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Message from the Centre

Looking at the highlights from across Laser over the past few months, it is interesting to see how every company has been well positioned to make the most of opportunities that have come their way.

Dawn Wing has again been granted ISO 9001 status, a testimony to their drive to attain the highest possible standards within their industry sector; GAC Laser is taking advantage of Durban's growing port facilities – and the resultant increase in trade – with an impressive new facility; Laser Logistics has become firmly entrenched as a serious player in the logistics space, with three significant new long-term clients, a pristine new warehouse facility in Johannesburg to supplement its existing facilities, and a team of new staff; and Time Freight has benefitted from their investment in technology to provide customers with a 24-hour on-line quote and collection request system.

It is fair to say that our businesses have thrived in this first part of the year and we are exceptionally proud of their achievements.

It is interesting to note that recent industry trend forecasts have placed a strong emphasis on entrepreneurship and innovation. Both of these characteristics have always been integral to what Laser is all about. The very structure of our group, with its specialised services and individual management teams, cultivates entrepreneurship, while we remain committed to developing new concepts that will benefit our customers.

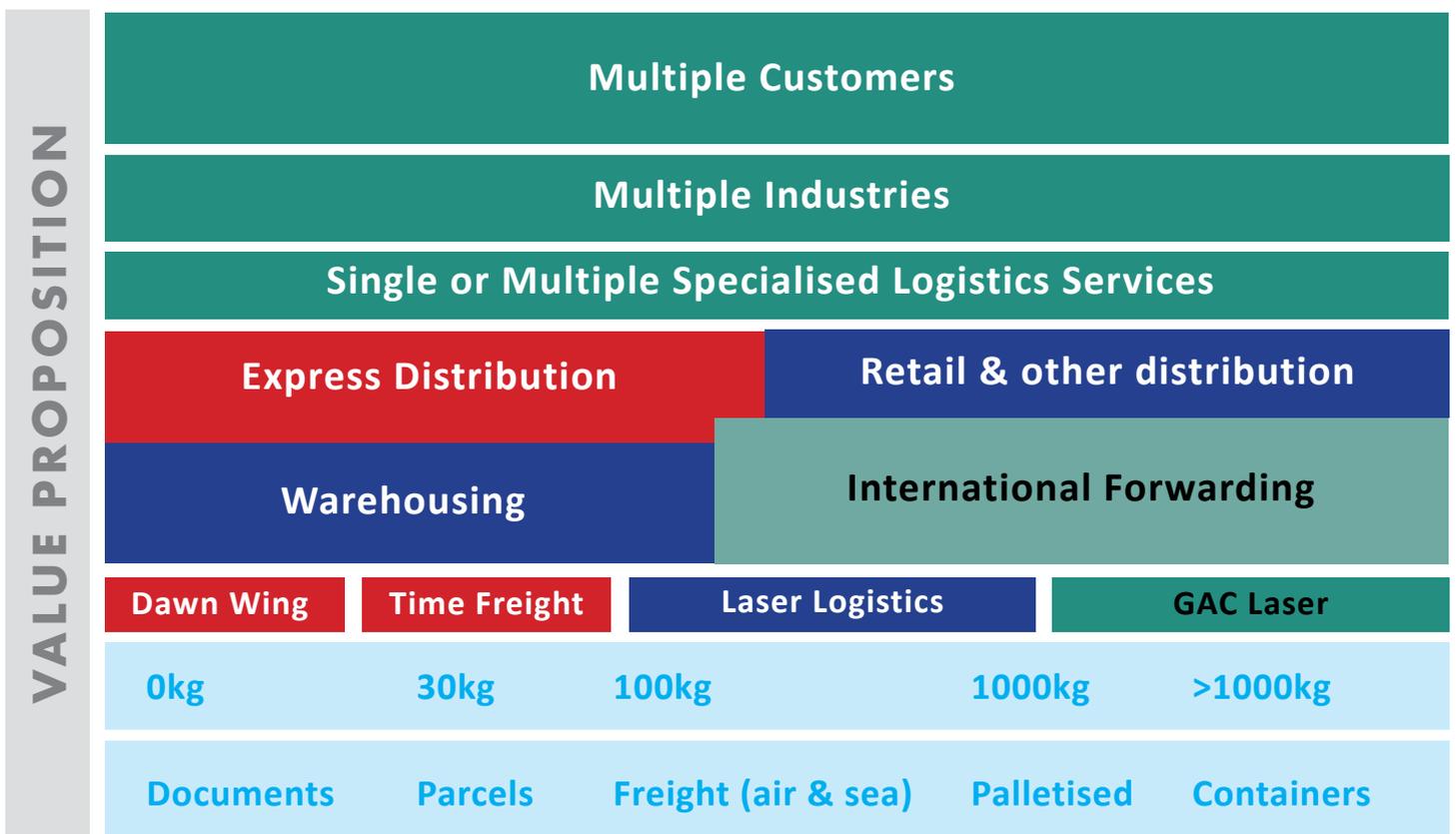
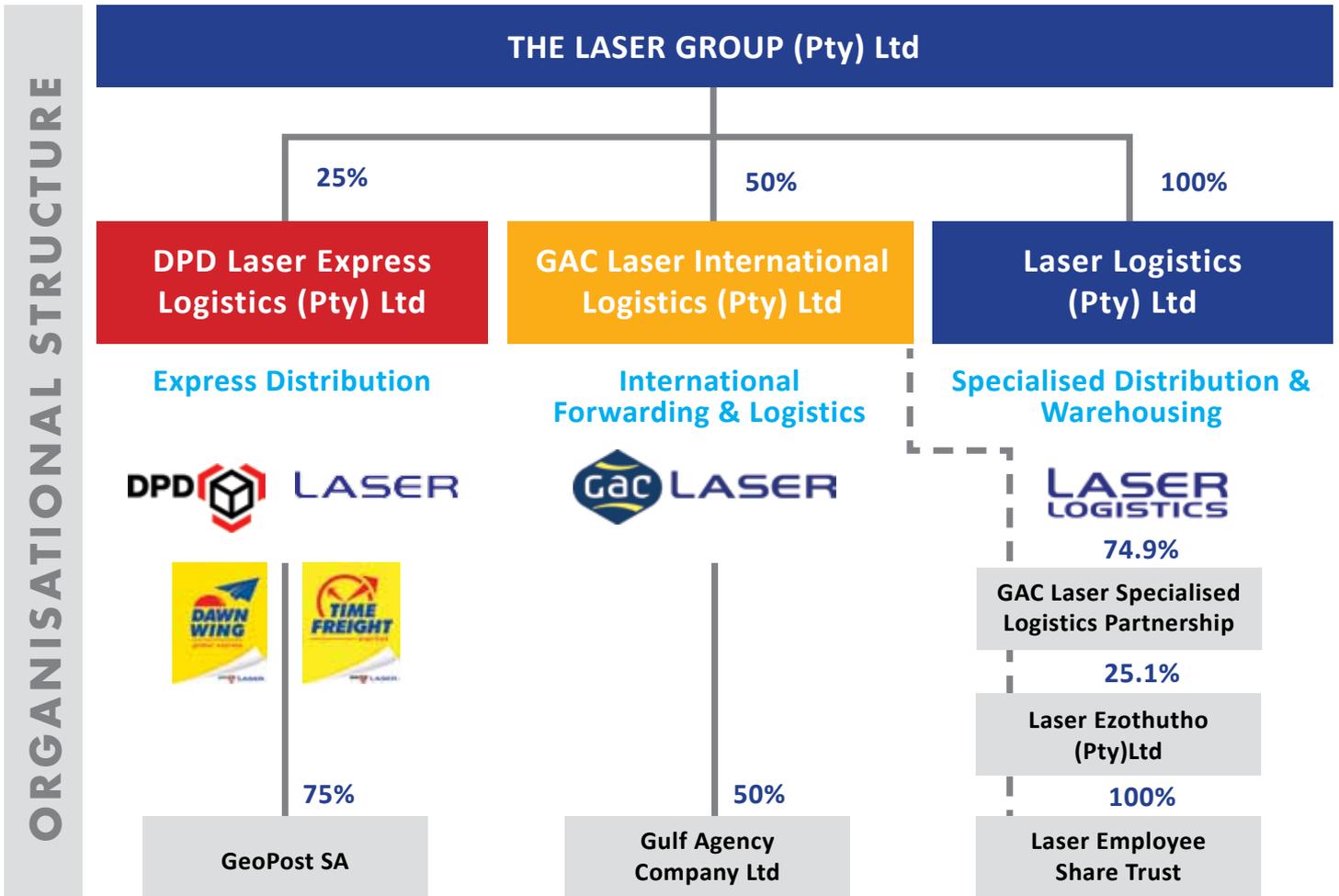
Our plan to implement a targeted logistics solution within the e-commerce space remains firm and we are looking to become market leaders with this offering in the future. As we see business in Southern Africa rely increasingly on supply chain efficiency to drive business strategy, so we continue to expand our offerings across Laser, partnering with our customers and competing in a dynamic, changing business environment.

