

# SupplyChain PHILIPPINES

# big wave



Inspired by Change. Enabling Growth.

## INTEGRATED CONTRACT LOGISTICS

Key Services:

- Warehousing
- Direct Deliveries
- Crossdock
- Domestic Freight
- Value-Added Services



## Big wave

Planning for surge periods provide the most stress—and the most reward—for any supply chain manager. We untangle the factors, the challenges, and the opportunities stakeholders face supply chain's ultimate test of customer service

Page 32

### OPENER

**7**—Nestor Felicio looks back at what he learned after two years as SCMAP president

**9**—Henrik Batallones on thinking like a supply chain manager

**12**—From the archives: an early newsletter from the DMAP days

### KNOWLEDGE

**17**—How did we do in this year's Logistics Performance Index?

**20**—How can the Ease of Doing Business Law help supply chain?

**24**—What blockchain offers for supply chain

**26**—The bridges set to connect our islands

**28**—Why supply chain is more than just an industry

### DEBRIEF

**43**—SCMAP establishes a chapter in Mindanao

**46**—Supply Chain Immersion heads to Clark and Subic

**50**—Third outing for Sharpening the Supply Chain Practitioners

**51**—SCMAP moves to new offices

**52**—Helping MSMEs with the Pilipinas Angat Lahat Alliance



- No huge capital investment necessary.
- Guaranteed supply anytime.
- Addresses seasonality of your requirements.
- Focus more on your production.



→ **CRATES**

Beverage Crate  
 Multi-Purpose Crate  
 Vegetable / Fish Crate  
 Multi-Purpose Tray



→ **FLOORING**

Pigpen Flooring  
 Chicken Flooring

↑ **PALLET**

One Way Pallet  
 Heavy Duty Pallet  
 Twin Pallet  
 Medium Duty Pallet

It's the  
**LEASE**  
 we can do for you...

**RENTAL SCHEME**

- ✓ Short term
- ✓ Long term
- ✓ Rent-to-Own
- ✓ Rental with Logistics Services

**OTHER SERVICES**

- PALLET WASHING
- FLOAT ANALYSIS
- PROPER HANDLING SEMINAR



**CONTACT US:**

Canlubang Hub Operations Silangan  
 Silangan Industrial Estate

Tel No (632)6323661 to 69 • Mobile No. (0917)5149125

Email: msalvador@smg.sanmiguel.com.ph • Website: www.smypc.com

# JUNGHEINRICH

The right choice  
is in your hand!



## BOEING MATERIAL HANDLING CORPORATION

**ALBANY**  
DOOR SYSTEMS  
NOMAFIA SCHEFFER JANSSEN

Rapid Roll-up Doors



**RAYNOR**  
Overhead Sectional Doors



An SPX Dock Products Company  
**KELLEY**

Dock Levelers, Dock Seals  
and Dock Shelters



**LIFTOMATIC**

Drum Handling Equipment



**Chase Doors**  
World's Leading  
Manufacturer of Traffic  
Doors



# SANY PORT EQUIPMENT





*DRIVING SUPPLY CHAIN  
INNOVATION AT*

***FULL  
SPEED***

*TRAFFIC TOWER . ROUTE PLANNING . TRACK & TRACE . GPS .*

In today's rapid technology disruptions, it is vital to adapt and stay on track. In1Go lets you ride along and cruise the streets of innovation.

We constantly explore new and game-changing Supply Chain technologies that take business processes and operations to the next level.

***DON'T BE LEFT BEHIND.  
ALLOW US TO GET YOU UP TO SPEED!***

**IN1GO TECHNOLOGIES INC.**

10/F Net Lima Centre 5th Ave cor. 26th St. Bonifacio Global City, Taguig City 1634

 +632 511-8618  [inquire@in1go.com.ph](mailto:inquire@in1go.com.ph)

**IN1GO**

[www.in1gotech.com](http://www.in1gotech.com)

# MOTOLITE®

## PANGMATAGALAN

### Powering the Nation for 100 years



For inquiries, please get in touch with:

**Sherwin Clerigo (Automotive Batteries) • Norvin Santos (Industrial Batteries)**

Tel. No. (02) 370-1000

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

# Shipped. Tracked. Paid.

Do proof of delivery processes and invoice credit terms affect your cash flow?

Do you wait months for payments on your shipments?

Powered by blockchain, OpenPort's Transport Management System and electronic Proof of Delivery platform provides real time, auditable supply chain intelligence from any transporter, anywhere.

Shippers and transporters using OpenPort technology to manage their shipments are eligible for rapid, low cost loans for their goods and freight invoices.

## Introducing OpenPaid.



**OPEN>>PAID**  
SUPPLY CHAIN FINANCING

We connect suppliers, transporters, retailers and multinationals with our financial partners to bring you faster cash cycles.

- Real supply chain visibility
- Verified proof of delivery
- Immediate payments

Don't waste time chasing invoice payments. Turn your receivables into cash liquidity and grow your business.

Call OpenPort today and complete your registration and implementation in just 5 days, and access immediate loans on your invoices at just 1 - 3% p/m.

+(63) 917 539 4717  
+(63) 956 855 344

3F Aurora Building, Tierra Nueva,  
Alabang-Zapote Road Muntinlupa City

[openpaid@openport.com](mailto:openpaid@openport.com)  
[www.openport.com](http://www.openport.com)

Brought to you by

**OPEN>>PORT**  
BLOCKCHAIN DELIVERED





FROM THE PRESIDENT  
WRITTEN BY NESTOR FELICIO

“Challenges always bring out the best in supply chain people. We are used to getting things done and getting things to their destination. As we face these opportunities and challenges together, we hope to bring out the best in us, to put the common good above individual concerns.”

To my mind, “bringing out the best” captures what we are trying to achieve in SCMAP.

First of all, we bring out the best examples of supply chain and logistics in this industry. The members of the Board of Directors represent some of the most successful companies and they add substantially to our collective voice. They also share their best practices—as well as the challenges facing them. By having actual practitioners represent the membership, we are able to bring out and share the best models as well as the best possible options and solutions.

Secondly, at SCMAP we continue exploring how supply chains contribute to society—how they help businesses improve lives, how they help create environmentally and socially sustainable business models, how they contribute to nation-building. We participate in advocacies and joint efforts with policy makers to support a higher mission, such

as the DTI/DPWH ROLL IT program. We continue to provide resources for mentoring of SMSEs in supply chain through our continuing work with Go Negosyo.

We have leveled up in our events such as the Supply Chain Immersion, which gives us a closer look at the state of the industry outside Metro Manila; in our Supply Chain Outlook and General Membership Meetings we dive deeper into issues and opportunities such as last mile logistics and the impact of the TRAIN law.

We also embarked on programs to bring out the best in supply chain management education. We are creating Master’s level modules with a reputable university. We believe that honing world class professionals is a big step towards bringing about a world class supply chain and logistics industry.

The industry is facing lots of opportunities, but also challenges. Challenges

always bring out the best in supply chain people. We are used to getting things done and getting things to their destination. As we face these opportunities and challenges together, we hope to bring out the best in us, to put the common good above individual concerns. After all, a rising tide raises all ships. Or in supply chain parlance, total system optimization brings greater benefits than local optimization.

That’s why we embarked on collaboration projects between members of the Board of Directors. Some of these, like the one on last mile logistics, have gotten off to a good start.

There is more to be done, but we have to start somewhere.

To me, personally, leading SCMAP for the last two years as your president has given me the opportunity to see first hand many people bring out their best for the organization as well as for the industry. It showed me the true meaning of service and volunteerism, all for the greater good.

I believe SCMAP is a more stable and focused organization. The pillars of “Advocate, Communicate, Educate” now rest on a stronger foundation. It is a privilege to serve and I am glad to have made a contribution.

Let me take this opportunity to thank the Board of Directors of SCMAP, who worked with me over the last two years during my term as president.

Thank you to the members of the secretariat and the events committee who have worked hard to organize its events and managed its operations.

Most of all, thank you for your support to SCMAP. It is your support and trust in this organization that make it possible for us to collectively move the needle of our industry’s competitiveness in the global arena.

SCMAP will continue to be inspired by its mission of a world class supply chain and logistics industry. The road ahead is still long, laden with opportunities and challenges as always. May it continue to bring out the best in us. •

---

**Nestor Felicio** is president of SCMAP and corporate vice president for integrated planning and logistics management of Unilab, Inc.

# OUR Business Verticals

FOOTWEAR & APPAREL

FOOD & BEVERAGE

FMCG

RETAIL

ELECTRONICS

## OUR SERVICES

### VALUE ADDED SERVICES

*Your partner of choice*

**Core Services** Rate Coding  
Relabeling **Promo Bundling**  
Shrinkwrapping Blister Repacking  
Continuous band sealing



**Creative Solutions**  
Digital Printing and Cutting Services



**Copacking Solutions**  
Productivity Improvements  
Flexible Capacity



### DISTRIBUTION CENTER SERVICES

*Nationwide presence*

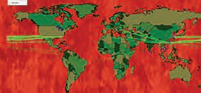
- Multi-temperature Storage Facilities
- High-density Bulk Storage and Picking
- Intense Piece Picking Cross Docking



### SUPPLY CHAIN ANALYTICS

*Increasing efficiency and productivity thru technological solutions*

- Supply Chain Network Design



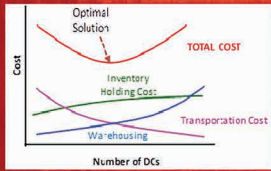
- Sales Territory Planning



- Transportation Network Planning



- Reduction in total Supply Chain Costs



### TRANSPORTATION MANAGEMENT SERVICES

*Fleet Operations Control Center*

- Optimization of transport operations
- Fleet with multiple truck types and sea & air transport means



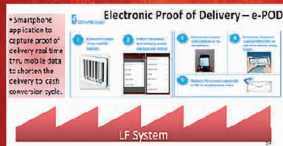
**REAL TIME 24/7 VISIBILITY**  
**FLEET ETD AND ETA PREDICTION**



### CUSTOMER SERVICE

*Your one stop shop*

- Customers and Products Maintenance
- Advance Pricing, Order Processing
- Credit Control
- Inventory and A/R Management
- Payment Applications
- Product Returns Processing
- Proof of Delivery Monitoring
- Generation Reports



# VAS DCS SCA TMS CS

**LF LOGISTICS WE'VE GOT YOU COVERED.**

Contact Person: Dina Q. Pilapil, General Manager – BD      Contact Number: 02 798 5301      Email Address: dinapilapil@lflogistics.com  
Office Address: 18th Floor, One Corporate Centre, Doña Julia Vargas Avenue corner Meralco Avenue, Ortigas Center, Pasig City 1605

**CHAIN REACTION**  
WRITTEN BY HENRIK BATALLONES

# “Arguably we’re in a similarly important battle: one for the hearts and minds of our customers, fighting not just for their patronage, but in some views, for their survival as well.”

Just before this issue went to press we formally opened our new offices—same street as the old one, but different building, and different view, I must add. We seem to have piqued the interest of the priest who was tasked to lead the ceremony. Upon learning that we are a supply chain association, he began talking about when he was a soldier.

“I was a quartermaster,” he said. “I dealt with logistics. But enough of that. That’s a past life. Let us pray...”

Yes, it is worth remembering that the concept of logistics began with the military. As wars became more complex, the need to ensure supplies are enough in the front lines—weapons, ammunition, food—became very important. Campaigns have been won and lost because of logistics. It was about which side can sustain its offense or defense, whether it be through sheer firepower or through the morale of the people fighting on the trenches.

We may not be fighting wars now, but arguably we’re in a similarly important battle: one for the hearts and minds of our customers, fighting not just for their patronage, but in some views, for their survival as well. As logistics evolved into what we now call supply chain, how we do our jobs has taken on a greater importance. It can define how happy

our customers are, dictate how they go on with their lives and work, and in dire situations, it can provide a lifeline. With the aftermath of typhoon Ompong unfolding as of press time, we are seeing the role supply chain plays in saving and preserving lives.

One such battle is in the regular planning supply chain teams make to prepare for peak periods, a topic we explore in this issue of *Supply Chain Philippines*. To ensure that our customers get what they want when they need it—which, in the case of peak periods, is when everybody wants it—we have to ensure we make enough of our products to satisfy the demand; marshal resources and capacity ahead of time; and prepare for unforeseen situations and eventualities. Much like a war then, but friendlier (ideally). And now that the importance of collaboration is being stressed, the need to continually reach out across all players in the supply chain means we also have to work on our relationships. Not everybody has to be seen like the enemy, not in these times.

I have been thinking recently about how we can all benefit from adopting the mindset of a supply chain manager, and not just in our work. Yes, not all of us have the luxury of having the time or the resources to look at the bigger

picture and plan accordingly, but having an appreciation of how actions and decisions affect one another would be helpful. Everything is a chain reaction, so to speak.

With news that inflation rates in the Philippines are at a ten-year high, I can’t help but think this could have been mitigated if government thought like a supply chain manager. It’s easy for us to blame the first tranche of tax reforms, what with the imposition of excise taxes on diesel impacting the price of transport, and consequently the price of goods. But I think it’s a well-meaning initiative, although I do not disregard the usual misgivings about whether the additional revenue collected will indeed go where it should go. Also, frankly, there’s no turning back on the first phase.

But does the government have to rush into tax reform? Could they have cushioned the blow by studying further the impact of the new taxes on the prices of pretty much everything? Maybe they could have prepared safeguards earlier on to ensure that prices do go up as fast as they have in the past few months? Perhaps they could have involved all stakeholders in the economy, rather than keep the question of taxation locked up with financial policymakers? Different departments see different things; a synthesis of these viewpoints would help form a better picture and help them act accordingly. Stronger collaboration is where we’re at—or, realistically, should be—right now.

Thinking like a supply chain manager—thinking that you’re here to serve customers rather than yourself—can also help government respond better to crises and emergencies. But then what we see are different groups doing different efforts, with little coordination, all tied together by a need to look like they’re on top of things, when the reality suggests otherwise. In life or death situations, this could be critical. But then, we know understanding the world the way we in supply chain tend to do takes time. We’ll be glad to help.

---

**Henrik Batallones** is SCMAP’s marketing and communications executive and editor-in-chief of *Supply Chain Philippines* magazine.



# AsiaGlobal Technologies

Solutions. Satisfaction.

