

LOSCAM LEADER

Healthier living makes Jalna the natural choice in yoghurt!

LOSCAM

The yoghurt market has grown significantly over recent years, and Jalna Dairy Foods is one Australian-owned manufacturer, that is exceeding growth within this category, with its unique tub-set natural yoghurt. It comes minus preservatives, additives, colourings or sugars. Jalna has been making Australia's largest range of set-in-the-tub yoghurt for more than 45 years.

Mr Patrick Morison, Jalna's Financial Controller, said the McLaren Family purchased the company back in 1978, and moved to their current production facility in 1985. "Most yoghourts bought in Australia are what we call stirred yoghurts, but we are the biggest manufacturer of yoghurt that is set in the tub."



Jalna sales executive, Rebecca Kennedy with Patrick Morison, Financial Controller and the successful new Greek Style Natural Yoghurt.

If we need anything, Loscam are there on the spot to sort problems out and that's very reassuring."

Patrick said the Thomastown site is the national headquarters, manufacturing and warehousing site. "Jalna Fat Free Natural Yoghurt is the company's biggest selling line, and a close second - amongst our 30 products - is the kilo-size Premium Vanilla."

Jalna yoghourts come in 200g, 500g and kilo tubs, as well as a couple of yoghurt drinks to round out the range.

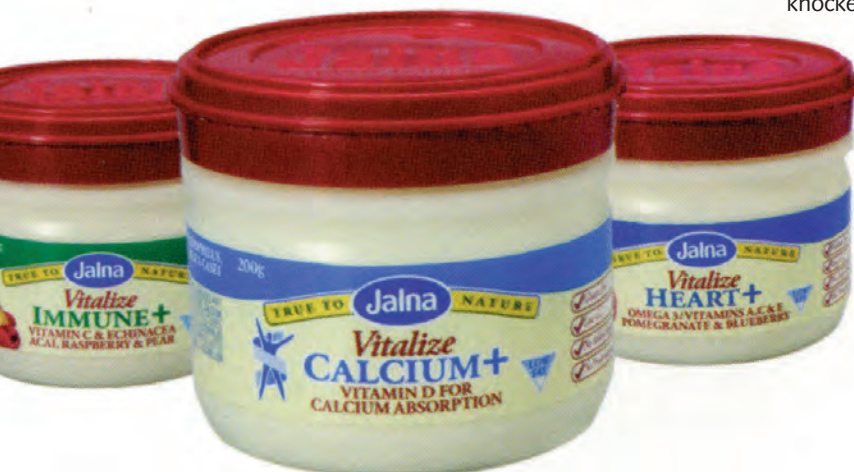
"The key to the business growth is getting the range and new products on the supermarket shelves," said Patrick.

"We have been a Loscam customer since 1994, when we decided to switch pallet suppliers," explained Patrick. Patrick said the quality of the pallets was important to Jalna, because with the new warehouse developments and conveyors, there is virtually zero tolerance of bad pallets. "If there are damaged pallets, they won't go down the conveyors and are rejected. The standard of pallet and the service over all of those years, has been very good. Naturally, there have been a few instances, but it doesn't matter what pallet you use, they do get knocked around."

Jalna also uses Loscam's HMS tracking service which has meant a lot less paperwork. "We recently had a problem with pallet tracking, but it was caused by one of the transport companies, who didn't deliver dockets back to the warehouse, not Loscam's system. If we need anything, Loscam are there on the spot to sort problems out and that's very reassuring." Patrick said the company was continually looking at new products through their QA department, and the latest 2kg Greek Style Yoghurt, has been very popular in certain supermarket chains, and gaining momentum.



Patrick Morison



A strong partnership built on Cheezels™, CC's™ and Samboy™

LOSCAM

There wouldn't be too many homes in Australia that don't have a pack of Arnott's Milk Arrowroot, Tim Tam™ or Sao™ and the famous Arnott's parrot is one of the nation's all-time branding symbols. But Arnott's makes a lot more than their famous biscuit range, and over time, they've acquired and manufactured a wide range of snack foods that have become party favourites across the nation.

A lot of these, like CC's™, Samboy™ and Tasty Jacks™, are made at their Smithfield, NSW factory, and Sean Redmond is the site Warehouse Team Leader. Sean is charged with making sure that the manufactured products are despatched to the finished goods warehouse nearby.



Forklift driver, Gary Baker, who is responsible for entering the pallet dockets into the system, Sean Redmond, Warehouse Team Leader and Elisha Hurcum, Loscam Customer Service Executive.



Finished Goods are stored on pallets and moved into the Finished Goods warehouse.



biscuit division for a number of years. "When Arnott's acquired the snackfood business about four years ago, they consolidated their pallet business with Loscam."

"I think the biggest thing I've got out of the partnership with Loscam, is the personal access 24 hours a day, 7 days a week, with somebody who will come out to my site and discuss any issue that may arise," said Sean. "Elisha doesn't shy away from a problem, because my problem is her problem and vice versa. If I'm losing pallets, it's as much a concern for her, as it is for me."

He said the plant used Loscam's HMS software and Loscam Online to track their pallets, and was emphatic that you have to have the right pallet service, otherwise you're never going to keep pace with what you're doing.

