply applies a theory of probabilities and algorithms to derive what might happen, augmenting the result with probabilities imputed by the analyst or the planner — based on their own experience. The term "artificial intelligence" in this context simply implies machine learning "by itself" from the existing data and eliminating the need for the analyst or the planner to intervene.

Following the same rudimentary example that I used to illustrate descriptive analytics, we know that shipments between ports A and B have been hijacked in January and March over the last five years. Therefore, the system will generate a probability percentage of hijackings happening in the same months in the near future. Constraints like seasonal weather conditions or raising demand for specific type of cargo can be added to enrich the analytical process. Predictive analytics is indeed more useful than descriptive analytics, but not by much. Descriptive and predictive analytics combined are still not sufficient to steer your operations. Predicting that demand will change is great, but that information will not tell how to differentiate your business from the competition. For that, you need prescriptive analytics.

Prescriptive analytics in supply chain — also known as supply chain analytics or supply chain planning and optimization — enables you to calculate the best course of action for any number of future scenarios. In other words, it helps you make decisions that steer your business. But how exactly does it differ from descriptive or predictive analytics? Let's have a look at a few examples that will better illustrate the key differences of these technologies.

EXAMPLE 1

As a courier for an express package

delivery company, you have a finite number of trucks, sorting centers, warehouses and drivers, and an infinite number of potential delivery addresses. On any given day, you must be able to quickly decide the number of drivers and the types of trucks to put on the road. You must keep costs of equipment, fuel and drivers to an absolute minimum while also meeting all delivery requirements.

Descriptive analytics will show the history of all past deliveries, as well as the usage of available resources to fulfil those deliveries. It is worth noting that the outcome of descriptive analytics will become increasingly irrelevant in the future — e-commerce is growing exponentially, delivery addresses are increasing and delivery methods are changing.

Predictive analytics will extrapolate past outcomes into the future and show probabilities of certain outcomes in the future, in this case the demand for the sorting and distribution centers, drivers and trucks. Based on this, you will be able to reserve resources accordingly and take the necessary steps to ensure that your revenue and profit stay unchanged.

Prescriptive analytics will take the predicted demand for your resources and prescribe prices for each delivery at each time period, as well as the best utilization of those resources at the stated time periods. For instance, prescriptive analytics might recommend that you reduce trucks of a certain size on routes 1 and 5, or reduce the workforce demand at sorting center B by 20 workers.

EXAMPLE 2

This scenario deals with price and cost optimization for a low-cost airline carrier. Descriptive analytics will show the history of past ticket purchases and usage of resources to transport passengers. Predictive analytics will extrapolate the past performance of the airline and future probable revenue from passengers, presuming a historical pattern of utilization and cost of assets.

Prescriptive analytics goes even further — it will take the predicted demand for the airline's resources, prescribing recommended ticket prices and flight routes that can be safely cancelled — without incurring penalties and cancelling airport landing slots that will not be used.

WHICH ONE IS RIGHT FOR YOU?

This is the million-dollar question. Put simply, it depends on your type of business your company is in. Retailers, for example, rely heavily on predictive analytics because demand patterns are extremely important and they keep recurring quite predictably. On the other hand, a startup developing something completely new will have difficulty using past data to analyze possible outcomes for their business.

Some markets are also less complex than others. Retail is very complex because you are dealing with millions, maybe billions, of shoppers. Whereas if you corner the market selling specialized multimillion-dollar machines – think cranes for example – your market is better defined — you have a limited number of customers who need and can afford your product.

Advanced analytics allows you to broaden and deepen your understanding of your business and the landscape it operates in. Hidden in your "big data" are opportunities and risks. Your data can tell you stories — about your customers and the future of your business — and answer questions you hadn't thought to ask. Imagine what knowing the answers to those questions would be worth to your business.

Kris Kosmala
General Manager - Asia Pacific
Quintiq

Kris Kosmala is General Manager of APAC. He was appointed to the Quintiq Board in January 2016.

A recognized expert in the field of transportation and logistics, Kris has been spearheading modernization and advancement of supply chain optimization concepts throughout Asia and Australia. As GM APAC, Kris focuses on field marketing and business transformation alignment on a global scale - a role that leverages his extensive industry expertise and experience with business innovation.

