The Official Journal of The Logistics & Supply Chain Management Society

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

JANUARY/FEBRUARY 2016

LogiSYM

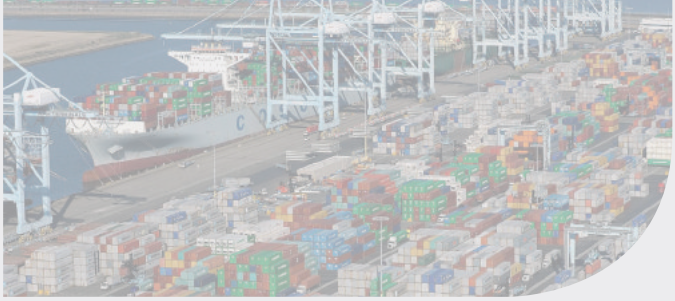
The Magazine for Supply Chain Executives

this issue

main feature

How Process Excellence will Help Sustain Your Business through Economic Turbulence

In this feature, our guest author Katharina Albert talks about how UAE is facing a challenging year ahead



contents

featured

regular

from the editor

Does the turbulent start to 2016 indicate the need for closer collaboration amongst Shippers & Service providers?

Dear Readers,

The year has started with so much negative news that has caused a lot of turbulence to many industries. With stock markets indices up one day and down another, it is hard to understand what is the direction the major economies are taking.

It is further complicated when we hear that the US Fed may lower interest rates having just put them up. A moment of big uncertainty at a time when the oil & gas industry is going through a major reset. This is also evident in other industry sectors where the current sentiment is an expectation of lower global growth.

But these reset signals can also be indicators of an anticipated readiness for the upturn. Could it be the calm before that storm that catches-out so many Companies who are not prepared for the upturn. Many tell us that cargo volumes & rates are generally down, and that there is no clear direction of improvements, despite the lower energy costs.

Nevertheless, 2016 will be a year where supply chain resilience and performance capabilities will be tested. But do not expect great changes in Q1. However this does not mean that readiness for the upturn is not crucial. This should be a key consideration for All players.

What is clear, is that Logistics Service Providers are working very hard to improve and upgrade their product offerings and added value services.

In this issue we feature several such articles that confirm the serious investments in technology and infrastructure projects being made in this sector. Such investments will bring positive benefits to the supply chain industry and to the logistics capabilities. We could also see further consolidation of players in the logistics space and likely to see more mergers and acquisitions during 2016.

For shippers it will also be an interesting moment to re-think their execution strategies. Some shippers may find significant changes in their business landscape. It is a right time to think of resetting their execution capabilities.

Reviewing the various options of supply chain and logistics services available in the market, could reap new benefits. But shopping for new service providers will be a challenge for some. There is an open logistics market ready to work with new Clients and offer enhanced services and where rates may also very competitive.
If your supply chain is not able to ramp-up and meet demand, with speed and agility, you should consider working more closely with service providers to leverage on their capabilities.

Doing business as usual may not be viable option in such an evolving economic climate !

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

I take this opportunity, on behalf of all of us at LogiSYM, to wish all our esteemed readers a Very Happy & Prosperous Lunar New Year – Gong Xi Fa Cai!

Joe Lombardo
International Editor

Please forward your comments and editorial enquires to **info@lscms.com**

LogiSYM
The Magazine for Supply Chain Executives

FRANK PAUL
Publisher

PETER RAVEN
Deputy Publisher

JOE LOMBARDO
International Editor

MYLA MORALES
Digital Editor

CONTRIBUTORS
Katharina Albert
Cathy Roberson
Darryl Judd
David Bucky
Keng Pang

MYLA MORALES
Graphic Designer and
Production Manager

FAUZI LEE
Art Director

PRODUCTION
Ambiguous Design
www.ambiguous.design

ADVERTISING
General: Frank Paul
Email: frank@logisym.org
Tel: +66 857843627 (TH)
Tel: +852 9143 2043 (HK)
Asia: Mike King & Associates
Contact: Mike King
Email: mike@logisym.org
Tel: +61 2 8003 7208 (AU)
M.East/Africa: Brian Cartwright
Email: brian@logisym.org
Tel: +971 50 892 9937 (DXB)

GENERAL ENQUIRIES
LogiSYM Magazine
50 Kallang Pudding Road,
#06-06
Golden Wheel Industrial
Building
Singapore 349326
Tel: +65 6746 2250
Fax: +65 6746 2251
Email: info@lscms.org

THE UNIVERSITY OF HONG KONG

Master of Arts in

Transport Policy & Planning

- Department of Geography (Faculty of Social Sciences)
- Department of Urban Planning and Design (Faculty of Architecture)
- Department of Civil Engineering (Faculty of Engineering)

The Chartered Institute of Logistics and Transport

CILT Accredited Programme (Full Exemption)

RTPI mediation of space · making of place

RTPI Accredited Specialist Programme

Application

Online application only.
Visit the programme website at
http://geog.hku.hk/postgrad/matpp

Enquiries/Programme Information

Tel: (852) 3917 5722 (Ms Carey Lau) /
(852) 3917 7030 (Mr Tommy Liu)
Fax: (852) 2559 8994
E-mail: geog@hku.hk

See Graduate Feedback

http://geog.hku.hk/postgrad/matpp/02a.html

Scholarships Available!

http://geog.hku.hk/postgrad/matpp/04a.html

- **Well-established programme since 1997**
- **Highly qualified and experienced faculty members from different disciplines**
- **Flexible programme structure to cater for students' needs**
- **Unique and sharp focus on transport policy and planning**
- **Highly relevant to the needs of the contemporary world of transport**
- **Strong supportive network of alumni**
- **Programme-based scholarships, prize and award**
- **Warmly welcome international students**

Application Deadline: 29th February 2016

http://geog.hku.hk/postgrad/matpp

The course has been included in the list of reimbursable courses for Continuing Education Fund purposes (applicable to Hong Kong students only). For details, please visit the Office of the Continuing Education Fund website http://www.sfaa.gov.hk/cef/.

a word from the president

What's ahead for 2016?

Experiencing a bit of deja-vu as I start writing this message. Every year at this time, I am always left trying to "crystal-ball" what lies ahead in the coming year.

This time last year, Logisticians may not have imagined just how disruptive the year would be for exports to the US. Despite the more than six months of contentious labour talks the preceeding year and with sporadic disruption already hitting West Coast ports the residual impact lasted well into spring, and importers and exporters lost billions of dollars in sales and damaged product.

I read recently that the Federal Reserve said the dispute likely contributed to the 0.2 percent decline in second-quarter U.S. GDP. Without doubt, it became the Supply Chain story of the year and even affected me professionally as I had to scramble to put in place Aircraft charter agreements and options for clients as a contingency.

For 2016, there are a number of potential candidates for 'story of the year'.

- Continuing port congestion – this time in Asia.
- The opening of the Panama Canal's new locks
- Container weight regulations that will come into effect in July and will place the onus on shippers to provide accurate declarations. Some say the market is not ready for this and therefore we could see an upswing in Airfreight demand as a result.
- Carriers' and 3PL's continuing the wave of acquisitions or we start seeing the results of these moves.

It's this last issue that we believe will be the most impactful - **Consolidation**.

Late in 2015, a wave of mergers and acquisitions that began early in 2015 among logistics providers became a tsunami with the likes of Toll Global Logistics, APL Logistics, Conway and UTi going under the hammer. This culminated when CMA CGM, the world's third-largest container carrier by fleet capacity, agreed to acquire Singapore-based NOL and its APL shipping line, and China approved the much-anticipated merger of its two biggest carriers, Cosco and China Shipping. On the land side, CP Rail and BNSF Railway could touch off a wave of consolidation among North America's largest railroads.

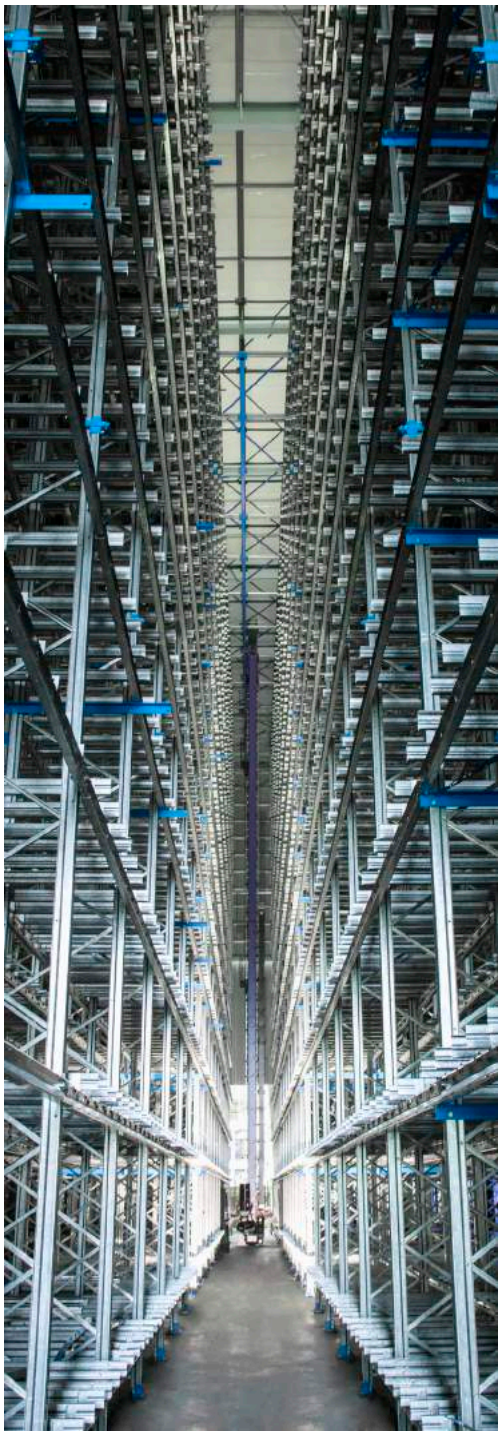
Those deals would only extend acquisition activity that PwC US said hit a nine-year high in the first three quarters of 2015.

How the acquisition frenzy plays out this year will have momentous impact across supply chains, from the realignment of major shipping alliances to the effect on service quality that already can be classified as inconsistent, at best, across many freight transportation modes.

The above bullet points are just some of the issues I can think of but if this industry has taught me anything, it is the unexpected that will cause the most disruption to the industry – and also keeps it exciting.

There is no way to know for sure what is going to happen, but LogiSYM hopes to be there with you as we proceed into the year ahead.

Raymon Krishnan
President
The Logistics & Supply Chain Management Society



SMARTER SOLUTIONS.

For more than 70 years', Dexion has been working with our global partners to turn supply chain processes into sources of competitive advantage.

Dexion provides a seamless integration of the world's best practice products with state of the art control and management systems that reflect the best in safety, space optimisation, security, and profitability. We seek to understand your business as if it were our own, delivering smarter systems and solutions to optimise the productivity of your business and in-turn your supply chain performance.

Dexion will be at Logisym 2016 in Singapore, on 9 – 10 March.
Meet us there, and find out how we can greatly add value to your business performance.

Drop us a line at dexion@dexion.com.my today, to make an appointment.

DEXION®
Smarter thinking.

dexion.biz

Panalpina Flies UNICEF Relief to Burundi

Third Year in a Row for Donated Air Charter to Africa

For the third consecutive year, UNICEF and Panalpina have joined forces to fly much-needed relief goods to an African country where a recurring crisis is taking a heavy toll on society and its weakest members: children. Violence and a shortage of essential drugs pose major risks to their health. In the morning hours, a Panalpina chartered cargo aircraft delivered 70 tons of primary medical care goods to Burundi.

"These relief goods can save the lives of thousands of children," said Elsbeth Mueller, executive director of the Swiss committee for UNICEF. "On behalf of UNICEF, I deeply thank Panalpina for their help."

