

Every Moment Is Precious

We are constantly posed with changes in life. We stop sometimes and wonder if our efforts will ever make a difference. Do we think of ways to do what is good, what is worthy and how we could each in our own ways contribute constructively? Maybe it's time to reflect on how the year has been for us, both at home and at work..... Make it a great year ahead!

To realise the value of One Year
Ask a student who has failed his exam

To realise the value of One Month
Ask a mother who has given birth to a pre-mature baby

To realise the value of One Week
Ask an editor of a weekly

To realise the value of One Day
Ask a daily wage labour

To realise the value of One Hour
Ask the lovers who are waiting to meet

To realise the value of One Minute
Ask a person who has missed the train

To realise the value of One Second
Ask a person who has survived an accident

To realise the value of One Milli Second
Ask the person who has won a silver medal in the Olympics



Poem printed with permission from Health Communications Inc. publisher of Chicken Soup book series.

VISION

To Build A Logistics Superhighway

MISSION

To Be The Number 1 Total Logistics Operator in Asia Pacific

CORPORATE PHILOSOPHY

R Reliability

I Integrity

S Sincerity

E Enterprise

Going Where You Want To Be™

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YCH Wins EDB Innovation Award for Intribution Management System

August 1996: YCH received a \$500,000 Innovation Development Award from the Economic Development Board presented by the Minister for Trade and Industry Mr. Yeo Cheow Tong for our very own Intribution Management System. The EDB innovation award is aimed at promoting innovation in Singapore through grants to manufacturing and service industry players to develop innovative ideas and technology.

Critical elements of our Intribution Management System include a system to link suppliers to manufacturers to provide total visibility to inventory; an EDI architecture and a logistics management system specially configured to manage materials and parts distribution operations. An example of an intribution

management concept operation was implemented in July with the setting up of a 100,000 sq ft materials hub for computer manufacturer Compaq in Sembawang.

With this new system, YCH will be able to support the total distribution operation of a company i.e. the entire supply chain from the movement of materials and parts to the plant as well as the finished goods out of the plant. Our competitive edge will also be increased with YCH extending logistics to a higher level of value-added operations.

Winning this award certainly underscores YCH's belief in the need for innovative logistics solutions to ensure the long term growth and vitality of the industry.

VISIT BY VIETNAM MINISTRY OF HEALTH

While attending a seminar in Singapore, delegates from the Vietnam Ministry of Health took the opportunity to visit Roche CDC at YCH DistriPark on 18 September.

A behind-the-scenes tour of the logistics operations proved to be an eye-opener for the delegates. They gained a fuller appreciation of the multiple process behind the export of vitamins and diagnostics products that goes to Vietnam each year.



Vietnam Ministry of Health

YCH IN FIATA WORLD CONGRESS

29 September - 3 October, Hilton Hotel, Caracas, Venezuela

Robert Yap, YCH CEO/Managing Director presented a paper on "Multimodal Transport and Logistics in Asia" at the prestigious annual FIATA (International Federation of Freight Forwarders Association) World Congress. "The Freight Forwarder - The Best Choice in Global Logistics" was the theme for this year's congress. Some 750 delegates from 76 different countries participated in the congress. It was the first time in the 70-year history of FIATA that the congress took place in Latin America, an important emerging market with enormous potential for the freight-forwarding industry. Distinguished speakers came from Department of Treasury of US Customs, Industry Affairs Cargo of Air France, Services Development Division of the United Nations Conference on Trade and Development (UNCTAD) and Customs of Venezuela, to name a few. Robert Yap was the only speaker from Asia.



In his paper, he said, "In Singapore alone, the transport and logistics sector is expected to contribute \$10 billion to the nation's gross domestic product this year. However, logistics in Asia is too complex to be managed by one party. Asian multimodal players should collaborate more to better meet the demand of and tap opportunities in the fast-growing market in the region, he added."