Kris holds an MBA from the Australian Graduate School of Management at the University of New South Wales. He is based in Kuala Lumpur, Malaysia.

Shock & Awe

How America's new president will affect the global economy

After months of a bitter and hard fought US presidential campaign, American's did what many considered the unthinkable and voted to elect a complete political outsider – a businessman whose questionable achievements are largely self-hailed. A candidate whose rhetoric shook the very foundations of the American democratic process, tore apart the Republican party and alienated many in the US and across the world.

From threatening a trade war with China, to jobs turmoil in Mexico, Trump's reign will pose new threats to already fragile world economy. Executives worldwide are waking up to a new political and economic landscape radically changed by Donald Trump's surprise election, which has reverberated through the energy, healthcare and manufacturing sectors.

Around the world businesses now brace themselves for a major revamped of trade pacts and for US companies, a potential crackdown on overseas operations, the promise of lower taxes, lighter regulation and higher domestic infrastructure spending.

Executives in Asia and Europe have said that they were hopeful their close ties with the U.S. economy would endure the political upheaval and heated campaign rhetoric. Yet fear of the unpredictability of Donald Trump and his reactionary behaviour is high on the minds of those who potentially face the greatest impacts.

As Democrat Hillary Clinton delivered her concession speech, market commentators around the world warned that uncertainty spells a rocky road ahead for both the U.S. and the global economies. "We expect lack of clarity around Trump's policies — from feasibility to prioritization. This will likely weigh on sentiment and pressure already muted business investment," wrote Bank of America Merrill Lynch strategist Savita Subramanian the day following the shock election.

Jeff Immelt, CEO of General Electric went as far as to write a message to

his employees following the result, "This election is the latest step in a longer-term, global trend that we have been adjusting to for a while—one that's marked by political volatility and populism."

Some of the most immediate risk comes from Trump's impact on global trade — which is already reeling and being dragging down by slow global economic growth and the impact on oil prices by oversupply and weakening demand.

Trump has promised to tear up existing trade deals and walk away from those in motion, including the Trans Pacific Partnership (TPP). Unlike many of his grand plans, which must navigate the more experienced and structured Congress, US trade policy is firmly in the hands of the White House, meaning he could make good on pledges to tear up trade pacts and walk away from things like the World Trade Organisation.

In fact, if Trump's campaign promises are to be believed and enacted, then we can expect to see steep tariffs on Chinese and Mexican goods, which is likely to produce a trade war as both countries rush to apply reciprocal penalties on American manufactured goods.

"It seems to me that we're looking at a pretty rocky economic performance for as long as he sticks to that approach," William Cline, an economist at the Peterson Institute for International Economics, told Foreign Policy in the days following his victory.

In winning his share voters in the rust-belts, the new president's message to blue-collar workers was clear – he will stop the migration of US manufacturing jobs that moved to Mexico as a result of Bill Clinton's North American Free Trade Agreement, either by renegotiating this agreement or if that isn't possible, he would tear up it up completely. A point reiterated in the dying days of the campaign when he 'threatened' to put a 35% tariff on Mexican goods and pledged to close the "sweatshops in Mexico that undercut American workers."

Looking west, Trump's attitude towards Asia and in particularly China has been clear. He repeatedly told voters that he would instruct incoming his Treasury secretary to "label China a currency manipulator" and plans to bring cases against Beijing to the World Trade Organisation. An action that is likely to infuriate China, particularly given his stated policy of imposing "a 45% tariff on Chinese imports into the US to make it easier for American companies to compete".

With the US being Beijing's single largest market for Chinese exports, there's a risk that an aggressive US trade policy could result in a marked slowdown in China's growth and a loss of manufacturing jobs.

It's a far cry from Obama's stance, which in his eight years in the White House steadily shifted US foreign policy towards Asia. Obama drove and oversaw saw the Trans-Pacific Partnership (TPP) as a way of keeping countries such as Japan, Brunei, Singapore and Malaysia out of China's orbit. These countries have an export-led model of growth and Obama's plan was to create a US-led free trade zone that included all the major economies of the Pacific apart from China.

The election of Trump shatters that plan.

Under a Trump presidency, there will be no TPP and his views expressed during his campaign are that countries with significant trade export to the US like South Korea, Taiwan, China and Mexico should be subject to protectionist structures that will favour US manufacturers and keep jobs stateside.