Providing premiere **SOLUTIONS FOR YOUR** warehouse and material handling **NEEDS.**



Forklift & Warehouse Trucks



Storage & Racking System



Industrial Cleaning Equipment



Heavy forklifts, Container Handling Trucks, Port Solutions



Aerial Working Platforms





# GENLYON (390HP) 6X4 DUMP TRUCK

**20 CBM**

POWERED BY  
**IVECO TECHNOLOGY**



**1 YEAR**  
**WARRANTY**  
OR  
**40,000 KM**  
WHICHEVER COMES FIRST



EXCLUSIVELY DISTRIBUTED BY:

**SOLID MACHINERY and DIESEL PARTS, INC.**

1251 EDSA BALINTAWAK, QUEZON CITY

**LGU Supplier / PhilGeps Accredited**



**GENUINE PARTS**



**ITALIAN TECHNOLOGY**

**TEL. NOS.: 362-8310 TO 13 - FAX NO.: 361-1083**

**REWIND**

In 1995, the Distribution Management Association of the Philippines released its first ever newsletter. We could not find the first issue—at least not yet—but we have unearthed the second from our archives...

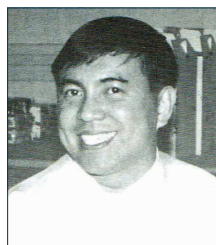
This issue was released in December 1995 and covered DMAP's annual conference, Christmas fellowship and the election of the 1996 board. The president was Norman Adriano, now SCMAP's executive director.

Among the year's hot issues were cargo hijacking, reducing damage of goods in the warehouse, and the performance of shipping lines—DMAP members graded them a 3.7 out of 5 in this issue.

The registration desk at the 1995 conference has a face you still see in our events now: Ana Rose Ochie (far right) was named president in 2004



Looks familiar? Yes, that's Annette Camangon (right) at our Christmas fellowship at Green Meadows in Quezon City



Norman Adriano when he was "younger"



Malou Santos, former DMAP president, was the newsletter's first editor-in-chief



Onward to the future: DMAP's 1996 board held its annual planning at the Lake Island Resort in Binangonan, Rizal. Among the plans hatched were port visits, a forum on trucking rates, and a study of distribution practices between the Philippines and its neighbors

DMAP held its first annual conference in 1993; it was named Distribution 2000 to align with the government's Philippines 2000 thrust of the time

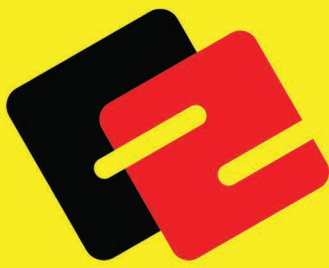
The 1995 conference, held on September 15 at the Shangri-La EDSA Plaza Hotel, saw 155 delegates from 62 companies. Speakers included Unilever's Marcial Aaron and Suy Sing's Christina Tan

**"1995 will be remembered as a milestone year for DMAP."**

Director Cyril Rodriguez cites DMAP being invited to speak at the Pan-Asian Conference on Logistics in Singapore, alongside record membership (49 companies at the end of the year) and active work on industry issues, as a turning point for the organization

**"We will not get anything if we do not give. This is very true in our association."**

On her editorial for the newsletter, Malou Santos encouraged the membership to continue becoming active members of DMAP



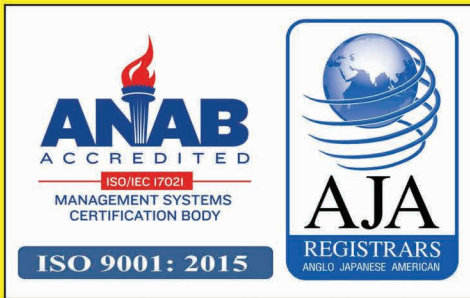
# F2 LOGISTICS

LET'S MOVE. NOW.

## AN INTEGRATED

## SUPPLY CHAIN AND

## LOGISTICS PROVIDER



### ISO 9001: 2015 CERTIFIED

CERTIFICATE NUMBER: AJA17/AN2529 & AJA17/AN2321

**DOMESTIC: FREIGHT FORWARDING  
(AIR, LAND AND SEA) & WAREHOUSING**

**INTERNATIONAL: FREIGHT FORWARDING  
(IMPORT AND EXPORT) & CUSTOMS BROKERAGE**

**OTHER SERVICES: PROJECT CARGO SERVICES, COLD CHAIN,  
ISO TANK, CONTRACT LOGISTICS**

#### **WE ARE LOCATED AT:**

F2 Corporate Center, NAIA Avenue Cor. Irasan Street,  
Parañaque City, Philippines 1700

#### **FOR INQUIRIES:**

Supply Chain: (02) 328-2332 | Business Solution: (02) 826-0590  
F2 Global: (02) 826-3216 | Value Chain: (02) 553-5632

 [info@f2logistics.com](mailto:info@f2logistics.com)  [www.f2logistics.com](http://www.f2logistics.com)

# BEYOND GPS:

WE PROVIDE  
ALL-IN-ONE  
SUPPLY CHAIN SOLUTIONS



trackMe Logistics



PREFERRED GPS AND FLEET MANAGEMENT  
SOLUTION PROVIDER

CALL OR EMAIL US NOW



(02)441-0016 / 0917 559 8050



[www.trackme.com.ph](http://www.trackme.com.ph)



[info@findme.com.ph](mailto:info@findme.com.ph)

A product of



Premier Partner

Google Cloud



**FOR SUPPLY CHAIN AND LOGISTICS SYSTEM**



1000x1200 mm ONE PIECE PALLET

1100x1300 mm REVERSIBLE GRID-TOP



**NEW**



1200x1200 mm REVERSIBLE PALLET

1000x1200 mm DECK TYPE PALLET



1000x1200 mm MEDIUM DUTY PALLET



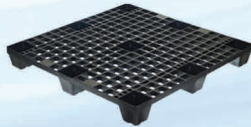
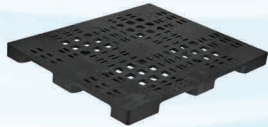
1200x1200 mm DRUM PALLET



1000x1200 mm PERFORATED FLOORING



1200x1200 mm ONE-WAY PALLET



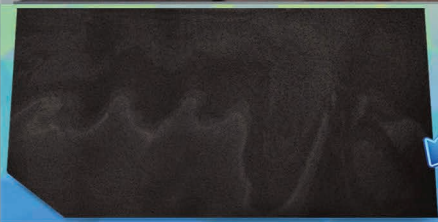
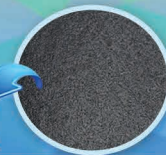
Heights are available in 140 mm, 150 mm, and 160 mm



**PLASTIC SLIP SHEET**

- Reusable & Recyclable.
- Reduce transport weight and cost.
- Comply with import / export certification.

HAS TWO (2) SURFACE:  
SMOOTH AND TEXTURE



8 feet



**ABS PLASTIC BOARD**

- Ceiling and Walling material for clean room cold storage and processing areas.
- Thickness are available in 1mm, 2mm, & 4mm.

ABS board as truck walling

with Sentinel truck matting

**STACKABLE CLOSED CRATES**

CL-1



600x400x310 mm

CM-4



600x400x165 mm

CM-7



520x360x165 mm

9B-2



370x280x125 mm

CS-1



400x300x210 mm

CM-2J



590x390x205 mm

36BJ



495x340x165 mm

30F



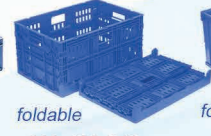
550x350x210 mm

TP381-5J



835x335x150 mm

CP-1



foldable

600x400x310 mm

50BJ



foldable

335x168x150 mm

80F



650x520x375 mm

**CRATES WITH REWORKS FOR PICKING SOLUTION**



Reworked Crates help reduced warehouse operation cost and maximize manpower and storage capacity.

← Reworked CL-1 with cover and Trolley 1 without handle

**STANDARD TROLLEY**  
with foldable handle



- Trolley 1:  
648 x 440 x 749 mm
- Trolley 2:  
876 x 610 x 972 mm

**CUSTOMIZED TROLLEY**



- 3 in. standard wheel height.
- Available in various sizes.

**STEEL CAGE**  
with wheels



Foldable Type  
875 x 710 x 1720 mm

**Sentinel**®  
PP HOLLOW SHEET

- Keeps your styrofoam box protected during transport.
- Customize according to your requirements.



**STYROFOAM BOX PROTECTOR**



with ABS Sheet armor

Distributed by:

**First Pinnacle**  
TRADING CORPORATION

Showroom: G/F CBT Condominium, No. 60 West Avenue, Quezon City  
Tel No. (02) 373-9797 local 141 • www.firstpinnacle.com.ph  
sales@firstpinnacle.com.ph



**ISO CERTIFIED**  
Certification International  
ISO 9001:2008



# CHELSEA

LOGISTICS HOLDINGS CORP.  
A UDENNA Company



Committed to deliver fast, safe and efficient transport of goods and passengers to destinations everywhere

## CHELSEA GETS YOU THERE



### DAILY DEPARTURES

BATANGAS - CALAPAN		
01:00 AM	09:00 AM	05:00 PM
03:00 AM	11:00 AM	07:00 PM
05:00 AM	01:00 PM	09:00 PM
07:00 AM	03:00 PM	11:00 PM

ROXAS - ODIONGAN
05:00 AM
08:00 PM

BATANGAS - PUERTO GALERA	
10:00 AM	06:00 PM
05:00 AM	03:00 PM

ROXAS - CATICLAN	
02:00 AM	09:00 PM
11:00 AM	11:00 PM
01:00 AM	12:00 PM
05:00 AM	04:00 AM

MATNOG - ALEN	
02:30 AM	02:30 PM
08:30 AM	08:30 PM
05:30 AM	05:30 PM
11:30 AM	11:30 PM

LILOAN - LIPATA	
07:00 AM	07:00 PM
02:00 AM	12:00 PM

FOR BOOKING AND INQUIRIES:  
CALL: (043) 723-9965; 092777448595; 09474028144



### DAILY DEPARTURES

PASSENGER / CARGO VESSELS
<b>CEBU - CAGAYAN</b> MONDAY TO SUNDAY: ETD 8:00PM <b>CAGAYAN - CEBU</b> MONDAY TO SUNDAY: ETD 8:00PM <b>CEBU - OZAMIS</b> MON., WED., & FRI.: ETD 8:00PM <b>OZAMIS - CEBU</b> TUE., THU., & SUN.: ETD 8:00PM <b>CEBU - ILIGAN</b> WEDNESDAY: ETD 7:00PM <b>ILIGAN - CEBU</b> THURSDAY: ETD 7:00PM
<b>ILOILO - CEBU</b> TUE., THU., & FRI.: ETD 6:00PM <b>CEBU - ILOILO</b> MON., WED., & FRI.: ETD 6:00PM <b>CAGAYAN - TAGBILARAN</b> TUE., THU., & SAT.: ETD 7:00PM <b>TAGBILARAN - CAGAYAN</b> MON., WED., & FRI.: ETD 7:00PM <b>TAGBILARAN - CEBU</b> SUNDAY: ETD 10:00PM <b>CEBU - TAGBILARAN</b> MONDAY: ETD 12:00NN

CARGO VESSELS
<b>ILIGAN - OZAMIS</b> MONDAY: ETD 6:00PM <b>ZAMBOANGA - CEBU</b> TUESDAY: ETD 6:00PM <b>CEBU - MASBATE</b> WEDNESDAY: ETD 6:00PM <b>CEBU - TACLOBAN</b> THURSDAY: ETD 6:00PM <b>MABATE - CEBU</b> FRIDAY: ETD 4:00PM <b>CEBU - ILIGAN</b> SATURDAY: ETD 7:00PM
<b>CEBU - ZAMBOANGA</b> SUNDAY: ETD 12:00NN <b>OZAMIS - CEBU</b> MONDAY: ETD 11:00PM <b>CEBU - MANILA</b> TUESDAY: ETD 9:00PM <b>MANILA - CEBU</b> FRIDAY: ETD 11:00PM <b>TACLOBAN - CEBU</b> SATURDAY: ETD 5:00AM

FOR INQUIRIES:  
CALL: +63 ( 32 ) 254-6491 LOC. 236, 239 & 244

OTHER SERVICES:  
MARITIME TRANSPORT SERVICES, MARINE AUXILIARY SERVICES, TUG ASSISTANCE, LOGISTICS AND FORWARDING, CREWING AND SHIP MANAGEMENT, COURIER SERVICES

TEL. NO.: (02) 403-4015

PLEASE CONTACT:  
WEBSITE: WWW.CHELSEALOGISTICS.PH

EMAIL: INFO@CHELSEALOGISTICS.PH

# KNOWLEDGE

- 57. Rwanda
- 58. Colombia
- 59. Bahrain
- 60. Philippines**
- 61. Argentina
- 62. Ecuador
- 63. Kuwait
- 64. Iran
- 65. Serbia
- 66. Ukraine

## Breaking down the 2018 LPI

The latest Logistics Performance Index sees the Philippines arrest its downward trend, but there is still room for improvement

WRITTEN BY [HENRIK BATALONES](#)

Every two years the World Bank compiles the Logistics Performance Index, a biennial ranking of the supply chain competitiveness of countries around the world. Since its first release in 2007, stakeholders here in the Philippines have used the index as a measure of how well we are stacking up compared to the rest of the world—something particularly important in a country situated in an archipelago, and is also reliant on imports and exports to grow the economy and feed growing demand from its consumers.

In the second LPI, released in 2010,

- 80. Romania
- 81. Armenia**
- 82. Benin
- 83. Montenegro
- 84. Guyana
- 85. Philippines**
- 86. Peru
- 87. Uruguay
- 88. Jordan

- 82. Argentina
- 63. Iran
- 64. Bulgaria
- 65. Rwanda
- 66. Lithuania
- 67. Philippines**
- 68. Bahrain
- 69. Ecuador
- 70. Jordan

- 32. Malaysia
- 33. South Korea**
- 34. Panama
- 35. Greece
- 36. Oman
- 37. Philippines**
- 38. Chile
- 39. Estonia
- 40. Australia

**CUSTOMS**

This covers the efficiency, speed and predictability of the processes and regulations of border agencies, particularly customs agencies. This year we dropped to 85th place from 78th in 2016.

we reached our highest ranking ever, at 44th place. Since then, we have been going down the rankings. This year’s result, then, are encouraging: we have gone up to 60th place, out of 160 countries, from the 2016 survey’s 78th. Buoying this rise is an increased in our infrastructure rankings, from 82nd to 67th, and in international shipments, from 60th to 32nd.

However, it’s not an entirely rosy picture, with our customs rankings dropping to 85th from 78th, and more drastically, our timeliness ranking dropping to 100th from 70th.

**BREAKING DOWN THE LPI**

The Logistics Performance Index gathers feedback from professionals around the world, working from freight forwarders and express carriers, gauging the performance of 160 countries on different aspects of logistics. These questions broadly tackle six indicators: the efficiency of customs clearance; the quality of infrastructure; the ease of arranging competitive international shipments; the competence and quality of logistics services; the ability to track shipments; and the timeliness of their arrival at the destinations.

