

LOSCAM LEADER

Clean, new pallets make displays in store first class

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The relationship we have with Loscam is one of a real partnership," said Guy Tully, Southern Regional Logistics Manager for The Warehouse group of discount stores. "Loscam supply us with premium quality pallets which are often used as part of an in-store display when merchandising stock. We can't have old dilapidated pallets with broken corners on the floor, as it would reflect on the standard of our stores and operation with customers."

The bold red livery of The Warehouse is as familiar in New Zealand as the kiwi. The Warehouse has a record of growth throughout New Zealand starting in 1982 with one store on the North Shore in Auckland. In 2000, The Warehouse moved to Australia and acquired Clint's Crazy Bargains and 'Silly Solly's' - two chains whose business philosophy of low prices, customer loyalty, and attracting good staff, was similar to that which built The Warehouse across the Tasman.



Chris Berry

From the start, we knew what standard of pallet they required, and we have always maintained the strictest control so they receive the best available."

Today, the company has 230 stores throughout Australasia, with more on the drawing board for the bigger Australian market. The "Loscam Leader" caught up with both George Forrester (Warehouse Queensland Distribution Centre Manager) and The Warehouse Southern Regional Logistics Manager, Guy Tully, in the purpose-built \$33 million, 70,000 sq metre distribution centre at Fisherman Island Brisbane.



Loscam Queensland Manager, Chris Berry with George Forrester and Guy Tully from The Warehouse.

"The centre was built just over two years ago and we have 60,000 sq metres undercover," explained George. "This DC handles stock for stores north of Brisbane up to Cairns, most of NSW and the ACT. Comparing the two DC's, Guy said The Warehouse in Melbourne for which he was responsible, was an old facility and in round figures was about 25,000 sq metres in size.

"We've been associated with Loscam for nearly three years now," said George, "and it was a national deal negotiated through our national support office. The decision to review our pallet supplier fitted in with our plan to revamp our whole warehousing and logistics systems. Today, business in our area of the market is very price-sensitive, and we have to project that a visit to any of The Warehouse stores is a real 'value for money' experience.

"It was essential to us that Loscam could ensure we had the best pallets they could supply. Our sales year is dotted with promotional events like Christmas, Mother's Day, etc., and at those times, we have enormous demand for stock and that means pallets. After Christmas, it slows down so we need a speedy dehire service from our pallet supplier. Loscam gives us that flexibility. That kind of service makes a big difference in maintaining a good relationship."

Since the changeover to Loscam, everything had gone smoothly said George, with the day-to-day servicing being handled by The Warehouse's Pallet Controllers. "We have a permanent staff of 87 here in Brisbane and in busy times, that can extend to 100."

Loscam Queensland Manager, Chris Berry, said The Warehouse Group had preferred supplier status with Loscam, and is a major client having grown over the time they have been associated with them. "From the start, we knew what standard of pallet they required, and we have always maintained the strictest control so they receive the best available. The relationship goes well, and I'm confident that The Warehouse business will get even bigger here, as it has in New Zealand and continue as a well recognised household name."



First-class pallets are essential for display within stores.

"It's a pleasure doing business with them." said Dave.

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The new Loscam management team that's heading up the company, is a far cry from what we had a few years ago," said General Manager for Counterpoint Warehousing and Distribution Services, Dave Setter. "We've used Loscam for quite a few years but I can say that it's only in the past couple of years that the relationship has really grown. The Loscam people want to build a relationship rather than adopting an 'us' and 'them' attitude.

"Now, it's a case of what are the issues, and how can we work through them and solve them for your best result? The industry is seeing that the old-fashioned supplier/ customer approach doesn't work."

Dave, who has been in warehousing and distribution for more than 20 years, said his involvement came about by accident, but he has thoroughly enjoyed it. He's worked for companies like Bulkway Transport, Coles Myer, and



Counterpoint GM Dave Setter, with Loscam State Sales Manager, Nick Trask.



GM David Setter

Our people use Loscam's HMS system and having a tool like that allows you to control where your pallets are and is a huge benefit."

McCormick Foods in Melbourne, and had a stint as a Logistics consultant working with companies like Southcorp, before joining Counterpoint Victoria six years ago. He recently relocated to Counterpoint NSW to take up the position of General Manager.

Counterpoint is a third party logistics company, which covers both Australia and New Zealand. "We look after Counterpoint Marketing's clients as well as our own, and tend to specialise in the grocery dry goods area. In recent times, we have been venturing into liquor distribution," he said.