Analysts at Investec went as far to say that they believe the Transatlantic Trade and Investment Partnership (TTIP) trade deal between the US and EU and the TPP deal is now "dead in the water".
The effect of changes in US free trade policies would likely result in a slow down across Asia as exports weaken and investment slows. Japan, which has struggled for nearly a decade with deflationary pressures would be most at risk in the short term and in the immediate fallout of Trump's win Japan's Prime Minister recalled his government cabinet for emergency economic meetings to evaluate how to tackle the sharp decline in the yen the Trump election brought and in which saw Japan's markets down more than 5%.

In geopolitical terms, China is likely to see an opportunity to increase its financial influence within the Asia-Pacific region by bolstering economic ties and making countries in Asia less dependent on the

American market.

According to the Wall Street Journal immediately after the election, China being faced with the prospect of a robust US trade barrier has two choices – "It might take an emollient line, promising to increase direct investment into the US as a way of supporting Trump's attempt to rebuild the American economy" or "adopt an aggressive, nationalistic stance"

History tells us, the latter is more likely and Beijing is not without economic weapons, since it has amassed a vast stock of US Treasury bonds in recent years, the proceeds of its trade surplus with America. One option it has up its sleeve is to meet the threat head on and to dump US assets, or implement an evitable tit-for-tat trade war, in which China puts tariffs on US exports.

Hot on the heels of Brexit, Trump's win will help bring protectionist policies back into fashion. A period which could kill globalisation for once and for all.

The risk is high. A trade war with key economic producers around the world would have a direct knock-on effect for the US economy. According to Rabobank analyst Mr Bas van Geffen "There is a high risk of recession if the game ends in a trade war, depressing stock prices and Treasury yields for a sustained period."

The days following the surprise election saw markets fall, then rebound following messages of a more conciliatory tone from Trump. Regardless in the face of stagnant economic growth we are likely to see federal banks around the world moving cut interest rates or hike more slowly in response to the vote, in an effort to prop up growth.

"With the euro appreciating, a further extension of European Central Bank quantitative easing at the next meeting in December looks increasingly inevitable while some kind of policy response from Bank of Japan and Swiss National Bank may also be forthcoming, possibly even foreign exchange intervention," said HSBC economist Janet Henry.

Citing "significant surplus capacity exists across the global economy despite improved economic indicators in some countries" the New Zealand Reserve Bank moved to cut rates to record lows the day after the Trump victory. With India, Japan, Canada and the United Kingdom expected to follow suit before the end of the month.

Defying the odds, US markets had bounced back with the Dow Jones having hit an all-time high just two days after the result, as investors shook off the shock of a looming Trump presidency and began to focus on whether Trump's policies would spur a still-fragile global economic recovery.

Summing up the reality, asset manager Standard Life Investments said in its statement on the election - "Clearly it is too early to fully assess the implications of the election result on markets, politics and the economy".

One thing is sure – the 45th President of the United States will be as unpredictable and potentially as illogical as many of his posturing statements heard during the campaign. All of which makes for the next four years as hypothetically entertaining as it could be dangerous, assuming that the United States remains as influential on the world stage as it once was. Time will tell.

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In 2015, Darryl was named as one the ***"Top 50 influential individuals in Asia' Supply Chain, Manufacturing & Logistics industry"*** in the prestigious SCM Thought Leader publication by SCM World, recognising him as expert in the linkage of business strategy and supply chain best practices to human capital management. Darryl brings 28 years of executive leadership and consulting experience and is regular contributor on thought leadership across numerous industry publications and is a frequent speaker at international conferences and events on business leadership, strategy & people alignment and talent management. He was ***instrumental in the creation of Logistics Academy and presently holds an advisory board appointment with industry group LSCMS***. In 2014, he was appointed as one of five global experts to IATA's Global Innovation Award selection board and has held senior executive positions within the airline, air cargo and aircraft leasing industry.

Trans Pacific Partnership (TPP)

The Trans Pacific Partnership (TPP) is a hot topic at the moment. Many are speculating what will happen after Donald Trump becomes President of the United States in 2017.

LogiSYM reached out to four industry experts for their perspectives on how they see negotiations and direction of the TPP developing and the possible impact - negative or otherwise, this will have on global and regional trade.

