# Looking Forward
# - The Latest Trends in Logistics

Hong Kong, November 6th 2013

Martin Holme, Chief Operating Officer, North Asia

# – a quick introduction

MAERSK

- Container Shipping
- Tankers, Offshore
- Terminal
- Oil & Gas
- Retail
- Technology

Container Shipping:
- Maersk Line
- DAMCO
- MCC Transport
- Safmarine
- Maersk Container Industry

## A Top 10 global logistics service provider

- Established in 1977
- Headquarter in the Hague, Netherlands
- Over 10,800 employees in 100+ countries
- Over 300 offices, fully owned by Damco
- In 2012, 300 supply chain projects creating USD 140m+ savings for our customers

Retail

Lifestyle

Technology

Chemicals

Industrial

Government

# Logistics Market Overview and Trends

- **Supply Chain is gaining attention** within our customers' organizations and a more holistic view of the supply chain is emerging, which drives **focus on end-to-end solutions and optimization**
- The increased focus on end-to-end supply chain solutions and optimization is driving a **trend towards 4PL or "Lead Logistics Provider" solutions**

# Logistics Market Overview and Trends

- Low growth in North American and European economies are driving many **established brands to look for new markets in Asia and Latin America**
- **E-commerce is growing** rapidly and is a **general challenge within supply chains**. Solutions are evolving in iterations

# Logistics Market Overview and Trends

- Increasing Chinese labour costs and the appreciating RMB are driving a **shift of sourcing towards Western China and especially Indonesia, Cambodia and likely soon Myanmar**

- Changes in both sourcing and distribution networks are driving **new supply chain designs such as origin based distribution centres**

- Demand volatility is driving a need for **more agile and dynamic supply chains**

# Logistics Market Overview and Trends

- Margin pressure, lower growth and environmental concerns are driving a **shift away from airfreight** despite increased air passenger traffic and reduced demand resulting in lower airfreight rates

- Ocean freight volatility is increasing and driving a **trend towards a more diversified / balanced carrier contract mix** with both short and long term contracts spread on carrier direct as well as NVO partners

# DAMCO IN NORTH ASIA

# Damco North Asia

## Quick Facts 2012

**3,194** white-collar staff
**338** blue-collar staff
**5** joint-venture warehouses
Offices in **25 cities**
Supply chain**: 34.5m CBM**
Ocean freight**: 350,000 TEU**
Air freight**: 174,000 TONs**
Warehouse (operated**): 350,000 m²**

**Legend**

- Damco Office
- Gateway
- Warehouse

# Damco's unique differentiators

**Supply chain optimisation through market leading visibility solution and consultancy team**

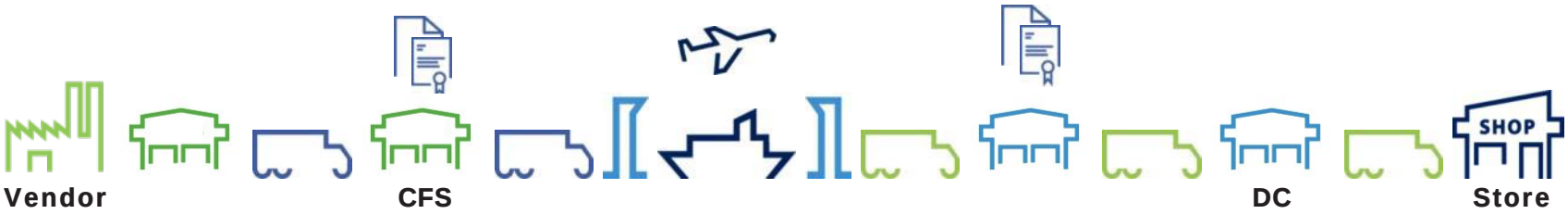
SCD + myDAMCO

**Ease of doing business through customer focus and consistently high service level**

**Reliable growth partner through a truly global network of own offices**

DAMCO

# Our Service Offerings




**Damco Customised End-to-end Solutions**

| | | | | | |
|---|---|---|---|---|---|
| **Freight Forwarding Services** | Ocean Freight | Co-loading | Air Freight | Trucking | Customs Clearance |
| **Supply Chain Management** | Purchase Order Management | Vendor Management | Consolidation | Carrier Management | Document Management |
| **Warehousing and Distribution** | Origin DC | Regional DC | Fulfillment Center | Multi Country Consolidation | Local Distribution |
| **Value Added Services** | Quality Control | Slip Sheeting | Pick & Pack | Labeling & Scanning | Garments on Hanger |
| **Supply Chain Development** | Carbon Footprint Analysis | Center of Gravity Analysis | Load Optimisation | Packaging Consultancy | Supply Chain Benchmarking |

# Reference Customers in North Asia

Thank you for your attention !
Questions ?
DAMCO

# APPENDIX

# Martin Holme

## Chief Operating Officer, Damco North Asia

Martin Holme has 17 years of experience in the shipping and logistics industry, which he has supplemented with a Master of Business Administration jointly awarded by the Chicago based Kellogg School of Management & Hong Kong University of Science and Technology.

Martin has spent several years working for Damco both in the global head quarters and in Mainland China, where he held positions as Head of the South China organization and later, as North Asia Head of Contract Logistics and the Joint Venture portfolio.

As COO Martin leads a Damco regional team of product and implementation specialists. Directly reporting to him are:

- Head of Supply Chain Management
- Head of Ocean
- Head of Procurement
- Head of Health, Safety, Security and Environment
- Head of Implementation
- Head of Legal & Compliance
- Head of Project Unity
- Head of Strategy and Communications

| Experience | | |
|---|---|---|
| **2012 –** | *Chief Operating Officer, Damco, North Asia* | (Hong Kong) |
| **2009-2012** | *Head of Sales & Marketing, Maersk Line, South China* | (Hong Kong) |
| **2008-2009** | *Head of Contract Logistics, Maersk Logistics North Asia* | (Shanghai) |
| **2006-2008** | *Head of Maersk Logistics, South China* | (Shenzhen) |
| **2003-2006** | *Personal Assistant to the Chairman, A.P. Moller-Maersk Group* | (Copenhagen) |
| **2002-2003** | *Global Market Intelligence Manager, Maersk Logistics* | (Copenhagen) |
| **2000-2002** | *HR consultant, The A.P. Moller – Maersk Group* | (Copenhagen) |
| **1998-2000** | *Country Manager, Maersk Uganda Ltd.* | (Kampala) |
| **1996-1998** | *Management Trainee with two job rotations* | (Copenhagen) |