"We have 40 different clients, all with different requirements, so we have a fair holding of pallets from various pallet companies. There would be between 5 and 6,000 pallets at the St Mary's warehouse with around 9,000 used nationally. We are currently working on a national deal that could jump that up to 18,000."

Dave said NSW has been the driving force and its volume had gone "through the roof". "We still have some work to do to encourage other states to take on more Loscam pallets, and with the help of Loscam State Sales Manager, Nick Trask we have been in discussions with both our suppliers and customers to increase our use of Loscam pallets. While a lot of product in our Victorian warehouse arrives on other pallets, our pallets of choice are definitely Loscam. Our people use Loscam's HMS system and having a tool like that allows you to control where your pallets are and is a huge benefit."

PS IN ADDITION: Loscam has a National Network of Depots to ensure products are available where and when you need them. Nick Trask can be contacted on 0408 830 037.

When Tsunami struck, Loscam and clients opened up their wallets



An annual golf day for Victoria/Tasmanian customers and Loscam executives, held at Barwon Heads earlier in the year, turned into a Tsunami fundraiser for victims of the disaster. The event raised SA12,500 which was presented to the Red Cross in Thailand by CEO Neil McBain.

According to Keith Dargavel, Loscam's State Manager Vic/Tas, who was charged with organising the day, Loscam customers were approached to donate items which were later auctioned. "The range of goods we received was fantastic and ranged from limited edition wine, luggage sets, camera, sporting memorabilia, electrical goods, a TV and even a trip to Hamilton Island," said Keith. "It was a fantastic response to a disaster that touched a lot of people when the news broadcasts reached Australia. And our own Chris Berry, the Queensland State Manager was our auctioneer on the day.

"I would like to thank Mattel Toys; Mistral; Pebble International; Concord Park; Smithtex; Brown Brothers; Harris Scarfe; GAF Control; Funtastic; Repco; Airport Luggage; Warrnambool Cheese & Butter; Nissan; Accantia and Bosch for their generous support.

From left: Mr Neil McBain (Loscam CEO), Ms Patcharaporn Chuenboon (Assistant Director of Thailand Red Cross Society), Ms Chanprapha Vichitcholchai (Head of Public Relations Thai Red Cross Society).

Loscam Leader Thanes Dhorranintra

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How long have you been with Loscam?

Three and a half years and loving it.

What do you like about the job?

First, the nature of the business. Pallet supply is very straightforward, but at the same time, it requires people to quickly adjust and respond to a customer's requirements. Business in Asia is growing fast and this presents a terrific opportunity for Loscam and its staff. Second, is the team spirit. The Asian management team consists of comparatively young executives. We work closely together and enjoy being part of the team. We all come from different backgrounds and this gives me an opportunity to manage cross-cultural diversity. I have been working for Australian companies for nearly nine years now, making lots of friends, understanding the culture, and enjoying Australian mateship.

Where were you working prior to Loscam?

I spent five years with ExxonMobil doing logistics and distribution management. Then another five years with BHP Transport (Blue Scope Steel), as Thailand Manager and Regional Logistics Consultant.

What changes have you seen in the time you've been with Loscam?

There has been a lot of positive changes in the "new" Loscam. The new management is more focused on growing the business. For us it's things like decision-making, a strategic direction and the support to develop staff to meet challenges; being accountable and responsible in order to get the job done. Loscam is now a lot stronger and agile and these positive changes are reflected in our overall bottom line.

What are customers looking for from a pallet hire company?

Because we are hiring rather than selling pallets, we interact with customers on a regular basis. To achieve a long-term commitment, relationships and networking are as important as the quality of the product or service. I think customers are looking for a long-term partner who is reliable, understands their business and is responsive to their requirements. A business partner who is willing to work with them to simplify the process and take away a burden.

Where do you see the Thai office in particular going?

The Thai office and the regional offices work well together. We have an excellent working environment, with people maintaining a good spirit. They work hard and enjoy the friendly environment. Loscam's business is expanding with greater workloads for both offices and we have recruited new colleagues to further propel this growth.

What do you do in your spare time?

Being the father of four young girls, I usually spend my time with my children, watching them learn new things every day, saying funny things, and watching them grow up. I set aside time for exercise, and am taking golf lessons in preparation for a charity golf match with customers.

FOCUS



Supply chain modernisation in Asia

The pace of change in supply chain logistics throughout Asia is amazing. Driven by international and local retailers, manufacturers and third party logistics providers, there is a transformation taking place in every aspect of the supply chain including distribution centres, transport, IT and materials handling.