TPP is Dead — For Now

After the election, the United States will not be approving the Trans-Pacific Partnership (TPP) trade agreement in 2016.

The TPP linked the United States together with 11 other important economic markets spanning the Pacific, including Japan, Canada, Mexico, Peru, Chile, Australia, New Zealand, Singapore, Vietnam, Malaysia and Brunei.

The agreement had been under negotiation since 2010 and was concluded late in 2015. The TPP provided important benefits for companies, especially by better enabling complex supply chains, through deep and broad commitments.

US President Barack Obama and the current Congress had largely reached an agreement to move the legislation through the "lame duck" session at the end of this year. But the election of Donald Trump has changed all that. The TPP will not be ratified in the United States this year.

Trump has a long history of hostility to trade agreements in general and to the TPP in particular.

As he wrote in a March 14, 2016, article in USA Today, "The number of jobs and amount of wealth and income the United States have given way in so short a time is staggering, likely unprecedented. And the situation is about to get drastically worse if the Trans-Pacific Partnership is not stopped."

Candidates running for office often change their tune once elected. Other TPP countries are counting on a reversal from Trump. Japan pushed TPP ratification as the US election was unfolding. New Zealand is also moving TPP legislation through their own Parliament.

The TPP cannot enter into force without the United States, Japan and at least four other countries.

Donald Trump is viewed as a pragmatist, not an ideologue. He has repeatedly stressed his business credentials. He is also backed by a Republican controlled Congress. Historically, Republicans have been the party of free trade.

Hence, many are hoping that Trump's strong anti-trade comments during the election season were mostly rhetoric that will be dismissed once in office or that, faced with the prospects of strong and potentially lasting damage to the US economy and leadership, Trump will relent on his pledges to rip up the TPP.

But the problem of betting on a Trump reversal on TPP is that he cannot backtrack on all of his most sweeping proposals. Within days of the election, he was already walking back some of his more controversial promises. He suggested that he might keep several elements of the Affordable Care Act on healthcare. He said that the infamous "wall" with Mexico might actually be more of a "fence."

Some of his other objectives, like changing the tax code or investing in infrastructure, will take a while to implement. He may struggle to show proof that he is making American great again to his most vocal supporters by the 100 day mark.

In trade, by contrast, he can act quite quickly. He can indeed stop the TPP and other trade agreements very rapidly. He can do so unilaterally if necessary. He can implement trade enforcement measures like raising tariffs temporarily and launch anti-dumping investigations.

Companies should be braced for a very different trade environment under Trump.

Dr. Deborah Elms
Executive Director, Asia Trade Centre

Deborah is Executive Director of the Asian Trade Centre in Singapore. The Asian Trade Centre works with governments and businesses to create better trade policy for Asia.

She is also a senior fellow in the Singapore Ministry of Trade and Industry's Trade Academy. Previously, she was head of the Temasek Foundation Centre for Trade & Negotiations (TFCTN) and senior fellow of international political economy at the S. Rajaratnam School of International Studies at Nanyang Technological University, Singapore. Her research interests are negotiations and decision-making, and her current research involves the Trans-Pacific Partnership (TPP), Regional Comprehensive Economic Partnership (RCEP), and ASEAN Economic Community (AEC) negotiations and global value chains.

Trump & The TPP

Last April, I wrote a blog post entitled "Donald Trump and Angry Americans" **(1)** and it received a lot of global attention. My thesis then as now, after the election **(2)**, is that every 7th comment made by Donald trump makes eminent sense!

Comments such as the lowering of effective and statutory US corporate taxes to prevent "inversion" by US companies to lower-rate tax havens such as Ireland, the fixing of infrastructure, the ending of quantitative easing and the low-interest-rate era, etc., did indeed find resonance in normal rational individuals. It was the other six comments that were absolute poison. In fact, for the record, based on his preposterous trade-related comments I joined 369 other "Economists Against Trump" in denouncing his trade policies (the letter is embedded in the link).

However, now that the election is over, one hopes that it will the 7th comments and only every 7th comment that wins out. So far, one can be forgiven for being hopeful.

Regarding the TPP—it is, of course, a solid commerce partnership based on the fundamental principles of Ricardian Trade Theory, that will make all the TPP countries better off. And perhaps most important, most commentators do not pay enough attention to the fact that typically trade-deficit-incurring countries, such as the US, rely on daily infusions of massive capital inflows for their very survival. Any disruption of global trade will also be accompanied by a fundamentally disastrous disruption in global capital flows---inflows, in the case of the United States without it would have to monetize even more debt just to stay solvent.