Burundi is one of the poorest countries in the world. The small, landlocked country in East Africa, which has known cycles of recurring violence since its independence, plunged into crisis again in April 2015. The current crisis has so far left more than 200 people dead, with more than 200,000 Burundians crossing borders to seek safe shelter in neighboring countries.

While violence flares and nightly raids continue, children are increasingly under threat. As half of Burundi's population, they have been suffering disproportionately from the surge in violence. With the withdrawal of bilateral aid by numerous donor governments, UNICEF expects that social services for children, in particular health care and education, will be severely impacted over the coming months.

Nearly one child out of ten dies before age five. Easily preventable and treatable diseases including pneumonia, diarrhea, and malaria are often responsible for these tragic deaths. The current crisis has led to an acute shortage of medication and hospital equipment, and a timely supply of essential drugs for quick treatment is therefore critical to improve child health and survival in Burundi.

"This is the third time that Panalpina is partnering with UNICEF to address a crisis in Africa," said Peter Ulber, Panalpina's CEO. "And again we hope that our contribution will bring some respite to those who are less fortunate than us, especially the many affected children in Burundi."

The idea for the Panalpina relief flights came about in 2013 during discussions about the company's traditional Christmas gifts for customers and employees. It was decided that a charitable donation in the form of an aircraft charter for UNICEF would be of more value.

Last year, Panalpina supported the fight against Ebola by flying life-saving humanitarian aid to Sierra Leone. In 2013, Panalpina's first relief flight for UNICEF brought desperately needed goods to the Central African Republic.

National wins at Dubai Airports Safety & Security Awards

Another moment of Honor and Pride comes National's way…National Air Cargo, Middle East was honored by Dubai Airports in its 5th Safety and Security Excellence Awards Ceremony held on the 8th of December, 2015. National won the Best HSE Project Award in the Organizations award category among 76 various organizations in the Middle East.

Ever since the inception of National's 3PL and Warehousing operations at DWC in July 2012, the team here at DWC (Dubai South) have been striving towards achieving operational excellence in the safest possible manner under the guidance of the Project Manager, Ms. Anita George, Deputy Project Manager, Mr. Ajithkumar Nair and the QHSE Officer, Mr. Jerin James. Having tailored 3PL and warehousing operations, National has evolved from being a Freight Forwarder and an Airline to a project-adaptive player in the Logistics industry. Alan White, Ground Operations Vice President shared that "National being the only non-government entity among the final nominees, they encountered 3 progressive levels of selection interviews. The interview jury consisted of Senior Executives from Government Departments including Dubai Municipality and Ministry of Health." At every advancing stage of interviews, National were challenged by the jury with queries from multiple Health, Safety and Environment scenarios to which they provided evidence that superseded all expectations.

This win came as no surprise to National's Senior Leadership and has been a reflection of their commitment to QHSE and the embodied belief in every individual that HSE is a personal responsibility in both their workplace and personal lives. This belief is aptly captured in our Safety motto that says, "Safety First, Safety Always, Safety Last".

National Airlines, a wholly owned subsidiary of National Air Cargo, has recently been certified with an International Air Transport Association's (IATA) Operational Safety Audit (IOSA) certificate after successfully passing the program. The IATA Operational Safety Audit Program (IOSA) is an international evaluation system designed to assess the operational and control systems of an airline, so as to ensure the safety and quality of the airline.
National Airlines, which is part of National Air Cargo Group operates B747-400 Freighters and B757-200 passenger airplanes, and are based out of Orlando, FL.

New Chief Executive for IAG Cargo

Andrew Crawley, currently British Airways chief commercial officer, is to become chief executive of IAG Cargo from January 2016. He will report into IAG chief executive Willie Walsh and become a member of the Group's management committee. Andrew will replace Steve Gunning who is leaving IAG Cargo in January to become British Airways' chief financial officer, as announced in November. Adam Daniels will become British Airways' acting chief commercial officer. He is currently the airline's head of global revenue. Lynne Embleton, British Airways director of strategy and managing director Gatwick, will replace Andrew Crawley on the British Airways board.

IATA Tackling Lithium Battery Risk for Air Cargo

IATA Cargo is working with regulators, postal authorities, airlines and forwarders to combat the threat posed by unauthorised or willfully mis-declared airfreight shipments of lithium batteries. Dave Brennan, assistant director of cargo safety and standards at airline industry grouping IATA, said that 400m lithium batteries are manufactured each week.

Lithium batteries are now heavily regulated as airfreight shipments because of the risk from "thermal runaway" when a single overheated unit can propagate heat transfer to the next cell in the box and so cause a fire to spread throughout an entire bulk load of batteries. A UPS B747 freighter crashed after departing Dubai in September 2010, killing the two crew, and the cause was linked to a consignment of lithium batteries, which have also been associated with two other aircraft accidents. But it is a problem that will not go away soon.

Brennan said that lithium batteries are becoming the power unit of choice for most consumer electronics, including mobile phones, computers, tablets and toys, but also in some healthcare products. Much larger versions are now appearing in some bikes and cars
Properly declared and packed lithium batteries can still fly on freighters but have been banned from passenger aircraft bellyholds due to the fire potential. Said Brennan: "We are seeing an increase in the volume of lithium batteries transported by air. A lot of these e-commerce people are not traditional shippers of dangerous goods. He continued: "And unfortunately we also have some people that know the regulations but avoid them and think they can save some money. We are seeing an increasing number of incidents as a result."

Hoverboards, the current must-have device, are driven by lithium batteries and have been banned as carry-on hand luggage by some airlines, as the dubious quality of some power units within them poses the threat of a cabin fire. The UK authorities recently seized 17,000 hoverboards, of which 88% were faulty, including the battery and/or the charger.

Brennan makes the point that the problem is not centred wholly on the air cargo link the in the global supply chain, and that shippers as the starting point are a key focus. In addition, regulators outside of the aviation arena – trade ministries or departments for example – need to address the safety issue at source. And while e-commerce is an economic driver for air cargo, it is also a challenge when considered from the lithium battery angle. Added Brennan: "Unfortunately a lot of the e-commerce sites have not done enough to make information available to the sellers, so they can understand the regulations.

"We are working with the e-commerce sites, but we really need to push them to do more, they need to make their customers aware of the regulations. They are often buried five screens later when the buyer will find something about some of the regulatory requirements." He continued: "So we have a disconnect, and we are working very closely with the Universal Postal Union, because the people at the post office need to understand that when somebody hands them a box, they have to ask the question: what is in it?
"And of course none of this works unless the government and the regulators actually enforce the regulations. Those are the issues. And this is what we are doing."

IATA has organised workshops in Beijing, Guangzhou Shanghai, Manila and Jakarta, comprising a full day on dangerous goods and a half-day just on the dangers of lithium batteries as air cargo. "China is such a huge manufacturing source of lithium batteries and batteries in equipment. In Guangzhou in particular we had a great deal of interest and engagement from the Chinese battery associations, because they too are concerned." In terms of a broader regulatory approach, along the entire supply chain, Brennan added: "This is bigger than an air transport issue, and this is where we have some jurisdictional challenges. I criticise the civil aviation authorities (CAAs) now and again, because I don't think they do enough."

Because the CAAs do not have jurisdiction beyond aviation, they cannot walk into a factory making lithium batteries to test that they meet the required manufacturing standards. There are also cross-border issues, in that the country of manufacture may not be the country of flight departure. There have been some changes. An ICAO dangerous goods panel meeting in October agreed that the state of charge for lithium batteries should be no more than 30%, a limit that inhibits thermal runaway. The regulation still has to be ratified.

Some parties at the ICAO meeting called for a complete ban on lithium batteries, both in passenger baggage and as cargo, but this was not carried out. Said Brennan: "The panel did not support the prohibition of lithium batteries because it did not believe that a ban was appropriate. However, we have implemented some additional safety measures [30% state of charge] which will allow batteries to still keep moving as cargo, but improve safety very significantly."

Another change concerns a tightening up of the regulations around the packaging of lithium batteries, which is limited to two per box. Some shippers have put multiples of two-battery packs within the same consignment. This will be stopped. If a shipper wants to have a bulk shipment then they will have to do down the full regulatory path in order to send the goods by air.

Amazon's Secret Plan to Compete with UPS and Fedex

Photo: Reuters

Amazon's ambition to build a global shipping and logistics business to compete directly with UPS and Fedex seems to be much bigger than what most people thought, according to leaked documents discovered by Bloomberg.

Despite Amazon's dismissal of the speculation that the company plans to compete directly with UPS and Fedex, Bloomberg says it has seen documents that show the Web retailer plans to do exactly that. Bloomberg says Amazon has a plan, which it calls "Dragon Boat," that entails expanding the global reach of Fulfillment By Amazon, the unit that oversees storage, packing and shipping for third-party merchants who sell products through Amazon's site.

Dragon Boat will also place Amazon in a position to take on Alibaba, the Chinese e-commerce powerhouse. The companies are increasingly competing against one another internationally. The document describes Dragon Boat as a "revolutionary system that will automate the entire international supply chain and eliminate much of the legacy waste associated with document handling and freight booking."

"Sellers will no longer book with DHL, UPS or Fedex but will book directly with Amazon" says Bloomberg. The 2013 report to Amazon's senior management team was an outline for "a global delivery network that controls the flow of goods from factories in China and India to customer doorsteps in Atlanta, New York and London." Bloomberg stated. An unnamed source told Bloomberg that the Dragon Boat operation is "proceeding." It's important to note that Amazon's net shipping costs reached an all-time high, $1.85 billion, during the fourth quarter of 2015 and surpassed $5 billion for the full year. This was a record expense and may be another motivation for the e-commerce giant to build its own shipping and delivering business.

During its most recent earnings, Amazon CFO Brian Olsavsky seemed to play down rumors of a full fledged logistics business, saying the initiatives were intended to "supplement" its existing partners, not to "replace" them.

But some analysts didn't seem to buy into Olsavsky's comment. Colin Sebastian of Baird Capital believes Amazon is gearing up to create an in-house logistics department that would allow it to take full control of its fulfillment process, and bypass current shipping partners like UPS and FedEx. "Amazon may be the only company with the fulfillment/distribution sophistication and scale to compete effectively with incumbent service providers (UPS, FedEx)," Sebastian wrote in a recent article.

Amazon eyeing entry into air cargo business

The e-commerce giant will make a decision on whether to move forward with launching its own air cargo business in January, according to a report in the Seattle Times.

The move to a fully fledged logistics provider, follows media reports in January that Amazon is actively looking at the possibility of launching its own air-cargo business. The Seattle Times reported earlier in the month that the online retailer "is negotiating to lease 20 Boeing 767 jets for its own air-delivery service," attributing the information to unnamed cargo-industry executives.

"The online retail giant wants to build out its own cargo operations to avoid delays from carriers such as United Parcel Service, which have struggled to keep up with the rapid growth of e-commerce," the Times said. It said an industry figure told it that Amazon has approached several cargo-aircraft lessors to line up the planes, speaking with Air Transport Services Group (ATSG), Atlas Air and Kalitta Air,. It added that Kalitta Chief Executive Connie Kalitta denied he has talked with Amazon.

The Seattle Times said ATSG operates a trial operation for Amazon but that it is looking at going beyond that effort. Joe Hete, ATSG chief executive officer, told media outlets that "the cargo contract is being kept a secret because of a non-disclosure agreement. It is a trial network. Basically, it's just a test period."

Further evidence that Amazon is up to something news from London's Evening Standard that the e-commerce giant has been operating a 737 chartered through German logistics firm DB Schenker between the U.K., Poland and Germany since mid-November. Flying five times a week, the aircraft has made the rounds between Katowice, Poland, to Luton, East Midlands or Doncaster airports, then back to Poland via Kassel, Germany. All of these locations are near one of Amazon's European distribution hubs, known as "fulfillment centers." More charters could be coming to Spain and Italy, the paper said.

> By joining the alliance with governments and partners, the Maersk Group will use its local expertise to support the implementation and stimulate local growth.