As shopping habits evolve from traditional wet markets to convenience stores, supermarkets and hypermarkets, the need for supply chain modernisation has become necessary to meet the demands of modern, large scale retailers, and this is driving a new focus on achieving the speed, efficiency and productivity in product supply that most western Countries have enjoyed for many years.

A critical element in achieving these efficiencies is standard pallet pooling, and Loscam is working closely with retailers and suppliers in each of its markets to deliver the substantial benefits inherent in a standard pallet pool and transfer system.

Since its establishment in 1994, Loscam Asia has developed pallet pools in Singapore, Malaysia, Thailand, Hong Kong, Indonesia and the Philippines.

As a result of our investment in infrastructure and resources over 10 years, customers in each market can now take advantage of our standardised pools to transfer their products through the supply chain with greater efficiency and at a lower cost than traditional methods, i.e. manual handling or pallet ownership.

Standard pallet pooling can also benefit trans Asia trade. With trade barriers within ASEAN members being progressively reduced, Loscam customers can now hire pallets in one country and dehire in another, with minimal additional documentation or cost.

Neil

Neil McBain



Loscam plays its part in Philippines Pallet Forum

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Loscam's Philippines Manager, Joseph Luat, was asked to present on the benefits of pallet pooling at a Pallet Forum held recently at the Philippines Training Centre in Manila, sponsored by the Department of Trade & Industry. The Forum said Joseph, promoted the concept of palletisation and standardisation of pallets in the Philippines.

"My presentation drew interest from United Parcel Services (UPS), for their cross-border pallet requirements, and from San Miguel Yamamura Glass Factory, for their raw materials. There are future plans to take this Forum to Visayas and Mindanao, which are two other major islands in the Philippines. In addition, there was a formal swearing-in and induction for the Pallet Business Association of the Philippines (PBAP), of which I am an office-bearer."



(L-R): Mr Espiridion L. Gabayan III, Exec. Vice President, AGM Ventures Inc. and President of the Pallet Business Association of the Philippines (PBAP), Joseph Luat, Loscam Manager and Ms Norma C. Hernandez, Head of the Standards Development Division, Bureau of Product Standards, Department of Trade and Industry.

Funtastic products! fantastic Loscam pallets!

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The great thing about a visit to a Funtastic warehouse, is that it's like walking into an Aladdin's Cave. There are thousands of boxes and cartons bulging full of toys, confectionery, accessories, books, nursery items, clothes and accessories. Everything you would possibly need to put a big, wide smile on the face of any child. And when a product has the Funtastic stamp on it, you can be assured it's anything but ordinary.

Some of the classic brands marketed and distributed by Funtastic include Spider-Man™, Bratz™, Thomas the Tank Engine™, Bob the Builder™ and The Wiggles™. But with all his depth of building skills and common sense, Bob wouldn't make it out of the Funtastic Warehouse without the help of Mark Baulch and his team in the Distribution Centre.

Mark is Distribution Centre Manager and has been with the company for just over five years. "Everything is centred in Victoria and we currently have five warehouses," explained Mark. "Our biggest warehouse is in Rowville, which is 210,000 sq ft and we have two at 130,000 sq ft, one at about 80,000 sq ft and another at 50,000 sq ft. The stock goes from these warehouses to our customers like Big W, K-Mart, Target, Myer and Coles, as well as the independents. Funtastic is the biggest supplier of toys in Australia."

Loscam have been the pallet provider to Funtastic ever since the company was founded, and according to Mark, that was about 20 years ago. "The relationship has been good over that time, and we work closely with Daniel Bunnett, the Loscam Sales Manager for Victoria and Tasmania. There just aren't any dramas. At any one stage we would have 20,000 pallets on hire, and we use Loscam's HMS pallet



tracking service, which we find very good for keeping track of where our pallets are. Recently, we registered for the new Loscam On-Line which has given us a lot better access to checking where things are."

Mark said a 'ballpark' figure of between 800 to 1,000 pallets a week, go in to and out of Funtastic distribution centres. This figure can vary depending on the season. So the next time the cry of "Spider Man" comes from your five-year-old, remember behind every Spider Man™ is a Funtastic Company, ably supported by some Fantastic Pallets!



Funtastic Distribution Centre Manager, Mark Baulch (left) with Daniel Bunnett, Loscam Sales Manager Vic/Tas.

PS **IN ADDITION:** To have Loscam provide a solution to your materials handling needs call Daniel Bunnett on 0408 051 557.