Trade has, and always will be, a game in which all economies are better off. There will come a time when China can, and should be given the option of joining the TPP. China for the most part, and per the Stolper Samuelson Theorem, has 'outgrown' some of the more labor intensive products made and exported by most of the other TPP countries. Wages in China, especially for the medium-skilled and more productive workers in China, have long outgrown most of their comparable TPP countries' workers' wages. Including China in the not-too-distant-future would send a signal that trade raises all boats - ALL boats - and China and the US and most of the other TPP countries will have enough room to specialize in their niche markets based on the level of real wages and productivities of their workers.

For now, though we all hope and pray that Trump the candidate and Trump the President will mean two different things. In Gone with the Wind, in the opening scene, Mammy the maid, tells Scarlett, "What men say and what men do are two totally different things!" For our sakes let's hope Mammy knew what she was talking about.

(1) Donald Trump, angry Americans, and misapplied trade theory
http://www.business.rutgers.edu/business-insights/donald-trump-angry-americans-and-misapplied-trade-theory

(2) Now Trump is President – What is Next?
http://www.business.rutgers.edu/business-insights/now-trump-president-what-is-next

Professor Farrokh Langdana
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For the past 19 years, Dr. Langdana has been heading the globally ranked and highly regarded Executive M.B.A. program at Rutgers Business School. His areas of specialization include monetary and fiscal theory and international trade and global macroeconomic policy. His research deals with macroeconomic experimentation and the role of stabilization policy in an expectations-driven economy. He has published several articles as well as five books in this area. His new book, co-authored with Peter Murphy and published by Springer Press, is titled "International Trade and Global Macropolicy."

TPP is Dead… Maybe, Maybe Not…

Donald Trump's Mexican wall is now a fence, he's no longer going to deport all Muslims, just the 'bad ones' and of course prior to being elected, he finally acknowledged that yes, Obama was born in the USA.

So, who knows what lies ahead when it comes to the crunch on TPP.

The President-Elect has changed his mind so frequently and so dramatically that a compilation of his current policies would not paint a complete picture, nor would the list be up to date for very long. A fact pointed out by NBC News reporter, Jane Timm when she highlighted that Trump once offered up three different views on abortion in eight hours.

For the TPP agreement to come into effect, 6 of the 12 countries need to ratify the agreement and the six account must for at least 85 percent of the GDP of the original participating countries.

Ankit Panda, editor at The Diplomat explained in October 2015 "The United States and Japan between them represent just shy of 80 percent of the GDP of the 12 original TPP signatories (specifically, the U.S. represents nearly 62 percent of TPP GDP and Japan accounts for 17 percent)." Without the support of the U.S and Japan, the agreement will not be implemented. There is another view which is equally important to consider that may see Trump change position – China rising….

With Trump seeking to tackle China head on, TPP could become on the few deterrents available to him. It's worth remembering that aside from the obvious benefits brought about by the TPP agreement, a U.S and Japan led trade pact that favours Asia-Pacific and excludes China, helps keep countries such as Japan, Brunei, Singapore and Malaysia out of China's orbit. It also plays an important part of ensuring export-led growth for the likes of Vietnam continues.

China is not wasting any time and is negotiating trade deals that would carve up some of the fastest-growing markets in the world, particularly with its closest neighbours.

If TPP is done and dusted, then American goods will continue to face high tariffs and other trade barriers in the region. American businesses will lose competitive access to Asian markets. Beyond anything else, locking the U.S out of these markets puts as many American jobs, businesses and goods at risk as Trump is telling us TPP will do. It's fine line argument.

As President Obama wrote in an open letter back in May 2016," The TPP would let America, not China, lead the way on global trade".

Whether or not Trump understands this is about to be seen.

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In 2015, Darryl was named as one the ***"Top 50 influential individuals in Asia' Supply Chain, Manufacturing & Logistics industry"*** in the prestigious SCM Thought Leader publication by SCM World, recognising him as expert in the linkage of business strategy and supply chain best practices to human capital management. Darryl brings 28 years of executive leadership and consulting experience and is regular contributor on thought leadership across numerous industry publications and is a frequent speaker at international conferences and events on business leadership, strategy & people alignment and talent management. He was ***instrumental in the creation of Logistics Academy and presently holds an advisory board appointment with industry group LSCMS***. In 2014, he was appointed as one of five global experts to IATA's Global Innovation Award selection board and has held senior executive positions within the airline, air cargo and aircraft leasing industry.