As always, it is the people who make all the difference and it is their hard work and dedication that have made the successes of the past few months possible. Our commitment to our staff continues with various leadership and development programmes and we trust that you will find the story of Siyoli Waters, one of South Africa's top squash players and now a Laser Ambassador, as inspiring as we do.

Thanks to our loyal staff for their ongoing commitment and dedication to the business.

Michael Fuller and Philip Hayes

Corporate Information



Dawn Wing

GROWING WITH OUR CLIENTS

“Our company has had a growth spurt – and you kept up! In the past, I have had an unusual number of hiccups with courier companies when we have been at crucial stages of our growth and we have usually been forced to change to a competitor who promised to keep up with us. This time, your team met our growth, parcel for parcel. I am planning to have a very long working relationship with the Dawn Wing team so please pass on my appreciation to each and every member in your team who has helped us; no-one’s effort has gone unseen.”

Debbie Brummer, Office Manager,
Soviet Group

INTERNATIONAL CUSTOMER CONVEYS HIS APPRECIATION:

Letter to The Herald

“To the staff at Dawn Wing, a big plus: the service was fantastic. I shopped around for the best price to get a parcel to Sydney, Australia, where my daughter needed it fairly quickly. I dropped it off at their offices in Jet Park on Thursday afternoon and got a call from my daughter on Tuesday thanking me for the goods. This is service that is hard to beat.”

Denis Byron



Quality assured: ISO 9000 certification for Dawn Wing

Dawn Wing has once again been accredited as an ISO 9001 company in their annual audit. The international ISO 9001 family of standards deals with the fundamentals of quality management systems and ensures that organisations meet the needs of customers and other stakeholders.

The accreditation is a way of assuring customers of the high level of service they have come to expect from Dawn Wing. All policies, procedures and work instructions are documented and available at every branch. Each employee has work instructions on their desktop, together with templates for all the documents they use on a daily basis. All processes are carefully controlled so that anything that falls out of line can be quickly identified and resolved to ensure that service levels are not impacted.

Various international surveys over the past 12 years have confirmed that ISO 9000 certified companies have a superior return on assets, better operational performance, and stronger financial performance than other companies. Furthermore, researchers agree that it tends to be the better companies that seek ISO 9001 certification. Dawn Wing therefore retains its competitive edge by offering other ISO 9001 companies the high level of service they require.



Part of the Excellence Programme launched by Dawn Wing aims to provide regular feedback from customers directly to the staff on the ground.

“Often one person will meet the satisfied customer and yet there is a whole team that has contributed to the successful and timeous delivery of a parcel,” says Eddie Vosloo, Dawn Wing CEO. “We’d like to acknowledge everyone who has been involved when we hear from a customer who has received exceptional service”.

We’ve shared a couple of recent customer compliments with you on this page.

Online and on time with Time Freight

Time Freight's online collection tool has been gathering momentum and 25% of monthly waybills are now being processed through the online system.

While the concept of online collection is nothing new in the transport industry, the implementation of the correct IT systems and convincing customers to switch over from the old familiar processes to something new have been major challenges. Although designed specifically for ease of use, any web-based product obviously relies on a level of computer literacy as well as a willingness to try something different.

"We've been working on the system over a number of months, refining it and aiming to offer our customers as many benefits as possible," says Time Freight CEO, Etienne van Ravesteyn. "The latest development is that we no longer need to phone customers during office hours to verify the quotes that they have requested online. The quotes are now completely automated and are therefore processed 100% by the customer, online, 24 hours a day." An additional benefit is that bookings are automatically more accurate and there is no need for follow-up calls to clarify details or bad handwriting.

Besides the convenience of 24-hour service from a courier company, online customers benefit from other features too. Once a collection is booked, details are stored in the database, making future bookings much simpler to process. Existing databases can be imported directly into the system, avoiding human error; the new system allows for batches which are destined for several different points to be accumulated in-house; and there is a comprehensive, easy-to-use labeling system.

All these benefits, together with the online tracking facility, add up to provide a convenient, cost-saving courier solution for customers.

Van Ravesteyn adds, "We are using the internet to deliver tangible business benefits for both our business and our clients. As more people move into the ecommerce space, we'll be right there to meet their business demands and we will always aim to give them the quickest and most convenient transport solution."

Time Freight were proud supporters of the 40th Midmar Mile in February 2013, the world's largest open water swimming race.