"When I arrived here, on the very first day, Elisha and I put together a plan of action and reduced our overheads. At that time, we were out several thousand pallets and got to a point three months later, where we had a surplus of three. Like any business, we do have peak seasons, and we know we can get as many pallets as we need, of the quality we need, when we need them. Quality is

"A SMART way to move snackfoods"

"We have three shifts here," explained Sean, "and I have a core team of about 15 people, which goes up to 26. The plant works 24/5, and there are peak periods as well. We have three ranges made here. Broadly, these are divided into cereal, corn, and potato-based products. A cereal product would be Cheezels; corn is used in our CC's range and from our potato line, we have Arnott's brands like Samboy and Tasty Jacks. We do variety multi packs here plus the share bags (230g and 250g) as well."

Arnott's Snackfoods use Loscam pallets to move their products, and Loscam's Customer Service Executive, Elisha Hurcum, said the company had been involved with Arnott's

PS **IN ADDITION:** Loscam wooden pallets are maintained to the highest standard by our automated repair facilities.



extremely high for us, as we have a system which uses robotics, so the pallets have to be 100% right, and if they have the slightest defect, the line won't go. For us that is a huge issue. We work very closely to reduce those kinds of issues."

Before discovering the delights of working Down Under, Sean was a Finished Goods Warehouse Manager for Kerry Foods in Ireland - one of the biggest food companies in the world. "I was Warehouse Manager for the Special Olympics when they were held in Dublin in 2003, and also worked for Guinness back in Ireland."

He said the biggest difference between the pallets he used overseas to what Arnott's use here, is Arnott's robotics system. "If you're in a finished goods environment, as long as the pallets function it's OK, so essentially it doesn't matter what condition the pallet is in. Here, because we adopt GMP (Good Manufacturing Practice), we have to make sure we have clean pallets; pallets that are well-made, and if there is any deviation from that, we talk very quickly and get results."

Sean said the whole supply chain process is relying on Arnott's Smithfield to supply goods at a certain level. "The finished goods go to our finished goods warehouse and they also expect that the pallets they receive from us are going to be of a certain standard."

Because Sean works in a manufacturing role with raw materials, they also heavily utilise Loscom Plastic Pallets. "We look after the packaging side with the robotic packers, and then the products go to the finished warehouse where they are picked for delivery."



The snackfood lines at Arnott's Smithfield, NSW factory, produce iconic brands like 'Cheezels.'

FOCUS

At Loscam we've been working SMART for years...



As a gold sponsor of this year's SMART conference, I'd like to welcome those involved within the logistics industry

from interstate and overseas. For over 60 years, Loscam has been working in Australia and for almost 20 in South East Asia, to streamline and improve the very important supply chain function of pallet management.

We are now the biggest pallet pooling company in South East Asia, and the recent opening of our Viet Nam facilities, shows the commitment that the company is making to the list of international companies using our equipment. We have gone where our clients have asked for our help. As you will see by some of the articles in this special edition of our "Loscam Leader", the diversity and breadth of clients we work for is unparalleled.

Not content to be just a supplier of pallets, bins, tubs and other systems for storing or moving product, we have developed a sophisticated software package called Hire Management System (HMS), which has been recognised by the logistic industry as a rather Smart way of keeping track of the pallets and other equipment they use. We are now on version five of this Loscam-designed initiative, and we continually seek ways to make it the most user-friendly and cost-effective method for managing our customers' equipment movements and account reconciliation requirements.

It's obvious that cost is a major concern to all customers when looking and analysing their logistics function, but as you will see when reading some of the stories in this issue, it was the back-up, support, and good old-fashioned "service" which swung these companies over to become valued Loscam customers. Our focus is on optimised service to our customers, best product quality and lowest total cost.

I look forward to meeting many of you over this important event and please drop in to our Display Booth, number 9, which is located in the main foyer, to see if we can make your logistics function a smarter way of doing business.

Grant Anderson

Monopolies are ugly said PPI Director



Keith O'Connor and Loscam representative Irene Huigens, who trained the PPI staff on the HMS tracking system.

LOS CAM

When you speak with PPI Corporation's Executive Director, Mr Keith O'Connor, you very quickly realise why the company - who may be better known for their Neta Garden Products range - decided to move its pallet business to Loscam, late last year.

"If ever there was an industry regarded with suspicion from the consumer, it was the pallet industry," said Keith. "Because there wasn't any choice. And I think that is the best thing that Loscam has done. It gives people choice. Monopolies are ugly. No one deserves a monopoly."

"Obviously, we want to see the momentum of Loscam continuing. For us there has been minimal resistance from customers. I would like to advance the story within the hardware industry, of how easy it has been to deal with Loscam. We are on the dance floor with them and we want more to get out there with us. It would make it even easier for us."

"I think Loscam has an increasing presence right throughout hardware. One of our major customers, issued a direction that they would only receive on Loscam pallets, which was perhaps a surprise to some. I think that reinforces the reality of a strong presence."

Keith said they had two main water management product streams, PPI Pipe and Neta Garden Products. "Neta has been around for a long time. Queenslander, George Alexander, started the company over 50 years ago, and developed garden hose fittings out of brass and metal. His clever little fitting was described as a neat idea - and that is where the name came from."



Keith O'Connor

"Our aim is that the bulk of our transactions will be on our Loscam account, simply because they are easy to deal with, responsive and an economic saving."

