

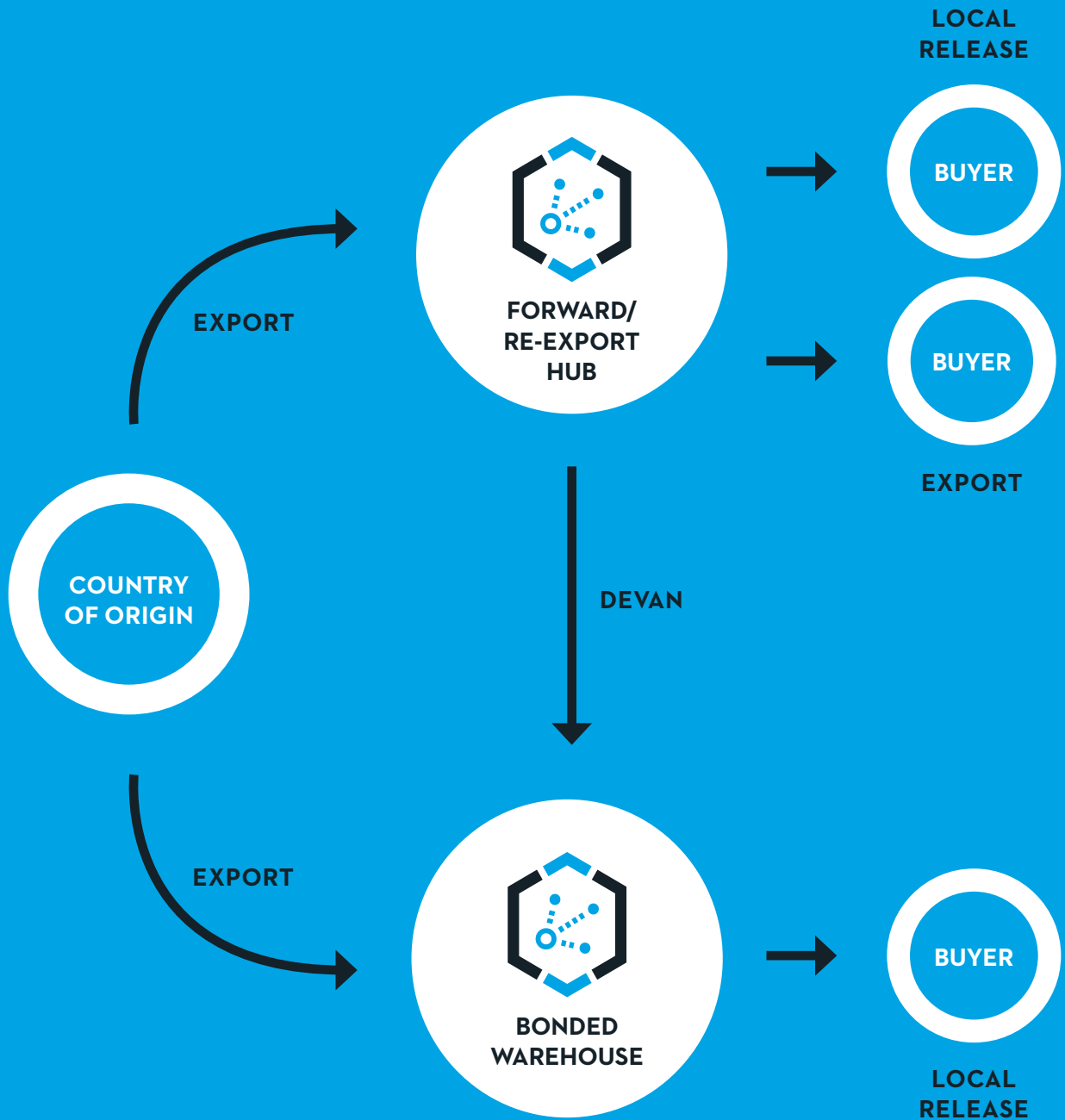
Placing your products closer to your customers



# FORWARD HUBBING®

**pillogistics**  
Powering your move into Asia

# HOW WE WORK



Our Forward Hubbing® solution places your products closer to your buyers. Your buyers will enjoy time definite delivery. The shortened delivery lead time means reduced working capital for the buyers.

# YOUR PROBLEM

## BACKGROUND

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• Traditionally, manufacturers store their finished goods in a warehouse near to the factory. When an order is received, the product will be picked and loaded into containers. Shipping arrangement will be made to transport the containers to the designated country requested by the buyer.

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## ISSUES

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• Such a logistics model is not competitive because of the long lead time it takes to fulfill customer orders and unreliable vessel schedules.

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• Furthermore, in some countries, like those in the Middle East, logistics cost is high and logistics infrastructure is poor.

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• As such, some manufacturers adopt the Push Model where products are pushed out of the country once they are manufactured.

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• The port of Singapore (PSA) provided a solution that store laden containers in Singapore port's terminal for an extended period of time. It allows manufacturers to store laden containers without buyers. When an order is received, shipping arrangement shall be made to ship the containers to the buyer's location in Asia. In this logistics model, delivery lead time is significantly reduced.

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• However, this re-export model incurs additional cost of a second leg sea freight and is also subjected to unreliable vessel schedules.

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# OUR SOLUTION

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➤ PIL Logistics' Forward Hubbing® model places the products even closer to buyers by storing the products at the bonded container yard nearest to final consumption

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➤ Forward Hubbing® greatly reduces the buyer's Order To Cash cycle through shortening the delivery lead time

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➤ Forward Hubbing® also promises time definite delivery of products to buyers by eliminating the uncertainty created by vessel availability and unreliable vessel schedules

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➤ By storing products in container loads at bonded container yards, Forward Hubbing® saves you the warehousing related cost at the port of loading and port of discharge, while eliminating potential damage during handling in and out of the warehouse. The product remains in its original condition, from the factory to the buyer opening the container

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➤ With the faster and time guaranteed delivery of the products, buyers benefit greatly in terms of lower requirement for working capital for inventory and from the flexible, just-in-time delivery arrangement

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➤ For countries where Forward Hubbing® is not feasible, multiple regional re-export hubs bring the products closer to the buyers and provide our customers with choice and contingency. Repackaging facilities are available in some of these hubs

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➤ Forward Hubbing® with a combination of bonded container yards and re-export hubs gives our customers confidence in knowing that their products are as near to their end-buyers as possible while operating at the lowest possible cost. This translates into improved competitiveness and sales opportunities

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# VALUE PROPOSITION

- Operating Forward Hubbing® since 2001
- PILL is the pioneer for large scale Forward Hubbing® operation in China and South East Asia
- 16 bonded container yards available across China and South East Asia
- More bonded container yards will be added
- 6 re-export hubs available for Asia
- Polymer repackaging are available in some re-export hubs

# ABOUT PIL LOGISTICS

- Lead logistics provider
- Contract logistics and freight forwarding
- Headquarter in Singapore
- Operating in China and South East Asia
- Operating in China as a wholly owned foreign entity since 2001
- Wholly own subsidiary of Singapore headquartered Pacific International Lines (PIL)
- PIL is a 12,000 employee global logistics and transportation company with over US\$5 billion revenue
- PIL's network covers over 350 locations in 95 countries