ROBERT YAP - NEW CHAIRMAN OF COSMIC INSURANCE

Appointment coincides with Company's 25th Anniversary

CEO/Managing Director, Robert Yap has been appointed as the new Chairman of the Board of Directors of Cosmic Insurance Corporation. He has been a Director on the Board for more than ten years. Cosmic is an established insurance company with a 25-year history in Singapore. It has a paid-up capital of \$33,000,000 and a gross premium of \$77,000,000 from business generated in Singapore, Hong Kong and Brunei. In 1995, it was placed among the top three insurers in Singapore.

Robert Yap's appointment coincides with the corporation's 25th anniversary. It marked its silver jubilee anniversary with a \$120,000 donation to the Dover Park Hospice Home. Cosmic was also selected to receive a "Friend of the Arts" award by the National Arts Council in recognition of its contributions to promote the artistic development of Singapore over the years. The anniversary was celebrated on a three day cruise-to-nowhere attended by more than 250 intermediaries and staff of Cosmic.

NEW MNCS ON OUR LIST

1996 was a harvest year with an impressive list of MNCs added to our blue chip customer list - Rohm and Haas, Hennessy, Flexsys, Compaq, Warner-Lambert SCHICK, Dystar. The company entered into licensed warehouse for the first time (Hennessy), expanded into Material Hub Management integrating multiple global suppliers and managing 24-hour JIT delivery to world-class manufacturer (Compaq). Also a first for YCH to enter into semi-manufacturing including packaging operation for SCHICK.

YCH-COMPAQ MATERIALS HUB

Materialisation of the 'intribution' concept coined by CEO/MD, Robert Yap. Mirroring the distribution concept, it will manage all incoming materials from Compaq's global suppliers to be kitted and fed to the plant for production. The commencement of operations on 1 July signified a new milestone in the logistics industry.

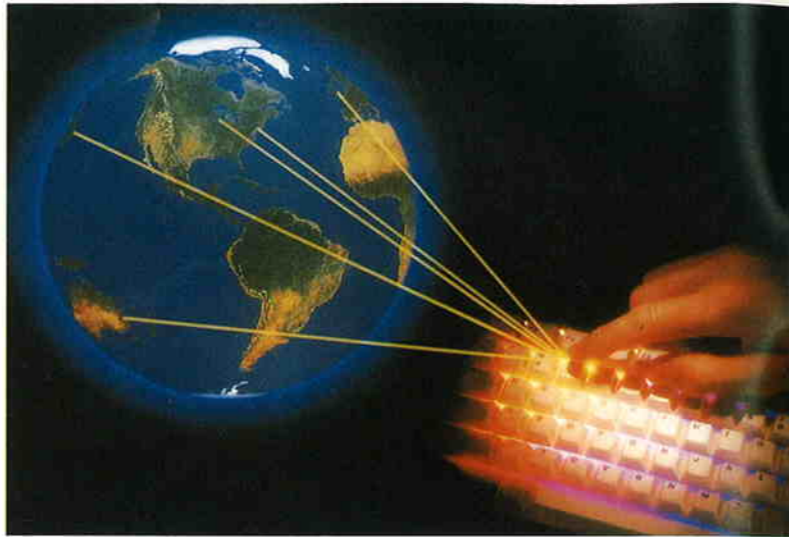
VALUE-ADDING TOWARDS INTEGRATED MANUFACTURING

Yet another milestone was created this year as we move towards value-adding logistics. The appointment of YCH by Fortune 500 Company, Warner Lambert SCHICK to handle its packaging and total logistics operation sees YCH operating at a higher level in the supply chain management; integrating more value-adding activities. This operation in Johore Bahru, Malaysia expanded the YCH workforce by an additional 200 people.

1996 COUNCIL OF LOGISTICS MANAGEMENT CONFERENCE

Planning for Virtual Response
20 - 23 October, Orlando, Florida

Founded in 1963, the Council of Logistics Management (CLM) in USA is a non-profit professional organisation which provides leadership in developing and enhancing the logistics process on a worldwide basis. To date, it has 12,000 members worldwide. CLM acts as a forum for the exchange of concepts and best practices among logistics professionals. It also provides research that advances knowledge and enhances customer value and supply chain performance. On a yearly basis, CLM organises education and career development programs that enhance career opportunities in logistics management.