"PPI is a traditional irrigation company. We purchased the business assets of Neta and started badging all our garden hoses under the brand. Neta hadn't made a garden hose for 50 years, but it was success by association. When we rebadged our garden hose lines, sales boomed."

Garden hoses are a small part of PPI's sales, said Keith, with the whole DIY Consumer area around 20% of the company's total business. The rest is farm products and water pipe. "We supply over 50% of Australia's corrugated and drainage pipe, a large amount made from recycled milk bottles. So it is good for the environment and a good use for recycled plastic." The company also is a big supplier to the mining and gas industries with pipe up to 800mm. "We have also been involved for a number of years supplying piping in various sizes, for the Great Artesian Basin."

All PPI products are Australian-made with the biggest factory at Geebung in Brisbane, employing around 200. There is a factory in Adelaide, Perth and NZ, and a small corrugated pipe plant in Carole Park in Brisbane. Another subsidiary company manufactures filtration systems.

With the change over to Loscam, PPI embraced Loscam's HMS system with training undertaken by Irene Huigens. "There are five or six DCs around the country, and all of those people had to be trained in the software system. And in every case it has proved to be easier than what they were doing," said Keith.

"Changing your pallet company, is like changing your bank," said Keith. "Our aim is that the bulk of our transactions will be on our Loscam account, simply because they are easy to deal with, responsive and an economic saving."



Neta has a new range of Rainwater and Greywater Diverters and Diverter Hose.

"SMART Australian manufacturers are still here!"

PS IN ADDITION: Loscam has increased its acceptability throughout the hardware industry by providing very competitive rates. So whether your company imports, distributes or manufactures, chances are we can save you time and money. Contact your local representative on 1300 309 930 or log on to www.loscam.com

Dusk glows with success

LOSCAM

From relatively humble beginnings some seven years ago, Dusk has become the household name for those seeking that “something different” decor experience. Founded in Perth, the company was purchased in 2004 by the Brazin group that incorporates Sanity, Virgin, HMV, Diva, Inglot and Bra’s N Things. According to Warehouse Supervisor, Tanya Horsten, who has been with the company for six years, the founders originally started Dusk in their kitchens making candles and it gradually took off. “They moved to a small warehouse in the suburb of Belmont in Perth and as a result of continual growth we are now in our fourth warehouse,” she said.

“The candles are still manufactured in our Perth factory and are then forwarded to our warehouse. From there we then distribute to our 56 company stores across Australia. In addition to the stores we also have a very successful online purchasing service. There is a seasonal aspect to the business with colours, styles, trends and scents, however Dusk is really the place to shop at any time of the year. It is also the perfect place to shop for gift solutions.

“We hand-pour virtually millions of candles a year and source many home décor products from within Australia and beyond. With the high demand for our product, we have a significant output level through our warehouse, that naturally, peaks in the key trading periods including Christmas and Mother’s Day.



Dusk has a wide range of colours, styles and scents in candles and home decor items.



Tanya Horsten the Dusk Warehouse Supervisor, said they send product to the company’s 56 stores, and they’re really happy with Loscam.

“We were using the ‘other pallet company’ before the change to Loscam but have never looked back.

“I deal with Marion Chalwell, and if I have any problems trying to sort out an issue, I know I can give her a call.” Tanya said the company had embraced Loscam’s HMS system, and she said that made it even easier to track the pallets used. “Before Loscam, we had to do everything manually but having it all on a computer is so much easier. The relationship has really gone well. When I started here, we had just three stores in WA and two stores in the eastern states. Now six years later, we have grown to 56 stores with more store openings planned.”

Dusk candles a SMART new addition in decor

PS IN ADDITION: Loscam has a National network of depots to ensure products are available where and when you need them. To find the depot nearest to you call 1300 309 930 or visit www.loscam.com



New DC shows great confidence in the future

LOSCAM

The move by Danks into a brand-new Distribution Centre in South Dandenong, Victoria, was a good news story for those staff who had been working at the company's Braeside facility. Danks' General Manager, John Tregaskis, said their new 12,000 sq metre centre is continuing proof of the company's confidence in the future, and the growing strength of Danks and its Groups.

"The new DC is home for all imported and promotional products for VIC/TAS/SA/NT, and has been completely fitted out with new racking and dedicated RF picking throughout," said John. "The site also comes with a good docking area for the unloading of containers, and the building is right on the edge of Melbourne's growth corridor, close to the freeways which exist and which are currently being built."

In addition to a state-of-the-art warehouse facility, there are also office facilities accommodating the VIC/TAS staff. The move to these modern and expansive premises, enabled Danks to vacate their warehouse at Redwood Drive Dingley plus a third party warehouse storage at Laverton. "We see this new premises delivering us improved customer service levels for all our members, which has been a constant theme of the company over the past 18 months," said John.

**"SMART
warehousing
saves
thousands"**



The new Danks Distribution Centre at South Dandenong ready for stock.



The site has a good docking area for unloading.

PS IN ADDITION: Loscam has an extensive range of storage options to suit any application - wooden pallets, plastic pallets, mega bins, Gpaks.

Asian

LOSCAM LEADER

P&G Viet Nam busy expanding the FMCG market

LOSCAM

P&G's Distribution & Service Manager for the Binh Duong warehouse, Mr Nguyen Minh Thong, has a busy job keeping brands like "Head & Shoulders", "Pantene," "Camay" and "Tide" moving from the manufacturing plant at Binh Duong in HCMC, to the other warehouse in Hanoi and customers all over the country. "P&G has been in Viet Nam since 1995," Mr Thong said, "and not only do we supply the Vietnamese market but we export product as well."