TPP: Where do we go from here?

Hopes for the ratification of the Trans-Pacific Partnership (TPP) during the "lame duck" session of US Congress prior to the transition to the new administration to be headed by President elect Donald Trump all but faded last Thursday 10 November when the next expected Senate Minority Leader Charles E. Schumer confirmed that the TPP will not be ratified by the US Congress during the said session. In saying this, the present leadership has left the fate of the TPP in the hands of the incoming administration after coming so close to sealing it as other parties to the deal such as Japan and Singapore have clamored for its immediate ratification.

Although this outcome was not entirely unexpected, it leaves in its wake a considerable amount of uncertainty on how the global trade landscape will take shape in the coming years. One likely scenario would be the US renegotiating the trade deal bilaterally with other countries – which could very well dismantle the TPP and the seven years' worth of work to reach a compromise acceptable to all 12 countries. There will certainly be disappointment among the other parties to the agreement, but once the reality settles in, then we can expect each to proceed with finding alternative trade deals, picking up from the pieces of the TPP wherever possible.

One possibility to look out for will be China and the EU capitalizing on this opportunity. China, which was left out of the TPP discussion, has championed another trade deal known as the Regional Comprehensive Economic Partnership (RCEP) which closes the loop with all ASEAN + 1 countries. All in all, 16 countries are part of this prospective deal which will constitute the largest in terms of population (that is ASEAN 10, China, India, Korea, Japan, Australia, and New Zealand). With the US involvement in multilateral trade discussions expected to wane for the time being, China could be expected to take the reins in Asia to expedite the passage of the RCEP.

Interestingly EU trade negotiations have also gained some momentum thanks to Brexit. Although the chances of the Transatlantic Trade and Investment Partnership (TTIP) with the US may have dimmed because of current developments, its recent conclusion of a trade deal with Canada last 30 October could be an indicator of things to come. The EU is also set to effect a trade deal with Vietnam soon, which could give the latter a much needed alternative to the TPP which it was eagerly anticipating.

Things may not be as bleak as we have thought, although a shift in dynamics is certain. The prime mover of the TPP has lost steam, but other countries may still ride on its momentum to forge ahead with their own trade agenda.

Raphael Madarang
Director, Global Trade Compliance and Management
APL Logistics

Raphael specializes on a wide range of local and international business issues concerning international trade and customs such as free trade agreements (FTAs), special customs zones, customs valuation, and tariff classification. He has managed several import tax / duty saving projects for large companies involving on-site trade compliance reviews and advising on internationally accepted best practices.

5th GLCS LogiSYM Malaysia 2016

The 5th GLCS LogiSYM Malaysia was held in Kuala Lumpur, Malaysia on October 12 - 13, 2016. It was yet another successful event with more than 220 attendees and 7 exhibitors.

It was a dynamic, interesting and thoroughly enjoyable two days with speakers and participants from Malaysia, Asia and across the globe spending two days exploring Asia's Future Supply Chains.

From left: Kim Winter (Logistics Executive Group), Bhavya Sehgal (ORC), Edwin van Poelje (Linfox), Raymon Krishnan (LSCMS), Richard Strollo (Agility Malaysia)

Raymon Krishnan (LSCMS)

From left: Raymond de Graaf (Cold Chain Consultant) Abishek Ajay Shah (RSA Logistics), Michael Bradshaw (Dematic)

Dato PK Ang (Newton R&D Centre Sdn Bhd) with the Newton R&D Centre Team

From left: Manju Vijayan (Logistics Executive Group), Mike Kong (Shell), Saravan Rajendran (Lazada), Stephanie Krishnan (Rutgers Business School Asia Pacific)

From left: John Vitkus (INTTRA), Raymond Gillon (Ezyhaul), Charles Brewer (DHL eCommerce)

From left: Richard Strollo (Agility Malaysia) , Neil Gwyther (Delonghi), Daniel Cheah (Agility), Asha Menon (Agility)