However, there are some noteworthy limitations to this survey. As the respondents come from major interna-

**INFRASTRUCTURE**

This covers the quality of infrastructure with regards to trade facilitation, including both physical—roads, rail, ports—as well as network infrastructure. From 82nd last year, we jumped to 67th place.

tional transporters, experiences will be different depending on the country they are dealing with. For example, shipping to landlocked countries is different from shipping to countries with access to the sea. There are also notable differences depending on the type of cargo being shipped—say, chemicals or grain—that is not captured properly by the index. Results may also be skewed by developments which affect logistics, such as natural calamities or armed conflict.

That said, the LPI serves as a benchmark useful for countries to assess its logistics performance, particularly in comparison with its neighbors. The survey helps stakeholders look at what policies they can implement to improve trade facilitation, as well as how they can improve service levels. For the Philippines, a country that sits in an archipelago, and whose neighbors include some of the world’s biggest and emerging economies, this is an important factor to assess.

**IMPROVEMENT IN INPUTS**

The six indicators that form the backbone of the LPI can be split into two: supply chain inputs and service performance. On the first category, the Philippines has seen some improvement. Most notable is our ranking on infrastructure, which rose from 82nd in

**INTERNATIONAL SHIPMENTS**

This covers the ease of arranging competitively priced international shipments. We saw a significant jump in this category, from 60th in 2016 to 32nd in 2018.

2016 to 67th this year. This can be easily attributed to the Duterte administration’s efforts to fast-track investment in infrastructure through its Build Build Build program, as well as comparable investments from the private sector, like investment in port equipment and facilities.

A more modest improvement is seen in the logistics competence indicator, where our ranking went up to 69th from 77th in 2016. We have seen, in recent years, many efforts from logistics providers to expand the competencies of their personnel, and it’s heartening that this is being recognized. But with more efforts on the pipeline—including standardized logistics programs spearheaded by the Technical Education and Skills Development Authority (TESDA)—we foresee this ranking continuing to improve in the future.

Our performance in the customs rankings has dropped, though, going from 78th in 2016 to 85th this year. While there are efforts to improve the performance of the Bureau of Customs, corruption remains an issue, with smuggling still a constant presence in the headlines. That said, the recent passing of the Customs Modernization and Tariffs Act is encouraging, and when its implementing rules and regulations are finally in place—and provided that

- 65. Bosnia and Herzegovina
- 66. Malta
- 67. Kuwait
- 68. Argentina
- 69. Philippines**
- 70. Ecuador
- 71. Russia
- 72. Macedonia

- 52. Ukraine
- 53. Colombia
- 54. Mali
- 55. Ecuador
- 56. Kenya
- 57. Philippines**
- 58. Argentina
- 59. Bulgaria
- 60. Bahrain

- 96. Macedonia
- 97. Sao Tomé and Príncipe
- 98. Malta
- 99. Mauritius
- 100. Philippines**
- 101. Dominican Republic
- 102. Malawi

**LOGISTICS COMPETENCE**

This covers the quality of logistics personnel, from transport operators to customs brokers. This year sees a modest improvement, from 77th in 2016 to 69th this year.

**TRACKING AND TRACING**

This covers a shipper’s ability to track and trace shipments. From 73rd in 2016, this year sees us place 57th globally.

**TIMELINESS**

This covers the timeliness of the arrival of shipments to their destinations. This is where the Philippines performed the worst, dropping from 70th in 2016 to 100th this year.

the bureau’s personnel is serious in its anti-corruption efforts—we can see an improvement in this ranking too.

**MIXED ON THE SERVICE FRONT**

As for our scores when it comes to logistics service performance, we are decidedly mixed, but with some encouraging signs for the logistics sector in the country.

Our ranking in the international shipments front—covering the ease of arranging competitively priced international shipments—also saw a significant leap, from 60th place in 2016 to 32nd this year. One can look at this as the culmination of previous efforts to improve both physical infrastructure and competencies among logistics personnel. These contribute to more competitive logistics costs and better services, which leads to easier facilitation of shipments abroad, in the case, and also domestically—from shipping lines, to customs brokers, to port operators, to logistics service providers.

The Philippines also saw an improvement in the tracking and tracing metric, going from 73rd to 57th. This can be seen as a metric for the results of our investment in technology, particularly in the capability to tell shippers and end customers where their deliveries are. While it has been slower than desired,

we now have gained some capability to have an idea how far our deliveries have come—a capability boosted by the rise of e-commerce, and its resulting new demands from customers. In this front we can do better, particularly with further investments in network infrastructure and improvement of our maps.

We saw a significant drop in the timeliness metric, however, going from 70th in 2016 to 100th this year—the first time we found ourselves in a triple-digit placing in the eleven years of the LPI. One can say this is a result of physical

delays due to ramped-up construction of much needed infrastructure, but this isn’t the case for the entire country. This seems to be more an indicator of how logistics companies struggle to keep up with increased demand for deliveries, particularly during peak periods—especially when they coincide with typhoon season. While there is investment in capacity, high domestic demand, crowding alongside foreign demand, would have an impact on the timeliness of shipments.

It is important to reiterate that the Logistics Performance Index has some limitations, particularly its reliance on foreign perceptions and its limited scope. Indeed, the World Bank and the Department of Trade and Industry have introduced a parallel survey, the Logistics Efficiency Indicators, which poll domestic shippers about the country’s logistics performance: we rate ourselves better than others rate us.

That said, the LPI shows that while there is more room for improvement, our efforts to improve our logistics capabilities are starting to bear fruit. But we should not stop working. As more stakeholders recognize the importance of a competitive supply chain to growing the economy and improving quality of life, we should exert more efforts, leading to results that go beyond our ranking in a survey. •

How do we compare to our neighbors in South East Asia?

- 7. Singapore
- 32. Thailand
- 39. Vietnam
- 41. Malaysia
- 46. Indonesia
- 60. Philippines**
- 80. Brunei
- 82. Laos
- 98. Cambodia
- 137. Myanmar

*Germany ranks first worldwide, with eight European countries in the top ten. Japan is 5th, while Singapore is 7th*

# Can this law make supply chain easier?

The recently passed Ease of Doing Business Law could help supply chain managers better respond to customer needs... provided government gets its act together

WRITTEN BY [HENRIK BATALONES](#)



The recent signing of Republic Act 11032—better known as the Ease of Doing Business Law—is hailed as an important step not just in making the Philippines more competitive and welcoming to new businesses, but also in stamping out corruption in the bureaucracy.

The law, which aims to streamline government processes and services—with the end goal of reducing requirements and shortening process time—also provides new opportunities for supply chain managers, particularly as the need to expand current capacities and capabilities is stressed to better serve customers.

## ONE STOP, LESS WAITING

The Ease of Doing Business Law amends and expands the Anti-Red Tape Act, which was signed into law in 2007. This law institutionalizes current efforts to streamlining processes and reduce lead times for government documents, and factors in feedback from years of consultations with the public and private sectors.

For businesses, the key feature of this law is the institution of prescribed processing times across all government agencies, whether they be at the national or local level, as well as government-owned and -controlled corporations (GOCCs). The law requires that “simple transactions” be processed within three working days; “complex

transactions”, within five working days; and “highly technical transactions”, within twenty working days. In case of unavoidable delays, processing time may be extended only once, for the same amount of days, provided there is a written notification of the extension, which is duly acknowledged by the requesting party.

If approval or disapproval is not met within the set deadlines, the application is considered approved, provided all necessary fees and documents have been submitted.

The law also requires local government units to establish Business One-Stop Shops (BOSS) which provides a single place for processing documents such as business permits, construction permits and other documents. Requirements and application forms for these will be unified. These should be established within three years of the law’s signing.

The law makes particular mention of new procedures for the processing of fire clearances and certificates. Officials of the Bureau of Fire Protection are explicitly banned to sell, offer or recommend fire extinguishers and other safety equipment. Processing for these will also be integrated with the BOSS facilities at city or municipal hall, as well as clearances and permits issued by barangays.

To further transparency, the current requirement for Citizen’s Charters outlining transaction flows per govern-

ment agency will be expanded to include procedures for filing complaints.

## AUTOMATING GOVERNMENT

Important parts of the Ease of Doing Business Law involve the provisions for automating and interconnecting various government departments, allowing for faster capture and less duplication of needed information.

The Department of Information and Communication Technology (DICT) is mandated to establish and maintain a Central Business Portal (CBP), a single window where entities can submit applications and documents for business-related transactions in both national and local government offices. This would include the use of electronic signatures for said requirements.

The DICT is also mandated to establish and maintain the Philippine Business Databank (PBD), which will store data from registered business entities. This will provide government offices a unified system to validate information provided to them as part of a transaction. This means a business that submits, say, its SEC registration to one agency does not have to submit it again to a second agency, as the document will be made available on the PBD for concerned parties to verify. This means local government units are required to integrate their databases to the PBD.

Finally, the DICT is mandated to facilitate the creation of infrastructure



of government, brings an important breakthrough in making the country friendlier not just to new businesses, but to existing ones looking to expand their presence. Certainly, in the past few years, various groups have been advocating for the streamlining of government processes, and particularly, utilizing available technologies such as smart-phones to make these processes even easier.

This also ties together different efforts across several government entities to address overlapping regulations and processes that affect ease of doing business. There is the DTI's Project Repeal, which assesses and recommends the amendment or removal of outdated laws. There were also previous studies and consultations from the likes of the Development Academy of the Philippines, some of which we have taken part in.

For those in supply chain, the law also provides a wealth of opportunities. In theory this could mean shorter waits for processing requirements that are critical for expanding transport fleets or storage capacity—construction permits for warehouses, motor vehicle licensing for new trucks, even the opening of new subsidiaries for expansion into new markets. The prescription of processing periods means supply chain managers and other stakeholders can expect to know the next steps they'll take within a month, rather than wait, say, six months for the approval of necessary permits. This would lead to more responsive supply chains, better at addressing increases in demand spurred by new customer demands as well as unforeseen surges like in natural calamities or sale periods.

But, of course, this all depends on how well the Ease of Doing Business Law is implemented—and the ball is on the court of government agencies and offices. While some LGUs have fully embraced these reforms even before the law was signed—cities such as Quezon City being cited as one of the country's most competitive due to these efforts—we hope the rest are given the right support to ensure its proper implementation, and that they are not resistant to these in the first place. If done right, it can help spread the growth around. •

that would connect these government agencies, including telecommunication facilities and equipment.

#### ENTER ARTA

The provisions of the Ease of Doing Business Law will be overseen by a new government agency, the Anti-Red Tape Authority (ARTA). This agency will oversee the implementation of the country's anti-red tape policy—notably the question of which transactions fall under “simple”, “complex” or “highly technical”—monitor compliance, facilitate complaints, and review proposed regulations that may affect ease of doing business.

All government agencies will be required to participate in regular surveys overseen by ARTA, to determine their performance. Officials found in violation of the law are subject to a two-strike policy: suspension of six months for the first offense, and dismissal from service on the second offense, apart from possible criminal liability as provided by the Revised Penal Code. The ARTA, alongside the Civil Service Commission (CSC), is also mandated to provide incentives to agencies and personnel showing exemplary performance.

The ARTA will be led by a Director General who will be appointed by the president of the Philippines, and whose rank will be equivalent to that of Secretary. Overseeing the ARTA would be the Ease of Doing Business and Anti-

Red Tape Advisory Council, which will be organized from what is now known as the National Competitiveness Council. It will be led by the DTI secretary, and also include the secretaries of the DICT, Department of Interior and Local Government (DILG) and Department of Finance (DOF), as well as two representatives from the private sector.

In the meantime, the DTI's Competitiveness Bureau is acting as the lead agency overseeing the implementation of the law's provisions.

#### THE POTENTIAL FOR SUPPLY CHAIN

The Ease of Doing Business Law, if implemented properly across all levels

#### The Ease of Doing Business Law in three bullet points

- Streamlined government processes with the imposition of prescribed processing times, unified requirements, and the establishment of Business One Stop Shops across the country
- The establishment of the Anti-Red Tape Authority which would monitor performance, handle complaints, and incentivize strong performers
- The creation of systems and databases that will provide a common point for LGUs to verify information provided by requesting parties

# Moving Ahead for 42 Years.



**PRIME SALES**  
Incorporated

A Supply Chain and Intralogistic Solution Company

## LET'S START A NEW PROJECT TOGETHER

### MAIN OFFICE

Prime Corporate Center  
Km. 15 East Service Road cor. Marian Road 2,  
Brgy. SMDP, Parañaque City, Philippines  
☎ +632 839 0106 | 📠 +632 839 0119  
✉ sales@primegroup.com.ph

### CEBU BRANCH OFFICE

Shop 2B, Copenhagen Building,  
AC Cortes Ave., Mandaue City,  
Philippines  
☎ 032 520 2640  
✉ psicebu@primegroup.com.ph

[www.primigroup.com.ph](http://www.primigroup.com.ph)





## CHANGING HOW WE DO LOGISTICS



### Fast & cost effective online bookings

Save on time and money by booking your logistics needs online with a wide selection of reputable and legitimate service providers to choose from.



### Track your shipments from end to end

Have full visibility over your shipments, from it's exact location when in transit to fast status updates on key milestones.



### Easily manage your shipments

Have a communal platform with all parties involved in a transaction for efficient management, coordination and document sharing.

Visit [www.xlog.net](http://www.xlog.net) to learn more

# How blockchain moves your supply chain

Blockchain and other technologies emerging around it offers many possibilities for your supply chain, from greater flexibility to more secure financing

WRITTEN BY [CARLO CURAY](#)

Today's supply chain is unnecessarily complex. We use the term "unnecessary" as today we can find a lot of use-cases seeking to address the fragmentation, lack of visibility, and transparency in the industry. Blockchain has recently been at the forefront in this regard and with good reason: its distributed ledger technology brings a decentralized option to address issues of verification, authentication, visibility, and transparency.

Blockchain's premise is simple: consensus is everything. Its distributed ledger platform essentially utilizes a network of users that all share the power to confirm and validate transactions in real-time by allowing every node—a computer, essentially the user—to have a copy of its immutable and automated ledger. This gives every participant an equal footing when it comes to governance and is the core idea behind many of its use-cases including what we know today as cryptocurrencies. Beyond that, blockchain is now also finding solid ground in complex industries like fintech, manufacturing, and of course, supply chains.