Photo: Maersk

Maersk Joins WTO Trade Alliance

Maersk has joined the Global Alliance for Trade Facilitation, which was launched by the World Trade Organisation earlier this year as a public-private partnership to support the implementation of the Trade Facilitation Agreement. The alliance also includes the International Chamber of Commerce, the World Economic Forum as well as companies such as DHL and Wal-Mart.

"When fully implemented, the WTO Trade Facilitation Agreement will represent an important step toward minimising supply chain barriers and reinvigorating global trade," said Nils S Andersen, Maersk Group CEO. "By joining the alliance with governments and partners, the Maersk Group will use its local expertise to support the implementation and stimulate local growth."

Amazon Now Registered as Ocean Freight Forwarder

Photo: Bidness Etc

As a "non-vessel operating common carrier," Amazon will now have a piece of the $350 billion a year ocean freight business. According to the U.S. Federal Maritime Commission the Chinese arm of Amazon has registered as an ocean freight forwarder.

As reported by Reuters, this will give Amazon more control over shipping products from Chinese factories to U.S. shoppers. As a "non-vessel operating common carrier," Amazon will now have a piece of the $350 billion a year ocean freight business. This move coupled with the company's deal to lease 20 jets to start an air-delivery service, and the truck trailers it has purchased to adding shipping capacity, puts the company in a position to have more control of their supply chain.

This control could give Amazon the " ability to squeeze (costs) even further," said Satish Jindel, a logistics consultant and president of SJ Consulting Group, as reported by Reuters. He added the move gives Amazon an even bigger edge against traditional U.S. retailers in negotiating lower prices for goods.

DP World Official: Jebel Ali Isolated in Freight Crisis

The Middle East, and Jebel Ali Port in particular, is relatively isolated from the freight crisis in the container shipping sector, Mohammed Al Muallem, senior VP and MD, DP World UAE Region, told TOC Middle East in Dubai. Al Muallem said that while demand on key maritime shipping routes had fallen, leading to major decreases in freight rates, Middle East ports will grow at a forecast 5.1% in 2015, higher than the 4% growth in Chinese ports, and 2% overall global growth for the year.

Al Muallem said that "future ready" GCC ports were resilient, serving economies driven by high consumption and robust industry. Europe. The EPIC Service is operated with eight vessels of up to 9,400 TEU capacity. Port of Salalah CEO David Gledhill said, "The introduction of the EPIC service to the Port of Salalah provides our growing customer base in Salalah with an additional opportunity for export to Europe, the Mediterranean and North Africa, as well as for imports from the Indian Subcontinent" adding "the Noura Service call leverages the strategic location of Salalah to provide a new, fast cargo connection from East Africa to Europe, which can potentially be also used to accommodate Omani imports from Kenya and Somalia." Part of the APM Terminals Global Terminal Network, the port of Salalah is now undergoing an expansion which is due to double the quay length, and increase dry bulk capacity to 20m tons, and liquid bulk capacity to 6m tons annually. The Port of Salalah, in which APM Terminals operates and holds a 30% share, handled 3.03m TEUs in 2014, along with 7.9m tons of bulk cargo. "We are fortunate in the region that our populations are growing and that per capita income is high," Al Muallem is quoted as saying by Seatrade Maritime. "The effect [of today's freight crisis] on growth in our region is much less than [on] others."

Regional port capacity will reach 55m TEU by 2020, while utilisation of that capacity remains high at more than 70%. Some 11.9m TEU were handled at Jebel Ali, Al Muallem's flagship container terminal with his region of responsibility, in the first nine months of 2015. This represents an increase of 4% year-on-year, after the port saw throughput of 15.2m TEU last year.

Despite the challenges in the shipping sector and mixed regional sentiment, DP World remains confident of significant growth at Jebel Ali Port, with plans to add the 3.1m TEU first phase capacity at Terminal 4, by 2018. This will bring total port capacity to 22.1m TEU. Terminal 4, being built on a man-made island parallel to Terminal 2, will eventually have 6m TEU capacity. In the UAE, in addition to Jebel Ali's plans, 2m teu of additional capacity will come on at Khorfakkan and 2m teu at KPCT Abu Dhabi, while 2m teu will be added at Sohar in Oman, and 1m teu each at Doha New Port, Qatar, and Dammam in Saudi Arabia, all by 2020, he said.

Beijing Clears China Merchants for Sinotrans CSC Takeover

China approved the merger of China Merchants Group and Sinotrans & CSC as it continues to restructure its state-owned sector and create companies that can compete internationally.

The move is aimed at increasing competitiveness through synergies and scale in an environment of slowing global trade and as China extends its presence in overseas markets. The country's State-owned Assets Supervision and Administration Commission said in a statement on Tuesday the merger was cleared by the State Council, China's cabinet, and that it would no longer directly supervise Sinotrans & CSC. Financial details of the arrangement were not disclosed.

Sinotrans & CSC is primarily a freight forwarder with services in ocean, air cargo and land transportation. It also owns express delivery, container shipping, dry-bulk and oil tanker operations. It has seven port-related businesses, at Wuhan, the most populous city in central China, Dongguan in Guangdong province in the south, and Nanjing and Jiangyin in Jiangsu province in the east.

As well as its extensive port operations, China Merchants Group owns China Merchants Energy Shipping, China Merchants Property Development Co. and China Merchants Bank. Its port interests include Chiwan and Shekou container terminals in Shenzhen, a 27 percent stake in Modern Terminals Limited, the second largest container terminal operator in Hong Kong, and overseas terminal operations in countries that include Sri Lanka, Nigeria, Djibouti, Togo, Lithuania and Turkey.

China Merchants Group in 2014 booked a profit of $5.3 billion and had a total asset value of more than $96.4 billion. The corresponding numbers for Sinotrans & CSC in the same year were $431million and $16.8 billion. "The reorganization aims to achieve economies of scale and synergies, in particular in the areas of logistics, energy and bulk shipping, property development, ports and marine and off-shore engineering between the two groups, to speed up the development of an internationally competitive leading enterprise," Sinotrans said in a filing to the Hong Kong Stock Exchange.

China media reported Sinotrans & CSC Chairman Zhao Huxiang as stating the merger with China Merchants would not immediately involve complicated asset swaps between listed units under the two groups. The merger follows the Dec. 11 approval of a reorganization of China Ocean Shipping Group, or Cosco, and China Shipping Group, with combined revenue of more than $$40 billion.

That arrangement will see China Shipping Container Lines exit the container trade and be transformed into a financial services and ship leasing business. China Cosco Holdings will be the dedicated operator for container shipping, acquiring 33 container companies from CSCL for $176 million. Terminal operator Cosco Pacific will continue to focus on port investments and operations. China Cosco said scale was a key factor behind the reorganization.

"The listed company will integrate the assets of the two groups for container shipping, expanding the fleet and network to further improve its competitiveness in the international market, close the gap between it and the world's top three shipping companies and achieve all-round growth in shipping capacity and shipping line support," it said in its announcement of the merger.

CHINA MERCHANTS GROUP		SINOTRANS & CSC	
2014 Profit	Total Asset Value	2014 Profit	Total Asset Value
$5.3 BILLION	$96.4 BILLION	$431 BILLION	$16.8 BILLION

'Bloated' Inventories Blamed for Freight Shipment Decline

Stubbornly high inventories, contraction in manufacturing and consumers who spent fuel savings in restaurants and bars rather than on holiday gifts pushed freight volumes down in December, the Cass Freight Index shows. Truck and rail freight volumes measured by the index dropped 4.9 percent from November and 3.7 percent year-over-year. That decline wasn't as steep as the more than 6 percent drop in shipments Cass reported for December in 2013 and 2014, but it capped two quarters of falling freight volumes. Those high inventories could become more of a liability for shippers in 2016, as carrying costs rise. "The nation's bloated inventories are becoming a problem," Rosalyn Wilson, senior business analyst with Parsons, said in her commentary on the monthly Cass Information Systems index.

Businesses have been chipping away at inventories that swelled in the wake of the West Coast port labor dispute that disrupted supply chains early last year. The inventory-to-sales ratio shot up sharply when that crisis practically shut down West Coast ports from November through February. Lower-than-expected sales in 2015 also boosted inventories, as well as retailer fears of "stock-outs" on store shelves.

Manufacturer's inventories of durable and nondurable goods decreased 0.3 percent in November to $641.3 billion, the U.S. Commerce Department said Jan. 8, and new orders for manufactured goods dropped by $1.1 billion or 0.2 percent, indicating wholesalers and retailers were drawing down inventories. Total inventories of merchant wholesalers dropped 0.3 percent to $582.9 billion. The Commerce Department will release its report on retail inventories and sales for November Jan. 15.

Manufacturing output also dropped in November and December, reducing shipments, as the Institute for Supply Management's PMI Index fell to 48.6 in November and 48.2 in December. Any PMI Index reading below 50 indicates contraction. The December PMI Index also showed manufacturing inventories shrinking for the sixth straight month, but customer inventories rising.

Retail inventories reportedly are still high in the first weeks of 2016, despite deep discounts on merchandise during the holiday season. "We continue to remain concerned about the high inventory-to-sales ratio," Ben Hackett of Hackett Associates said in the Global Port Tracker report released Jan. 8. "Enough time has passed since the disruption on the West Coast that we can no longer look to that for justification of the high level" of stockpiled goods, Hackett said. Two areas to consider when looking for blame are shifting consumer purchasing trends and the fear of not having a product on the shelf when a consumer is ready to buy.

A GT Nexus and YouGov survey last year found 75 percent of shoppers had experienced an "out-of-stock" moment in the previous 12 months. In

Photo: Reuters/ Bob Riha, Jr.

the third quarter, JC Penny's increased inventory levels 9.3 percent year-over-year. "We made a strategic decision to invest in inventory," Ed Records, Penney's CFO, told Wall Street analysts during an earnings conference call.
Macy's is another retailer that has struggled matching inventory and demand. The department store chain increased inventory 4.6 percent in the third quarter. However, same-store sales fell 5.2 percent in November and December. "About 80 percent of our company's year-over-year declines in comparable sales can be attributed to shortfalls in cold-weather goods such as coats, sweaters, boots, hats, gloves and scarves," Terry J. Lundgren, chairman and CEO, said last week.

The company, which operates Macy's and Bloomingdale's department stores, will close 40 of its 770 locations and do more to boost online sales, which increased 25 percent in late 2015. The continuing growth of e-commerce, both business-to-consumer and business-to-business, is changing the inventory equation, as well as distribution strategies. Consumers are augmenting in-store purchases with online orders, and increasingly picking up ordered goods in stores.

Although 91 percent of consumers did shop in brick-and-mortar stores in November and December, 32 percent took the "click and collect" route, according to the International Council of Shopping Centers. "Looking back at the holiday season, the major trend that emerged is the prevalence of the omni-channel consumer and the resulting convergence among brick and mortar and digital retail," said Tom McGee, president and CEO of ICSC. That trend is likely pushing up inventory levels, and the need for advanced inventory management systems, as retailers strive to have more goods ready for sale in stores and online.

Shippers need to find the right inventory-demand balance soon, Wilson said. "The Federal Reserve raised interest rates in December, which puts more pressure on firms holding inventory," she said. "Inventory carrying costs rise with interest rates, and the money tied up in inventory that is not moving becomes a liability," Wilson said. "And this may get worse, as the Fed has discussed plans to raise rates several times in the coming year." Then there's the question of where to put all that inventory. Low warehouse vacancy rates are pushing up the cost of space, and making it difficult to find space in some markets. The national vacancy rate for warehouse, distribution, manufacturing and special-purpose industrial real estate hit a 14-year low of 6.7 percent in the third quarter, according to Jones Lang LaSalle.

In 2016, "demand will continue to outstrip supply for the sixth consecutive year, and additional rent growth is likely," the commercial real estate company said in its 2016 Industrial Outlook.With space tight, some retailers may be storing excess goods in trailers; not on highways, but in store lots.

