

# ***RISE & SHINE***



# ***@YCH***

# The Road to rise @ ych

*From the humble beginnings of the company 50 years ago, YCH has built-up a rich heritage, and a distinctive legacy of achievements in logistics and supply chain management. In moving up the value chain, from transportation to Integrated Logistics to SCM, YCH Group has since evolved from merely moving cargoes in the past to building supply chain networks, creating business modelling strategies & tactics, managing and integrating physical flow, information flow and financial flow today. YCH has successfully transformed itself into a professional, multi-discipline (business consulting, engineering, financial modelling, risk, etc), knowledge-based business where ideas and solutions thrive.*



In line with our Golden Jubilee Celebrations over the past year, we embarked on a major revamp to our Corporate Headquarters, so as to more accurately reflect our transformation to a knowledge-driven organisation, as well as to provide a more conducive environment, encouraging interactions and building relationships between customers, visitors and YCHees.

Despite being 50 years young, our rejuvenated and invigorated spirit perpetuates, as we continuously progress and strive to stay ahead of the game. And it is with this perspective that we welcome you to the new rise @ ych, a dynamic environment to constantly inspire us to pursue greater heights in Supplychain, with and for you - *where supplychain connects™*.



## Why rise @ ych ?

### Values & Philosophy

The YCH Corporate Philosophy has remained relevant through the years. Depicted by the Chinese Word 升, or 'RISE' (in English), which is the acronym that represents the core values of Reliability, Integrity, Sincerity & Enterprise. These values are very much incorporated into the business, so that the organisational culture is consistently cultivated in every country that YCH operates in, and in every person that is part of the YCH family.

These qualities and attributes have culminated into a very unique corporate culture, that sets YCH Group apart from any other organisation in its specialised and niche professional services industry. The design and ideas for this project had to encapsulate and communicate the distinct "YCH-factor" into a seamless, vibrant, and stimulating environment.

Thus, the Corporate HQ is aptly named rise @ ych, after the YCH Corporate Philosophy. This is meant to manifest and represent the essential attributes of the organisation, embodied by the uniquely shaped and 'rise'ing structure. As the focal point of the flagship operations, rise @ ych is a symbol that will strengthen our belief and resolve in the underlying philosophy of the organisation, on our continuous journey to RISE above the challenges ahead.

*Coupled with a unique flavour in applying materials to bring more liveliness and vibrance into the work environment, the intention is to create a conducive and dynamic environment, for which to imagine, innovate and inspire.*

## Aesthetic Design & Themes

This unique identity or hybrid distinctiveness of what is YCH, needed to be adapted and applied throughout the organisation. To encapsulate and quickly establish this unique identity and brand that is YCH which can be felt day to day, meant that the design considerations and general theme must be one that does not subscribe to fleeting trends, but is a unique, elegant, and quietly sophisticated one that can remain relevant and going forward. Because of our unique heritage, a mixture of elements, textures and inimitable blends of distinctive materials is applied (e.g: glass for clarity and spatial brightness, wood for heritage and practicability, and metal for high tech innovative feel).



### Exterior

When conceptualising and naming the Flagship facility YCH DistriPark (YCHD) more than a decade ago, the intent was to create a "Park" ambience unique to the otherwise Hard environment of trucks, warehouses, containers, cargo, etc. YCH has since already developed a highly efficient and operationally excellent 7.8ha Logistics facility at 30 Tuas Road. With state-of-the-art warehousing technologies such as ASRS, and specialised facilities like the VNA operations, Clean Rooms, Cold Rooms, Temperature & Humidity-controlled facilities, YCHD is a world-class logistics facility for world-class customers.

In sync with the process of revitalisation and to accurately represent our knowledge driven environment, the external environment needed to be transformed into a place where informal and comfortable pockets and areas for guests and staff to step out of the office for a chat or a break amidst pleasant 'park' surroundings exists. The creation of an 'Al-Fresco' deck area with standing tables and bar stools were introduced to instil a more relaxed and resort feel. Merged with the shade provided alongside trees, the plant varieties and the floral backdrop, the park ambience was achieved quite effectively. Also, distinctive elements (ie: in the form of signature colours, materials used, etc) introduced to the landscape, signify and capture the essence of the organisation and its business, as a symbolic representation or signature theme which would be carried out across all our facilities as far as possible.

### Guardhouse

The new guardhouse structure needed to transform itself, in accordance with the critical role of security in which it serves. Housing cutting-edge integrated applications of web based CCTVs, serving as the hub for monitoring and inspection, as well arguably being one of the first to adopt RFID (Radio Frequency Identification) as a security management technology in its premises, the rationale for the design of the Guardhouse needed to be prominent and distinctive as it fronts the main entrance. With a high Gull-wing roof, and a Mezzanine type of structure to accommodate and process vehicles of all types and heights, and visitors from all over, the new guardhouse strikes the observer as a highly visible structure that greets guests who enter the YCH domain. The Guardhouse maintains a fine balance of functional and aesthetic aspects, presenting an imposing, yet affable front.



**rise@ych**

YCH's business involves integrating and managing the physical, information and financial flows of our customer's businesses, on a much more sophisticated and higher value-adding level. In this respect, the fluidity and dynamism of the business needs to be reflected in the physical exterior and external façade of the structure. We wanted to incorporate more vibrant and distinct signature colours and fluid lines and shapes to the building, moving away from block-like, box-shaped, archaic and conventional shapes and ideas. This is also in line with projecting the company's flexibility, scalability and versatility, in the broader schematics of the YCH visit and experience. Water Features are also prominently introduced into the environment, to signify the vibrancy, dynamics and fluidity of our business.

*The business of YCH Group has undergone radical transformation and revolution. As such, we needed to communicate and allow all visitors to YCH experience how we have redefined our business and the industry to what it is today.*

These elements combined, provided significant and radical value-creating change to the total effect and transformation of the HQ development, that will contribute to the fulfilment of our vision for YCH Group and strengthen our position as a key SCM Hub in Asia Pacific.

**Bridging The Exterior and Interior Through Fenestration**

**Outlook – invite the landscape to fenestrate the interior, blurring the edges for a more cohesive, calm environment, with sufficient daylighting to the interior for healthy growth.**

This newly inserted space to the existing building block is intended as a formal reception to all guests as well as staff members of YCH. Being the headquarters, it is necessary to portray a corporate image deemed compatible to the demands of being a multi-national organisation upon every visit. Other than the guard-house, this lobby acts as a security point, pivoting all transactions and thoroughfares to the rest of the working spaces. Greeted with clean spaces and lines, as well as the deep dark tones of lava-stones as floorings, guests will be able to feel the openness with the double volume reception. Also, the intensity of corporate culture is amplified by introducing the board room with cutting-edge technologies (such as the media centre and smart office applications), as well as inviting meeting rooms and waiting areas around the reception area. On the other hand, a balance for a relaxing experience may also be found at the outdoor terrace and the staff area where a certain degree of casualness is encouraged.



In contrast, the space allocated for daily work is highly flexible. It accommodates both the diversity of new working necessities and the ever-changing technological needs related to its creation and integrity. The spaces are designed so that they can be constantly relocated and reconfigured, depending on user needs. Various zones are distributed around the main centralised interactive area that is further emphasised by the overhead skylights. Courtyards are inserted to accentuate daylighting to complement the internalised conditions of the existing interior. As the quality of light changes gradually throughout the course of the day and month, the perception of space over time transforms the interior quality, allowing the staff to anticipate diversification. This perceived ambience where the external landscape is channelled to the interior determines the quality of contemporary work environment necessary to maintain a competitive edge.