## BLOCKCHAIN'S FLEXIBILITY

The advent of the cryptocurrency Ethereum and its smart contracts paved the way for more applications on blockchain beyond cryptocurrencies. Smart contracts are computer protocols that

can automatically facilitate, verify, or enforce the negotiation or performance of a contract. Smart contracts serve many projects by allowing decentralized applications (or dApps) to be developed on its platform, allowing it to become the generic pathway for many startups and even established companies to start exploring blockchain.

This opened the door to many industries for new applications including supply chains. It is no secret that today's supply chains are lacking in agility. Due to continuous fragmentation of the supply chain as it grows to meet increasing consumer demand in emerging markets, it's getting harder and harder for stakeholders to keep track of verify all movements, which results in huge delays not only for deliveries but also cash flow. According to *SupplyChainDrive*, mismanagement issues in the supply chain alone easily translates into a USD 4.2 trillion problem as the delays are serving as a bottleneck for cash flow.

Blockchain delivers an interesting solution: decentralize the crucial processes in the supply chain such as verification, validation, and even the flow of financing and let the supply chain breathe out by distributing the power of governance across a trusted network of communities and participants.

## DISRUPTION ILLUSTRATED

One of the major supply chain disruptions by blockchain is in food. One example is The Blockchain Tuna Traceability Project that tracks tuna from vessel to market in the Pacific Islands. Using blockchain to create immutable visibility from the source, the project can eliminate illegal fishing and human rights abuses in the Tuna industry.

Another broader example is the shipment of frozen seafoods from Vietnam to the Philippines that can pass through twenty different people and organizations and over a hundred interactions. Having an irrefutable and decentralized ledger among the different stakeholders using blockchain will allow faster flow of information, lesser verification and increased efficiency that will greatly reduce supply chain costs.

Another important disruption is through blockchain's transparency can





1—Training drivers to use a blockchain-enabled system  
2—Blockchain at work in a logistics facility for an FMCG company



2

potentially greatly reducing fraud in pharmaceuticals through blockchain's transparency. According to Prableen Bajpai, a blockchain analyst, the global counterfeit drug market is valued between USD 75 to 200 billion. Blockchain technology can trace drugs from manufacturer to end consumer; this will potentially improve safety for consumers and at the same time reduce losses incurred in the supply chain.

#### ONE STEP AT A TIME

The supply chain is in demand of more flexibility through blockchain and we at OpenPort believe that one way of doing so is through supply chain financing.

Finances in the supply chain are getting locked up behind processes, disputes, and verification. A blockchain-enabled supply chain financing platform can free this locked-up capital by connecting suppliers, retailers and transporters with verified invoices backed by blockchain to financial liquidity providers. Working with our financing partners Unionbank and Acudeen, we were able to greatly reduce payment from between 45 to 120 days to less than a week. Moreover, using our irrefutable blockchain proof-of-delivery (ePOD), we are able to reduce the risk to our financial partners and in turn they are able to provide lower than market rate financing

terms.

One example is one of our SME clients, 5-AR Industrial Supply. They pay cash to their suppliers and 30-day terms to their clients. This arrangement created a huge strain on their cashflow. In fact, it became so stretched that they cannot scale their business and actually lost the trust from some of their suppliers. With OpenPort's blockchain Solution, we were able to help 5-AR get paid in 3 days upon delivery at lower than market financing rates. And with this 5-AR is able to free up capital to invest back in to the business and at the same time with financing can greatly scale their revenue exponentially.

#### THE ROAD AHEAD

Blockchain-enabled supply chain financing is the perfect solution for freeing up cash flow. However, it is not without requirements.

The full cooperation of all participants in the supply chain, including those who provide liquidity, greatly enhances the utility of the technology. The impact on cash flows in the supply chain will scale exponentially with the number of participants.

Blockchain is still a young technology with much of its exciting potential yet to be tapped, because commercial applications are in the early stages of adoption. However, a look at the recent news shows a steady progress towards that goal with even governments and countries adopting blockchain-centric regulations.

We at OpenPort believe that blockchain is a powerful tool for the supply chain, which is why our electronic Proof of Delivery application is powered by blockchain, allowing the shippers and transporters we serve in the Philippines to access fast, affordable financing on their invoices through our financial partners. By increasing liquidity for small and medium sized businesses, we believe we have an opportunity to create real growth and value for our clients and the people they serve. •

**Carlo Curay** is country manager of OpenPort Philippines, vice president for business solutions of XVC Logistics, and director of SCMAP.

EXPLAINER

# Superbridges connecting the islands

The government’s plans to build bridges connecting major islands in the Philippines could revolutionize how we transport goods across the country

WRITTEN BY [HENRIK BATALLONES](#)

If the government had its way, traveling from, say, Tuguegarao to Zamboanga City can be done entirely by car.

While we already have the Philippine Nautical Highway System—or what we all call RORO, short for “roll-on roll-off”—the government’s ambitious infrastructure development plan would involve a series of bridges that would connect all major islands in the country. If completed, this network could provide a massive boost to connectivity, providing new linkages for residents, businesses and tourists.

The country’s longest bridge, the San Juanico Bridge connecting Leyte and Samar, runs at almost 2.2 kilometers. In comparison, the Panguil Bay Bridge—which is set to connect Tangub City, Misamis Oriental and Tubod, Lanao del Norte—is estimated to run 3.77 kilometers. It is set to begin construction this year and be opened in 2022. Once finished, it will reduce travel between the two cities from two and a half hours by ferry, to just seven minutes by car.

And that’s just the tip of the iceberg. One project cited by President Rodrigo Duterte is a series of bridges connecting the major islands of the Visayas, allowing one to drive from Iloilo to Leyte via bridges linking Panay, Guimaras, Negros, Cebu, Bohol and Leyte islands. Of these bridges, the Panay-Guimaras-Negros Link Bridge is closest to starting construction, with a request for official de-

- Tangub City, Misamis Oriental**

**PANGUIL BAY BRIDGE**

3.8 kilometers / PHP 7.4 billion  
Approved by the NEDA Board / To be funded by ODA from South Korea
- Getafe, Bohol**

**BOHOL-CEBU FRIENDSHIP BRIDGE**

24.5 kilometers / PHP 56.6 billion  
Pre-investment preparation ongoing / To be funded by ODA / Target start—2023
- Leganes, Iloilo**

**PANAY-GUIMARAS-NEGROS LINK BRIDGE**

5.7 kilometers for Panay-Guimaras segment / 12.3 kilometers for Negros segment  
Feasibility study ongoing / To be funded by ODA, possibly by China
- Cebu, Negros**

**CEBU-NEGROS LINK BRIDGE**

5.5 kilometers / PHP 14.4 billion  
Pre-investment preparation ongoing / To be funded by ODA / Target start—2023
- Bohol, Leyte**

**BOHOL-LEYTE LINK BRIDGE**

1 kilometer for Bohol-Lapinig Island segment / 18 kilometers for Leyte segment  
Pre-investment preparation ongoing / To be funded by ODA / Target start—2023
- Matnog, Sorsogon**

**LUZON-SAMAR LINK BRIDGE**

1.2 kilometers for Sorsogon-Calintaan Island segment / 7 kilometers for Samar segment  
6 kilometers for Capul-Dalupirit Island segment / 4 kilometers for Samar segment  
Pre-investment preparation ongoing / To be funded by ODA / Target start—2023
- San Ricardo, Southern Leyte**

**LEYTE-SURIGAO LINK BRIDGE**

20 kilometers / PHP 47.4 billion  
Pre-investment preparation ongoing / To be funded by ODA / Target start—2023
- San Andres, Camarines Norte**

**CAMARINES-CATANDUANES FRIENDSHIP BRIDGE**

10.7 kilometers / PHP 22 billion  
Feasibility study ongoing / To be funded by ODA / Target start—2023
- Puerto Galera, Oriental Mindoro**

**MINDORO-BATANGAS SUPER BRIDGE**

24.5 kilometers / PHP 30.9 billion  
Discussion between DPWH and Oriental Mindoro government ongoing

...orea / Target start—2018 / Target finish—2022



**Tubod,  
Lanao del Norte**

...et start—2018



**Cordova,  
Cebu**

**GE**  
...Guimaras-Negros segment / PHP 27.2 billion  
... / Target start—2019



**Pulupandan,  
Negros Occidental**

...et start—2019



...apinig Island-Leyte segment / PHP 72.1 billion  
...et start—2019



...ers for Calintaan Island-Capul segment  
...r Dalupirit Island-Samar segment / PHP 57.6 billion  
...et start—2019



**Allen,  
Samar**

...et start—2019



**Surigao City,  
Surigao del Norte**

**IP BRIDGE**  
...20 / Target finish—2023



**Caramoan,  
Catanduanes**

...ing / To be funded by ODA / Target start—2020



**Batangas City,  
Batangas**

velopment assistance already endorsed to the government of China.

Western Visayas will see two more new bridges connecting it to the rest of the country. The Luzon-Samar Link Bridge is expected to connect the port towns of Matnog, Sorsogon and Allen, Samar. On the other hand, the Leyte-Surigao Link Bridge is seen to close the gap between the island and Surigao City, another major sea port.

Also under consideration is a bridge connecting the provinces of Camarines Norte and Catanduanes in the Bicol region; a bridge connecting Batangas and Mindoro island; a bridge connecting Davao City with Samal Island; and a bridge connecting Mariveles, Bataan and Naic, Cavite.



The Panguil Bay Bridge aims to open in 2022

These bridges offer huge possibilities for the country's supply chain networks. For businesses, this provides new options to transport raw materials and finished goods, one that is not reliant on sea routes with multiple stops. One can imagine this would lead to lower shipping costs. Shipping lines may find the need to lower

their rates to become more competitive. This should also drive down prices of products, particularly in Visayas and Mindanao, where roughly 30% of costs is attributed to logistics, according to the inaugural Logistics Efficiency Indicators survey run by the Department of Trade and Industry. It can also help accelerate response to disasters, a point stressed by how aid to Yolanda was stuck in ports in Matnog and Cebu.

It would be interesting to see if these bridges could finally make shipping cargo via rail feasible and competitive. While we don't know if these bridges would have a rail component, the government's focus on rail projects, particularly in Mindanao, suggests this detail is not far from their minds.

However, of course these are plans for now, each in varying stages of progress. While the government is suggesting these projects are a done deal, there's no telling what forms these will take once built and opened. Fingers crossed these would not be white elephants, but rather critical points of our supply chain. •

## PERSPECTIVE

# Marshals

When we think of supply chain, we should go beyond it as an industry, because it covers so much more than what we see

WRITTEN BY HENRIK BATALLONES

Whenever I wrote about supply chain, I lately tend to avoid referring to the “supply chain industry”. Call me a perfectionist, but I think the term implies that there’s only one set of companies that handle everything related to supply chain—and that is far from the truth.

When we talk about what we should do to improve our supply chains, it helps to understand how we have reached this point—how the term “supply chain” came about, and evolved, throughout the years. Sixty years ago the functions that we now see as part of supply chain—planning, procurement, production, warehousing, transport and customer service—were seen as separate concerns, never to interact unless absolutely needed.

Only in the intervening decades would these functions be integrated and consolidated as companies trimmed the fat and sought to increase efficiencies and streamline processes. Thus, the rise of the materials management (fusing together planning and procurement) and physical distribution (fusing together warehousing and transport) functions, and later, the merger of those two into what we now know as logistics.

The rise of “supply chain” only emerged in the 1990s, as companies began to appreciate the need to coordinate and collaborate with all players involved in the production, distribution and consumption of a certain product—suppliers, manufacturers, retailers, logistics providers, and everyone else in between. The goal is to ensure that, across the chain, costs are kept at an optimal level while product and service quality remains high.



(At this point I’d like to profess that I based the last few paragraphs on Ike Castillo’s excellent book *SCM101: A Hundred and One Thoughts About Supply Chain Management*. It’s been handy.)

So, when you talk about a “supply chain industry”, it actually covers a lot of other industries: suppliers such as agriculture and mining; manufacturers of everything from pharmaceuticals to consumer goods to furniture; the logistics industry, which you can further break down into shipping, warehousing, transportation, or as is increasingly common, any combination of these three and others; retailers, from wholesalers to supermarkets to convenience stores; and lately, suppliers of the equipment and technology enabling all of these aspects. In other words, it covers everything.

Yes, there is still a place for the supply chain manager. In its essence, his role

is to become a marshal, looking at the greater picture—from one end of his supply chain to the other—and understanding what can, and must, be done to keep costs optimal and quality high. They make sense of every factor that can affect their products—where do I source my raw materials? where do I build my facilities? how do I best distribute my finished products?—and offer his input with the goal of both keeping the company competitive, and ensuring they bring value to both the company and the customer. This is the same whether you are in a multinational company or an entrepreneur starting up at home.

Supply chain may be multifaceted, but it all boils down to value. How can your products bring value to both your bosses, your colleagues, your customers, and ideally, everybody else in between?

It sounds daunting, I will admit. But the key to wrapping your head around the complexities of supply chain can be found in its history. Supply chain emerged as companies understood that, to keep costs, product quality and service levels at an optimal level, there must be collaboration among all players. The answer is in collaboration. Easy to say, but harder to do, especially in an environment where we cling on to our silo mindset, carving out fiefdoms out of our departments, insisting it be our way and nobody else’s. But then, the best businesses are one step ahead of what their customers want—and that thinking holds us back.

So, in a nutshell: Supply chain is business. The best way to do business is to understand, collaborate and engage with the people that make the business run.

One more thing: if supply chain is all business, then what are we here for? I’d like to think SCMAP is here to bring together the marshals that see the whole supply chain from end to end, and the players across that chain that keep things moving. The goal is to bring about understanding. With understanding comes ideas that may just move the needle forward. •

A version of this article first appeared on *PortCalls*’ July 23, 2018 issue, as part of our fortnightly column, SCMAP Perspective.

# INNOVATION. INSPIRED BY TRADITION.

The Gewandhausorchester has been inspiring the world with their music for over 275 years. Under Andris Nelsons, the orchestra continues to seek innovative ways to enchant their audiences. As Official Logistics Partner it's a value we share in our pioneering search for solutions our customers are equally keen to hear about.

[dhl.com/gewandhaus](https://dhl.com/gewandhaus)

Official Logistics Partner



*Gewandhaus  
Orchester*



FREE DELIVERY AND INSTALLATION WITHIN METRO MANILA!