"Currently, we are using Loscam pallets to supplement the ones we have ourselves, and P&G is a Loscam customer in other parts of Asia, so we know what they can do for us. Suppliers transport using their trucks, and we work with a logistic provider in loading trucks or containers, which are then distributed to our customers. It will be good if we can send pallet loads of product to our distributors, and have those pallets returned to us through their pallet pooling system."

"In this main warehouse, we have steel racking which can hold nearly 20 thousand pallets, of which, about 20% are Loscam's, to cover fluctuation periods. The Hanoi warehouse is replenished from here by road or sea."

Mr Thong said that P&G has a rotation policy for its executives, and over the period of time he had been with the company, he had been involved in Operations, Warehousing, and other parts of the business. "Year-on-year we undertake cost analysis of parts of our business and make decisions on where we are going to go with it. That includes things like pallets."

He said pallet loads of product leave the warehouse every day for distributors who sell on to retailers. "Our pallet controller undertakes the control of the pallets, and if they are damaged, we have a pallet repairer. We export to the ASEAN countries and these exports are all made on pallets. We have found that Loscam pallets are very good, and the quality is very high. We have had examples where we have been able to fit between 1.5 and 2 tonne on them."



Mr Nguyen Minh Thong, Distribution and Service Manager at the Procter & Gamble Binh Duong warehouse in Viet Nam, which supplies P&G product nationwide and for export.



The range of well-known P&G haircare product "Pantene" on the shelf in Ho Chi Minh City, Viet Nam.

Consul General sees **big future** for **Aussie companies** in Viet Nam

LOSCAM

The Australian Consul General to Viet Nam, Mr Mal Skelly, officially opened Loscam Limited's new Viet Nam operation and told the "Loscam Leader" that he saw a big future for Australian companies in the country. "I've been here since September 2005, and the changes I've seen are more than dramatic," said Mr Skelly. "Now that Viet Nam is a member of the WTO, a lot of companies who may have been hesitant about setting up operations before, can see the Vietnamese Government is serious about attracting investment."

"This is particularly important for Australian investment, as our strengths tend to be in services and sophisticated manufacturing. The largest Australian investment in Viet Nam is by BlueScope Steel, and other significant companies represented are Santos, ANZ Bank, QBE Insurance, RMIT, as well as a number of other legal, architecture/design and education services providers. Joining the WTO has meant the Vietnamese have to substantially rewrite their investment laws, and we are in a transition period, where the Government has introduced the legal framework at a macro level, but there is still a lot of work to be done at the micro level. I saw a report recently, where the Government Ministers have asked the bureaucracies to address these issues very quickly."



Mal Skelly

“the fact that Australians like Vietnamese and the Vietnamese like Australians, is a good basis for doing business.”

He said education was a very big sector for Australia. "Education has always been very important to the Vietnamese people and Australia is the biggest provider of overseas education in Viet Nam, which is growing at around 40% per year. This does not take into consideration RMIT who have built their own international campus here."

He said Australian tourism was another growth area, with more than 140,000 Australians visiting Viet Nam last year, some on their third or fourth visit. "It's relatively safe with an identifiable culture, and while the service levels may not be as high as in some other parts of Asia, the locals do their jobs with a smile. Australians find that the Vietnamese people absorb things quite quickly, and are reliable and friendly. And Vietnamese like Australians because we have been providing aid to the country as far back as 1973, when the war was still going on. We came here to help rebuild the country and the people here have long memories."



Consul General, Mal Skelly,

"The Australian business presence in Viet Nam is still focussed largely in the southern provinces of Viet Nam where economic growth rates of HCMC and surrounding provinces have consistently outpaced the national rates for the last five years. Provinces like Binh Duong, where Loscam has chosen to base itself, have been particularly successful at attracting foreign investors through establishing well-resourced industrial parks and zones with streamlined investment application procedures."

He said, however, there were still a number of issues relating to the business environment that Australian business and government regularly discuss with Vietnamese authorities. For example, at a recent meeting of foreign Chambers of Commerce, three main issues were identified as ongoing concerns of foreign investors: weak infrastructure, including power, roads, ports, bridges, traffic management and waste management; lack of clear, transparent, predictable legal and administrative frameworks; and corruption.

"With the growth that has and is taking place," said Mal Skelly, "Viet Nam is a country with a very bright future!"

Matahari supermarkets embrace the latest **logistic technology**

LOSCAM

Matahari may conjure up images of a World War I female spy in the west, but in Indonesia, they are known as one of the fastest-growing retail operations. The parent company employs 16,000 people, can be found in 50 Indonesian cities and deals with 6,000 suppliers. Keith Dolling, the Supermarket Distribution and Logistics Director, who's Jakarta based, said Matahari's Supermarket division flows across three main areas. These are hypermart outlets, supermarkets, and the smaller mini-markets.

"Our compact hypermarts are 4,000 sq m in size and bigger, and our specialty is developing those in Indonesia," explained Keith. "Over three years since I joined the group, we have opened 28 hypermarts, and are opening 10 to 12 and sometimes 15, per year. Sometimes it's difficult to meet that target, but our target is 15 per year. The parent company is publicly listed, and controlled by Lippo Group. They are into broadband communications, family entertainment centres as well as department stores."