"People are using more dry vans as temporary warehouses," Don Ake, FTR vice president of commercial vehicles, told JOC.com last month, as trailer orders jumped.The use of dry van trailers for goods storage "is not quantifiable, but I know it's going on out there," Ake said. And it helps explain "very surprising and confusing" trailer order numbers.

Businesses will have to reduce inventory in early 2016 to make room for new goods that will hit shelves this spring. That should make this month a very good time to buy a winter coat.

Logistics Provider Holisol Raises US$10M

Holisol, a back-end logistic provider to ecommerce companies, has raised US$10 million from CLSA Capital Partners ARIA IV Funds. The company will utilise the funds to set up more warehouses, expand last mile delivery network and increase the portfolio of supply chain optimisation solutions. The Delhi-based company currently manages 600,000 sq ft of warehousing space across 14 locations. Rahul Dogar, Holisol director said, "Previous round of investment by Datavision helped us in successfully implementing our solutions and this round of capital infusion would help us in accelerating our growth." Holisol, founded in 2009 by Dogar, Naveen Rawat and Manish Ahuja, counts among its clients e-commerce firms Jabong, Pepperfry, UrbanLadder, FreeCultr and Fabfurnish, along with brands such as Burberry, Biba Apparels and Forever21. An estimated 70% of its orders come from the e-tailing business, and the company processes about 70,000 orders from fulfilment centres.

2016 LogiSYM

Wednesday & Thursday
March 9 — 10
NUSS Kent Ridge Guild House

Future Forward Supply Chains:
Imagining Tomorrow's Supply Chains, Today!

Where Shippers and 3PL Providers Meet:

Join 350+ C-Level industry leaders in logistics and supply chain as they discuss the future of the industry at the unmissable annual meeting place for forward-thinking pioneers.

CONFERENCE PARTNERS:

LOGISTICS EXECUTIVE · LINFOX · DEXION Smarter thinking. · IntegrationPoint · CHAINalytics · LOGISTICS ACADEMY · MIKE KING & ASSOCIATES · WDA · TNETS · Pivot88 · KEWILL · TRADEWIN · KEYFIELDS

JOINTLY ORGANISED BY:

LogiSYM The Magazine for Supply Chain Executives · The Logistics & Supply Chain Management Society The Regional Professional Body for Logistics Practitioners

www.logisym.org

Logistics Executive Group launches Certified Logistics Professional Accreditation Program in Partnership with the Logistics & Supply Chain Management Society

Logistics Executive Group launches Certified Logistics Professional Accreditation program in partnership with the Logistics & Supply Chain Management Society

Most recently, it has joined forces with the Logistics and Supply Chain Management Society (LSCMS). LSCMS is the leading regional professional body for Logistics practitioners comprised of industry representatives, academics, and practitioners all passionate about promoting the industry.

"We are very excited to be joining forces with LSCMS as this can only strengthen our dual purpose: to increase the recognition and importance of Supply Chain and Logistics as a profession" said Darryl Judd COO, Logistics Executive. "The Logistics and Supply Chain industry is increasing in its complexity and rigor as a profession. Professionals are continually required to increase their skills and take on new, leadership-oriented responsibilities. It is necessary to recognize these new capabilities and to support further development needs by introducing standards that ensure quality within this increasingly demanding industry. That is why we are very proud to be offering the Certified Logistics Professional (CLP) Accreditation Program through LSCMS," continued Darryl Judd.

> "It is necessary to recognize these new capabilities and to support further development needs by introducing standards that ensure quality within this increasingly demanding industry.
>
> **Darryl Judd -- COO, Logistics Executive Group**

"Accountants have the CPA accreditation, Marketing has the CIM, and the Real Estate profession has their accreditation with CEHA. The Certified Logistics Professional (CLP) certificate will provide the necessary recognition that will exemplify our industry ethics, quality of expertise and commitment to continued improvement", continued Darryl Judd.

The Logistics & Supply Chain Management Society launched the CLP and CLE program in 2000. In partnership with Logistics Executive Group and with the emphasis on collaboration with other industry bodies, associations, groups and societies, the CLP Certification is the benchmark of excellence for measuring capability and proficiency within the profession of Logistics and Supply Chain Management. Once professionals have attained the Certified Logistics Professional qualification they can then become take part in Continuing Professional Development (CPD) activities that will ensure their continued professional standing. To qualify as a CLP candidate, an applicant must have relevant working experience, qualifications, and an active participation in the Logistics Profession.

As a professional certification, the CLP enables employees in the logistics industry to develop their capability more effectively, and in doing so assist in defining the logistics profession. The emphasis on continual improvement of knowledge and skills is timely for an industry that requires skilled personnel to reflect and underpin its importance to our global economy.

UAE Ranks No.2 in Annual Agility Ranking of World's Emerging Markets

Dubai, United Arab Emirates - The United Arab Emirates leads the ranking for the best business conditions found in the world's emerging markets, according to the 2016 Agility Emerging Markets Logistics Index.

The Index, in its 7th year, ranks 45 leading emerging markets countries based on their size, business conditions, infrastructure and other factors that make them attractive to logistics providers, freight forwarders, shipping lines, air cargo carriers and distributors. The Index also includes a survey of more than 1,100 global logistics and supply chain executives.

UAE, home to the powerhouse economies of Dubai and Abu Dhabi, ranks ahead of much larger economies, finishing No. 2 overall behind only China among the countries in the 2016 Index. China's economy is 25 times larger than UAE; India's is five times the size of the UAE economy; Brazil's is six times larger. Among the countries in the Index, UAE, Qatar and Oman are the most business friendly, based on a combination of market access, risk, regulation, foreign investment, urbanization and wealth distribution. Other Gulf states also rank near the top in business conditions: Saudi Arabia (5); Kuwait (9) and Bahrain (11).

UAE leads all 45 countries in "connectedness," meaning it has the best combination of infrastructure, transport connections, and customs and border administration. The nation's geographic location and business friendly environment has made it a strategic transit hub linking the east and the west. The UAE "is a model for emerging and developed economies alike," says Elias Monem, CEO Middle East and Africa for Agility Global Integrated Logistics. "In areas critical to logistics providers and their customers, it has been exceptionally farsighted. Its infrastructure and regulatory framework are not merely best-in-class among emerging markets, they are among finest found in any country, no matter how advanced."

The survey findings show that logistics industry executives are braced for more uncertainty and volatility in emerging markets in 2016. Sixty-one percent said they are unclear on the direction of the world economy or expect more turbulence. Their top concerns: China's economic health, oil prices and the direction of the U.S. economy.

OTHER INDEX FINDINGS:

UAE, Malaysia, China, Chile lead in "connectivity," meaning they have the best infrastructure and transport links, along with the most efficient customs and border administration.

Egypt (No. 22) and Nigeria (No. 17) both climbed 10 spots in the Index -- the biggest gains by any country in seven years of rankings. The Egyptian government has worked to stabilize the economy but continues to battle high inflation and search for ways to spark growth. In 2015, Egypt opened an $8 billion man-made channel intended to speed transit times and increase traffic through the Suez Canal. The government is also is trying to lure investment for ambitious, multi-year projects: construction of a new capital city east of Cairo; a massive land reclamation effort; natural gas exploration; and development of a logistics hub along the Suez.

China, the world's second-largest economy, remains the leading emerging market by a large margin. Among the countries at the top of the Index rankings, UAE (No. 2), India (3) and Malaysia (4) leaped over the commodity-dependent economies of Saudi Arabia (5), Brazil (6) and Indonesia (7). Rounding out the top 10 were Mexico (8), Russia (9) and Turkey (10).

Countries in Latin America are losing ground to other emerging markets as a result of recession and political turmoil in Brazil, the region's biggest economy, and depressed prices for commodity exports. Of the 10 countries that slipped furthest in the Index, six are in Latin America: Peru, Argentina, Uruguay, Brazil, Colombia and Venezuela. Even so, Chile continues to be the top-ranked emerging market with GDP under $300 million.

Russia, hurt by Western sanctions and isolated economically since it began backing rebels in Ukraine and intervened militarily in Syria, fell from No. 7 to No. 9 in the Index. Tension with Russia and the loss of economic output in the breakaway Crimea region have hurt Ukraine, as well. Ukraine fell four spots to No. 34.

OTHER SURVEY FINDINGS:

For the first time, industry executives picked India - not China - as the emerging economy with the most potential to grow as a logistics market. India climbed two spots to No. 3 in the overall Index, behind China and UAE, on strong 2015 growth and economic reforms launched by the government of Prime Minister Narendra Modi.

Supply chain professionals signaled their interest in the idea that Iran could emerge from international isolation. Iran is not among the 45 countries ranked in the Index, but in the survey of industry executives, it moved up 12 sports to No. 15 as a potential major logistics market and jumped 19 spots to No. 16 as a market for potential investment.

In the Middle East, the countries seen as having the least potential are those most directly affected by conflict: Syria, Iraq, Libya. Logistics executives see "economic shock" as the top risk in Asia Pacific, a sign of concern that a slowdown in China could ripple through economies and supply chains elsewhere in the region. A significant percentage (38%) said they are reassessing their China strategies. In the past, industry executives said natural disasters and corruption were the top risks in Asia.

For the first time, logistics professionals see consumer spending in Africa as a more important driver of growth than energy and minerals. They identified Nigeria, South Africa, Ghana and Kenya as Africa's most promising markets. In spite of recent growth and investment, Sub-Saharan Africa remains a frontier market for most supply chain executives: only 21.2% said they have operations there. The logistics industry is intrigued by the possibility that Iran will emerge from its long economic isolation as the result of an agreement to curtail its nuclear program. In the survey, Iran moved up 12 spots - from No. 27 to No. 15 - among countries with potential as major logistics markets.

"It was a volatile year for emerging markets, and you see that in the Index. Eight of the top 10 emerging markets shifted places," said Essa Al-Saleh, President and CEO of Agility Global Integrated Logistics. "Despite the turbulence, the fundamentals driving growth remain consistent - a rising middle class with spending power, progress in poverty reduction, growing populations. That's why we are still positive on the outlook for emerging markets and see them driving global growth."

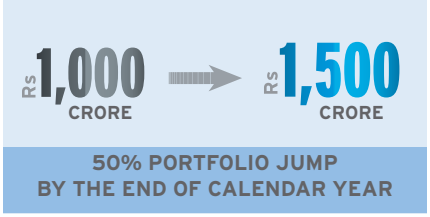
Reliance ADAG Eyes E-Commerce for Commercial Finance Business

New Delhi: Betting big on supply chain financing for e-commerce vendors, Reliance Commercial Finance has tied up with e-retail giant Snapdeal and is in talks with various other leading players, including Flipkart and Amazon. In the first phase, Reliance Commercial Finance (RCF), part of Anil Ambani-led Reliance Group's financial services arm Reliance Capital, will offer supply chain financing to a select set of over 80,000 Snapdeal vendors across the county.

"E-commerce is a growing opportunity that integrates with thousands of suppliers in servicing product request and ensure delivery. We have launched a new e-commerce centric supply chain financing product that will help us offer customised options to these vendors. Increasingly we will tie up with prominent e-commerce players to offer this to their vendors," RCF's CEO K V Srinivasan said. RCF is looking to further expand its e-commerce supply chain financing portfolio and has begun discussions with Amazon and Flipkart as also various other e-commerce firms. Srinivasan said e-commerce companies manage thousands of vendors across categories and roughly five per cent of these vendors have strong credentials and are eligible for offering financing options.

"This provides a huge opportunity for the lending firms. We see this portfolio growing. Our average financing has been to the tune of Rs 20 lakh and is based on a rating system developed by the platform itself. This helps us get the best in the lot - limiting our risk and exposure," he added. As per industry estimates, e-commerce is a $38 billion opportunity and is growing at a rapid rate in India.