**Work + interaction = creation – reliance on criss-crossing of activities for greater awareness instigates integrity within their individual groups and encourages growth as a whole.**



**Interior**

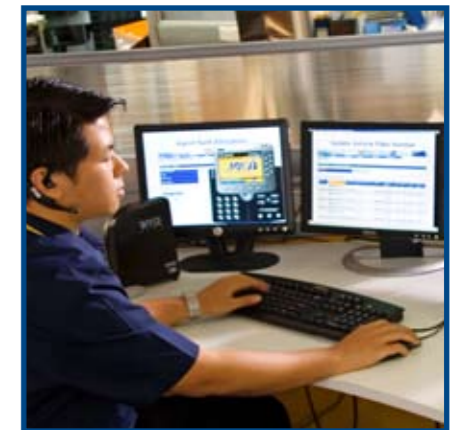
Besides a complete and radical facelift, with the inclusion of Voice Over Internet Protocol (VOIP) telephony for unified messaging and Data-Voice-Video Convergence, a high-tech smart-office admin & communications system implemented to the Corporate HQ, workstations have become more flexible, scalable and functional. With scalable, configurable high-tech cubicles, efficient workflow and optimum use of space is easily achieved.



The mezzanine floor of the reception is turned into a walk-through gallery chronicling the YCH Story. Also, the area showcases the suite of awards and accolades accorded to the organisation for its years of Best Practices and award-winning innovations. This entire area is known as The *Supplychain HeAVEN*, playing on a puns of the 'e' in technology, leading to supplychain heaven on the 2nd floor, as well as the Haven – a recreation & leisure area (TV, Served, foosball and pool table) to relax and recharge.

Hence, rise @ ych represents what is in essence a fertile environment for the propagation of ideas, with the fenestration of light representing the absorption of new knowledge, dynamic and spontaneous settings for dialogue and engagement, with the fusion of elements to represent heritage as well as perpetual progression and innovation.

The balance between quiet corporate sophistication, with invigorating and refreshing elements that creates a comfortable, cosy, yet creative, imaginative and inspiring environment is what was set out to be achieved, through practical, and functional merit, as well as a lasting and impressionable impact that exclusively and distinctively captures the essence of YCH.



*As one of the main objectives for this project is also to make the general office more conducive for spontaneous ad-hoc discussions, which can take place anywhere and with anyone, smaller, informal, innovative pockets and corners were created, where people can converge and brainstorm, alongside treated Glass-lined walls, used as a writing board or projection screen. Spontaneous informal discussions can be held anywhere 'on the fly', as a result, even to the extent of drawing & scribbling ideas on the glass walls to share and articulate thoughts, capturing the excitement of the discussion and gist of the idea. Modular and functional office furniture, which can be adjusted to suit various requirements are also a key feature, with some of the offices converted to shared multi-purpose offices for mobile staff and managers who travel frequently or come by the office occasionally. The introduction of more glass walls instead of opaque solid walls is to create the spatial effect and give the impression of openness and transparency, facilitating the flow of ideas.*



**Project RFID**

*"RFID" as an enabler – ensuring a seamless secured environment (goods, equipments & personnel) – towards excellence in security management*

With the implementation of RFID to administer and manage people & asset accessibility within the premises, security will be greatly enhanced. At the same time, with automated accessibility management, via active tags and readers on employee passes and vehicles, tedious administrative burdens such as paper-intensive records management (such as punch-cards) will be done away with, without compromising on integrity of security processes. Also, security personnel can be freed up from unproductive tasks such as manual 'gate-keeping' since all access transactions would be controlled, monitored and recorded by the system itself.

**External Visitors and Vehicles**

For VIP visitors and customers, the necessary information can be pre-written to the tag, so as to customize and expedite security clearances. At the same time, records of visitors can be kept to expedite repeat visits and manage historical info. This same information can also be integrated eventually to a proposed CRM system to manage customer interaction history.

For vendors and other visitors, records and history of their visits (such as purpose, for which project/deliver/pick-up, respective YCH host, etc) can also be kept for more effective management of information so as to enhance security processes.

**Developing the Appropriate Applications for RFID Information Management**

But beyond just the obvious benefits of accessibility management, incorporating the right information architecture to leverage the RFID infrastructure can greatly enhance internal and external processes within the organization.

For instance, in People Management, the technology will empower the management of Employees, Visitors, and Vendors. With respect to Assets and Vehicles, RFID would also be able to manage and track tasks and actions of Material Handling Equipment and Vehicles used in the facilities. The potential impact to Operations Management, would be crucial as application modules will be able to:

- a) Manage and track TAT of vehicles - MHEs, transactions etc. to benchmark averages, so as to continuously compare among operations/staff, measure and improve;
- b) Escalate exceptions - Time stamps can be incorporated to the system so that for instance, when a vehicle registers to enter facility for pick up of goods, which is scheduled or expected to take, on average a specific amount of time (e.g: 1 hour to pick, load and leave premises for delivery), exceptions to this will result in security or the necessary operations heads being notified to investigate and rectify; and
- c) Transaction audit trails - to earmark accountability of transactions in a depository, as well as substantiate measurements of Key Performance Indicators, and other Efficiency Indices

These systems can be consolidated into a Central Command Centre or Cockpit for Operations Management Overview.

**Extensive and Comprehensive Proliferation throughout the Organization and Region**

With the necessary RFID infrastructure in place, YCH will be able to scale this throughout all its operations, including throughout the region. As a pioneer adopter of RFID technologies in the business, and integrating these solutions with our other application and technology initiatives, such as web-based GPS tracking and ePOD (electronic Proof of Delivery), YCH will without a doubt be empowered to enhance its service value-add to its world-class customers, and growing in depth with them end-to-end, across Asia Pacific.

*Being a pioneer adopter of RFID and having successfully completed the RFID implementation in a Bonded Warehouse environment, the necessary know-how and experience is in place to apply this technology through to the next level.*



**SINGAPORE CUSTOMS AWARDS YCH GROUP, A PIONEER LICENSE FOR THE INAUGURAL ZERO GST WAREHOUSE SCHEME (ZGS)**



*YCH Group CEO Dr. Robert Yap receiving the ZGS Type III License from Minister of State for Finance and Transport, Mrs Lim Hwee Hua at the license presentation ceremony.*

**YCH granted Type III license which enables YCH to virtually extend 'Free Trade Zones' to any of its operations within Singapore with effect from 1st Jan 2006**



YCH has been awarded a pioneer license for the Zero GST Warehouse Scheme ("ZGS"), which came into effect on 1st Jan 2006. The scheme is an enhancement of the Bonded Warehouse Scheme ("BWS"), with the main difference being the suspension and deferment of GST payment till the goods leave the custody of the license holders. The license was given out during the ZGS presentation ceremony, graded

by Mrs Lim Hwee Hua, Minister of State for Finance and Transport.

As a strategy to improve business efficiencies in Singapore's trading environment, the ZGS scheme will serve to be another distinct competitive advantage, in which YCH Group is able to provide to our customers' and customers' suppliers along the supply chain. By suspending the GST payments of goods flowing under the ZGS scheme, the administrative burden and cost of tracking GST compliance will be greatly reduced, as well as potentially free up months of working capital which would have been otherwise committed to for GST payments. For goods entering the domestic market, YCH ZGS license will allow customers to not only defer the administration of GST payments, but also allow declarations on a consolidated basis. These significantly improve companies' cash flow and reduce compliance and logistics costs, streamlining business operating efficiencies along the supply chain.