Surprisingly Affordable. Surprisingly Smart.™

➤ PREFAB WAREHOUSES

➤ PRE-ENGINEERED BUILDINGS

➤ PATENTED LUXURY CONTAINER HOUSES



Patented Luxury Container House



**DARE TO COMPARE!**

*No.1 Prefab Company in the Philippines!*



Prefab Warehouse



**DAVAO BRANCH**

**0905-537-2357 | 0920-837-8587**

**MANILA BRANCH**

**0920-907-2389 | (02) 423-58-17 | (02) 257-67-26**

[www.smarthouseprefab.com.ph](http://www.smarthouseprefab.com.ph)



## Service 101 plus Consulting Inc.

Service 101 plus Consulting, Inc. (SPCI) is a Philippine-based Information Technology software and services company founded by passionate, experienced, and expert Information Technology professionals. SPCI is in the business of deploying web/mobile solutions, implementing enterprise resource planning systems, delivering technical support thru outsourcing engagement, and providing technology governance consulting. Backed by a combined 40+ years of work experience with various multinational and local companies engaged in Retailing, Consumer Services, Transportation, and Health Care Equipment and Services.

## Packaged Solutions



Increase investor confidence and manage the end-to-end financial transaction processing efficiently with an affordable enterprise-grade packaged solution.



The solution for businesses without manufacturing operations like Professional services and Distribution.



Packaged solution that provides manufacturing capabilities on top of Financials, Sales, Procurement, Inventory, Warehousing and Logistics.



Improve your periodic preventive maintenance management to increase equipment up-time and reduce repair cost.

## Technology Consulting and Solutions



### WEB & MOBILE APPLICATION

- Digital Marketing
- Business Productivity Solutions



### IT CONSULTING

- Business Process Improvement
- Technology Governance & Compliance
- Portfolio & Project Management



### CLOUD-BASED SUBSCRIPTION

- Cloud-based Application Hosting
- Subscription-based Application Access



### HARDWARE & SOFTWARE RESELLER

- Hardware Reseller
- Software Reseller



### SUPPORT OUTSOURCING

- Infrastructure Management
- Application Management



[www.service101plus.com](http://www.service101plus.com)

[www.packagedsolutions.service101plus.com](http://www.packagedsolutions.service101plus.com)



service101inc

SPCIPackagedSolutions



service101inc



service101inc



[sales.desk@service101plus.com](mailto:sales.desk@service101plus.com)

A Member of

German-Philippine Chamber of Commerce | Cebu Chamber of Commerce and Industry

Supply Chain Management Association of the Philippines



**big w**



# wave

Surge planning is supply chain's ultimate test of customer service. How do you ensure you are able to serve your customers better when so many of them want what you offer? We look at what makes preparing for peak periods a headache—and a rewarding opportunity

WRITTEN BY [HENRIK BATALLONES](#)

Supermarkets are a common battleground during surge periods, when occasions such as Christmas sees long lines

### In the Philippines, as accepted

knowledge goes, Christmas begins in September. Holiday decorations start going up; you'll start hearing Jose Mari Chan on the radio or in particular establishments; the 100-day countdown at the end of evening newscasts gets going.

For businesses, it's the generally accepted start of the Christmas peak season, the last four months of the year being devoted to positioning resources, ramping up production, and ensuring their products get to the shelves by the time the final week before the actual holiday comes along. But then, preparations for this arguably happens year-round, with business and operation plans for the next year being drafted as early as the second half of the previous year—taking into account sales figures, projections, and other data accumulated over the past few years, figuring out just what might happen in the future.

Throughout the year, supply chain managers work to secure raw materials, increase capacity both for production and distribution, and improve processes to increase yield and efficiencies, all while keeping costs at an optimal level. And all this is happening not just for the Christmas peak, but also for other smaller peaks across the calendar, as well as regular production year-round.

In many respects planning for surge periods illustrates what makes supply chain management such an important aspect of any business today. This is when the best managers shine, making decisions that provide value not just to customers patronizing their products and services, but also to the business itself. This is also where the most pressing problems facing the profession are most pronounced—and where opportunities to solve them lie.

**The Oxford Dictionary defines the word surge** as “a sudden powerful forward or upward movement, especially by a crowd or by a natural force such as the tide”. It has come to not just refer to natural phenomena, as words go, with the term now being used on everything from business to culture and beyond.

For supply chain, a surge would refer to a sudden increase in demand for products or services. As it is supply





chain's goal to ensure that this demand is fulfilled in the best possible way—best quality, in time, on budget—there would be a lot of work going into ensuring that they continue to serve their customers in the same way during peak periods as with other periods.

Luckily for the supply chain manager, it's not as difficult as it sounds. Businesses have long been able to identify patterns in demand levels and consumption patterns, picking out peak periods and planning accordingly. When these peaks are depends on what line of business you are in, if you're a manufacturer or a retailer or a distributor, if you trade primarily in food or non-food items.

Often these peaks revolve around key consumption periods, like the aforementioned Christmas, or other periods like summer (which should be a boost for, say, ice cream) or the weeks leading to school openings (which means a higher demands for school supplies). Sometimes these peaks would revolve around promotional periods, whether it is led by the manufacturer or the retailer—take anniversary sales, or a new product launch, or a major promotional push. In other cases, these peaks could tie into key landmarks in a financial year: a bid to push sales figures up at the end of a month, say, could mean a sale period for a particular product.

In some cases, these peak periods come in a less expected time. A rise in the price of raw materials, or the imposition of new regulations that affect both the price and availability of key ingredients, could trigger a surge period, as customers flock to take advantage of lower prices in the meantime, or as businesses

**Logistics providers are finding it difficult in recent years to serve their customers, as their available resources are pushed to the limit**

rush production to increase inventory numbers and allow for a competitive advantage in the short term.

Prudent businesses would have planned for these eventualities, in any case. Identified peak periods mean earlier anticipation of these surges of demand, meaning your products, ideally, will not be out of stock when it truly matters. Technology has also come in to improve a supply chain manager's understanding of these periods. As more information is being gathered across a supply chain, advanced analytic tools allow one to go granular in detail, and identify the best way to ride the surge. Smaller companies are also able to take advantage of these tools: a simple set-up in Microsoft Excel can allow one to appreciate these patterns and plan accordingly.

Surge periods also apply to logistics service providers, as they look to deliver the best service to their clients, and ultimately, to customers. In their case, they identify surge periods to be able to acquire and deploy resources—warehouses, vehicles, personnel—which can be used to deliver products to retailers and customers alike. Here, though, the picture changes. Despite ongoing efforts, logistics providers are finding it difficult in recent years to serve their customers, as their available resources are pushed to the limit. As one logistics operator put it, they are in a “constant surge period”.

**Logistics providers find themselves in a bit of a tight spot of late. A combination of regulations, increased demand and the inability to better invest in resources mean they find it more difficult to satisfiably serve their principals.**

It's not for lack of trying. These challenges have forced logistics providers—both established and new—to think outside the box and innovate. Yet, one can argue that despite these new approaches, the “constant surge” is still a reality across the sector. This affects other players across the supply chain, as manufacturers find it difficult to have their products delivered, and retailers struggle with empty shelves at the wrong times.

On one hand, laws and ordinances can hinder the logistics sector's ability to

The rise of e-commerce have led to new challenges for logistics providers who want to make business with them



## Regulations also mean logistics providers are not able to easily expand their capacity to address increases in demand

physically transport goods to their destination. The best (or worst?) example of this is the congestion of Manila's ports in 2014, which was caused by an ordinance from the Manila city government banning trucks from plying its roads across the day. This meant trucks had a smaller window—late at night—to enter the ports, load the cargo, and ferry them out to facilities across Metro Manila and surrounding provinces, resulting in a backlog of shipments staying at ports, and then to a backlog of ships that cannot unload their cargo. Soon some products were nowhere to be found in stores, which caught some businesses—particularly those who were not able to immediately leverage other forms of transport, like air cargo—flat-footed.

That issue has highlighted the impact of regulations on supply chain. While truck bans on major thoroughfares in Metro Manila mean well—as an effort to somewhat lessen traffic, particularly during rush hour—this has had the side effect of limiting times when businesses can deliver their products: a roadblock in one's supply chain. Trucks have a smaller window in the daytime to make their deliveries, causing further delays. In some roads trucks are only limited to one lane during these window hours, leading to even further delays. (Anyone who drives through C5 or Roxas Boulevard in the day time would be familiar with this wall of non-moving trucks that divides the road into two.)

This means trucks are underutilized. Rather than make one complete trip—from port to warehouse and back to port—they find themselves stuck in one stop waiting out the truck ban. This means lower income for truck drivers, a situation that has led some to leave the business altogether, choosing to become a driver for the likes of Uber or Grab instead.

A similar case unfolds in distribution facilities and warehouses. When peak seasons approach and the need for more manpower is identified, logistics providers are forced to settle for those with no prior experience, as qualified personnel are either lured away by better opportunities or are simply not enough to handle the increased load. While these new hires are trained on the job—and many

times they can do the job—the increased possibility of errors could impact service levels in the long run.

Regulations also mean logistics providers are not able to easily expand their capacity to address increases in demand. The question of whether a vehicle's age or roadworthiness is the best measure of its ability to operate safely continues to linger over logistics providers. New vehicles are expensive, with most "new" vehicles entering the Philippines mostly refurbished ones from Japan that have already clocked in roughly five years of service. Building or acquiring new warehouses are also difficult due to planning regulations and bureaucratic delays in acquiring business or construction permits.

Logistics providers also find it difficult to add capacity in the short term due to inflexible arrangements between service providers and principals. For one, some manufacturers insist on exclusivity—trucks cannot carry items from two different producers, regardless of whether the vehicle is fully utilized or not. In other cases, vehicles have lower utilization during lean periods as manufacturers deploy less of their products, with capacity not enough when landmark periods like end-of-month or end-of-quarter loom.

Finally, logistics providers mean they may not always be in the best position to fulfill new demands imposed on them by principals and customers. The rise of e-commerce, for instance, has seen online shopping sites look for logistics providers that can also process payments and facilitate returns, whether on regular periods or during landmark sales. Not every provider is capable of doing

this—and those that do find themselves stretched as they also manage other customers.

**Despite efforts from all players** across the supply chain, we are not able to best deal with anticipated surge periods, more so unanticipated ones like natural calamities. Manufacturers are frustrated that they are not able to deliver to their customers as promised; logistics providers are similarly frustrated that they cannot provide the level of service they committed to.

There are also other, smaller surges—"self-inflicted surges", as we'd like to call them—that complicate things further for all players across the supply



chain. The quality of available resources is one. Logistics providers may be able to promise a certain number of trucks, but how many of these are truly ready to go? Perhaps some vehicles are in need of repairs, which would impair capacity further. Are truck drivers and warehouse personnel well-versed in their job, and well-equipped to do their jobs? Are they able to adapt to unforeseen situations without sacrificing service levels or product availability? Are they able to utilize new technologies to improve their work?

On the side of manufacturers, there's also what we'll call "agile demand management". Sales teams might be angling to shore up their figures to cover up for

slow performance across a given time period, for instance. Perhaps a retailer springs an unannounced promotional period, which meant inventory allotted for a particular location or time period is shifted elsewhere. These surges can be more manageable, but it does have a ripple effect across the supply chain: it can impact inventory levels for planned peak periods, for instance, or utilization of available transportation.

Another factor is lax attitudes among some stakeholders. The "that will do" approach some may have can also impact on a supply chain manager's ability to address surges—say, an unforeseen vehicle breakdown due to lax maintenance schemes, or a warehouse manager

not properly tracking available inventory levels.

Major players in the supply chain are typically able to plan around these complications. For manufacturers, this usually means buffer inventory stock, usually between 20% to 50% on top of forecast demand. For logistics providers, this means they are constantly on the lookout for opportunities to expand capacity, whether it be by subcontracting with other truckers or warehouses, or acquiring their own. Both sides also continually invest in technology and personnel training, ensuring that more operational efficiencies are made without sacrificing service levels. Still, we are in a point in time when our efforts to better deal with surge periods are hitting a wall.

How is this problem best solved then? It depends on which part of the supply chain you are in, but the approaches presented here complement each other and, provided the right conditions, can help ease problems encountered during anticipated or unexpected surges.

For manufacturers and retailers, an important element needed to better deal with peak periods is better visibility. In the short term, this means the ability to identify which logistics resources are available, ideally in real time, and the ability to tap them. In the long term, the ability to identify which of these resources are of high quality and reliability is important.

On the other hand, logistics providers stress the importance of being able to easily expand their capacity, to better absorb new demands and deal with surge periods. Apart from physical infrastructure and equipment such as vehicles and facilities—which will always be a long-term play—this also includes the ability to train and retain personnel, as well as identifying resources that can be tapped in the short term to complement existing ones.

To an extent, an answer to these prayers revolve around policy. The inability of logistics providers to quickly expand its capacity must be addressed by government through sensible and long-term policies on transportation, traffic and urban planning which address current needs while anticipating future

developments. The recent passing of the Ease of Doing Business Law presents an opportunity for supply chain players to shorten the time spent planning and building new capacity, but continuing confusion over transport regulations—from the age of vehicles on the roads to where cargo trucks can pass when—brings an unpredictability that leads to inefficiencies and lower service levels across the chain.

The public sector can also help by encouraging investment in network infrastructure, which would improve the effectiveness of existing systems that allow one to monitor many aspects of the supply chain—from inventory levels in a warehouse to the location of a particular vehicle or shipment—wherever they may be. This would allow for faster response to any unforeseen surges that may affect service levels if not resolved.

One idea is to establish a portal that would provide stakeholders an idea of which resources are available in real time. Another is the entry of an integrator who would connect shippers to logistics providers with capacity to spare—better utilization, smaller footprint, better service.

**The other side of the coin** lies in further collaboration among key players across the supply chain, and here it gets a little complicated. Businesses will always have concerns over confidentiality, and there will be questions over whether collaborative efforts like this could lead to collusion and other anti-competitive behavior. But large manufacturers and retailers are already collaborating to an extent, sharing some information and identifying potential peak periods, before planning accordingly to ensure all parties can meet (or exceed) what is expected of them. Collaboration provides a win-win solution for all: sales go up, service levels go up, and demand is satisfied.

To address issues surrounding surge planning at this point, however, requires an even greater degree of collaboration, one where all players, rather than just key accounts and players, are covered. A change of mindset is key: everyone is critical to a supply chain's success, not just the biggest or most profitable—or

## In many cases, some common-sense ideas would help ease the burden of surge periods

preferred—partners.

It may sound utopian, but we're closer to that in some degree. Come to think of it, the advent of the sharing economy—the rise of new tech-based behemoths like Airbnb, Uber and Grab, which has changed the way aspects of the service industry operates—illustrates the possibilities. In its essence, these services allow people to access underutilized resources—an empty bedroom, a car sitting around in the garage—to provide value for both the provider and the user. But more importantly, it is based on an implicit trust between all stakeholders—the understanding that these arrangements are only possible if the safety and security of the resources at play is ensured.