RCF currently has a Rs 1,000 crore book from supply chain financing and expects to grow this portfolio to Rs 1,500 crore by the end of the calendar year - marking a 50 per cent jump. The company expects over 10 per cent of its total supply chain portfolio to come from supply chain financing for e-commerce vendors by the end of this year. Supply chain financing for vendors of e-commerce companies has been gaining momentum in recent years as leading players like SnapDeal and Flipkart helping their vendors manage their finances which, in turn, ensures credible delivery eco-system for the platform.



However, the average size of such financing is only about Rs 20-30 lakh and the business also gets impacted by seasonal trends, due to which not many large players and banks have shown a keen interest and the space is therefore left open for the NBFCs largely.

Pitney Bowes Acquires TMS Company, Enroute Systems Corporation

Pitney Bowes Inc., a global technology company, announced the it had acquired Enroute Systems Corporation, a cloud-based, software-as-a-service enterprise retail and fulfilment solutions company. Terms of the deal were not disclosed.

Based in Seattle, US, Enroute has provided cloud-based, software-as-a-service transportation management system solutions to the shipping and logistics industries since 2008. Lila Snyder, president, Global Ecommerce, Pitney Bowes said of the acquisition, "As companies continue to innovate and improve on the overall retail shopping experience, how they cater to consumers will continue to change. What is critical for both consumers and retailers is a seamless shopping experience across channels with flexible delivery options."

Snyder added, "The expansion of our ecommerce offerings will enable us to help our clients deliver a better consumer shopping experience from sales order to package delivery by connecting a variety of physical and digital processes in the fulfilment management chain."

Mobile Consignment Tracking with the New "Lufthansa Cargo eServices" App

New App can be obtained free of charge for mobile phones and tablets Lufthansa Cargo has released its new App, "Lufthansa Cargo eServices". The App is offering comprehensive shipment tracking as well as direct feedback opportunities for mobile phones and tablets, including innovative image uploading. Users constantly receive updated information on their shipments, on request via push notification. The App also offers a clear overview of all current bookings and furthermore enables access to consignments with higher security requirements via an optional log in process. Preliminary claims, complaints and feedback, including photos, can be conveyed quickly and specifically to Lufthansa Cargo – for example, immediately after delivery. This integrated functionality serves to emphasize the cargo airline's quality promise. "After the launch of the ePortal in the summer, the start of the new, integrated eServices App is a further step towards the digitization of our cargo process", according to Boris Hueske, Program Manager eCargo at Lufthansa Cargo.

The Lufthansa Cargo eServices" can be obtained free of charge in Google Play Store, Windows Phone Store and Apple App Store, as well as on the website **www.lufthansa-cargo.de**.

How Process Excellence will Help Sustain your Business Through Economic Turbulence

The Gulf economies will face a challenging year 2016 amidst unresolved political tensions and an oil price that is likely to remain low for many more months to come.

The UAE had to revise its GDP from forecasted 4.5% to actual 3% as per IMF's World Economic Outlook (October 2015). With the big oil & gas companies under spending cuts, many small and medium sized businesses are severely affected. So what do the SME's in the region need to look out for?

BEWARE OF THE OVER-OPTIMISTIC APPROACH

The UAE's leadership has a great vision for 2020 and beyond, although their plans are ambitious so business owner's will need to make a clear distinction between the UAE's vision and a realistic growth forecast. Understanding which sectors and clients will be positively or negatively affected by short/mid-term trends will be an imperative for all businesses in the market.

The real-estate and construction sector is closely linked to government vision and spending, while the oil and gas sector is mainly depending on global demand and supply. A growth vision for the country does not mean that every business is entitled to the same share of 3-5% growth automatically. Just because it is extremely easy to receive loans from the banks again, it does not mean it is wise to take it and make hasty investments that are difficult to repay if the economy slows unexpectedly. Nowadays every business needs to define their own strategy even more closely related to their industry and market conditions. It is best to review which clients to target on a quarterly basis as well as to discuss which client accounts are likely to decrease business and identify clients that may be lost altogether in order to create back-up plans to ensure continuity of business. With this in mind the head of sales should present a professional strategy adjusted to economic trends and sales targets that are realistic to achieve and plan with. And yes, sometimes we need to openly communicate if market conditions can become more challenging in order to prepare an early plan on how to overcome difficult times.

UNDERSTANDING ECONOMIC CYCLES

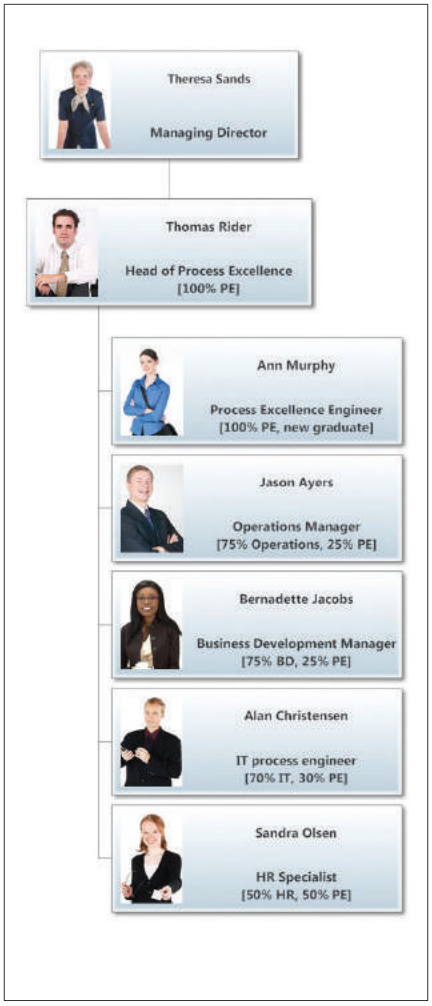
The UAE's economy has advanced and will naturally follow cycles of economic growth and consolidation like many other developed and mature markets. It is important to understand when it is the right time to invest in expansion and when to keep reserves for slowing periods. In the year 2014 we saw a healthy growth and for 2015 many companies had ambitious plans to expand, buy new equipment and built new facilities to increase production output. It is important to get realistic numbers to justify such an investment, including years of slower growth rates and potential under-utilization of brand-new and state-of-the-art facilities, which could prolong the ROI considerably.

The vast supply of real estate and land is luring business owners to build something new instead of maximizing productivity at the current facility. We have seen new and modern factories and warehouses that were not even utilizing 15% of their actual capacity for many months until the management decided to act. Instead of building something new, many existing facilities still have a lot of potential. My advice is for companies to put-aside some money to invest in continuous improvement campaigns over the next years.

MAKING THE BEST OUT IT

The industrial sector is expanding, but still not reaching its full potential and competitiveness despite the advantage of low labour and infrastructure costs, the availability of high-tech equipment and low-tax environment. According to our experience this potential can quickly be reached by having a clear focus on achieving process excellence. In the recent years the focus was on buying better machines, getting foreign consultancies to design state-of-the-art facilities, trying to implement fashionable IT systems or finding quick fixes for the old. All of this does not help, if the work force and middle management run their organisations with the old mind set. If companies just try to grow by working around their old inefficiencies and think they can grow by throwing more resources at the task then it sadly won't be the case. So why are businesses in Europe and US still highly competitive despite the higher costs they face? Because they had no other option to succeed other than focusing on optimizing their business processes and product quality. Now it's the time for the SME's in the region to face this task and stop excuses.

Some global players have already successfully proven that their business model can be implemented in the Middle East and have gained market share from formerly well-established local companies. Nevertheless even some local corporations have insourced knowledge and talent to optimize their business model and process efficiency and are now successfully competing world-wide. So we are not advocating to stop investing in new facilities and equipment, but we are suggesting that organizations first improve operations and become lean and profitable and then invest into further expansion and growth.



ACHIEVING PROCESS EXCELLENCE

1 Form a process excellence team

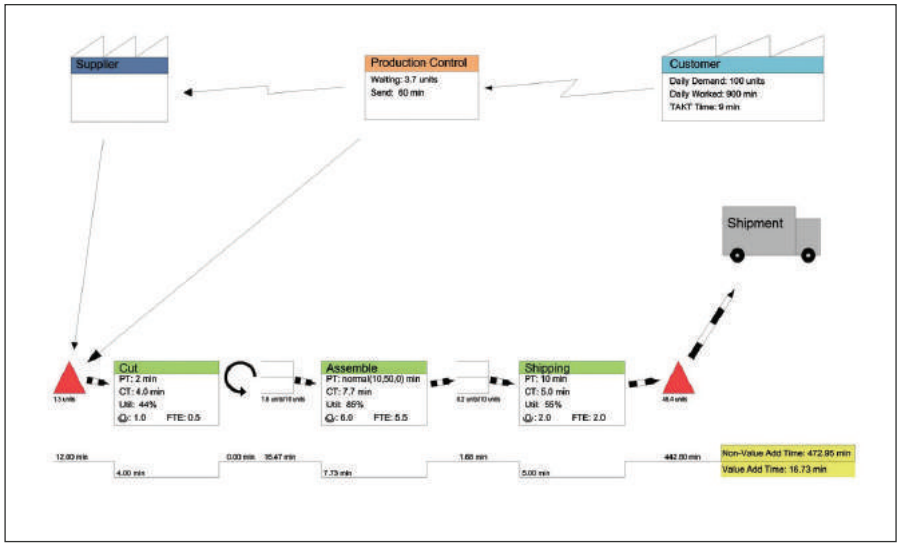
Depending on the size of the company, the process excellence team can be many shapes and sizes, usually 1-4 people is sufficient for SME's. We recommend having at least one full time person allocated solely for managing process improvement projects, with part-time support from the other team members or young graduates hired as interns for the duration of the project. The head of process excellence should have a background in industrial engineering, supply chain management or any other field related to analytical and holistic systems thinking. This position could be filled by an internal candidate or an external advisor hired on a short term contract. With the aim of having a balanced mix of young as well as experienced team members bringing both internal and external views, as well as all major departments represented by a point of contact is the right approach to move forward.

When assigning part-time team members who are already fully utilized in their current position, ensure that they have sufficient support to handle their existing day-to-day tasks so that they can dedicate their efforts and the required time to their process improvement campaigns. Chose motivated employees looking for a career opportunity or challenge as well as talented communicators from under-utilized departments. It is important that this process excellence team has the full support of the top management as well as being trusted and respected by the workforce in order to achieve a high success rate.

2 Getting started

Communicate with everyone in your organization announcing the establishment of the new team and its objectives. Preferably all employees should be asked beforehand to see who has an interest in joining. After all team members have been selected, they should be introduced and their skills and qualities highlighted as to why they have been appointed. State clearly that this team has direct top-level support to review the as-is situation and that all employees are encouraged to communicate their process-related concerns and suggestions with the team members.

The project team should have a full-time inauguration week with lean workshops, training in project management, process mapping, setting and measuring of KPI's, change management, scenario analysis, feasibility studies and ROI calculation etc.



These can be organized by internal resources (if available) or externally sourced. This week will also serve as time for team-building activities and getting to know each other better. The atmosphere in the team needs to be balanced and harmonious as they may have to withstand objections later from colleagues or entire departments trying to maintain the status quo.

3 Project Management and Communication

After the team have spent some time with each department mapping out / verifying the current processes (including material and information flow), identifying lead times, waiting times, inefficiencies, opportunities etc. they should compile a list of possible projects. Each project should have a short description of scope, estimated project time, objectives, estimated saving potential, if any investment required, departments and stakeholders concerned and proposed team members to work on it. These should be discussed in a joint meeting to clarify which projects to prioritize and which can be run in parallel. Once the top-level management gives the go ahead, one team member should be assigned to project manage and generate a brief weekly status report for the team and the management. A company-wide monthly newsletter will help to keep the entire workforce informed of the progress and upcoming initiatives, keeping a positive dialogue and involvement and avoid fear of change and rumors to spread.