10-Year customers thanked in Thailand

Loscam's Thailand management and staff recognised those customers who have supported them for the 10 years they have been operating in Asia with a function and presentation.

On the night, 80-90 attended the celebration at the Blue Elephant Restaurant in Bangkok, Thailand. Loscam CEO, Neil McBain made presentations to those loyal customers and Loscam's Thai staff said everyone enjoyed the evening.

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Mr Chairoj Jitkaew (Executive Director - Supply Chain Management) from Nestle (Thai) Ltd.



Ms Nuchanad Tankitwutikul (Distribution Services Manager) from Procter & Gamble Manufacturing Ltd.



Mr Seri Bhinthusuttinant (Customer Service Manager) from Colgate-Palmolive (Thailand) Ltd.



Mr Dusit Panmanee (Key Account Manager) from IDS Logistics (Thailand) Ltd.



Mr Somchai Tosomsakul (Outbound Logistics Manager) from Unilever Thai Trading Ltd.



Mr Prasit Chaisiripant (Associate Director Logistics) from Kimberly-Clark Thailand Ltd.

PS **IN ADDITION:** Loscam Asia Wooden Pallets are available through our regional network of depots. To find a Loscam depot closest to you please call the Asia regional Officeon +662 654 0700.

20-year supplier reveals what makes a great pallet great!

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CMTP down in Colac, Victoria, is Loscam's principal wooden pallet supplier, and for 20 years, they have been stencilling the Loscam name on thousands of pallets. Managing Director, Chris Meade, reveals what makes a Loscam pallet a great pallet.

"Certainly having the right timber is critical," explained Chris. "We use radiata pine, which has to be cut to size accurately and be consistent. Automation of the nailing processes where we can guarantee the nail goes into the same place, at the same depth, every time, has made a big difference. Also being able to skew the nail, strengthens the pallet. Our manufacturing team shows genuine pride in producing high quality Loscam pallets.

"In the early days we used all hardwood. We had been aware for a long time, of the benefits that softwood provided but mounting pressure from our customers to provide a 'New



Generation' pallet to meet both the ever-increasing levels of automation and to reduce the risk of damage to our products, saw a change to hardwood bearers with pine decks.. We found that created 'twisting', so we then moved to all-pine construction. This has made the pallet lighter, cleaner, and as forklift drivers are now well trained and more responsible for OHS issues, there is much less damage to the pallets."



Careful selection of timber is the key to quality pallets.

While he said it was difficult to say exactly, Chris believes, with regular maintenance the life-span of a Loscam pallet was in excess of 10 years. "It's a bit like the axe. A woodcutter might have the same axe for 50 years, but he will have had a lot of new heads and handles in that time!"

CMTM started in 1976. "There was a brick company that delivered their bricks on pallets, and wanted those pallets back very quickly due to the pallet's cost," said Chris. "I saw an opportunity and from that start we made another product - potato bins. We still make bins but we needed growth, so we chased pallet manufacture. After five years of knocking on Loscam's door, we received our first order."

We expect pallets will have a silicon chip or RFID in them for tracking and when truck drivers enter plants, it will enable an automated inventory upgrade for clients

Chris said automation had demanded a more stringent, accurate standard of timber. "We have gone from making them on a jig with nail guns, to a semi-automated system and are now moving closer to a full automation. Last year, we installed a fully-automated painting and stencilling line. In September this year, we will be installing a further pallet line that will produce up to 3000 pallets per shift. Automation assists in the elimination of defects like size discrepancies, board position and overhang. This is important when robotics are used in palletising product, the pallet conforms exactly to automation expectations.

"CMTM value highly the relationship with Loscam and we are always looking at ways to improve, I think that's why the partnership has been very successful."

He said people often talk about plastic being the pallet of the future, but believes timber will still be around for a long time. "Perhaps it will come to a composite pallet, which is more likely. We expect pallets will have a silicon chip or RFID in them for tracking and when truck drivers enter plants, it will enable an automated inventory upgrade for clients receipt and dispatch of stock and pallets."

PS IN ADDITION: Loscam Wooden Pallets are maintained to the highest standards by our automated repair facilities.

For Frank the term 'partnership' is more than a platitude!

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Bickford's Australia is an Adelaide-based cordial, soft drink and juice manufacturer, and when National Logistics Manager, Frank Perrotta, speaks about business partnerships, it's more than uttering platitudes. Relationships he believes, are an important ingredient for any company. "The relationship we have with Loscam, and the Group Operations Manager, Evan Katsouras, has been forged over many years. We find the Loscam people have a personal approach, that just can't be bettered," said Frank candidly. "Their people go out of their way to assist us, and I honestly can't compare them to any other supplier!"