As with many other things, technology has helped push collaboration among supply chain stakeholders further. It allows for greater detail, and more points for analyzing data. Provided a supply chain manager can present robust forecasts to his partners, better decisions can be made which can increase service levels—and perhaps even better anticipate some of those unforeseen surges. Technology also allows for greater visibility: in theory this would allow all players, armed with the right information, to identify opportunities through which they can serve their customers better.

It is not entirely reliant on technology, however. In many cases, some common-sense ideas would help ease the burden of surge periods. Why always make deliveries at the end of the month? Why not stagger these deliveries, to improve utilization of trucks and personnel, and to improve service levels? Why not utilize other types of vehicles to work

around traffic-related restrictions and increase productivity? What technology provides here is allowing the supply chain manager to make further sense of these complexities. It would also allow him to be able to explore other options to increase utilization of resources to ease the surge, like co-loading or better route planning.

A significant number of safeguards must also be put in place to ensure that information can be protected while allowing flexibility both in forecasting and in logistics arrangements. As the mindset of collaboration and trust is institutionalized in the long term, partners can then test how far they can go.

Provided all other conditions are ideal—that logistics providers can easily build additional capacity when needed; that manufacturers and retailers share information; that utilization of available resources is high—collaboration can bring improvements in your supply chain networks, factoring in surges both planned and unplanned, and the ability to adapt to whatever it thrown at it. Any changes can then be cascaded down to those working the floors and plying the routes, allowing them to focus on customer service better.

Planning for surge periods entails having a deep understanding not just of a supply chain's moving parts, but also the views and insights of the players in it. It entails reaching out to stakeholders and appreciating both their concerns and their capabilities, and recognizing the opportunities available for everyone down the chain. When done right—both the planning and the implementation—it provides value to customers and businesses beyond what the product has to offer.

And it's one less headache for everyone involved. Instead of worrying about whether your next shipment will make it in time—or if there's a shipment at all—you would be humming along to “Christmas In Our Hearts”, if not singing along. •

---

This article is part of the output of SCMAP's surge planning collaboration group, established to discuss supply chain issues and challenges. Thanks to Tina Alvarez and Christine Pardiñas for assistance with this article.





**MAKING LOGISTICS EASIER.**

VICTORY GROUP comes as a lead service provider with a high level of capability and leverage to integrate primary and ancillary services in:

- ▶ Solutions Design
- ▶ Contract Logistics
- ▶ Domestic Shipping
- ▶ Inland Transportation
- ▶ Domestic and International Brokerage and Forwarding

VICTORY GROUP presents an end-to-end solutions to a wide array of sectors such as Retail, FMCG, Pharma Distribution, Technology, Industrial & Agriculture, Food, Automotive, and e-Commerce.

VICTORY GROUP aims to provide every customer – in dry or cold supply chain, of large or small scale, in urban or rural, requiring inland or inter-island movements – the opportunity to synchronize logistics activities – both internal and external – and achieve best in class supply chain cost and services.

VICTORY GROUP, in essence, makes logistics easier for any customer.

**WHAT WE DO**

**CONTRACT LOGISTICS**

- \* Warehousing
- \* Inventory Management
- \* Cross docking
- \* Order Fulfillment
- \* Bundling
- \* Cold Storage
- \* Warehouse Management System

**DOMESTIC SHIPPING**

- \* Domestic port-to-port containerized shipping
- \* Domestic Barging and RoRo Operations
- \* Domestic common carrier slot operator
- \* Container Yard Services

**IN-LAND TRANSPORTATION**

- \* In Land transport services
- \* Control tower
- \* Transport Management System

**INTERNATIONAL AND DOMESTIC FREIGHT FORWARDING**

- \* Full container loads
- \* Less-than-container loads
- \* Consolidation
- \* Custom house brokerage
- \* International trade documents
- \* Air Freight

**SUPPLY CHAIN SOLUTIONS DESIGN/CONSULTANCY SERVICES**

- \* Supply Chain Management
- \* Integrated Business Management
- \* Distribution Network/Business Model review





# IS YOUR WAREHOUSE COSTING YOU MONEY?

WE ASKED WAREHOUSE MANAGERS ABOUT THE ROI THEY HAVE OR WILL RECEIVE FOLLOWING THEIR IMPLEMENTATION OF **INDIGO WMS**

WE ARE PLEASED TO BRING YOU THESE HANDY SAVINGS STATISTICS

COMPANIES ENGAGING WITH US THROUGH 2016 SAW A TOTAL OF **US\$2,265,000** IN SAVINGS

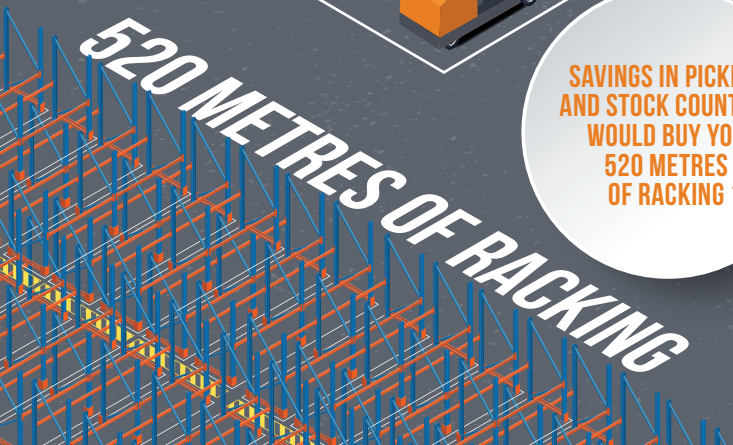
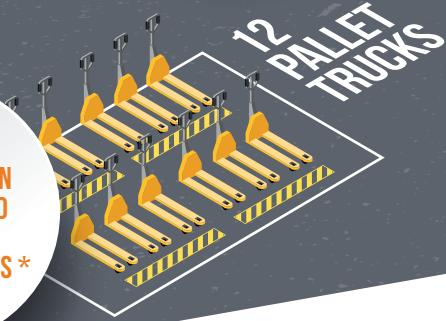
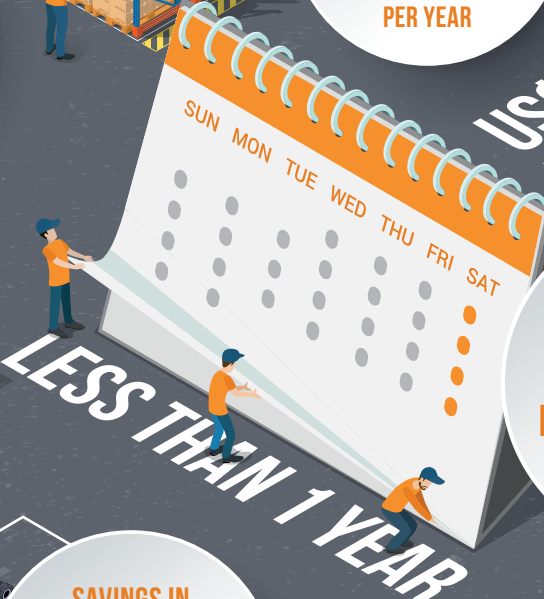
CUSTOMERS GOING LIVE IN 2018 CAN EXPECT TO SAVE AN AVERAGE OF **US\$163,000** PER YEAR

THE AVERAGE ROI TIMESCALE IS **LESS THAN 1 YEAR**

SAVINGS IN RECEIVING AND PUT AWAY WOULD BUY YOU **7 REACH TRUCKS** \*

WAREHOUSE ADMINISTRATION SAVINGS WOULD BUY YOU **12 PALLET TRUCKS** \*

SAVINGS IN PICKING AND STOCK COUNTING WOULD BUY YOU **520 METRES OF RACKING** \*



IF YOU WOULD LIKE TO DISCUSS HOW **INDIGO WMS** CAN HELP YOU MAKE COST SAVINGS GET IN TOUCH:  
[WWW.INDIGO-WMS.COM](http://WWW.INDIGO-WMS.COM)  
[IRIS.LI@INDIGO-WMS.COM](mailto:IRIS.LI@INDIGO-WMS.COM)  
**+63 917 892 5558 +852 6436 9797**  
\*Based on factory reconditioned equipment

# KNOW WHERE YOUR VEHICLE IS IN REAL TIME!



Subscribe Now!  
**584 0000**

- Improve Driver's Responsibility
- Reduce Delay. Maximize Time
- Reduce Operating Costs
- Prevent Inaccurate Reporting

**REMORA**  
GPS VEHICLE TRACKER

AMERICAN TECHNOLOGIES INC. 5 Ideal St., Addition Hills, Mandaluyong  
Phone: (02) 584 0000 • Fax: (02) 584 6868 • Email: [inquiry@ati.com.ph](mailto:inquiry@ati.com.ph) • Url: [www.ati.com.ph](http://www.ati.com.ph)

# Philippines is #Ready2GO



Your business is #Ready2GO with 2GO Logistics.

Take advantage of the following:

- Access to strategically-located warehouses
- Access to ships for passengers and cargoes
- Access to fleets of vans and trucks
- Nationwide and worldwide coverage

Talk to us how you can be a partner.  
Call (632) 528-7171 and we will be glad to assist you.

[www.2go.com.ph](http://www.2go.com.ph)

**2GO**  
LOGISTICS

# DEBRIEF

## At last, SCMAP makes it to Mindanao

The organization is—finally—truly national with the establishment of a new chapter based in Davao

WRITTEN BY [HENRIK BATALONES](#)

It has been SCMAP's ambition for many years to expand its presence to across the country, establishing chapters both in Visayas and Mindanao. For various reasons, these dreams took a long time to materialize, but in recent years, we have begun to plant our flags in other important parts of the country, beginning with the Visayas chapter, based in Cebu, in 2014. Just last year, we opened a new chapter in North Luzon, based in Clark.

Our plans for Mindanao, however, took a fair amount of trial and error. In 2015 we went to Cagayan de Oro to introduce SCMAP to the region's primary gateway. While we have recruited some members there, it wasn't enough to establish a chapter as mandated by the organization's by-laws.

But we did not give up on the region. And why would we? In recent years Mindanao has seen economic growth, with some cities seeing a property boom, and some local manufacturers establishing a presence in the national market. We have seen as much when we returned to CDO for Supply Chain Immersion, and the accompanying Mindanao Supply Chain Conference, in 2016.

In recent years, however, Mindanao's prospects have looked brighter. With a Davaoño at the helm in Malacañang, more attention has been given to the region, with a series of infrastructure projects—notably the Mindanao Railway Project—aiming to improve connectivity in the region. That's not to discount previous efforts, such as the estab-



1



2

lishment of the ASEAN RORO route between Davao and General Santos to Bitung, Indonesia, and the efforts spearheaded by the Mindanao Development Authority.

Despite recent setbacks, both natural and manmade, Mindanao remains optimistic. When we visited Davao for the 3rd Mindanao Shipping Conference, organized by *PortCalls* last August 3, we saw a region looking to take advantage of positive prospects provided by a stronger economy, increased investment in infrastructure, and a better shot at peace, with the Bangsamoro Organic Law one step closer to ratification. MinDA chief Datu Abul Khayr Dangcal Alonto presented a vision of the region that pays respect to its heritage while presenting a progressive image. The region also looks forward to the opportunities offered by the rebuilding of war-torn Marawi and plans to transform Tawi-Tawi into a transshipment hub.

There is also a recognition that, to truly take advantage of these opportunities, issues surrounding supply chain competitiveness must be addressed. With both Davao and Cagayan de Oro serving as gateways to the country and the world, it's

Finally, on August 25, we have finally established a chapter in Mindanao, based in Davao, incorporating members from both Davao and Cagayan de Oro. The convenors' meeting, held at the Tiny Kitchen restaurant in Davao, was a gathering of like-minded business leaders and stakeholders looking to discuss the opportunities and challenges faced by the supply chain sector in the region. It also provides another avenue with which to present these issues to other stakeholders in the public and private sectors, providing supply chain the heft it deserves as an important backbone of any business.

More importantly, the establishment of SCMAP Mindanao brings the concerns of the region to the national discussion surrounding supply chain. Not that they aren't there before—our existing members have long had a presence in the region, and in recent months we have discussed the potential of halal logistics with stakeholders in the public sector, but hearing these issues straight



1



2

from those who live and breathe them daily brings them much more heft and urgency.

The Mindanao chapter is led by its president Ma. Lourdes Monteverde of Verdemonte Enterprises. Khaisa King of Asia Glass Palace is vice president; Eunice Marie Garte of CMA CGM, secretary; Julie Ann Gawat of LF Logistics, treasurer; and Rico Oñate of Promark, auditor. In the books for the rest of 2018 is one General Membership Meeting, details of which will be announced at a later date.

We at SCMAP look forward to what the new Mindanao chapter can bring to further move supply chain both in the region, and across the Philippines, towards global competitiveness. •



3

*Previous page: 1—An exchange of ideas at the convenors' meeting 2—SCMAP Mindanao's leadership with director Dina Pilapil and executive director Norman Adriano*

*This page: 1—SCMAP Mindanao's Malou Monteverde at the fray 2—At the 3rd Mindanao Shipping Conference with MinDA chair Datu Abul Khayr Dangcal Alonto 3—Norman Adriano speaks at the event*

# TOYOTA



TOYOTA MATERIAL HANDLING PHILIPPINES World #1 in Material Handling Equipment



## INDUSTRIAL TRUCKS



Engine Forklifts  
(Diesel & Gasoline LPG)



Electric Forklifts  
(IPX4 Water Proof)



Reach Trucks



Tow Tractors



Skid Steer Loaders



## RAYMOND WAREHOUSE TRUCKS



Pallet Trucks



Stackers



Reach Trucks  
(Single & Double Deep)



VNA Trucks



Pallet Racking

## SALES - LEASE - RENTAL - PARTS - SERVICE - TRAINING - FLEET MGT

### LUZON

Km 19 West Service Rd  
Sucat, Paranaque  
T (02) 821-1414  
T (02) 821-3030  
M (0923) 725-8369

### CENTRAL VISAYAS

Castilex Compound  
ML Quezon Ave  
Mandaue, Cebu  
T (032) 236-4758  
M (0925) 321-3753

### WESTERN VISAYAS

MH del Pilar St  
Molo, Iloilo  
T (033) 335-4332  
M (0925) 803-9643

### NORTH MINDANAO

Julio Pacana St  
Puntod, CDO  
T (088) 855-5411  
M (0922) 891-1854

### SOUTH MINDANAO

R Castillo St  
Agdao, Davao  
T (082) 291-5138  
M (0925) 830-3587

NATIONWIDE SERVICE SUPPORT (0925) 712-0388, (0949) 990-0645



HANDLING INNOVATION INCORPORATED

www.toyotaforklifts-philippines.com  
info@toyotaforklifts-philippines.com

## Supply Chain Immersion finds its true north

Rather than go on a boat, we went on a road trip to Clark and Subic to understand what makes the region tick—and where it can go from here

WRITTEN BY [HENRIK BATALLONES](#)

For over twenty years, SCMAP's annual Supply Chain Immersion has brought delegates to different cities across the country, giving them a uniquely immersive view of supply chain through the eyes of stakeholders, experts and local leaders. This year's event was the same, but for one thing: rather than take to the seas, for the first time, we booked buses to our destination. Well, two buses.