4 Methodologies

As mentioned before, the process excellence team should be well versed in a variety of methods and approaches used for continuous improvement in all areas from sales, customer service, production, order fulfillment, logistics as well as finance and admin processes. We have listed below a brief summary of effective tools which the team should utilize during process excellence projects:

Value Stream Mapping (VSM): a special type of flowchart to depict the material and process from supplier to customer and distinguishing between value-adding activities and non-value-adding activities when analyzing the overall lead time. It helps to highlight which steps need to be improved to smoothen the overall process flow and shorten lead times.

5S (from Japanese translated as "sort", "streamline", "shine", "standardize", and "sustain"). 5S is a system to reduce waste and optimize productivity through maintaining an orderly workplace and using visual cues to achieve more consistent operational results.

Bottleneck analysis: Identify which part of the business process limits the overall throughput and improve the performance of that part of the process (can use simulation).

Simulation: Tool to model the business processes and facility layout virtually to study the system behavior by running several scenarios to find the optimal layout, process flow and utilization of resources (e.g. number of staff, space and equipment required). It is a great decision-making support tool when analyzing existing or newly designed production and logistics facilities as well as entire supply chains.

TPM – Total Productive Maintenance: Getting workers involved in maintaining their own equipment, and emphasizing on preventative and proactive maintenance will lay a foundation for improved production (fewer breakdowns, stops, and defects).

Kaizen (Continuous Improvement) is a strategy where employees at all levels of a company work together proactively to achieve regular, incremental improvements to the business process. Nurture this culture by organizing events focusing on improving specific areas of the company.

KPI (Key Performance Indicator): Metrics designed to track and encourage progress towards critical goals of the organization. Strongly promoted KPIs can be extremely powerful drivers of behavior – so it is important to carefully select KPIs that will drive desired behavior.

Earning the benefits

Many of the lean tools were initially developed by Toyota to improve their own production system, but this time these tools have been further developed and adapted to suit many different types of organizations, such as the logistics sector and even non-producing and service oriented firms. Management and the workforce need to understand that successfully achieving process excellence is also due to change management as it is often a huge cultural change for an organization it is not a quick fix project or just a six sigma belt certification course. If pursued consistently and with continuous top-level support, many millions of dollars of savings are possible with comparably low investments required. All of the above mentioned lean tools will be of tremendous help to successfully implement a sophisticated IT system, or in supporting a move to a newer and larger location or even simply boosting productivity and output from the existing facility. These incremental savings will assist in funding continuous improvement budgets as well as ensuring healthy margins even in less prosperous years. Lean initiatives help to generate product and process innovation as well as high workforce morale. Plenty of talent and positive engagement can be unleashed from the existing work force once they are encouraged and awarded by contributing their ideas. In addition it helps organisations to attract and retain talent that keeps developing which in turn helps to stay one step ahead of the competition. Embarking on the lean journey is a fantastic New Year's resolution. By the end of 2016 companies that have successfully adopted the process excellence approach will be able to look at a transformed organization with great prospects for the years ahead.

Katharina Albert

Practice Leader EMEA, Corporate Advisory & Supply Chain Consulting, Logitics Trends & Insights - Logistics Executive Group

Katharina is a material flow simulation expert with more than 8 years of experience in the logistics, manufacturing, aviation and oil & gas sector. She holds a Master's degree in Systems Engineering & Industrial Management from Germany and has established her own practice in 2011.

Katharina's consultancy style is unique as she is focussing on the optimization of material and information flow as well as lean facility design by applying sophisticated methodologies and 3D simulation. Her analytical thinking and holistic approach has helped many organisations to substantially increase their productivity and profitability.

More than Alibaba - *China's Retail Industry*

Consulting firm, McKinsey noted "over the course of the next decade, the global face of the retail industry will change dramatically. Emerging markets will continue to see spectacular growth, both in regards to new shoppers and per capita spending". Indeed, the most prominent such market is that of China. Despite weakness in its economy, China ranked number one on AT Kearney's 2015 Global Retail Development Index. Its retail grew at almost 12.0% in 2014 and is projected to exceed $8 trillion, double the size of the US market, by 2022. For 2015, retail sales will probably be less than 2014's 12.0% but still in double digits. For the month of October, a 10% government tax cut on smaller cars helped spur the biggest monthly auto-sales increase. Despite gloomy Chinese economic data, Chinese consumers appear to be optimistic. Year-to-date through October, total retail sales of consumer goods are up 10.6%.

China ranked number 1 on *AT Kearney's 2015 Global Retail Development Index*

YEAR 2014

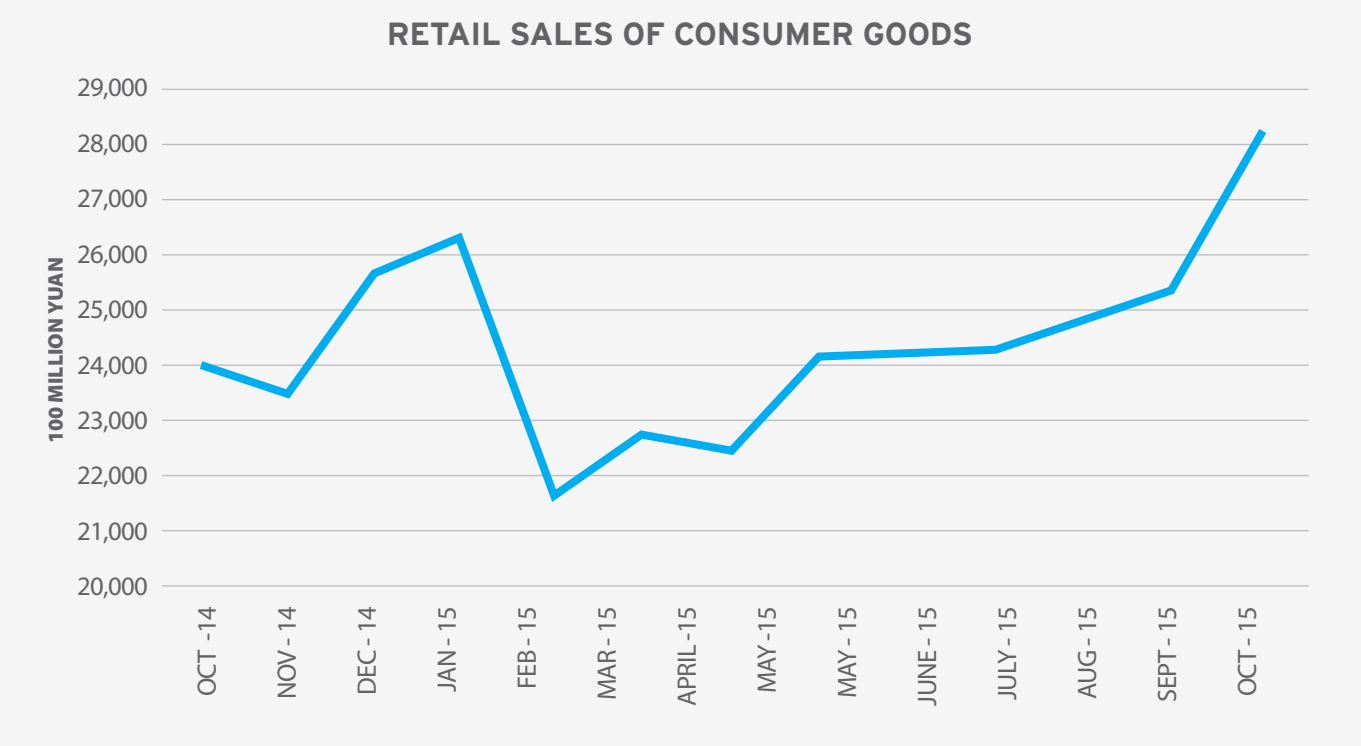
↑12.0%

Retail in expected to exceed $8 trillion, double the size of the US market

YEAR 2015

↓12.0%

Retail sales will probably be less than 2014's but still in double digits



China's retail sector is fragmented. Research from Denzan Shira & Associates indicates that the top 100 retailers account for only 11.0% of total retail sales. Improving infrastructure and the rise in urbanization have resulted in retailers focusing on third and fourth tier cities.

In terms of sales, hypermarkets still reign in China but the convenience stores and premium supermarkets are gaining as Chinese consumers become less price sensitive and more proximity and convenience-centric. International retailers such as Walmart and Carrefour have struggled in the Chinese market as domestic players gain market share.
Not surprising, e-commerce is playing an increasing role in China's retail industry. Retailers are incorporating it into their business strategy much like those in the US and Europe. For example, some retailers are partnering with e-tailers as alternative delivery locations. Still, much like US and Europe, many retailers are finding themselves falling behind e-tailers. Differing approaches have been undertaken to combat this growing disparity. In 2014, Sun Art Retail Group Ltd, China's largest hypermarket operator, launched an online store while ecommerce provider Alibaba invested $4.6 billion in electronics retailer, Suning. This investment is an interesting one as it will provide online customers to go into one of Suning's 1,600 outlets in China to try out a product before purchasing it on Alibaba's website using their smartphone.
Much like many emerging markets, m-commerce and social media play an increasing role and China is no exception. China's retailers are utilizing both mediums to offer digital coupons, payment, price comparison, goods ordering and digital membership cards to gain customer loyalty.

As China's retail industry undergoes its transformation, logistics are an important component in terms of delivery services, fulfillment and value-added services.

DELIVERY

Delivery is a highly competitive service. Many retails maintain their own delivery service and a growing number of logistics providers are as well. Some examples include JD.com which offers its own last mile delivery service. Alibaba has created a consortium of logistics providers that provide this and other services on its behalf. Meanwhile, Suning has about 300 city delivery centers and 5,000 community delivery stations and provides next-day delivery to 90% of Chinese cities.

In addition, delivery companies such as FedEx and UPS have expanded domestic delivery capabilities with additional government licenses. In January 2015, In January, Kerry Logistics was granted a government license to operate in the mainland express-delivery market as well. As more providers enter this space, it is expected to become more efficient and stabilize delivery rates.

FULFILLMENT

Much of the demand for fulfillment/warehousing has been within China's Tier 1 cities such as Beijing and Shanghai, however, as retail expands further into smaller locations, demand for such facilities will increase. Furthermore, those facilities that do exist are in need of modernization, i.e. computerized tracking systems and technology. Early this year, Global Logistic Properties Ltd. announced a $7 billion China-based logistics infrastructure fund.

The fund plans to start acquiring land and begin construction of new projects in April 2016. It will develop 13 million square meters of space over four years. Currently, Global Logistic has 11.8 million square meters of completed facilities in China.

VALUE-ADDED SERVICES

As online sales continue to increase, a focus on returns management will further grow. In 2013, China passed the Law on Protection of Consumer Rights and Interests, which requires retailers who sell through online, TV, telephone, and catalog formats to accept unconditional returns from customers within 7 days after the sale. As fulfillment and delivery service options mature, the next level of competition will be that of value-added services such as returns management, kitting, bundling, customization and packaging. Many opportunities are available within China's retail industry for logistics providers. However, these opportunities may also prove challenging for those that enter this market.

Cathy Roberson
CEO and Owner, Logitics Trends & Insights
croberson@logisticstrendsandinsights.com

Based in Atlanta, Georgia, Logistics Trends & Insights LLC provides customized logistics research and consulting services utilizing a global network of trusted and experienced analysts.

Founder and Head Analyst, Cathy Morrow Roberson, has over 15 years of experience in the logistics market including ten years with UPS Supply Chain and several years with specialized consulting firms.

Navigating through Market Transition in Asia

How to grasp opportunities and meet new challenges in a transitioning economy

Our world is certainly changing faster and more profoundly than ever before. Technology, Consumer Behaviour, Manufacturing, and Security have all affected our economies on a daily basis. Without doubt, we are living in interesting times. Rather than argue over whether the world economies are recovering or contracting, maybe we should be taking a slightly different view. That it is in transition, which is more of a neutral position, allowing both challenges and opportunities to be equally considered.