Keith spent 16 years with Coles in Australia before setting up TNT's logistics operation in Indonesia. "After TNT, I went to Malaysia with TOPS supermarkets and spent four or five years there prior to it being sold to Dairy Farm Group."



Matahari's Kelapa Gading Hypermart store in North Jakarta.

Keith said the company currently had three warehouses. A general merchandise Distribution Centre, which has 26 to 28,000 sq m in Belaraja; a grocery food DC of 11,000 sq m in Cakung, and a freezer/chiller/fresh DC of 7,500 sq m, situated at Cibitung. The general merchandise warehouse uses its own pallets, whereas the food warehouse is using Loscam pallets. As Matahari lose, damage, or wear-out their existing pallets, they will move all DCs to Loscam's pallet pooling system.

He said one of the fascinating things about Indonesia, is the speed of going from extremely old-fashioned methods to extremely modern. "The Australian, US and UK logistics scene has developed over a period of time. And most of the Asian countries had stayed at a very low level of technology. Then in come people like myself, who implement current state-of-the-art technology. So the Asian people jump from basically nothing, to the latest high-tech processes. They don't go through the developmental steps. Initially, it's difficult to take them to that level, but once they move forward, there is no looking back."

"The Loscam story for me, started in Malaysia with TOPS, when I opened a centralised distribution operation in KL. Deliveries were loose-loaded on trucks, and taking a huge amount of time to unload. We had warehouse racking using pallets, so that involved double handling for us.



Matahari Supermarket Logistics Director, Keith Dolling with Loscam's Country Manager - Indonesia, Zulhizar Hasibuan.

Suppliers sent their goods in varying sized trucks, then we had to put this onto pallets for racking inside the warehouse. So, we started working with Loscam, to get our major suppliers to deliver on pallets. That was successful with the six or seven major suppliers, and it certainly streamlined our operation. We could get a 40ft truck on the dock at 7am and have it out by 7.30. Previously, it would have taken three hours to unload. The benefit was tremendous, both for suppliers, because they could get their truck turned around, and for us, a reduction in manual labour."

Keith said he wasn't as successful with the smaller, local suppliers, being very much of the old school. "Major suppliers we could generally move forward, by saying that it was our requirement. In Indonesia, we are one of the biggest retailers and are growing at more than 40% per year. So suppliers sit up and take notice, if we want to do something. We've palletised Indonesia very quickly."

He said they collaborated with the multi-nationals first, then persuaded large local companies of the benefits of pallet delivery. "One of the biggest issues in Indonesia, is transport fragmentation. It's very difficult to get savings out of a transport company that is running old trucks. They run them 'on the smell of an oily rag'. But in some cases, we have suppliers now using larger trucks and more frequent deliveries."

"Loscam's pooling system, allows pallets to arrive from a supplier and to transfer them without having to return them. However, the issue of palletisation generally, hasn't moved forward very much. In Indonesia and Malaysia, most people have their own pallets, and have difficulty keeping control of them. Whereas Loscam's pooling process allows us to say to the supplier: 'pallets you deliver to us, you get the paperwork for, and then you don't have to worry about them anymore - we'll take care of them'. They don't lose their own pallets, and they know they will be transferred across to our account. We return them to Loscam and it's a much cleaner, more efficient operation."

Matahari also uses Loscam's HMS system, and Keith said it was another attraction. Loscam trained their people and everything is much smoother.

And the next 18 months? "Matahari supermarket division will continue to grow, maybe at 35% a year, and we are putting a DC into Surabaya and consolidating some of our Jakarta operations. That will then create another need when we transfer merchandise into Surabaya, for on-shipping. We will palletise and transfer on pallets, which will speed up our operations dramatically. We're also developing larger hypermarts, which will have back-door access, and palletised delivery direct into stores. Most of our shipping around Indonesia is by ship or by container where we are not utilising pallets, but using our own trucks, we will achieve palletised delivery."

New Philippines GM out to change distribution culture

LOSCAM

The new GM for the Philippines, Jade Posadas, likes a challenge. She must, as she's taken on the tough task of changing the way Philippine businesses have used pallets since goods were moved on planks of wood. "Before joining Loscam, I was retired for three and a half years, playing a lot of sport and rejoined the workforce because of boredom," said Jade. My previous role as Senior Vice President for Air Freight, was selling service, rather than a concrete/visible product - selling systems, procedures, and making them reliable and seamless.



The Loscam Philippines team has been expanding recently, with new staff positions in Sales, Customer Service and Operations.

"With Loscam, we have something to show - a pallet. On top of that, we have to show the advantages of hiring this pallet. Customers tend to look at pallets as being something minor. Even though it's a major use for them, it's just a pallet." Since taking up her position, Jade has recruited six women, in Customer Service, Sales, and an Operations Manager.



The warehouse team in the Philippines know the importance of good quality pallets.

Jade said pallet-pooling in the Philippines hasn't been popular because retailers traditionally have not been charged for pallets. It's always been part of the supply of goods. "So telling them now that they have to be accountable for pallets from the manufacturer to themselves, meets with resistance. A typical response is: 'Before, I was getting it for free.'

"I've spoken to some manufacturers about how to drive it through to retailers. But they know it's difficult, as retailers won't accept this concept. We have suggested an incentive for retailers but there is concern that this would become permanent. So these issues are hindering us.