This year we went on a road trip north of Manila, to the emerging business and logistics hub of Clark and Subic. The region is in the spotlight in recent years, as a centerpiece of the government's efforts to decongest Manila, particularly through the redevelopment of Clark International Airport, enhancing links between it and the Port of Subic, and the construction of the ambitious New Clark City development. However, the region has been home to many multinational companies for years, transforming it into one of the Philippines' most important manufacturing hubs.

For supply chain managers, there were lots to learn. What factors did these companies take into consideration before choosing to locate in Subic or Clark? And what is being done to the region to ensure it remains competitive and ready to welcome more businesses?

This meant a slight change in format. As delegates were no longer on a ferry to the host city, there was no day-long



2



3







seminar. There was still the half-day forum Supply Chain Perspective, which was first launched last year in Iloilo. This happened in the afternoon of May 14, with Manila-based participants arriving at the Park Inn by Radisson in Clark—fresh from a Kapampangan lunch—alongside stakeholders from northern and central Luzon.

Leading the speakers for the event was Department of Public Works and Highways undersecretary Ma. Catalina Cabral, who took time off from her busy schedule—three events in Clark on the same day!—to discuss government’s infrastructure projects for the region. She particularly stressed the importance of the Duterte administration’s Build Build Build program: “Infrastructure must come before industry,” she said, adding that government has a lot of catching up to do when it comes to building infrastructure to accommodate recent economic growth.

Also speaking during the event were REID Foundation’s Ronilo Balbieran, offering his usual economic briefing with a particular focus on central Luzon; SCMAP president Nestor Felicio, who looked at the many factors taken into consideration as companies design and optimize their supply chains; and Victory Group head (and former SCMAP president) Ike Castillo, who explored the changes to supply chain education across the years. In tow to welcome the delegates was Frankie Villanueva, president of SCMAP North Luzon, who painted an optimistic picture of the region’s prospects.

This year’s Immersion focused heavily on the industrial tour, an element also introduced in last year’s event. Delegates spent the whole of May 15 going to various locations in Clark and Subic, talking to stakeholders and business leaders and hopefully gaining an understanding of what makes the region tick.

In the morning, the party split in two. One half went to the facilities of Yokohama Tires, the Japanese tire manufacturer. They established their presence in Clark in 1996; they produce around 30,000 tires a day, 95% of which is exported to countries in North America, Europe and Asia.

The other half visited the facilities of



1—Of course we have a photo of everyone  
 2—DPWH undersecretary Ma. Catalina Cabral  
 3—SCMAP president Nestor Felicio  
 4—Victory Group’s Ike Castillo  
 5—REID Foundation’s Roni Balbieran  
 6—SCMAP North Luzon president Frankie Villanueva  
 7—Touring the Clark International Airport  
 8—One-stop shop at the Subic New Container Terminal



Texas Instruments, the American semiconductor manufacturer. While they are newer to Clark, having built their base in 2009, they of course have long held a presence in Baguio. The establishment of a Clark base was a sign of confidence in the country, particularly in its people, whose capabilities played an important decision in the company’s expansion here. The products made in Clark play an important role in emerging technologies like autonomous vehicles and other consumer electronics.

The tour continued to the Clark International Airport, which is priming itself for further expansion as the future of the congested Ninoy Aquino International Airport is being discussed. Already home to over 150 weekly international flights, plans are afoot to build a new passenger terminal, set to open in 2020 and boosting its capacity to eight million passengers annually. Further expansion in the cards include the construction of two more runways, increasing passenger capacity to 80 million a year, and expanding connectivity to Manila and Subic via rail.

There was also a side visit to the facilities of CargoHaus, the first such facility in Clark, where delegates saw first hand how shipments are processed.

After lunch, the delegates headed to the Subic Bay International Terminal, a world class facility that is already serving industries in north Luzon, and also presents itself as an alternative to Manila’s arguably congested ports. Several shipping lines already stop in Subic, and with port utilization at roughly 30%, there is still room to grow.

This being Supply Chain Immersion, there was a lot of time for fellowship: in this case, it was dinner at Subic, followed by karaoke, all night long. In the morning, some delegates also took the time to shop at the freeport’s duty free stores.

The format may have been a bit different, but the effect was still the same: a better appreciation of supply chain, taken straight from the people who live it, and also an appreciation of the work being put to improve the competitiveness of the Clark-Subic corridor, and by extension, of the country as a whole. But we’ll admit to missing the experience of being in a boat. Maybe next year. •



1



2



3



4



5

1—Listening in at the CargoHaus facility 2— With the Texas Instruments team at Clark 3—A short presentation at the Yokohama Tires facility 4—Discussion on the sidelines 5—Fellowship dinner buffet

# The AEB portfolio for global trade and logistics



## Customs Management

Export and Import Filing . Product Classification . Origin & Preferences  
Broker Integration . Supplier Declaration Exchange . Excise Duty Filing



## Trade Compliance Management

Compliance Screening . License Management . Export Controls . EAR and ITAR  
Product Classification Exchange



## Intralogistics

Warehouse Management . Loading Dock Scheduling . Carrier Integration . Shipping . Billing



## Transport & Freight Management

Shipping . Loading Dock Scheduling . Carrier Integration . Monitoring & Alerting  
Freight Cost Management



## Supply Chain Collaboration

Loading Dock Scheduling . Monitoring & Alerting . Carrier Integration

**Supply Chain Software**  
makes / it / happen

# AEB

# A third outing for Sharpening SCMAP Visayas' flagship event once again gathers supply chain experts and stakeholders to bring insight and learnings to Cebu and beyond

WRITTEN BY HENRIK BATALONES

The third edition of Sharpening the Supply Chain Practitioners, the flagship event of SCMAP Visayas, was held last August 25 at the Maayo Hotel in Mandaue City. It saw various supply chain experts and stakeholders discuss trends, developments and issues affecting how supply chain provides value both to businesses and to consumers.

The morning session painted a picture of how supply chain must adapt to changing customer behavior. Rustan Supercenters supply chain head (and SCMAP's incoming president) Christine Pardiñas first illustrated changes in the retail landscape and how it reflects changes in customer behavior—and how supply chain is coping with these changes.

A further illustration of the new demands on the sector was made by LF Logistics senior vice president Joyce Ramos, presenting the opportunities posed by digitization. Finally, VitaSoy-URC general manager Tata Albert presented things from a non-supply chain perspective, stressing what customers demand from manufacturers, retailers and, by extension, supply chain practitioners.

The afternoon session went deep into specific concerns facing supply chain today. Famed trainer Padma Mangharam-Siap, founder of the Creative Magnate Institute, tackled the issue of behaviors within a supply chain team, which could make or break how they serve their



2



3



5



6



8



9





1—Over 140 delegates took part 2—Rustan Supercenters' Christine Pardiñas 3—LF Logistics' Joyce Ramos 4—VitaSoy-URC's Tata Albert 5—Creative Magnate Institute's Padma Mangharam-Siap 6—Mondelēz's Amr Abbas Mahmoud Saleh 7—University of San Carlos' Dr. Oscar Bucog 8—Charter Ping An Insurance's Ninoy Rollan 9—SCMAP Visayas president Gilbert Cabataña 10—SCMAP Visayas director Dr. Rodien Paca



## SCMAP moves to new offices

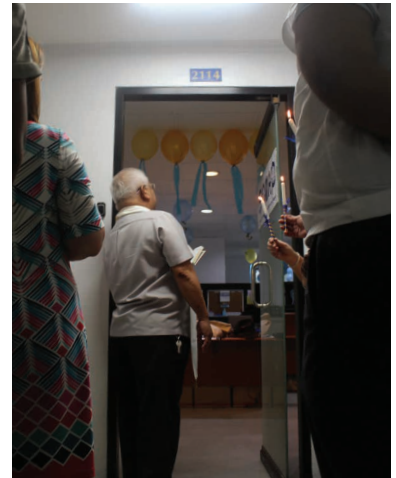
SCMAP has moved to new offices to better position itself for growth in the future.

We're still located in Ortigas—still in the same street, even—but we have a new address: we're now at the 21st floor of Medical Plaza Ortigas, along San Miguel Avenue at the Ortigas Center in Pasig City.

While that meant us moving our things to the new offices (and buying new ones as well) alongside preparation for this year's SCMAP Supply Chain Conference, the move has given the organization more leeway as it looks forward to further growth. Being in a corner office means we have a pretty inspiring view too, seeing not just the Ortigas skyline but also further towards Rizal, too.

More importantly, SCMAP finally has a dedicated space to mount smaller meetings like industry consultations and focus group discussions, the better for us to serve not just our membership, but the broader supply chain industry as well.

We moved in on the first day of September, but the formal blessing was held on the 18th. The simple gathering was followed by a board meeting. Fun, then work.



customers—and offered no-nonsense approaches to ensuring an operation works efficiently and smoothly.

Mondelēz Philippines supply chain head Amr Abbas Mahmoud Saleh followed with a discussion of how to successfully make the shift towards a demand-driven supply chain operation. A spirited discussion of the impact of tax reform on supply chain—and other things—followed with a talk from Dr. Oscar Bucog, a member of the economics department of the University of San Carlos.

Finally, supply chain pioneer Ninoy Rollan wrapped up the event by exploring how to manage a company's relationship with a third party logistics provider, and how both sides can make the most of such an arrangement.

Like with previous installments of the event, the whole-day affair was well attended, not just by participants from Cebu and central Visayas, but also with delegates coming from Manila and cities in Mindanao. Over 140 delegates representing fifty companies took part. SCMAP Visayas president Gilbert Cabataña portrayed the attendance as further proof of the growth of the chapter, and the hunger for further supply chain competence in the region. •

# Pushing further towards MSME development

## SCMAP joins the Pilipinas Angat Lahat Alliance, bringing together stakeholders for poverty alleviation and job creation

WRITTEN BY HENRIK BATALONES

SCMAP is proud to be part of the Pilipinas Angat Lahat Alliance, a gathering of stakeholders and partners from the public and private sectors committed to accelerate programs developing micro-, small- and medium-sized enterprises, with the goal of alleviating poverty and generating jobs.

The formal launch of the alliance was held at the Malacañang Palace last August 14, with attendance from President Rodrigo Duterte, Speaker Gloria Macapagal-Arroyo and DTI secretary Ramon Lopez. Also in attendance were representatives from industry groups, major companies and the diplomatic corps. Representing SCMAP were president-elect Christine Pardiñas, former president Cora Curay and director Carlo Curay.

The alliance was organized by Joey Concepcion, Presidential Adviser on Entrepreneurship and head of Go Negosyo. Among the alliance's thrusts are digitalization of micro- and nanoentrepreneurs, as well as the development of tourism and agribusiness, in support of similar government initiatives.

SCMAP is an active part of Go Negosyo's Kapatid Mentor Me program, which sees mentors go across the country imparting knowledge on supply chain management to MSMEs, with the belief that empowering entrepreneurs with this knowledge would allow them to better expand their businesses, and ultimately to boost the competitiveness of supply chain in the Philippines. •



1



2



3



4



5

**1**—The alliance is represented by stakeholders in government and industry **2**— Formalizing the alliance **3**—Go Negosyo's Joey Concepcion with SCMAP's leadership **4**— President Rodrigo Duterte **5**—Go Negosyo's Joey Concepcion



Asian Logistics and  
Maritime Conference  
亞洲物流及航運會議

**20-21 November 2018**

Hong Kong Convention and  
Exhibition Centre

Register now at  
[www.almc.hk](http://www.almc.hk)

Tel: (852) 1830 668 Email: [almc@hktdc.org](mailto:almc@hktdc.org)



Conference • Exhibition • Business Matching

## Highlights:

- Asian connectivity
- New retail revolution
- Logistic technology, AI and blockchain applications



**30%**  
early bird discount  
on or before  
28 September 2018

Organisers:



香港特別行政區政府  
The Government of the Hong Kong  
Special Administrative Region



In association with:



An event of:



## NEW MEMBERS

SCMAP welcomes its new members: **Arctic Cold Refrigeration**, represented by Atty. Jesus Fernando Jr.; **Bernabest Foodhouse Corporation**, represented by Pamela Ann Bernabe; **CHN Trucks and Heavy Equipment**, represented by Glory Ann Estoya; **Dels Apparel Corporation**, represented by Aries Asutilla; **ECV Cargo Logistics Solutions**, represented by Andrew Gregory Lui; **Everywhere Consulting**, represented by Noriel Acuzena; **Logistikus Inc.**, represented by Jose Martin Capino; **Personal Collection Direct Selling**, represented by Eliza dela Cruz; **Quick and Nimble MHE**, represented by Leah Landaos; **Technology Links International Corporation**, represented by Robert Bonite; **Transnational Uyeno Safety Academy**, represented by Christopher Lim; and individual members **Ricardo Jose Cortez** and **Alipio Bernardo IV**.

## COMING UP

Our final General Membership Meeting for 2018—including the elections for the next year's board of directors—is slated for November 15 ... our Christmas fellowship is scheduled for December 6, once again at the Makati Sports Club ... and details of our 2019 events, as well as events from our chapters, will be available on our website [scmap.org](http://scmap.org), and on our social channels.

## GMMs tackle supply chain pain points

Early in 2018 SCMAP identified seven supply chain pain points that will be discussed across the organization's events and initiatives. The three General Membership Meetings so far this year have done just that.

The first one, held last April 19, looked at the challenges and opportunities presented by the emergence of the last mile. Speaking at the event were Ronaldo Bunyi of Robinsons Supermarkets and Alex Doronila of Lazada Express. It turned out to be our best-attended GMM ever, with over 100 delegates taking part.

The second one, held last June 21, looked at the issues posed by surge periods, planned or unplanned. Leading the discussion was Procter & Gamble's Tina Alvarez, who led the collaboration group on the matter.