The Asian marketplace is shifting to a new state that is improving living standards, but which auger even greater uncertainty. It is this ambiguity, which many of us are finding hard to navigate, particularly in relation to managing labor and skill shortages.

Consider this, manufacturing across the world is slumping, as is global trade. Emerging markets, and commodities, are tanking. Yet, in contrast, developed stocks are in decent shape (even after a few rough weeks) and service sectors are booming. Money remains cheap around with many of the world's central banks remain committed to an easy monetary policy, with nominal rates sitting at or around zero.

Despite the challenges presented by the global economic slowdown, demand in Asia has been a constant. This is currently driven by positive demographic factors (the average population age and the pace of urbanisation), the political policies being pursued by individual countries, and growing private consumption expenditure in the region. Beyond these Marco trends, the fabric of how consumers connect with business is changing with the advent of the mobile shopper. Now mobility is the key to many retailers' success or failure. I saw the impact of mobile shoppers in the worlds largest e-commerce market recently with the China Singles Days recording the largest ever one day buying spree ever seen – 10 million packages in just the first hour of sales shipped and sales topping in excess of USD$10 Million!

Online, retail sales in China reached $425 Billion in 2014. They are estimated to reach $560 Billion in 2015. As a comparison, in the US $305 Billion was reached in 2014 and $349 Billion is expected for 2015, according to recent McKinsey and KPMG reports. Even more astoundingly, this growth will mean that in 2015, 12% of Chinese retail sales will be e-commerce versus 7% in US.

E-commerce has expanded over the past decade, due to the continued advances of information technology and greater Internet connectivity. There is still a huge potential for further growth in e-commerce sales in Asia as they are predicted to grow from US$525 Billion this year to in excess of US$1 Trillion by 2017. It is not the number that is important but the incredibly swift timeframe by which this is occurring. Of course, such a speedy expansion brings its challenges. A good example of this is how the Chinese Government is rapidly adjusting processes and policies in order to get a handle on the influx of BIG DATA on new, previously invisible consumers, many of whom have never stepped foot in a shopping mall.

ASIA'S E-COMMERCE SALES' GROWTH

YEAR 2016
USD 525,000,000,000

BY YEAR 2017
USD 1,000,000,000,000

In the next 10 years, 500 million new households in Asia will emerge as middleclass. They will have access to electricity for the first time, further driving consumer demand. Think about that: the first oven, dryer, dishwasher, and mobile phone. If we look at the statistics, there are over 600 million smartphone users in China today, whilst there were over 650 million Internet users estimated in the country in 2014!

This emerging middle class is also partly due to incomes increasing because of a tight labour market. The introduction of minimum wage legislation, inline with other first world countries, will extend the creation of a middleclass even further and be a huge boost for China's sustained growth. According to the EIU's projection, China is set to overtake the US for the first time ever as the country with the world's highest volume of sales during 2013.

Photo: Imaginechina

However, it does not just stop at the consumers. The way we work and how employers and employees relate to each other is changing. The trickle of employers abandoning traditionally defined benefit pensions is becoming a flood. Employees are now taking control and making decisions about their own investments. This is further changing the financial landscape and increasing risk.

Conversely, while the quality of goods is improving, prices are declining. Even before robotics, innovation, and disruptive technology, we have seen productivity initiatives reduce the amount of labour needed in manufacturing. Technology is also affecting white-collar jobs, enabling the 'sharing' services that reduce the slack and the need for fresh production.

Whilst it can be argued that much of this is good for business, it does have a negative effect on economies that rely on manufacturing with cheap labour. However, due to labor shortages, China is no longer a provider of a cheap labor force. As its economy has largely been built on being the factory to the world it is now required to change its strategy. It is now consequently in a race to reinvent itself as a service led economy. China's credit fuelled over-investment in commodities and its by slowdown exasperates that trend. One of the outcomes of the recently signed Trans Pacific Partnership (TPP) free trade agreement, which covers 40% of world trade and ASEAN's AEC (ASEAN Economic Cooperation) agreement, will mean that China may find itself locked out of a large part of its traditional market. This will make the initiatives like the SILK BELT Road project increasingly more important.

In conclusion, there are challenges ahead and yet clearly still multitudes of opportunities there for the taking in Asia. Macro-trends in Asia have remained very solid, as can be demonstrated by the resilient performance of both the region's industrial output and the volume of retail sales. Last, but not least, the key challenge for supply chain and logistics leaders is how to nurture their staff through this change. Labour shortages due to market volatility will only continue. Change must be embraced as a normalised state of play. An accepted state of transition can provide opportunities through good leadership, and a well-trained, agile workforce to drive a company's success to the next level.

Darryl Judd
Chief Operating Officer
Logistics Execuitve Group

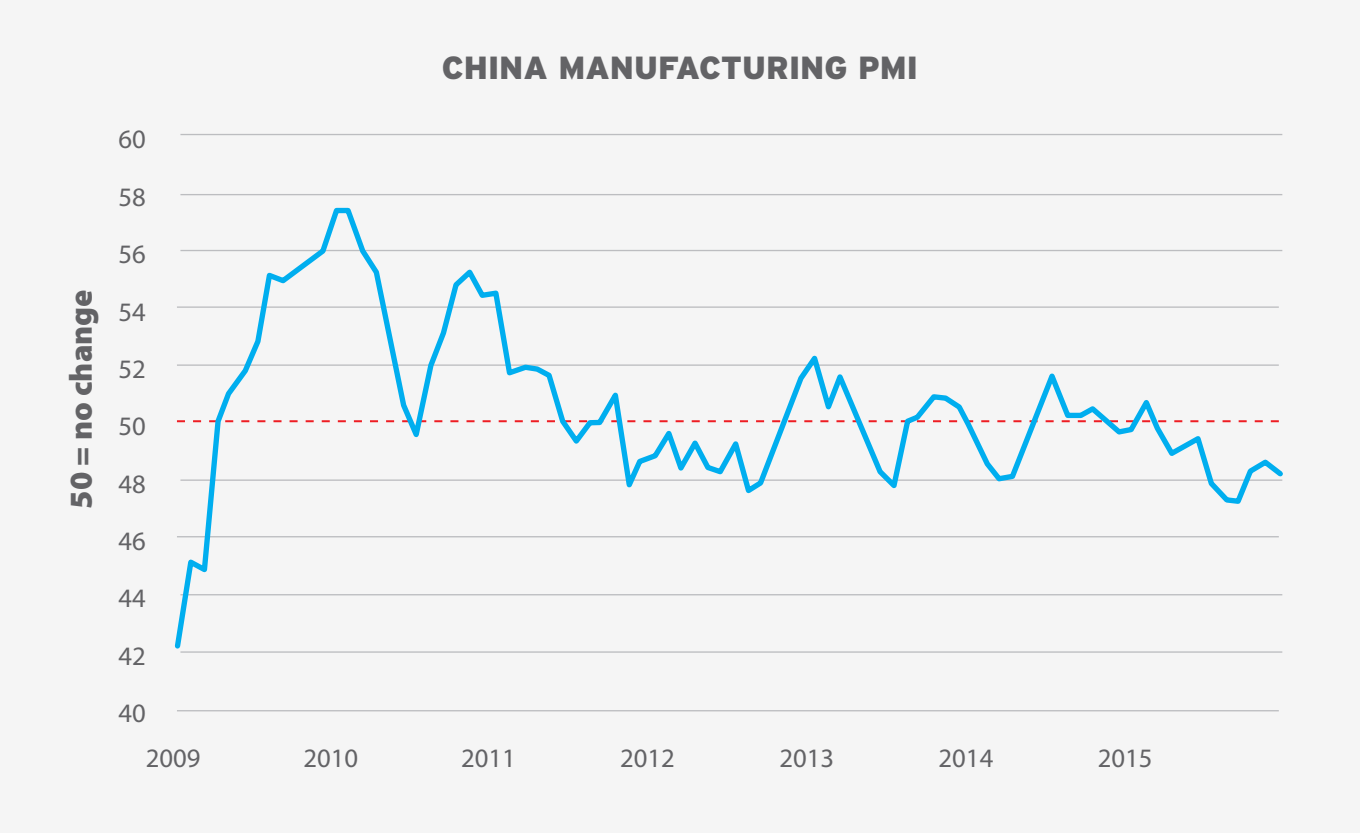
Darryl Judd
COO, Logistics Executive Group
darrylj@logisticsexecutive.com

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.

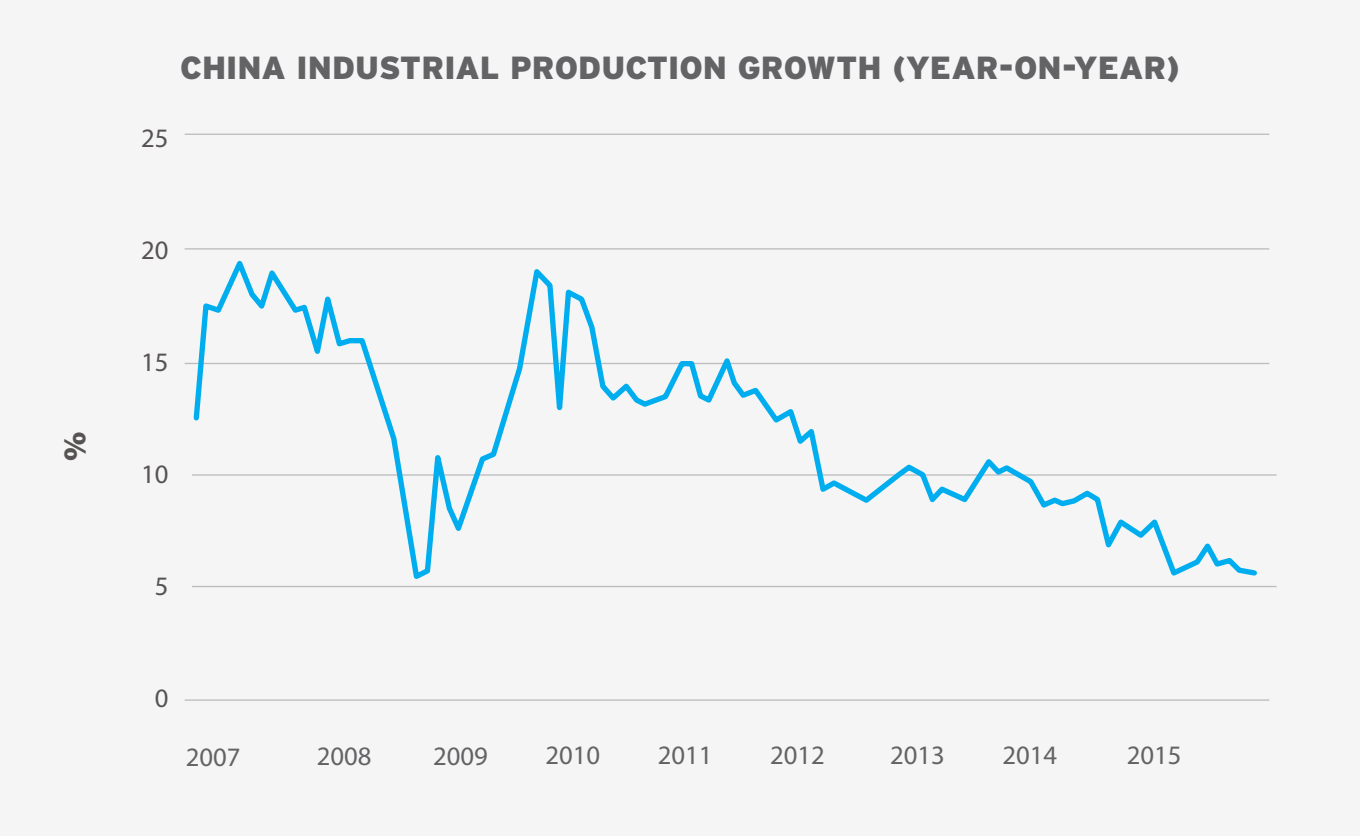
Manufacturing Woes for China Continue as Latest News Triggers Trading Suspension

This month's 'Chart of the Month' briefing serves to highlight the continued weakness in China's manufacturing sector, with the most recent data coming in worse than anticipated.