There are 3 types of license administered by the Singapore Customs under the ZGS scheme. YCH Group has been awarded the Type III License, which allows the licensee the maximum level of flexibility and control in the movement and management of goods. The Type III ZGS License is only accorded to companies that have excellent information management infrastructures, financial accounting processes and operations management systems in place, to control and monitor the supply chain. This is possible through a robust warehouse management system, with clear and up-to-date inventory information and precise track-and-trace capabilities.

As a Type III Licensee, YCH's customers will be able to leverage on our innovative solutions, such as Intribution™ (Vendor Managed Inventory / Supplier Owned Inventory), as well as the National Infocomm Award winning V-Hub™; where companies can 'Buy Anywhere, Make Anywhere, Sell Anywhere'.

**YCH ACHIEVES CIO 100 HONOREE AWARD 2006**



YCH has been awarded a CIO 100 Award by CIO Asia for our successful business value creation through IT-enabled innovation.

The CIO 100 Award is established to recognize top Asian companies that have used technology, Information Technology (IT) projects and systems to derive the highest strategic value and yielded the greatest returns for their businesses.

Technology is one of the three core strategic pillars that YCH's philosophy is founded on. Having seen the potential of leveraging on IT as a tool in creating business value and enhancing the competitiveness of the company by staying at the forefront of technology, YCH has made core strategic investments to develop our innovative and technological capabilities. Our proprietary solutions and IT-enabled innovation has enabled us to grow into one of the market leaders in supply chain thought and innovation in the logistics industry.

This award is illustrative of our commitment to innovation and technological efforts and will motivate us to continue, improve and upgrade ourselves through shifting of paradigms and adding greater value to our businesses through the use of innovative applications.

**YCH GROUP AWARDED GOOD DISTRIBUTION PRACTICE (GDP) CERTIFICATION**



YCH has been awarded the Good Distribution Practice (GDP) certification by the Health Sciences Authority (HSA).

This certification relates to the storage and distribution of medicinal products or active pharmaceutical ingredients, attesting to YCH's conformity with HSA's Good Distribution Practice Standard.

To achieve the GDP certification, YCH needed to demonstrate capability in managing the quality and integrity of the medicinal products or active pharmaceutical ingredients throughout the distribution chain. A stringent audit was carried out by HSA on YCH's distribution facility and quality systems to ensure its compliance to Good Distribution Standards. YCH has shown compliance in the key areas of focus which include training to develop competent personnel, cleaning and sanitization, pest control, receiving, handling, delivery and disposal of products, handling of complaints, returned goods, product recalls and self inspection.

This certification serves as a key mandate for YCH to expand our service offerings more comprehensively into the Healthcare and Pharmaceutical industry, as this bears strong testimony to YCH's capabilities as a competent healthcare supply chain partner. YCH was able to achieve this GDP certification under unprecedented conditions, overcoming the stringent audit requirements within a very short time frame. This is largely due to our consistently high standards and efforts in developing and managing world-class supply chain operations across industries throughout Asia Pacific.

YCH's specialized temperature-controlled storage rooms, strong IT solutions, extensive healthcare track record and rigorous process-oriented best practices, alongside with this GDP certification will enable us to position ourselves as a strong and competent partner at the heart of the healthcare supply chain – *where supplychain connects™*.

**YCH GROUP AWARDED PRESTIGIOUS 'SINGAPORE INNOVATION CLASS' PLAQUE**



YCH received the prestigious 'Singapore Innovation Class' ("I-Class") plaque from Mr. Loh Khum Yean, Chief Executive of SPRING Singapore at an awards presentation ceremony held at SPRING Singapore Auditorium.



Mr. Andrew Seah (Managing Director's Office) receiving the award on behalf of YCH Group from Mr. Loh Khum Yean, Chief Executive of SPRING Singapore.

The I-Class is given to companies which have adopted effective, systematic approaches on its innovation excellence journey.

Based on the business excellence model, with components such as Conditions, Culture, Competencies and Connectivity, companies are scored accordingly to various organizational performance dimensions such as leadership, innovation strategy, resource management, organizational values, organizational behaviours, people development, innovation management, networks and innovation performance.

YCH's receiving of the I-Class award is testimony to our commitment in developing our capabilities for sustaining and sharpening innovation within the organization, as well as continuously enhancing our competitiveness and expanding our capabilities through new value creation through products, processes, partners and opportunities. As an I-Class organization, we are able to further foster and promote our innovation capabilities by our strengthened connectivity and access to a network of other private and public organizations committed to innovation.

**YCH GROUP WINS ZDNET ASIA'S SMART50 AWARDS**



YCH has been selected as an award winner of ZDNet Asia's Smart50 Awards (2006) that sets out to recognize Asia's top Information Technology (IT) users for using IT to drive business efficiency, expansion and innovation.

"The ZDNet Asia Smart50 Awards recognizes organizations that have demonstrated outstanding applications of IT and communications technologies. Those that made it to this year's honorary list are setting a new standard for business leadership by combining creativity, people, process and technology to achieve long-term success," said Isabelle Chan, Senior Editor of ZDNet Asia.

IT has always been valued as an integrated part of our strategy and a key competitive advantage and success factor for YCH. As such, we are proud to receive this regional award that recognizes us as a strong IT leader in Asia which is consistently at the forefront of technology.

**RESPONSIBLE CARE AWARD "ACHIEVEMENT AWARD FOR EMPLOYEE HEALTH AND SAFETY CODE"**



YCH has once again been awarded the Annual SCIC Responsible Care Awards (ACRA) 2005 by the Singapore Chemical Industry Council (SCIC) after rounds of stringent audits and judging.

Responsible Care® is the chemical industry's global voluntary initiative under which companies, through their national associations, work together to continuously improve their health, safety and environmental performance, and communicate with stakeholders about their products and processes in the manufacture and supply of safe and affordable goods that bring real benefits to society. The purpose of ARCA is to encourage SCIC Responsible Care® Signatories to practice Responsible Care® management practices, and to recognize those who have performed well in health, safety and environment (HSE) through Responsible Care® implementation.

Responsible care, for our employees and partners, has always been a key element in YCH operations and business philosophy. It has always been our commitment to both internal and external stakeholders of YCH to continually improve health, safety and environmental operations, and to care for the environment.

In this respect, we are proud to be recognized by SCIC as a responsible corporate citizen/company and awarded the Achievement Award for Employee Health and Safety Code.

**YCH AWARDED CORPORATE GOLD AWARD**  
at the Community Chest Awards Presentation Ceremony 2006



Mr. Andrew Seah (Head, Corporate Communications) receiving the award on behalf of YCH Group from Dr. Vivian Balakrishnan, Minister for Community Development, Youth and Sports.

YCH has been presented the Community Chest Corporate Gold Award (Special Events) for our Golden Jubilee Fundraising drive in 2005, which helped raised more than \$100,000 to support educational programmes for the less fortunate under various beneficiaries supported by the Community Chest.

Believing in the importance of contributing to society, Corporate Social Responsibility has always been a strong conviction of the company; hence a fundraising drive was organized as part of our 50th anniversary celebrations to commemorate YCH's milestone in supplychain excellence.