"In our market, one company driving pallet-pooling is Unilever. We are starting a pilot project with them (Phase 1), involving their suppliers and third-party manufacturers (TPM), rather than retailers. We're setting up our HMS system and running this to their suppliers and TPM sites. Once in place, pallet control will be evident and people made accountable for them. Unilever is pioneering it within the industry, and if that's successful, it will roll out Phase 2, involving the trade/retailers. Unilever and Loscam are determined to make it work and it will then be offered to other customers in the same industry."

LOSCAM

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Thailand's surging economy is just what Somsak loves

LOSCAM

When you are the National Sales Manager for the biggest pallet company in Thailand, it's always good to see the economic indicators going upwards. That's the picture that Loscam's Somsak Nattakrannuwat has been facing since being appointed the National Sales Manager.

After studying at Ramksam University, where he majored in Marketing, Somsak worked as a securities broker riding the vibrant Thai Stockmarket for about four years. In 1998, he moved to Loscam as a Sales Representative, which was a total change for the young businessman. "After I joined this business, I saw its potential," he said, "with excellent future prospects. In 1999, we had achieved 300,000 pallets on hire and now, I have been here eight years, and we have more than 1.5 million pallets on hire."

Somsak said one of the problems he initially faced, was explaining the pallet-pooling concept. "At that time, it was difficult. We had less than 50 customers and it took a lot of persuading to show customers how they could get benefit from pallet-pooling. But through persistence and hard work, we now have more than 400 customers. It shows how well the business has grown."

He said after customers had been using the pooling system for 12 to 18 months, they often commented what an improvement Loscam pallets had brought to their business. "Our business can really help them to improve their service to their customers, because it is time-saving, it saves product damage, and is very efficient. We have four salespeople in the team and we want to recruit more. We still want to expand our market and I am confident that our



business will grow as more customers in Thailand see the benefits of what we offer."

Somsak said the pallet business in Thailand had changed since he moved up from sales representative to National Sales Manager. "The company has really given me the opportunity, and I think we can do well and expand our hire pallets beyond the two million mark."

Loscam upgrades its pallet repair facility in West

LOS CAM

A brand-new Tri-Level transfer pallet repair system, has been given the green light for Loscam's Perth operation. This, according to Loscam Group Operations Manager, Evan Katsouras, will not only mean the most modern pallet repair unit in Australia, but also will vastly improve and maintain the high standard that Loscam pallets are known for, in the logistics business.

"This is a totally new system," said Evan, "which requires additional space but won't require additional pallet sorting lines. The pallets are sorted, and pallets that need repair will go through to the repair stations via the Tri-Level system, which has the ability to put them back into the main line and feed them into the stackers as finished product. This means quality inspection is greater, the end-product is of a better quality and gives increased productivity."



Evan Katsouras

...It is because of these changes, that we are investing in ensuring that pallets carrying the Loscam name, are the best possible product."

He said the new system was the pallet repair system of the future, and will enable Loscam to step up into a fully-automated process. "Inspection will all be done via cameras. It's a totally Australian invention, with R&D work and manufacture being undertaken here. Perth will be the first state where the basic semi-automated system is installed, and if it's successful - which we believe it will be - Wetherill Park in Sydney, will be the next Loscam depot to be fully auto upgraded."

Evan, who has been with the company since 1981, except for a period of time when GE owned Loscam, returned in 2003. "As a Group Operations Manager for all sites in Australia and Asia, it is my responsibility to seek

"SMART way to repair pallets"



Group Operations Manager, Evan Katsouras, said the new Tri-Level pallet repair system uses automation to give better inspection and a better quality end-product.

out ways to improve our pallet quality and productivity," he said. "Each time we open a new branch, like the recent Viet Nam opening, it is my job to make sure that the repair side and pallet purchasing is right, and that clients can expect the same standard wherever they operate."

He said there was a growing awareness by clients that just any old pallet wasn't good enough in today's highly-technical warehousing operation. "The mechanisation of DCs like Woolworths' Sydney and in Brisbane, has changed the whole landscape of delivering goods on pallets. It is because of these changes, that we are investing in ensuring that pallets carrying the Loscam name, are the best possible product."

The Perth Tri-Level pallet repair transfer system will be operational by the middle of August.

PS

IN ADDITION: Did you know that Loscam's (New Generation) pallet has 87% deck coverage and is up to 15 kilos lighter than hardwood pallets.

Brisbane-based company doing its utmost to keep our water flowing

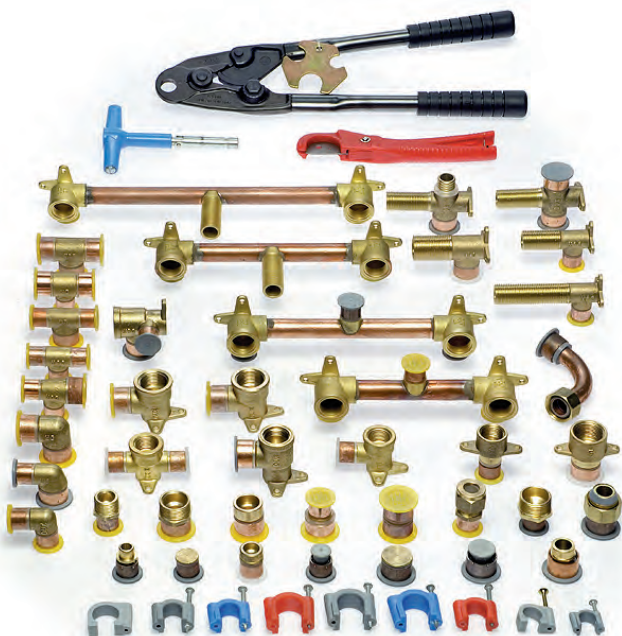
LOSCAM

When it comes to the problems of Australia's long-running drought, no company knows more about that impact, than Brisbane-based Aquadux. They are synonymous with the distribution of bathroomware, plumbing and drainage products sold throughout Australasia.