The Caixin/Markit manufacturing purchasing managers' index (PMI) for China fell to 48.2 in December, a deterioration of 0.4 points on November's figure, and significantly below an expected figure of 49.0 (Reuters poll forecast). Manufacturing PMI measures the level of output of a country's manufacturing sector, based on a number of factors including new orders, output, employment, suppliers' delivery times and the stock of items purchased. An index value of above 50 indicates expansion in the manufacturing sector, while an index value of below 50 signals contraction. December's decline marked the 10th consecutive month of worsening operating conditions for the sector. In fact, the news was a contributing factor behind trading on China's stock markets being suspended, following the introduction of a so-called 'circuit-breaker' system in December. After another substantial sell-off, trading was suspended once again, before the circuit breaker mechanism was scrapped altogether after it became clear that it was only destabilising the market, precisely the opposite of its purpose. It lasted just four days.



Source: Caixin/Markit



Source: OECD

Looking at an alternative manufacturing measure does not make for decent reading either. The OECD's industrial production index for China, which measures the monthly physical volume of goods produced by the manufacturing, mining and utilities sectors, paints a picture of steady deceleration. Year-on-year growth has contracted from approximately 10% in mid-2013 to rates approaching 5% towards the end of 2015. Given the ongoing slowdown, one thing the world will be watching for over the course of 2016 is whether China decides to devalue its currency to spark economic growth. If it does, the move could trigger devaluations elsewhere (so-called 'currency wars') and give the Federal Reserve pause for thought over its planned interest rate hikes in the year.

David Buckby
Economist, Ti

David Buckby is an Economist within Ti's Research department, with responsibilities including market sizing of logistics sectors, report writing and media contributions. He joined Ti in September 2011, and has an MSc in Economics from the University of Bath.

IntegrationPoint®
Global Trade Software

Take your global trade to new heights

For just one client, Integration Point handles more than 3.5 million export shipments in 100+ countries every year.

Companies of all sizes choose Integration Point to manage product classification, denied party screening, import/export regulations, free trade agreements, and more. With localized compliance knowledge on a global platform, you can be equipped for any challenge.

www.IntegrationPoint.com

Greening your Warehouse Makes for Good Business

How an environmentally focused approach will improve the bottom line and add value for customers

Warehouses are challenging places. Always incredibly, busy and under pressure to perform. Whilst environmental concerns are ethically important, most logisticians find that their energy is spent focusing on the bottom line. Pressing matters such as driving efficiencies and cutting costs are challenging enough priorities to meet in their daily operations. However, the logistician's mantra "Reduce, Reuse and Recycle" when it comes to managing warehouse costs, has never been more closely aligned to the principles of environmental sustainability. Increasing costs in resources such as electricity, the subject of building and creating green warehouses has never been more important. Reducing warehouse energy and water consumption ultimately helps companies improve their bottom line and bring value to customers but it can seem a daunting challenge.

However, it is a very worthwhile endeavor. To use a recent example in a piece of work undertaken by Logistics Executive Group, 42% of our clients warehouse costs were direct utility expenses. By implementing a number of initiatives, including LED smart occupancy lighting from Astrum, a cost saving of over 82% was realised in both energy and carbon reduction. The key to these improvements is to minimize the impact on warehouse staff. Here are our top 10 tips for creating a greener warehouse, whilst minimizing disruptions to warehouse flow.

TOP 10 tips for Greener Warehouse

1 *Reduce energy waste*

Implement strict rules for truck idling time in parking lots and at loading docks. Create clear procedures for opening and closing loading dock doors. Ensure office and warehouse spaces are properly insulated.

2 *Employ efficient lighting like Astrum Lightings High Performance occupancy LED's*

Replace older, inefficient fixtures that require frequent bulb changes with bright, efficient LED lighting, focused appropriately in work areas. By using the latest technology lighting such as the Astrum products you can do away with motion detectors as they offer real-time occupancy data systems that cover all staff in warehouse and office areas, and not just control lighting but provided any benefits of security and HAVC optimization.

3 *Use solar energy*

Hundreds of square feet of roof space without solar arrays represent a wasted opportunity. Implement state-of-the-art solar power systems to generate energy. Tax and energy incentives improve the return on this investment.

4 *Monitor usage with smart meters*

In many areas of the country, smart meters are becoming available for commercial use. Not only can businesses better monitor energy usage but also as utilities develop "time of day" energy rates, companies can adjust usage accordingly. For example, electric forklifts can be charged on a schedule that benefits the power company, avoiding peak surcharges.

5 *Investigate energy monitoring software*

These tools make it easy to identify and remedy inefficiencies in electricity, gas, and water use. Look for software that monitors energy and resource usage across multiple facilities, and compares it to both industry benchmarks and similar facilities in your network. Having all this data in one screen helps track and identify improvement opportunities.

6 *Create energy zones*

Distribution centers have distinct usage patterns, all of which can be optimized in different ways. Installing separate meters in facilities, offices, warehouses, and refrigerated sections allows businesses to isolate and optimize each area accordingly.

7 *Install water-saving features*

Waterless urinals, dual-flush toilets, and motion-detecting faucets can all reduce water usage. Motion detectors on restroom lights, and high-efficiency hand dryers, also contribute toward savings.

8 *Optimize facility layouts*

To reduce costs and improve efficiency for customers, management should continuously analyze product movement, as well as demand seasonality. Well-designed facilities increase picking efficiency, which, in turn, minimizes energy use, time, and effort.

9 *Involve employees and suppliers*

Employees are key contributors to sustainability improvements. Educate them in sustainable behaviors, and suggest additional ways to improve. Seek ways to eliminate packaging, and choose warehouse locations that are most accessible to the manufacturers and end users you serve.

10 *Focus on reverse logistics*

Efficient asset recovery reduces carbon footprint and landfill impact by returning these goods to a saleable condition for re-use. This translates into energy savings and waste reduction, providing economic value and savings for all parties in the supply chain. Even where you cannot return product to saleable condition, you can recover value and reduce landfill impact through donations, secondary market sales, and recycling.

These tips have been designed to blend easily with the daily routine life of the warehouse, causing minimal disruption, or changes after implementation. They may be passive, strategies but their impact can be far reaching: in savings, reduction in running costs and waste and finally, in the promotion of a Corporate Responsibility and Sustainability. Ultimately this means that not only will a greener warehouse facilitate improvement in the bottom line but it will ultimately add value to customers in an age were there is increased transparency and focus on corporate responsibility. Makes good business sense really.

Keng Pang
Senior Consultant - Asia
Logistics Executive Group

Keng Pang
Senior Consultant - Asia
Logistics Executive Group
kengp@logisticsexecutive.com

Keng has a total of 20 years of working experience; of which 17 years were focused on the logistics industry, in both Singapore and China. She has accumulated experiences in a 3PL environment for sectors in high-tech manufacturing, luxury retailers , FMCG, Oil & Gas, Chemical and Banking and Financial industry.

The 10 years of general management experience has sharpened her insight into customers' needs and constraints versus the market trends enabling her to understand corporate and shareholders' perspectives. This has enabled her to make important and critical decisions and effectively manage resources, focusing in areas which reap desired results. Keng is also a PMC trained Business Advisory Consultant and has also been trained in assessing Organization Business Excellence.

EVENTS

February

SUPPLY CHAIN & LOGISTICS PROFESSIONALS SPEAKER LUNCHEON
February 17th, 2016
Hong Kong
http://www.markmillar.com/new-events/2016/2/17/supply-chain-logistics-professionals-speaker-luncheon-hong-kong

March

LOGISYM ASIA 2016
March 9 - 10th, 2016
Singapore
logisym.org/2016

THE CARGO SHOW MENA 2016
March 9 - 10th, 2016
Dubai, UAE
http://www.terrapinn.com/exhibition/middle-east-rail/

MIDDLE EAST RAIL 2016
March 9 - 10th, 2016
Dubai, UAE
http://www.terrapinn.com/exhibition/middle-east-rail/

10TH WORLD CARGO SYMPOSIUM
March 15 - 17th, 2016
Germany
www.iata.org/events/wcs

BIOPHARMA ASIA CONVENTION 2016
March 22 - 24th, 2016
Singapore
http://www.terrapinn.com/exhibition/bio-asia/

HOME DELIVERY WORLD 2016
March 30 - 31st, 2016
Atlanta, GA USA
http://www.terrapinn.com/conference/home-delivery-world/index.stm

CEO BREAKFAST SERIES: E-COMMERCE SUPPLY CHAIN INNOVATIONS AND CHALLENGES IN CHINA
March 31st, 2016
Shanghai, China
http://www.logisym.com/events/ceo-breakfast-series/

April

RETAIL TECHNOLOGY SHOW ASIA 2016
April 20 - 21st, 2016
Singapore
http://www.terrapinn.com/exhibition/retail-world-asia/

CEO BREAKFAST SERIES
April 28th, 2016
Hong Kong
http://www.logisym.com/events/ceo-breakfast-series/

May

HOME DELIVERY WORLD EUROPE
May 4 - 5th, 2016
London, UK
http://www.terrapinn.com/conference/asia-mining-congress/

TRANSPORT INTELLIGENCE LONDON THE FUTURE OF LOGISTICS AND EMERGING MARKETS
May 10 - 11th, 2016
Doha, Qatar
http://www.ticonferences.com london/2016/

MULTIMODAL 2016
May 10 - 12th, 2016
Birmingham, UK
http://www.multimodal.org.uk

TRANS4 QATAR TRANSPORTATION AND LOGISTICS EXHIBITION
May 24 - 26th, 2016
Doha, Qatar
www.trans4qatar.com

10TH ANNUAL HI-TECH & ELECTRONICS SUPPLY CHAIN SUMMIT
May 25 - 26th, 2016
Novotel Amsterdam Schiphol Airport
http://events.eft.com/hitech/

PROCURECON ASIA 2016
May 31st - June 2nd, 2016
Singapore
http://procureconasia.wbresearch.com

June

THE 14TH ANNUAL NORTH AMERICAN 3PL SUMMIT & CHIEF SUPPLY CHAIN OFFICER FORUM
June 20 - 22nd, 2016
Chicago, USA
http://events.eft.com/3pl/

AVIATION FESTIVAL AFRICA 2016
June 28 - 29th, 2016
Johannesburg, South Africa
http://www.terrapinn.com/exhibition/aviation-festival-africa/index.stm

July

DYNAMIC DISTRIBUTION DISRUPTION 2016
July 13 - 14th, 2016
New York, USA
http://events.eft.com/d3/

14TH ASEAN PORTS & SHIPPING CONFERENCE
July 14 - 15th, 2016
Bangkok, Thailand
http://www.transportevents.com

September

ME TRANSLOG 2016
September 5 - 7th, 2016
Muscat, Sultanate of Oman
http://www.metranslog.com/

CEO BREAKFAST SERIES
September 22nd, 2016
Hong Kong
http://www.logisym.com/events/ceo-breakfast-series/

October

LOGISYM MALAYSIA 2016
October 12 - 13th, 2016
Kuala Lumpur, Malaysia
http://http://www.logisym.com/events/logisym-malaysia-2016/

CILF CHINA INTERNATIONAL LOGISTICS FAIR
October 12 - 14th, 2016
Shenzhen, China

CEO BREAKFAST SERIES
October 20th, 2016
Shanghai, China
http://www.logisym.com/events/ceo-breakfast-series/

November

LOGISYM DUBAI 2016
November 22 - 23rd, 2016
Dubai, UAE
http://http://www.logisym.com/events/logisym-dubai-2016/

16TH INTERMODAL AFRICA
November 17 - 18th, 2016
Mombasa, Kenya
http://www.transportevents.com