The third one, held last August 17, tackled the issue of shipping costs, particularly what can be done to drive them down. Royal Cargo CEO Michael Kurt Raeuber presented a study he co-authored on avoidable charges in international shipping, while Atty. Pete Aguilar of the Philippine Interisland Shipping Association presented the domestic side of things. Representing the Bureau of Customs was Atty. Ma. Lourdes Mangaoang, who helped draft the new Customs Modernization and Tariffs Act.

All three GMMs were held at the Discovery Suites in Pasig City. A fourth one is on the way on November 15, during which the 2019 board will be named. More details will be revealed soon.





## Manny O returns to SCMAP board

Fast Logistics chief operating officer Manny Onrejas returned to the SCMAP board after the departure of director Tina Alvarez. She left at the beginning of July after departing Procter & Gamble and moving to a new position at JG Summit. Onrejas assumed the position after placing 11th at the board elections held last November.



## North Luzon looks at further tax reforms

SCMAP North Luzon and the Clark Investors and Locators Association mounted a joint Kapihan Session looking at the impact of the proposed second set of tax reforms on businesses in special economic zones like Subic and Clark. Held at the Fontana Leisure Park in Clark, the event saw Dr. Henry Basilio and Prof. Leonardo Tan look at how the new proposals can impact fiscal incentives and tax breaks on international companies.



## Foreign chambers tap SCMAP

SCMAP was invited by two foreign chambers to discuss opportunities surrounding the supply chain sector.

SCMAP's Henrik Batallones first spoke at a business forum for exporters organized by the Canadian Chamber of Commerce of

the Philippines, held at the Dusit Thani Manila last July 19. He provided the audience an overview of supply chain and why competitiveness in that front is important to businesses.

Then, on August 16, SCMAP executive director Norman Adriano presented at the Transport and Logistics Forum, organized by the Italian Chamber of Commerce of the Philippines and held at the World Trade Center, where he tackled how the industry can grow their operating capacity and capability.

## Asian Logistics and Maritime Conference returns for 2018



The 2018 Asian Logistics and Maritime Conference, organized by the government of Hong Kong and the Hong Kong Trade Development Council, is set for November 20-21 at the Hong Kong Convention and Exhibition Centre.

The ALMC brings together manufacturers, retailers, distributors and service providers to discuss trends and opportunities in logistics, maritime and supply chain in Asia. Among the topics set to be discussed are Asian connectivity in light of the Belt and Road Initiative, opportunities in e-commerce and retail, and emerging technologies.

Happening alongside the conference is an exhibition featuring top logistics players from across Asia, as well as business matching meetings.

Last year's ALMC saw over 2,100 delegates representing 36 countries.

SCMAP and *Supply Chain Philippines* is proud to be a media partner of the ALMC for the sixth year running, waving the flag for the Philippines as it stakes its place in the worldwide supply chain arena.

Register now for this year's Asian Logistics and Maritime Conference by visiting [almc.hk](http://almc.hk).



## Workshop for DTI to understand SCM

SCMAP was invited to help mount a capacity-building workshop for partners and colleagues at the Department of Trade and Industry, designed to help them understand supply chain management and its role in competitive economies. The two-day workshop was held last June 19-20 at the DTI offices in Makati. Speakers included Tonet Rivera, Bong Mojica and Roni Balbieran, alongside members of SCMAP's leadership.

Information and Trade Platform  
 for Logistics and Packaged Products



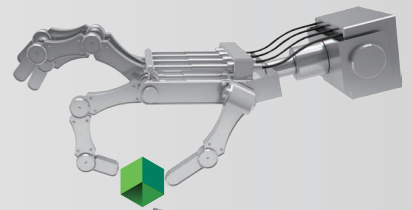
**Logistics Solutions:**

- System
- Warehousing
- AGV
- Pallet and Container
- RFID



**Packaging for:**

- Food & Beverage
- Consumer Goods
- Medicine



Organizer



**ADSALE 雅式**

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

@Sino-Pack

@SinoPack1

@Sino-Pack

(852) 2516 3510

[printpack.hkpr@adsale.com.hk](mailto:printpack.hkpr@adsale.com.hk)



**Pre-register Now!**



# PHILIPPINE SPAN ASIA CARRIER CORP.

**415 SAN FERNANDO ST., BINONDO, MANILA**  
**TEL No: 241-9701 TO 07, 241-9801 TO 05**  
**FAX No: 242-2898**

Pier 4 Tel Nos.: (63 2) 897-2722; 897-1186

Pier 16 Tel Nos.: (63 2) 897-2728; 261-4243

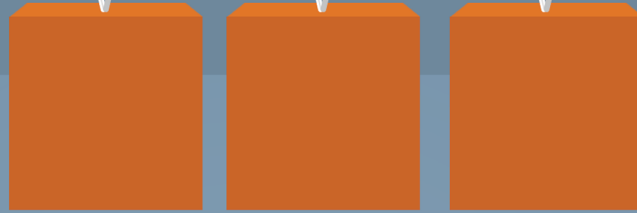
CY5 Tel Nos.: (63 2) 282-6521; 282-7315

CY7 Tel Nos.: (63 2) 253-6806; 253-6809  
(63 2) 255-2586; 253-6818

CY8 Tel Nos.: (63 2) 261-4204

---

**BACOLOD, BUTUAN, CAGAYAN DE ORO, CEBU, COTABATO**  
**DAYAO, DIPOLOG, DUMAGUETE, GENERAL SANTOS**  
**ILIGAN, ILOILO, MANILA, OZAMIS,**  
**SURIGAO, TAGBILARAN, ZAMBOANGA**



# THE UNIQUE ABILITY TO MOVE ENTIRE SUPPLY CHAINS TOWARDS BETTER RESULTS

It takes different thinking, not just more “best practices,” to outperform the competition. D.W. Morgan Company comes through for top global supply chains with a unique combination of skills to drive change from end to end. Our experts bring together expertise in operations, analytics and digitization in order to transform your inventory and in-transit processes. Let us help you with:

**In-Transit Process Transformation:** Assessing end-to-end visibility, adding technology to close your data gaps, analyzing operations and introducing improvements to cost and efficiency.

**Inventory On Demand:** Taking ownership of goods throughout portions of the supply chain to reduce the manufacturer’s cost of carrying inventory. This frees up capital and management resources for higher-value uses.

**Technology** to capture events as they happen and connect the unconnected portions of your global supply chain.

Contact us to learn how Morgan can help you!

D.W. Morgan Company  
Americas • Asia Pacific • Europe  
[www.dwmorgan.com](http://www.dwmorgan.com)

+1 800 628 1321

**morgan**<sup>®</sup>  
SUPPLY ON DEMAND

**TOTAL: GAS, RENEWABLES AND POWER – KEY FACTS**

TOTAL IS A **GLOBAL LEADER** IN LNG AND SOLAR



NEARLY **14,000** EMPLOYEES\* IN RENEWABLES, GAS & POWER

**20%**

DEVELOP NEW LOW-CARBON BUSINESSES THAT COULD ACCOUNT

FOR UP TO **20%** OF TOTAL'S PORTFOLIO IN 20 YEARS' TIME

TOTAL IS A SIGNATOR TO

**COP 21**

**500,000+** INDUSTRIAL AND COMMERCIAL CUSTOMERS

PRESENT ACROSS THE POWER VALUE CHAIN

SUNPOWER



**1 MILLION+** RESIDENTIAL CUSTOMER

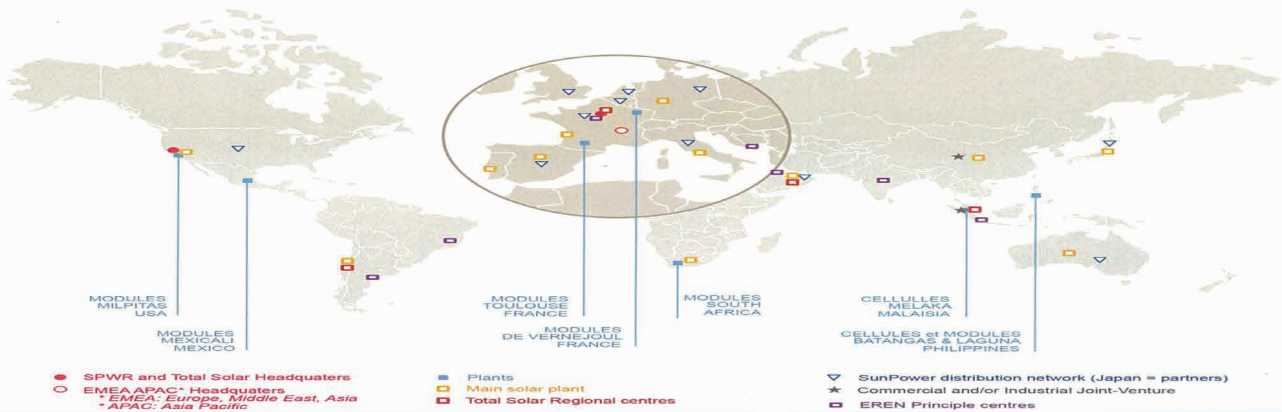


TOTAL PRESENT IN **139** COUNTRIES



**8 MILLION** PEOPLE REACHED BY OUR ACCESS TO ENERGY PROGRAM (PRINCIPALLY IN AFRICA)

**TOTAL SOLAR AND SUNPOWER**  
An international presence



**FOCUS I&C:**



- Total Solar leading supplier in France CRE4 awards. (33 MW Sept 17 round)
- La Mede commissioning 7MW Dec 2017.
- Danone EVIAN site – carport + rooftop awarded and in construction design phase.

# We are a community that moves the global competitiveness of the Philippine supply chain industry.

The Supply Chain Management Association of the Philippines is the country's premier supply chain organization, playing a key role in supporting its role in enhancing the country's competitiveness and improving Filipino lives.

Founded in 1989 as the Distribution Management Association of the Philippines, SCMAP now has over 200 members from the manufacturing, retailing, distribution and logistics sectors, spread across the national organization based in Manila, as well as chapters based in Cebu, Clark and Davao.

The organization is led by a ten-member Board of Directors, elected annually by the general membership; the Board later elect the officers amongst themselves. They are ably supported by the Secretariat, led by its Executive Director.

## WHAT WE DO

SCMAP promotes and advances the supply chain industry by connecting with stakeholders, engaging them in meaningful discussions on industry trends and developments, and moving the sector towards global competitiveness. Its work centers on three pillars:

**Advocate**—Throughout its history SCMAP has advocated for policy reforms involving the supply chain industry. Government agencies, industry groups, non-government organizations, academic institutions and other stakeholders turn to SCMAP for insight into the profession and its role in the national economy. These discussions have led to policy reforms and other initiatives that help keep Philippine supply chain competitive.

**Communicate**—Through regular events SCMAP strives to keep its members up to date on industry trends, developments and opportunities. The SCMAP Supply Chain Conference, held every September, is the country's premier supply chain event, bringing together major players in supply chain, business and government. Also, through regular membership meetings, collaboration groups and its biannual magazine *Supply Chain Philippines*, it provides a venue for members to discuss supply chain issues and promote benchmarking and best practices.

**Educate**—Through its work with various institutions and organizations, SCMAP has committed itself to promot-

ing supply chain education. The organization helps formulate programs and initiatives aiming to bring supply chain awareness to everyone—from those working in the front line, to entrepreneurs, to middle-level and corporate-level supply chain managers—through its work with TESDA and GoNegosyo. Its annual Supply Chain Immersion event also brings a unique perspective on supply chain, with local tours and interactive workshops.

## WHY YOU SHOULD JOIN

SCMAP membership supports the organization's work towards moving the global competitiveness of the country's supply chain industry. Members can provide input to discussions on supply chain policies by participating in surveys, focus group discussions and consultations.

Through SCMAP's work, its members—and the supply chain sector at large—have benefited from efforts to improve supply chain processes, from preventing disadvantageous regulations and impositions to calling for transparent and justifiable logistics costs.

Members can also tap into the organization's wide network of supply chain managers, experts and stakeholders, including those from major players in the Philippine economy. SCMAP's regular events provide a venue for connecting and networking with colleagues.

Membership to the organization is open to both companies and individuals. For more information, visit our website, [scmap.org](http://scmap.org).

## SupplyChain PHILIPPINES

As the official magazine of the Supply Chain Management Association of the Philippines, *Supply Chain Philippines* provides an essential briefing on trends and developments affecting the industry, and the national economy as a whole; discussion on supply chain issues and concerns; and updates on the activities and advocacies of SCMAP.

Published twice a year, in April and September, the magazine is distributed to all SCMAP members, including the

country's top manufacturers, retailers, distributors and logistics providers. The magazine is also read by supply chain stakeholders from government, business and the academe.

This unique reach makes *Supply Chain Philippines* an ideal platform for companies to promote their products and services to the biggest and most important players in Philippine supply chain.

We accept display ads as well as advertorials, with preferential rates for SCMAP member companies. Updated rates and ad specifications are available

on our website, [scmap.org](http://scmap.org).

*Supply Chain Philippines* also accepts article contributions. Whether it be a piece on best industry practices, or a feature on new innovations affecting the way we work, we'd love to hear from you. Send a short synopsis and profile via email to [magazine@scmap.org](mailto:magazine@scmap.org). Writers who will get published will get freebies and perks.

Contributions must abide by our editorial standards and should not promote a company, product or service, otherwise it will be treated as an advertorial and charged accordingly.



# GROWING THE NATION WITH EVERY MOVE

Proudly Filipino. Committed to creating solutions  
that help build our Nation's Economy.

# MSL

MAGSAYSAY SHIPPING & LOGISTICS

## KEEPING YOUR BUSINESS MOVING

Container Shipping | Third Party Logistics | Warehousing Management Solutions  
Cold Chain Solutions | Petroleum Trading & Shipping | Shipmanagement  
Consumer Products Distribution | Tours Operations & Fast-Ferry Charters

21st Floor, Times Plaza Building, United Nations Avenue corner Taft Avenue, Ermita, Manila (1000) Philippines  
Tel: +632 527 5555 | Email: [inquiry@msl.com.ph](mailto:inquiry@msl.com.ph) [www.msl.com.ph](http://www.msl.com.ph)

# SSI SCHAEFER LOGISTICS MODULES

What can we do for you? We deliver individual components, but also plan, advise and implement whole conveyor technology solutions. This objective will be achieved in combination with the highest levels of scalability and efficiency as possible. With SSI SCHAEFER Logistics Modules you are ideally equipped to meet your challenges and for further growth.

+632 477 0000 | [info.ph@ssi-schaefer.com](mailto:info.ph@ssi-schaefer.com) | [ssi-schaefer.com](http://ssi-schaefer.com)

WELL  
**COMBINED**  
ECONOMICALLY  
AND VERSATILELY

**SSI SCHAEFER**