Established in 1936 by Ernie Christie in New Zealand, Dux Engineers as it was originally called, focused on metal fabrication and engineering. Since then, marketing initiatives into new export areas continue to drive business expansion and have further developed Aquadux into a successful company in its own right. In 2006 the Aliaxis group acquired Aquadux and since the acquisition Aquadux has continued to grow in the plumbing arena.

Marketing Services Manager, Lisa Moricz, said: "Aquadux has a bright future with the introduction of new products in the immediate future. Aquadux is a leading distributor of sanitary ware, Grease Converters, Waterless Urinals, plumbing systems, stainless steel line drainage, couplings and Rain-water products and is one of Australasia's best known suppliers to the plumbing industry with a focus upon water management and the environment.

"What I like about Loscam is their attitude. They have a customer focus, which makes all the difference."



The Aquadux warehouse is busy all the time and ships a lot of bathroomware and plumbing products.

With headquarters in Queensland and Sales & Distribution nationwide, heading-up the distribution side of the business, is National Inventory Manager, Paul McKenna. "We've been using Loscam for about two years now," said Paul. "And what we look for in pallets is a good clean unit, that's easy to stock and store, and which can carry our products to our customers.

"What I like about Loscam is their attitude. They have a customer focus, which makes all the difference. We do have a few of the competitor's pallets from time to time, but we prefer Loscam. I had some experience with their competitor at the last warehouse I was at. When I came here I had a number of issues that I wanted addressed. They weren't, and that brought about the change to Loscam."

Paul said the warehouse was fairly small as warehouses go, but was busy all the time, with a lot of product being shipped to plumbing merchants. We asked Paul if he was happy with Loscam's pallets and service and his quick reply was: "I'm really happy with them."

Over the last 40 years Dux products were distributed and marketed by Plumbers Limited, the partnership culminated in the two companies combining in 1996. The combined company Dux Industries Ltd is now focused on being a world competitive force in plastic plumbing products. Aquadux Pty Ltd was created in Australia in 1989 as a wholly owned subsidiary of Dux Industries.

Aquadux covers a wide range of activities in the plumbing field, combining teams of specialist talent with a sophisticated distribution system backed by customer commitment.

Aquadux markets a wide range of products to the plumbing trade.

"It's essential to be SMART with water"

PS IN ADDITION: Your product is important to you and it's just as important to us. Loscam has a range of products to help distribute and store your product. To find out more log on to www.loscam.com and click on the products tab.



Win your choice of Kärcher products*

Visit us between June 20–21 at Smart 2007 Conference, Booth 9, Parkside Foyer, Sydney Convention Centre, Darling Harbour, Sydney.

Loscam and Kärcher both strive to make an environmental difference in Australia through smarter product development.

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Entry Form

To find out more about how Loscam can provide Logistic Solutions for you and your company, simply place 'x' in the box for each product that is of interest to you and complete your details below.

- | | | |
|--|---|--|
| <input type="checkbox"/> Loscam Wooden Pallets | <input type="checkbox"/> Loscam Plastic Pallets | <input type="checkbox"/> Loscam Collar Surrounds and Collar Lids |
| <input type="checkbox"/> Gpak Freight Module | <input type="checkbox"/> Loscam Produce Bins | <input type="checkbox"/> Hire Management System (HMS) |
| <input type="checkbox"/> Loscam OnLine | <input type="checkbox"/> Other (please specify) _____ | |

Title _____ First name _____ Surname _____

Position _____ Company _____

Telephone _____ Facsimile _____ Email (please print) _____

- I would like a Sales Executive to contact me. Please send me product information. Subscribe to Loscam Leader newsletter.

Prize draw on 21 June 2007. Winner will be notify by phone and email.*The products to choose from is a HD 6/15 CX high pressure cleaner cold water compact class value at \$1790 excluding GST or a Sweeper KM70-20 value at \$890.00 excluding GST. This offer is for either one of the two units NOT both, the Winner may choose which prize they wish.

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Mainfreight's unshakable beliefs has made them a major supply chain company

LOSCAM

When two New Zealand businessmen - Bruce Plested and Neil Graham, decided to create a trucking business, they knew they had to be totally different to the competition that was part of the highway trucking scene. So they came up with two unshakable beliefs, which if not set in stone, is paramount to the culture that flows through Mainfreight offices.

Those beliefs were at first instance simple: "The only way to keep ahead of our competition is by the superior performance of our people," and "The only measurement of superior performance is how the customer perceives us?"

Mainfreight listed on the New Zealand Stock Exchange in 1996, and the business has grown as the whole logistics, warehousing and freight forwarding, has developed and as information technology has shaken the old-fashioned moving of stock, by the throat.