Specially themed to be in line with our strategy to grow as a knowledge organization, the Golden Jubilee fundraising drive served to be a reinforcement of the company's commitment to learning and belief in education as empowerment for each individual. YCH also ensures that our people are equipped with the necessary skill sets and constantly up-to-date on latest developments in the business landscape through constant efforts in training and staff development. Further to that, we will continue to improve and share our knowledge with the industry, employees, customers and the community.

# A Glamorous Evening of Celebration

YCH Group celebrated its 50th birthday at the Grand Ballroom of Ritz-Carlton, Millenia Hotel, Singapore on 7th October 2005. Present at the gala dinner included His Excellency President SR Nathan, of the Republic of Singapore, Mrs Nathan, Minister for Education Mr Tharman Shanmugaratnam and Mrs Tharman, as well as many other dignitaries, such as the secretary-general of the Tianjin Municipal Party Committee of the Tianjin Government, Mr. Gou Li Jun, as well as Ambassadors of Mexico, Vietnam, and Cambodia.

Guests were treated to an unforgettable multi-sensory experience through sight, sound and even gastronomic creations. Here is a revisit of the exciting journey of YCH's Moving Destiny as how it was presented on that evening: Experience our humble beginnings, astounding evolution and our inspiring vision for the future!

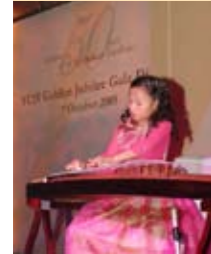
## Welcoming our Distinguished Guests...

Arrival of Guest of Honor, His Excellency President SR Nathan of Singapore, Minister for Education Mr Tharman Shanmugaratnam and other dignitaries.



## Dawn of a Destiny – YCH in its early years

### Humble Beginnings, Immense Potential



The opening performance was a Gu Zheng piece by nine year-old Jocelyn Quek Zi Qi. Jocelyn is certainly a prodigy, with immense potential to be a World-Class talent. This performance mirrors the rich heritage of the early years of YCH, when we started out initially as a young bright star, with great potential and poised for success in the future.

## Fulfilling a Destiny – The YCH story told through song and dance



### Wonderful Performance of Musical History

Throughout the 1980s right up to this day, YCH has been a story of phenomenal and dynamic growth, not just in size, but also with exciting forays into the Asia Pacific Region and beyond. And we have sought to determine and master

our destiny by being visionary through shifting paradigms and challenging mindsets. But more importantly, what sets us apart from others, is that our evolutionary success has been, and still is, always accompanied by a big heart, a wide smile, and a firm handshake.



What better way than to tell a story through a YCH musical, performed to depict real-life anecdotes and quotable quotes through the last half a century relating to YCH.

## Beyond Destiny – A Passionate Commitment to Excellence

### Our Heartfelt Thanks to our Friends and Customers of YCH

YCH might be 50, but it is still growing beyond its destiny, continuing to thrive and be at the forefront of the industry, and most importantly, to be where your supply chain really connects. The finale performance was a choral performance by Mr. Robert Yap, management team and staff of YCH, both on and off stage.

The song, entitled "Just a Handshake" signifies a deal done, and a promise made. It is also about friendship with our customers and also symbolizes YCH's strong belief that we will continue to grow beyond our destiny.



## A Gastronomic Journey

### Customized menu paralleling YCH's evolution

To tie in the culinary presentation with YCH's evolution, the chefs of Ritz-Carlton were also briefed to specially customize a tantalizing western fusion Connoisseur menu that will tell the story of YCH's journey since 1955. The first course, "Humble Beginnings – Building on Solid Foundation" in which guests revisited with us an authentic favourite combination of Cuttlefish Tau Kwa Salad with Slipper Lobster Skewer, is symbolic of YCH's humble beginnings.

The 2nd course, the tangy and flavourful Cream of Seafood Tom Yam with Fresh Chives was named "An Asian Renaissance – RISEing Above and Forging Ahead with a delicate twist" and specially created to reflect YCH's forays into the region, signifying its expansion and entrepreneurial verve.

During intermission, guests relished "Shifting Paradigms, Challenging Mindsets" – a unique and refreshing blend of a Chiku Kumquat Sorbet.

The exquisite main course was a perfect marriage of flavours of the East and West. Endearingly named after one of our other corporate taglines, "Going Where You Want To Be" (Roasted Marinated Chicken Breast stuffed with Otah, and served with Pandan Coconut Rice and Briyani Raisin Rice) guided us in exploring new possibilities with fortitude, strength and vision for our customers in the last 50 years.

Dessert was an Embrace of the Future with "Combination of Caramel Mousse with Crunchy Pralines with Citrus and Blueberry sauce and Chilled Cream of Mange Sago with Pomelo" – This is essence, was our guiding vision of Building the Logistics Superhighway in a Borderless World. Some of our very astute and observant guests also noticed the corporate colours used in the decorative sauces of citrus (yellow) and blueberry (blue)!

## Corporate Philanthropy and Fundraising

Company with a heart: Sharing our passion for knowledge and skill-attainment with society through corporate giving and fundraising

In its 50 years of success, YCH Group has been continuously moving up the value chain to become a knowledge-based organisation in the business of supply chain management. One of the key factors for this has been the Group's emphasis on creating value through education, training, R&D and innovation. In this respect, YCH has never forgotten to the importance of reciprocity to society and to fellow Singaporeans, through its Charity Philosophy themed "Education: Key to Going Where You Want To Be™".

YCH believes passionately in nurturing and inspiring future generations through education empowerment. As the Chinese proverb goes, "Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime." What better way to help others to help themselves?

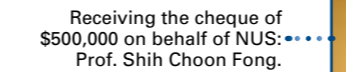
Two cheques were presented at the dinner to Mr Edmund Tie, Vice Chairman of Community Chest, and Professor Shih Choon Fong, President of NUS, respectively, under the witness of President SR Nathan.

### (1) Fundraising For Community Chest

In line with the Fund-raising efforts conducted by YCH through various activities (such as a Business Times Centrespread and the YCH Golden Jubilee 'Chari-Tee' Golf Classic), the partners and friends of YCH have managed to raise a grand total of more than S\$100,000 dollars for Community Chest, the adopted charity for this Golden Jubilee fundraising drive. Every dollar raised went towards funding education programmes for the needy, under the various beneficiaries supported by the Community Chest.



Receiving the cheque on behalf of The Community Chest: Mr Edmund Tie.



Receiving the cheque of \$500,000 on behalf of NUS: Prof. Shih Choon Fong.

### (2) NUS Endowment Top Up

YCH has long been committed to developing and harnessing talented professionals in the field of Logistics and Supply Chain Management, with numerous scholarship programmes. Over the last 10 years, YCH has had an existing endowment fund with the NUS to provide logistics scholarship to talented undergraduates in NUS. In line with the Golden Jubilee celebrations, YCH will be topping up the endowment fund to \$500,000. This will help provide more study awards and scholarships in the field of Logistics & Supply Chain Management.

Concurrently, YCH which has always strongly believed in the importance of nurturing young talents in the knowledge-based economy of today, also topped up its Endowment Fund to the National University of Singapore to half a million dollars. Scholarships will be generated from the fund to encourage students majoring in Logistics/Supply Chain Management studies to develop and examine innovative supply chain strategies, aiding them in research and studies that will potentially benefit the whole industry.