"We have many suppliers but none of them like Loscam. With a company like this, we have very few problems. I could phone them up after 5pm and say I need a load of pallets and I know they'd pull the stops out to help."

Bickford's is a South Australian institution and can trace their lineage back to 1839 - although in those days they were dispensing medicines of the day. It wasn't until 1874 that they got the taste for cordials and aerated drinks, and what developed was the famous Bickford's Lime Juice Cordial, which has won many awards.

"In fact, such has been the success of Bickford's cordial business, Bickford's cordials are now the market leading range of premium cordials in Australia, with strong distribution in each state."



Frank Perrotta

From the start, we knew what standard of pallet they required, and we have always maintained the strictest control so they receive the best available."



Bickford's growth has seen the Adelaide company supplying beverages beyond Australia.



Evan Katsouras (left) and Bickford's National Logistics Manager, Frank Perrotta,

Today, the company operates from a brand-new manufacturing site at Salisbury. Production occupies 6,000 sq metres with adjoining warehouse and distribution a further 6,000 sq metres. The company is currently using between 2,500 and 3,000 pallets a month, and according to Frank, the standard of pallet has steadily improved over the past two or three years.

"The quality of the pallets we get from Evan and his crew is very good, and they have to be," said Frank. "We supply the major chains and our products are going into their distribution chain on Loscam's product. The last thing we want, is a great range, on a broken pallet. The major chains won't accept pallets with missing boards as it becomes a safety issue."

Warehouse Supervisor, Nigel Willsmore, said he can remember when he first started with the company, it was a relatively small operation. "But since Angelo Kotses has been involved in the business, it has become a multi-million dollar company. We export to S-E Asia and the Middle East and are also looking at the European markets," said Nigel.

Frank said a big plus for the company using Loscam was having state representation. "If we have a problem they're here and not in head office in Sydney or Melbourne. As I said before, it's the 'partnerships' that can make all the difference."



PS IN ADDITION: Loscam pallets are designed for Packaged Goods and automated facilities.

WA Food manufacturer on expansion trail

LOSCAM

While Western Australia has a big reputation in the resources area, one of the great secondary industry success stories, has been that of Kailis & France, a Perth-based food company.

In the highly-competitive food manufacturing sector, Kailis & France is Australia's biggest contract manufacturer, supplying prepared and frozen meals, soups, sauces, and coated products to airlines, retail outlets and restaurants in Australia, Asia and the Middle East.

The company, which was established in 1974, had a senior management buy-out in 2004, which was supported by CHAMP Ventures & Foundation Capital.

With more than 1,500 different ingredients being used to make its 300 varying products, good logistics and warehousing is critical to ensure a smooth flow in and out of their manufacturing premises.



Loscam WA State Manager Barry Watson(right) discussing the next delivery with Gary Lloyd at Kailis & France.

Gary Lloyd the company's Executive Manager Supply Chain, said Kailis & France had been a Loscam customer since its inception "They provide us with plastic pallets and bins used to house the raw materials we use in manufacture," explained Gary. We also provide these bins to our suppliers.

"We would have somewhere in the order of 4,500 plastic pallets on account with Loscam, and the support and service we get from State Manager, Barry Watson and his staff, is very good. For us, hygiene is a prime consideration, and Loscam ensures that after use, all the pallets we use are washed and cleaned. Wooden pallets are a 'no-no' because of the products we make, and we can't afford to have any of them near our operation. We also advise our suppliers to supply us on Loscam plastic pallets as well."

Gary said food ingredients come to the busy plant from all over, and are stored in the factory on plastic pallets. After manufacturing, the finished products are initially stored again on plastic pallets, and then taken to a third party provider who transfers the products on to wooden pallets, where they are dispatched to markets in Australia or overseas.

"We use Loscam's HMS system for pallet control and find it good," added Gary. "And Loscam's new innovation, Loscam On Line, allows us to have access to our account 24/7, reducing the risk of lost equipment or unnecessary hire charges.

"We have mapped out a pretty aggressive growth strategy over the next three years, and we envisage that we will be doubling our production requirements."

For us, hygiene is a prime consideration, and Loscam ensures that after use, all the pallets we use are washed and cleaned."



Gary Lloyd



PS

In Addition: Plastic pallets and Bins are corrosion proof; they can be steam cleaned/chemically sterilised/hot washed. Barry Watson can be contacted on 0429 051 554.

LOSCAM

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