Loscam Customer Service Supervisor, Michael Gorman and Debbie Rawiri with Mainfreight truck driver, Cos Franco.

The great thing that I personally get out of dealing with the Loscam people is their attitude towards service. I really like the fact that we have developed a business relationship..."



Debbie Rawiri

The company has been in Australia for approximately 18 years, and the "LOSCAM LEADER" spoke to Ms Debbie Rawiri, the company's Pallet Controller in Sydney, just recently. "We have a nationwide network of Mainfreight branches and agents to deliver a first-tier express door-to-door LTL (less than truck load), distribution service anywhere in Australia, along with a fleet infrastructure of over 200 owner-driven and immaculately-presented van, truck and trailer combinations across Australia. We also have the ability to provide specialist brands (such as international freight forwarding), that offer solutions and add value to different components of the supply-chain," said Debbie.

"I've been a team member of the Mainfreight family for a few years and Loscam has been supplying pallets to us for some time. The great thing that I personally get out of dealing with

the Loscam people is their attitude towards service. I really like the fact that we have developed a business relationship, where I can ring with any issue and know that my rep. or a Customer Service person at the state office, will help sort out any problems."

Debbie said the company uses Loscam's HMS pallet tracking system, which she found easy to use. "Well, it is self-management, and I can enter all my data in, as opposed to sending paperwork by post, which can be lost or misplaced," she said. "We've had it in for about 18 months and using a system like this, increases the amount of time I have to do other things."

She said the HMS system allowed her to reconcile on a day-by-day basis. "I find with pallets, that it has to be like that. A week later and it's too late. Pallets can then be lost and at \$33 each, it doesn't take too many lost pallets, to really cost you money. We only use wooden pallets, though we do have customers who use plastic pallets and bins.

"We're happy with Loscam's pallet standard and haven't got any complaints. They are well-accepted, and we are getting quite a lot of queries from people, asking us about using Loscam. As a Pallet Controller, the main thing you require is good service and access to someone who can solve any query in a timely manner.

"Good service is always SMART"

LOSCAM Online

LOSCAM

Loscam Online is a secure Extranet application that allows Loscam to share data with its customers. The system includes transactions, account balances and customer documents and provides simple 24/7 Internet based access to account information.

Customers are able to see current and historic transactions relating to their accounts including scanned images of paper documents. Customer invoices and statements are available online and may be printed or saved for later reference. Invoices may also be downloaded to an Excel spreadsheet to allow further analysis.

Additional account information is provided in a graphical format allowing customers to quickly see account details and trends. This information includes a 12-month rolling analysis of equipment movements. All transactions onto and from accounts are displayed with details of hire charges applied.

Balances of equipment and outstanding debtor payments provide customers with timely account information. Customers who use HMS may also directly download mark-off files to allow processing of their electronic account reconciliation.

PS IN ADDITION: Loscam continues to provide exceptional levels of service by listening to and understanding our customers' needs. 'We're there when you need us'.

Stoneage Ceramics has the world hungry for their designs

LOSCAM

While West Australia is known to the world for what comes out of the ground, one Perth-based company has been successfully exporting their designs for dinner, table, and ovenware, forging markets around the globe. The company, Stoneage Ceramics, was formed some 15 years ago, with the idea of undertaking the design component of their three brands in Perth, but having the actual products manufactured in China.

Each of the brands - Essence, Living Art and Basic - appeals to different segments of the market. It is because of this attention to satisfy the needs of the market, that the company successfully exports to the international markets of USA, NZ, South Africa and the United Kingdom.

Warehouse Manager, Brian McDonnell, has been with the company for eight years. "When the samples are approved by our designers and management, they are sent back to China and turned into product," explained Brian. "We then receive the stock in containers and this is then broken down and shipped across Australia to stores on Loscam pallets. Some of the better-known stores that carry our range include Harris Scarf, David Jones, Big W, Myer, Spotlight, Target and House chain stores. We also sell to smaller homeware outlets as well.

"I've only been involved in logistics since I joined the company. At that time, the warehouse would have been just a third of what it is now. It's grown from there. We would be receiving around 250 containers a year. Loscam WA State Manager, Barry Watson, called when the company was using the opposition. Now, Loscam is the major supplier and has been, all the time I've been here."



Brian McDonnell, Warehouse Manager.



"We have their HMS system in, and it's very simple. It's just a matter of counting the pallets, which we do mostly with Startrack, and putting it forward at the end of the month."

Brian said he couldn't complain about the service and the standard of pallet is very good. "We have their HMS system in, and it's very simple. It's just a matter of counting the pallets daily and it electronically transfers the information to our receiving account. Most of our transfers are with our major freight company, Startrack Express. Data is then forwarded monthly to Loscam. As the warehouse has grown three or four times over those eight years, the number of pallets we've needed has grown.

When we have needed pallets it's just a phone call and the pallets are there the next day."

He said Stoneage brings out new designs every six months, and there would be 40 to 50 different styles across their ranges.



"SMART Australian designs - never out fashion"

LOSCAM

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PS IN ADDITION: Loscam's Hire Management System (HMS) enables you to manage your Loscam pallet movements and any other asset that moves through your supply chain. For a demonstration contact Customer Service on 1300 309 930 or log on to www.loscam.com