## YCH – where supplychain connects™!

Brand Transformation: Launch of an enhanced logo and a new tagline



The YCH logo has been tweaked for better symmetry, to increase the momentum, dynamism and speed. A new tagline, "where supplychain connects" was also born.

## Brand Rejuvenation: An invigorated direction, the path leading to the future

In celebration of YCH's 50th Anniversary, YCH undergone a comprehensive branding programme since late 2004 to encapsulate its vision, energy, and dynamism. The newly enhanced YCH logo personifies YCH Group's forward-looking spirit, as well as signifies strong partnership with our customers, in a journey on the Logistics Superhighway. As the main crux of the YCH Golden Jubilee celebrations, the unveiling of the new YCH logo and tagline at its Golden Jubilee gala dinner, marked the beginning of a journey towards a new perspective.

The new tagline, "where supplychain connects", also better reflects the Group's core business activities and direction going forward. "ych", embedded right in the heart of "supplychain" is the key to connecting supply chains of global companies, empowering them to meet their corporate objectives through a connected master supplychain, directed by YCH.



After the official launch of the new brand, a new corporate video inclusive of testimonials from our valued customers and partners such as Dell, Motorola, Canon and IE Singapore was also launched after a ceremonial activation of the video by President SR Nathan, Minister

Tharman Shanmugaratnam, Tianjin Secretary-General Mr Gou Li Jun and CEO Mr. Robert Yap.



## YCH 'CHARI-TEE' GOLF CLASSIC 2005

In conjunction with the Golden Jubilee, the YCH Golf Classic held in 2005 also had a "chari-tee" element to it, where participants were encouraged to contribute to a meaningful cause as they enjoyed themselves at the golf tournament held at one of the most exclusive greens in Singapore, the Singapore Island Country Club (New Course) on 7th July 2005.



YCH has recently inked a Memorandum Of Understanding (MOU) with the Shanghai Lingang International Logistics Development Company to develop a 4.3 hectare YCH DistriPark in Shanghai's Yangshan FreeTrade Port Area. The MOU also includes a plan to jointly develop a world-class Dangerous Goods' (DG) Storage Facility within the Lingang Logistics Park.

Mr Liu Jiaping, Chairman & President of Shanghai Lingang Economic Development, said "With this MOU, YCH will be a pioneering foreign-based logistics and supply chain management service provider in the Free Trade Port Area. This bears testimony to the true potential of the Yangshan port area, which is slated to become the No.1 port in the world. We are pleased to have YCH as a partner in this project, as their expertise in managing the end-to-end supply chains of world-class MNCs like DELL and MOTOROLA, will catalyse the supply chain management capabilities of the port and region, to support an extensive ecosystem of world-class manufacturers and brand owners alike."

The Yangshan Free Trade Port Area is the first free port zone in China, which enjoys the favorable policies of a Free Trade Zone (FTZ), Export Processing Zone (EPZ), and a Bonded Logistics Park (BLP). YCH has undertaken the strategic decision to invest in this region due to its unique 3-in-1 advantage, which we can leverage on to enhance and optimize our customers supply chain.

This project is expected to increase YCH's investment in Shanghai by more than RMB100 million, and further augment its strategic logistics network in Shanghai and Greater China to serve its clients. The proposed DistriPark will enable YCH to manage materials flowing into China, feeding to manufacturing facilities in China and other global hubs, managing spares and returns, as well as distributing finished goods into the local Chinese market or internationally, for its MNC customers. The 3-in-1 advantage will facilitate the implementation of sophisticated programmes like Vendor Managed Inventory (VMI) and innovative SCM solutions such as Virtual Hubbing, as well as the provision of value-adding services such as postponement, configuration, merging, repackaging, and so on.

With the planned DG facility in Lingang Logistics Park, YCH is also well poised to meet the growing demand for DG storage services in Shanghai and Eastern China. YCH is one of the few pioneer Singapore firms, which penetrated the China market more than a decade ago and has since developed a pervasive logistics network, serving various Fortune 500 MNCs such as Dell, Motorola, DSM and Ciba



Chairman & CEO Dr Robert Yap speaking at the signing ceremony.



Dignitaries witnessing the signing of the MOU.

Specialty Chemicals in strategic locations in Greater China such as Tianjin, Hangzhou, Xiamen, Shenzhen and Hong Kong. As a key player in specialty chemicals supply chain, this development is a natural and necessary progression to enhance our existing capacities, as well as to further expand and strengthen our network into the Shanghai region, in which we have already built a strong base and foundation.

While YCH is developing the two new projects at the Yangshan Free Trade Port and Lingang Logistics Park respectively, the organisation is also finalizing details of another project to develop a purpose-built facility within Shanghai city to complete its overall strategic initiative to establish an integrated network and to offer an optimized solution in Eastern China.

## YCH GROUP CHAIRMAN & CEO, ELECTED INTO SINGAPORE BUSINESS FEDERATION COUNCIL

YCH Group Chairman and CEO, Dr. Robert Yap, has recently been elected into the Singapore Business Federation Council by the members of the SBF. As the APEX business chamber, the Singapore Business Federation (SBF) champions the interests of the business community in Singapore in trade, investment and industrial relations.

Other Elected Members include distinguished business leaders such as Mr. Peter Seah of Singapore Technologies Engineering, Mr. Kwek Leng Joo of City Developments Limited, Mr. Cheng Wai Keung of Wing Tai, Mr. Barry Desker of Jurong Port, Mr. Tony Chew of Asia Resource Corporation, and Mr. Bob Tan of Jurong Engineering.

As council member of SBF, Dr. Yap led a business delegation to Vietnam and inked a Memorandum of Understanding (MOU) between SBF and BA RIA – VUNG TAU Province, to promote the development of trade and economic relations between the Singapore business community and the Vietnamese Province.



Dr. Yap in his inaugural role as SBF Council Member, leading the business delegation to Vietnam.



Robert also serves consultative appointments and advisory roles to numerous national & regional government strategic committees, more notably advising regional Heads of Government in the ASEAN-Business Advisory Council since 2003, and chairing the e-ASEAN Committee under the ASEAN-Chambers of Commerce and Industry. He also advises on economic policies as a member of strategic elite think-tanks such as the Committee on Singapore's Competitiveness 2001, and the Economic Review Committee 2003. He has also served on the Board of Directors for statutory boards such as JTC (Jurong Town Corporation) and PSB (Productivity and Standards Board). More recently, Robert holds concurrent appointments as member of Network Indonesia Steering Committee, as well as Network China Steering Committee, and also serves correspondingly as Regional Representative (Tianjin) for Network China. Currently, he also serves as Co-Chairman of Korea-Singapore Logistics Council, as well as a member of the Malaysia-Singapore Business Council (MSBC). Robert is also recently appointed as member of the iN2015 Manufacturing & Logistics Sub-committee (National IT Master Plan by Infocomm Development Authority), and as a member of the inaugural Board of Advisors, School of Information System, Singapore Management University (SMU). He is also the Founding Chairman of the Supply Chain Asia Advisory Council formed in 2006.

### About SBF Group

All local and foreign companies registered in Singapore that have a paid-up capital or authorized share capital of \$0.5 million and above respectively are members of the SBF. Today, SBF has over 15,000 members and these represent the top 20% of companies in Singapore. 14 of the major chambers of commerce and business associations in Singapore are also our constituent members.