The annual CLM conference is one of the prestigious industry conferences attended by more than 5000 delegates worldwide. Robert Yap (CEO/MD), Albert Ladores (GM, Corporate Development), Michael Leong (Marketing Manager) and Paul Lim (Head, Projects, MD's office) were among the twenty participants from Singapore who attended this annual event – a platform for both users and providers of global logistics to gain new insights into conceptual

plans, forge relationships and discuss problems and solutions.

The theme – 'Planning for Virtual Response' covered over 40 topics with 100 papers being presented. Each participant came away with some viewpoints on alternative channels in logistics, developing logistics leaders, strategic planning in logistics to emerging technologies and 21st century logistics organisations.

ASRS UPDATE

Construction work on the new ASRS facility has been underway for months now. The structures are mushrooming very quickly. It is in its final stages of completion. Before you know it, we will see a spanking new fully automated warehouse in operation. YCHappenings brings you some progress shots to track its 'growth' as it takes shape before our eyes.



QUALITY focus

A CONTINUOUS QUALITY IMPROVEMENT PROGRAM FOR CDCS

A QIT (Quality Improvement Team) started a pilot project for our licensed warehouse between June and September, with the objective of reducing the incidence of damage during handling. Team members Tan Kok Keong and Michael Joseph from warehouse operations, and Abdul Hamid from QA identified the areas for improvement, collected data over a three month period and held weekly quality meetings. Applying Deming's four-step process - Plan - Do - Check - Action, here's how the team worked:

Plan

- Collect past incidence records via check sheet.
- Identify possible causes (using fish bone diagram) such as cargoes with loose shrink wrap and improper handling during stuffing and unstuffing.
- Brainstorm methods to eliminate the main causes.
- Set target to reduce number of incidents by 30%.

Do

- Implement new processes or preventive measures to improve /eliminate the main contributing factors. E.g. deploying supervisor to identify any loose shrink wrap cargoes on container for manual wrap before unstuffing and perfecting the technique of folding slip sheet is taught to the materials handler.
- Monitor new processes to achieve the goals / results within specified time frame.

Check

- Examine data and results of new processes, and re-organise data.
- Evaluate 'before' and 'after' implementation results and measure differences (Pareto analysis).
- Decide permanent implementation of new processes for best results.

Action

Continuous follow-up and monitoring of newly implemented processes, with objective of achieving Continuous Quality Improvement.

The new processes were implemented for 3 months and data gathered for evaluation. The result-Cargo damage incidents reduced by 60%. These new processes will be updated in the ISO procedures and audited periodically for conformance .

This problem-solving approach will be used as a basic tool for all CDCs to improve their work areas.

ISO 9002 2ND SURVEILLANCE AUDIT RESULT - ZERO NON CONFORMITY

Conducted on 2nd and 3rd Sept. the second surveillance audit includes Quality Assurance, Human Resource, Forwarding, Marketing, HP and Rohm & Haas.

YCH achieves zero non-conformity.

Compared to previous audit result of two non-conformities (minor) and two observations, only one observation was noted. Our Periodic Internal Quality Audit is a key contributing factor in ensuring that all systems are in line with documented procedures and work instructions.

Abdul Hamid, QA

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THE YEAR THAT WAS . . .

1ST TECHNOLOGY LICENSING PROJECT

Our IT folks implemented a logistics management system for Boustead's central warehouse in Kuala Lumpur. This is part of YCH's first technology licensing arrangement to set up a Central Intransit Centre in Malaysia together with Boustead Holdings Sdn Bhd to handle domestic distribution.

CERTIFIED OJT CENTRE

The Institute of Technical Education (ITE) appointed YCH as a certified OJT (On the Job Training) Centre for our OJT training program. With the certification, an OJT certificate will be jointly issued by ITE and YCH for trainees who have passed the various tests.

1ST SCHOLARSHIP AWARD

Programmer Tan Kwang Seng, who is also the best employee of the year 1995, received the very first scholarship award offered by YCH. The full scholarship is for the study of Bachelor of Applied Science in Computer Science at the Royal Melbourne Institute of Technology in Australia.

STORY OF YCH

The 'story' of YCH through four decades was re-enacted on stage by our very own staff at our January annual dinner and dance in Orchard Meridien.