Keynote Speaker: Bhavya Sehgal (ORC)

From left: Dr. Marco Tieman (LBB International), Mohd Roslan Bin Mohd Saludin (QSR Brands (M) Holdings Sdn Bhd), RJ Liow (AYS Sdn Bhd), Fe Jazzareen (PERSIS Management)

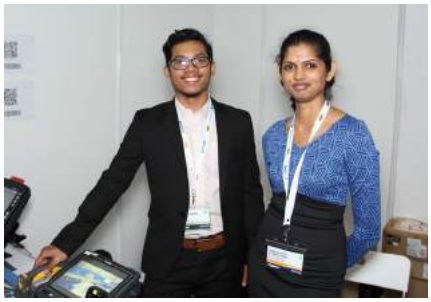
Supply Chain student volunteers from Malaysia Institute for Supply Chain Innovation (MISI)

From left: Wong Soo Soon (Innova Market Insights), Merrill Pereyra (QSR Brands (M) Holdings Sdn Bhd), Joel Solomon (Campbell Soup Malaysia), Barath Ashok (Linfox M Logistics (Malaysia) Sdn Bhd)

From left: Dr.Shardul Phadnis (MISI), Asha Menon (Agility), Sumana Siri (Linfox Logistics (M) Sdn Bhd), Sean Kirk (Kirk Partners), Dato PK Ang (Newton R&D Centre)

Linfox (Platinum Sponsor of the 5th GLCS LogiSYM Mayalsia 2016) - Linfox Team together with Sajid Iqbal (Country Manager - Linfox Malaysia)

Dexion (Gold Sponsor of the 5th GLCS LogiSYM Mayalsia 2016)
From left: Renee Koh, Keith Ellis, PC Loke



Dematic (Gold Sponsor of the 5th GLCS LogiSYM Mayalsia 2016)
From left: Muhammad Afiq Massa'at, Vidhyalashmi Kogulan Pillay

From left: Nicky Lum (Ezyhaul) Manju Vijayan (Logistics Executive Group), Marie Delphine Achille (Quintiq), Ryamond Gillon (Ezyhaul), Carmel Perales (Logistics Executive Group)

From left: Jevan Chandran (MV International) Jason Kong (DHL eCommerce), Hazwan Shah Herman Shah (ZALORA), Dr. Rakesh Singh (ISCM), Charles Brewer (DHL eCommerce), Gautam Kumar (FarEye)

EVENTS

November

11TH ANNUAL GPCA FORUM
November 27th - 29th , 2016
Dubai, UAE
www.gpcaforum.net

December

7TH INTERNATIONAL SAUDI TRANSTEC EXHIBITION & CONFERENCE
December 5th - 7th , 2016
Dammam, KSA
www.sauditranstec.com
exhibition@sauditranstec.com

January

LOGISYM DUBAI 2017
January 24th - 25th , 2017
Jumeirah Creekside Hotel,
Dubai, UAE
www.logisym.com/events/logisym-dubai-2017/

AIR CARGO INNOVATION AWARDS 2017
Submit your ideas by
January 31st, 2017
http://www.iata.org/events/wcs/Pages/cargo-innovation-awards.aspx

March

LOGISYM SINGAPORE 2017
March 15th - 16th , 2017
NUSS Kent Ridge Guild House,
Sinagpore
www.logisym.com/events/logisym-singapore-2017/

11TH WORLD CARGO SYMPOSIUM
March 14th - 15th , 2017
Abu Dhabi National Exhibition Centre
Abu Dhabi, United Arab Emirates
http://www.iata.org/events/wcs/Pages/index.aspx

Compact and Cost-effective – One-Level Shuttle System CUBY

The Cuby is the single-level shuttle system from the SSI Schaefer shuttle family. It is designed for bins and cartons up to 35 kg. The system combines excellent storage density with high availability and achieves high rentability in a short payback period. The patent-pending and ingenious use of the support beam as a guide for the shuttle‘s load handling device is one of a kind. A scalable lifting system with double-story function ensures high performance and compact system layouts. The Cuby system is suitable for a wide range of applications and fits perfectly to an impressive line-up that comprises Navette (multi-level shuttle for small containers), Schaefer Tray System (multi-level shuttle for individual pallet layers) and Schaefer Lift&Run (multi-level shuttle for pallet).