Nationally, SBF acts as the bridge between the government and the businesses in Singapore to create and enhance a conducive business environment.

Internationally, SBF represents the business community in bilateral, regional, multilateral fora for the purpose of promoting trade expansion and business networking.

The SBF Council, which manages the affairs of the Federation, will include nominated, elected and co-opted representatives. The Council will have a minimum of 20 and a maximum of 26 members.

**BUSINESS TIMES FEATURE ON BUSINESS EXCELLENCE IN YCH**

# THE BUSINESS TIMES

## Process management is key to success: YCH

By DANIEL BUENAS  
HOMEGROWN logistics and supply chain management firm YCH Group has a customer list that any company would be proud of — it counts global PC giant Dell Computer, Motorola and Canon as just some of its clients.

But while management skill, innovation and the proper use of IT are some of the factors for the firm's success, YCH Group chairman and chief executive Robert Yap says that the "critical factor for succeeding" in what he does is process management.

"When we look at it, there is nothing that can be done if you are not process-oriented," Dr Yap says. "One of the key things for anyone keen on logistics and supply chain management is that, if you're not process-oriented and you're not into process management and execution, then forget about it, because you will never be able to succeed."

YCH — which has won numerous accolades for its IT innovations and its use of pioneering technologies — has about 2,000 employees. Last year, it notched up over \$100 million in revenue.

It has transformed itself over the last five decades from what was essentially a transport company, to what Dr Yap describes as an integrated logistics system and supply chain management player.

He describes how the company — which has achieved the Singapore Quality Class (SQC) and Singapore Innovation Class (SIC) mark, and is now aiming to achieve the Singapore Quality Award (SQA) — started investing heavily in IT in the late 1980s.

"We felt that was the way to go, to make sure that there was synchronisation across the board, and the only way was through IT to see the whole flow as part of the entire integrated process," he says.

Then, in the mid-1990s, the company began to shift its perspective from one that involved just logistics, to one that had a view of the entire supply chain management flow.

"We started to build a very robust solution, which today has made us the leader in VMI (vendor managed inventory) or hubbing," he says.

This solution — called "Intribution" — is today a Web-enabled manufacturing logistics solution that is designed to manage the flow of raw



— Robert Yap

**'Processes are actually very simple — there is a commonsense way of putting things in place. What we do is always put the simplest step first, and then allow for variations, instead of trying to get everything in.'**

materials, information and financial transactions between global suppliers and manufacturers.

It is one of three main proprietary solutions that YCH has developed over the years, the other two being "Intribution" and "Retrologistics".

Intribution is a scalable system that manages and streamlines the flow of management and fulfillment for manufacturers and brand owners, while Retrologistics is a Web-enabled solution that is designed to manage the service and returns logistics for customers whose products require after-sales parts replacement, warranty returns or servicing.

Dr Yap says that, for the development and upgrading of Intribution alone, the company has spent an estimated \$10 million-\$20 million over the years. Was it worth it?

"Of course it was worth it," he says. "Our competition is not from the local companies. It is the big boys of the world, and if we had not spent money, then today, I don't think we could fight with the big boys in our industry."

And just because YCH may not be as big as some of its other overseas competitors in terms of size, Dr Yap doesn't believe it has lost out in any way.

"The big may be getting bigger, but we are also getting stronger," he says. "We must be able to have our differentiating factors, which is our key in competing with the big boys. Developing our own proprietary solutions is one such differentiating factor."

He also disagrees with the commonly-held belief that using a self-developed solution makes a company less flexible.

"This is not true if you are able to approach what we call 'best practices'," he says. "Because we run our own proprietary solutions, we are actually able to be flexible, to change

our source code and customise, so we can execute these best practices solutions."

One system innovation that the company has introduced is the use of Radio Frequency Identification (RFID) to give real-time updates of cargo movement without the need for manual data entry.

"In the past, every transaction had to be updated into the system," Dr Yap says. "We're talking about thousands of transactions a day. Can they all be entered into the system 100 per cent (correctly)? RFID allows us to make the whole thing seamless."

Dr Yap adds that, while process management is essential in logistics and supply chain management, it is certainly not unique to his industry.

"It is also important in manufacturing, and in fact, most things are process-based," he says. "What is required is to look at the process that can scale, and a process that can scale calls for computerisation. You need to automate the process and put systems in place so that the system can drive the process."

Looking ahead, Dr Yap feels the major challenges that YCH — and in fact, Singapore as a nation — faces is in finding and training "good people" who are able to go regional.

"If we can make every Singaporean good in playing in the region, then we'll have an extended market place," he says. "If they are equally savvy in China, India or Thailand, then I think we will be a very strong country. That is our biggest challenge also for us, as a company."

And what advice would he give to companies that are looking to improve their process management?

"I think the basic thing people get bewildered by is that processes are actually very simple — there is a commonsense way of putting things in place," he says. "What we do is always put the simplest step first, and then allow for variations, instead of trying to get everything in."

"If you get everything in, you will never be able to build a system to automate the process, because you have too many solutions. You should focus on simple processes that solve 70 per cent of the problem, and allow the 30 per cent to give some flexibility, and then continue to build from there."

**IE SINGAPORE SHOWCASE ON SUCCESSFUL HOMEGROWN ENTERPRISE**

# BEYONDSINGAPORE

Propelling the growth of Singapore's industries to new heights

Transport & Logistics

## Not Panadol but the total cure

To CEO Robert Yap, YCH Corp is not a mere logistic company that shifts boxes from Point A to Point B; he prefers to call it a supply chain management company. "We don't just sell Panadol, we sell the total cure," says Yap.

YCH prides itself in its technology prowess that helps it punch above its weight. Out of a group-wide staff force of 1,500, at least 100 are IT specialists who develop IT systems for themselves and their customers.

It has made a name serving top brands like Dell and Motorola in the consumer electronics industry, in which inventory and supply chain management makes a whole difference in profitability. The company runs what Yap calls a "demand-triggered supply chain" for customers like these, helping them coordinate inventory levels with suppliers all over the region. Real-time tracking is available, thanks to YCH's advanced technologies that pit the company against the global big boys. The company also serves the chemicals and fast-moving consumer goods industries. "We want to be their extended arm in Asia-Pacific for logistics and services," says Yap.

YCH, which has extensive presence in Asean and China, is putting more pieces in place. "We will be expanding operations in India, starting this year. For China, we are already running very fast. What we want to do in India is to replicate what we've done in China," says Yap.

Farther west, Yap also has his eyes on the Middle East, as well as the other developing economies. "We like emerging markets. For most economies, they grow manufacturing first, then consumption. We want to grow



**Yap: We feel for the business. It's almost (like) not just doing a business — we are leading a way of life.**

with the country and the customers in that country," he says.

Despite having grown revenue last year to over S\$100 million, the privately held company has no plans to list on the stock market. However, Yap declines to reveal the company's bottom line, beyond that it is fatter than those of other listed logistics companies here. "We have access to

unlimited funds from the bankers, [so] funding is not an issue. We have lots of financial investors knocking on the door, but we don't need it," says Yap.

Neither is the company looking to do major merger-and-acquisition deals, bucking the industry trend of consolidation, especially among cross-border logistics companies. "We have built a certain formula of profitability and sustainability. We've been growing organically, except for some minor acquisitions in China, to complete the missing licences that we don't have," says Yap. Furthermore, "I have the blue chip clients, I have the technology, I have the customers and, if need be, I can buy the fixed assets."

For Yap, organic growth is the key. It has brought the company to where it is today and he is not about to dramatically adopt a new growth strategy. "We have been investing very heavily. While people are reaping profits, we are investing. We've built a very strong foundation for growth and profitability," he says.

Recently, the company celebrated its golden jubilee. Asked what YCH would be on its 60<sup>th</sup> anniversary, Yap says, "We shall be very global by then. We are already one of the leading supply chain companies in this part of the world, but we want to be the leading company." The core executives of YCH have built the company for 50 years. Inadvertently, "we feel for the business. It's almost [like] not just doing a business — we are leading a way of life", he says.



### YCH RANKED AMONGST THE TOP IMPORTERS AND EXPORTERS IN CHINA

YCH has recently been ranked 14th largest importer in China. Concurrently, it is also the top Importer in Tianjin, having handled USD 3.3 billion of imports in 2005. Other multinational conglomerates that have also made it to the first few places in the Top Importers' list include Samsung Electronics, Toyota, LG, Intel and Dell.

Earlier last month, YCH was also accorded the Tianjin Top 50 Exporters 2005 award for the second consecutive year. Since being incepted in 2004 into this prestigious list, which recognizes leading Enterprises who are significant contributors to trade activities in Tianjin, YCH is the only Foreign Logistics and SCM company privileged to be bestowed the award. YCH activities in the FTZ, which have reached a new high, grew 266% from handling USD1.37 billion of exports in 2004 to USD3.65 billion in 2005.

Since the opening of the 3.3ha China flagship DistriPark in Tianjin in 2004, YCH Tianjin has seen remarkable growth. With plans already in motion to further invest in a 5.2ha Airport Logistics Park and another 4.6ha Bonded Logistics Park, YCH is poised to leverage its position in Tianjin to better serve its existing and potential World-class customers in China. So far, total investments have reached approximately S\$70 million, illustrating our deep commitment to developing our business in various parts of China.



#### EXCERPTS OF INTERVIEW WITH SHANGHAI DAILY

**What are the major factors lead to the success of YCH Group and how do you keep your lead, given that there are many competitors in the same field?**

There are 3 Major factors.

(i) Expertise & Heritage: YCH has evolved over the past 50 years, from its beginnings as a transportation company in the 1950s to 70s, to an integrated 3rd Party Logistics Service provider in the 80s, to today becoming a leading end-to-end Supply Chain Management solutions provider since the mid 90s onwards. Having evolved through the rungs of the value-add pyramid, we have been able to develop in-depth expertise in every aspect of logistics and SCM, from the very core of operational execution (ie: Transportation, Freight, Warehousing, 3PL) to that of leveraging technology and knowledge-based activities (ie: Solutions development, Consulting/4PL). Also, being an Asian based SCM company, with a thorough understanding of the complex business landscape in the Asia Pacific region, our pedigree and heritage enables us to build strong foundations of knowledge, systems & processes, to suit the needs of world-class MNCs across industries, operating in the Asia Pacific environment. This gave rise to our trademark 7PL™ (3PL + 4PL) concept, which in fact provides a compelling and unique value-add to our clients, in seamlessly integrating the execution and consulting/strategic management of logistics/SCM projects, so as to be the preferred end-to-end Supply Chain Management Solutions provider in Asia Pacific.



(ii) Innovation: Guided by a philosophy that accentuates an entrepreneurial spirit and innovation, YCH is a pioneer in leveraging technology to enable and integrate the supply chain. From developing our own WMS in the 80s and continuously investing in IT R&D, we have developed an award-winning suite of cutting-edge and proprietary SCM solutions. With more than a dozen prestigious IT and innovation awards, we have developed a distinctive competitive advantage, empowering our clients supply chains with applications that harness visualization and optimization technologies, mobile technologies, IP-based applications, web services, RFID technologies, Service Oriented Architecture, patented financial supply chain solutions, and so on.

(iii) Best-in-class: We have always pursued the maxim of business excellence by instilling a 'passion' for Logistics/SCM in our employees. This is achieved by getting a broad spectrum of talents across industries, and from different countries, so as to bring in a fresh perspective to the business, and incorporate/cross-apply new best-practices to the business. This has also fuelled the drive and tenacity to keep improving SCM technologies and methodologies, and we have been able to harness this unique methodology, to achieve an unprecedented spectrum of quality certifications across industries (such as ISO 9001:2000, ISO 14001, OHSAS 18001, Singapore Quality Class, Singapore Innovation Class, Responsible Care, cGMP, GDP, TAPA, eSCM, and so on) to service World-class companies.

The logistics industry is highly fragmented and complex, with many breeds of players in various segments of the value chain (ie: piecemeal providers to 3PLs to 4PLs, technology players, agents, consolidators, aggregators, etc). The unique value propositions of YCH from the above-mentioned factors, focuses on a niche that is difficult to replicate and finds very few competitors in the same league.

#### How mature is the logistic market in China and how do you see the future trend in the next three to five years?

The China Logistics market has evolved considerably, with huge and many opportunities for growth and expansion. This is largely due to the sheer size and vastness of the market, the immense potential of the economy and relatively cost efficient resources available. As the logistics landscape is very complex, the level of maturity varies across the country, with key gateway cities having already a head-start, with highly sophisticated logistics infrastructures (such as world-class air and sea ports) and strategic networks of special economic zones (ie: FTZs/EPZs, BLPs/ALPs, etc), catalysed with a plethora of economic and trade development incentives/programmes. The rate of growth and development of the logistics market in recent years, far outweighs what other countries have taken decades to achieve.

In the near term of the next few years, we will still see continued rapid growth and development as we see the world continue to focus on the China market. Outsourcing for corporate and business services, such as Logistics and SCM (a crucial enabler to help businesses achieve competitive advantage) will be a major activity in the next few years, as more and more foreign firms enter China to invest, as well as from the growth of China's own firms, especially in technology, manufacturing and services.

Already local players are becoming more exposed to logistics outsourcing strategies, as well as other supply chain management methodologies and programs like Vendor Managed Inventory and Supplier Owned Inventory. Concepts of Built-To-Order, Configure-To-Order, Postponement, JIT are already beginning to be more prevalent, as world-class MNCs bring in best practices and tactics to engineer their supply chains with respect to their activities in China. And increasingly, this will naturally lead to leading China companies to become more sophisticated and appreciate & adopt such SCM processes and technological applications, as they themselves grow beyond their domestic market to compete in the global economy. Hence,

demand for Supply Chain Management solutions and applications will thus become more rampant.

From this China phenomenon, we also feel that there will be increasing focus and growth activities from the rest of Asia, such as ASEAN (ie: Singapore, Malaysia, Thailand etc.) and India. We already see the groundwork being laid, with the slew of FTAs and bi/multi-lateral economic agreements/partnerships between ASEAN-China-India and the rest of the world. In the medium to long term, the collaborative synergy of these collective Asian economies will define a new equation of mutually beneficial and inter-dependent markets, which will dominate the global economy. Logistics and SCM companies that are able to bridge the challenges that come with this integration, apply world-class standards and practices, while at the same time contend with the complicated cultural and political sensitivities within the Asia landscape, will be a vital catalyst to ensure success. As a Singapore SCM company, with thorough knowledge of the Asian economic landscape, as well as world-class standards & practices, we stand ready to exploit the opportunities and help develop a multi-prong win for all parties along the supply chain in Asia Pacific.

#### As you mentioned, the future of logistics lies in the creation of a "supply chain heaven" where there is zero inventory by triggering ownership transfer throughout the entire supply chain from the manufacturers, suppliers, distributors to the retailers. Looking forward, where do you see YCH five years from now? Do you have any new plans in the Chinese market?

YCH has always been pushing the envelope and shifting paradigms of logistics and SCM. Our emphasis has always been the integration of the physical flow, information flow and financial flow throughout the supply chain, to the extent which we have developed suites of proprietary award-winning solutions to manage these 3 flows. Innovation will continue to be the primary differentiator and driver of YCH growth and expansion. In the following years, we foresee that our patented solutions (such as our ZIM®, which manages the financial supply chain by securitizing inventory along the supply chain), will be applicable in maturing Asian markets such as China, once the necessary infrastructures & policies are in place for this optimized environment we call 'supply chain heaven'.

Also, as a pioneer adopter in Asia for RFID technologies in commercial logistics operations, YCH will continue in its R&D efforts, to integrate and converge relevant cutting-edge technologies, to create a truly real-time supply chain for our customers. We envision the building of a logistics superhighway, of optimal efficiency and visibility, through innovative applications of new business models and technology applications.

With the continuous solutions innovation, and proliferation to all the industries and markets which we serve, we endeavor to stay true to our mantra and be right at the heart of the supply chain- *Where Supplychain Connects™*.



The annual 'YCH Golf Classic 2006' event took place at the Tanah Merah Country Club on 19th July 2006, under the perfect cool weather on the premier Tampines course.

To spruce up the challenge factor, we also had novelty events, including 'Hole-in-one', 'Longest Drive', 'Nearest to Pin', 'Nearest to Line' on the course and 'Chip-to-Win' contests.

Amongst the very attractive lucky draw prizes include a Lenovo 3000 series notebook, a Canon multifunction imageClass printer, a Fujitsu ScanSnap, limited edition Motorola RAZR mobile phones and a HP iPAQ, just to name a few.

Once again, special thanks to all our kind customers and partners who have made the event possible with their generous sponsorships: Performance Motors, Canon, Lenovo, Motorola Electronics, ECS Computers, SingTel, Fujitsu, Cisco Systems, Fuji Xerox, IBM, Scania AAK Logistics, CCS Automation, Danone Marketing and Moet-Hennessy Asia Pacific.

It was indeed a joyous occasion of fun and laughter as new associates and old friends did their catching up while they enjoyed their golf game, and then proceeded for dinner and prize presentation in the evening. The casual and light-hearted atmosphere was further complemented by the mobile food stalls arrangement, where everyone truly enjoyed themselves in a laid back fashion.



Overall Champion: Mr. N S Tan of Eastman Chemicals.

Ladies' Division Champion: Ms. Winnie Ching of Ciba Specialty Chemicals.

Mens' (Division A) Champion: Mr. Keith Magnus of Deutsche Bank.

Mens' (Division B) Champion: Mr. Hwang Teng Aun of SIA Cargo.

The attractive trophies and lucky draw prizes.

Mr. Tan Chin Huat, MD of Pilot Pen walked away with the first prize of a Lenovo 3000 series notebook in the lucky draw.

A fun game of golf at the green.

Guests enjoying themselves at the dinner.

Mr Lim Kok Hin of Canon Singapore having a go at the 'Chip-to-win' contest on stage, and emerged winner of the game.

Guests queueing for their buffet dinner, served 'mobile hawker style'.

### Appointment of Mr Lye Wei Moon as Vice President, Operations



Mr Lye Wei Moon has joined the Company as Vice President, Operations. Wei Moon will be in charge of Global Operations Management and Customer Experience. He will be responsible for overall Corporate initiatives in establishing Centres of Excellence, Standards and Measurements and Total Quality Management.

Wei Moon brings to the Company more than 19 years of relevant experience. Prior to joining the Company, he held influential global and Asia Pacific leadership positions in Hong Kong, Malaysia and Singapore, ranging from corporate planning, materials control, procurement and operations. Wei Moon was last with Flextronics as Senior Director, Materials and Supply Chain Management, and also held senior positions in major corporations such as Solectron and Xerox.

Wei Moon has been instrumental in the successful implementation of productivity and logistics initiatives at various Blue Chip Multinationals, in the areas of six sigma, performance logistics, materials, central procurement, sourcing, business system, strategic partnership and supply chain management. He has had extensive experience in creating suppliers clusters in Southeast Asia to consolidate the region's supply base, developed a central procurement system and enhanced partnerships with forwarders to implement creative logistics solutions. Wei Moon has also championed initiatives such as Vendor Managed Inventory (VMI), 6 Sigma, Total Quality Management (TQM) for continuous improvement in quality, and has led projects such as ERP System, paperless warehousing process, Kaizen and FlexPass as part of supply chain upgrade to eliminate non-value adding processes and achieve process excellence.

Wei Moon holds a degree in Arts (Honours) from Mount Union College, USA, majoring in Economics and Business Administration.

The appointments of Wei Moon and Michael are consistent with YCH's people strategy for sustainable growth in an increasingly complex and competitive business environment.

### Appointment of Mr Michael Leong as Vice President, Sales & Marketing



Mr. Michael Leong has joined the Company as Vice President, Sales & Marketing. Michael will head Sales & Marketing and take charge of business development, solutions design and market strategies in the Chemical, Consumer Goods and Healthcare Divisions.

Michael Leong brings to the Company more than 15 years of international business experience. Prior to joining the Company, he held influential regional (Asia Pacific) senior management positions in TNT, Van Leer Packaging Worldwide, YCH Group and the Canadian Municipal Government. He has extensive international management experience having been based in several countries including the UK, Netherlands, Canada, Singapore and China; His exposure allows him to capitalize on the best of Western and Asian business cultures.

Michael has been in senior management regional roles responsible in the supply chain and manufacturing sectors. He was the Asia Regional Director, Business Development in TNT since year 2000, and also sits on the Asia management board as a key member. Michael was instrumental in building the logistics business development team in TNT Asian countries and in expanding the business in the Hi-Tech/Electronics, Automotive, FMCG and Industrial sectors. During his previous role as the Director of Sales & Marketing for YCH Group in the mid 1990's, YCH grew exponentially with customers like DyStar, Rohm & Haas, Motorola, Compaq, Schick, Hennessy and others. The company also expanded new businesses into countries like Australia, China, Hong Kong, Taiwan and Mexico. In the early 90's, as the Marketing Manager - New Products (Far East) of Van Leer Packaging Worldwide, Michael pioneered the first sale of returnable IBCs into Singapore and later in the Asian food industry. He also opened new markets for the Group's flexible packaging products like plastic films, metallized papers and moulded fibre for the chemical, food and medical sectors.

Michael holds a Bachelor of Commerce (Honours) degree from Memorial University of Newfoundland, Canada. He has also won several awards including the Shaw Award and City of Corner Brook Honourarium Award in recognition of his excellent contribution to strategic planning in Canada.



*where supplychain  
connects™*

**YCH Group**

30 Tuas Road, YCH DistriPark, Singapore 638492 Main Tel: (65) 6767 7777 Main Fax: (65) 6767 7778 [www.ych.com](http://www.ych.com)

This commemorative magazine has been brought to you by YCH Corporate Communications Division. For any feedback, please email us at [corporate@ych.com](mailto:corporate@ych.com)