Time Freight

"I phoned every courier in the Yellow Pages and on the internet. No one answered their phone, understandably, as it was after hours on a Saturday. I then emailed my enquiry to nine of the companies that I found on the internet. To my surprise, I had a quote from Time Freight when I went online on Sunday! My next shock was when a clean Time Freight van arrived at 12:00, the earliest promised time, to collect the box. The good news continued when a well-mannered gentleman guided me through the paperwork and assured me that the fragile box was in careful and capable hands. His manners and knowledge made it feel like I was talking to the owner of Time Freight, not an employee. My delighted customer emailed me this morning to report that he had received his machine in perfect condition."

Letter from August Petersen,
Time Freight customer, April 2013



Performance Driven

TIME FREIGHT
express

DPD LASER

Providing a service solution that delivers!

The advertisement features a close-up of a swimmer wearing a yellow cap and red goggles. The swimmer's shoulder has a tattoo of the Time Freight logo. The background is a yellow and red graphic with the company logo. The text 'Performance Driven' is in the top left, and the Time Freight logo is in the top right. The slogan 'Providing a service solution that delivers!' is in the bottom right.

Vision becomes reality as Laser tackles ecommerce challenge head-on

One trillion dollars – this is the staggering figure that global ecommerce sales have just reached. As customers rush to enjoy the convenience of shopping online, so retailers flock to launch their online stores and the strong demand for home deliveries, the final step in the ecommerce transaction, offers new opportunities for growth in the logistics sector.

Laser management has been watching the ecommerce space for the past few years but the high costs associated with internet connectivity, together with local broadband restrictions, meant that growth in the sector was slow. “We chose to wait until there was a bit more momentum in the market and with broadband access in South Africa more than doubling in the past two years and with many more retailers having an active online presence, the time was right for us to step in with a well thought through logistics offering,” says Laser CEO Philip Hayes. Research by the Laser team identified 53 local companies with an ecommerce presence in December 2012, and that number has jumped to 115 in just four months.

Towards end 2012 the Laser vision started becoming a reality as they put together the team they were looking for to drive the new initiative forward. James Hall joined Laser in November 2012. With a Masters Degree in International Business from St Andrew’s University in Scotland and a working background in retail, Hall has tackled the research and strategy requirements, looking

at trends and primary participants both locally and abroad. Hilton Eachus was recruited from the UK and brings with him 8 years’ experience working in ecommerce in Europe with a focus on logistics and fulfillment. As Business Development Executive with the task of developing a service solution that will make DPD Laser the leading ecommerce distributor in South Africa, Eachus says, “We understand the level of preparation required and constant innovation and commitment it will take if we are going to own this space. We’re doing the groundwork now to ensure that our service offering to clients will provide the convenience, efficiency and value for money that they need.”

DPD Laser international partner, DPD UK, is the market leader in ecommerce distribution in the UK and is a powerful ally to have in achieving their goal. A recent delegation of eight people visited DPD UK and were treated to first hand experience of how ecommerce has changed the company. “The knowledge transfer was invaluable,” says Hall, “and we were inspired by what is possible to achieve.”

DPD Laser has the experience and strong buy-in to capture the ecommerce logistics market. DPD Laser has one of the best national coverage rates among the privately owned third party logistics providers in South Africa and as a group Laser can genuinely offer a full end-to-end supply chain solution. The company currently has 13 ecommerce customers and is aiming to double this number within the next few months.

As ecommerce grows, so logistics companies will grow with it. It is an exciting challenge for the team at Laser and they are certainly up for the challenge.



Mark Douglas, (LEFT)
Sales & Marketing Executive
Hilton Eachus, (RIGHT)
Ecommerce Business Development Executive
James Hall, (STANDING)
Ecommerce Business Analyst

1 South African ecommerce is growing at a rate of around 30% a year [traditional retail growth is at 6%]
(World Wide Worx)

2 Current value of the South African online market is R3.8 billion

3 R2 billion was spent online in South Africa in 2010. R4 billion is predicted in 2013!

4 Logistics is 10 - 15% of the value of the ecommerce market

6 The Internet economy of South Africa should reach at least 2.5% of the South African economy by 2016 – a similar size to the agricultural sector

5 South African internet market currently valued 0.9% of retail sales. In the developed world it is 8 - 13%

7 Logistics market value for ecommerce in South Africa predicted to reach R840 million by 2016



Spotlight on the new Durban warehouse

PRODUCTS HANDLED

- Rough-sawn timber
- Paper reels and pallets
- Mining equipment
- Air compressors
- Crated boards
- Bagged peanuts
- Coolers
- Paper pulp

UNIQUE HANDLING EQUIPMENT

- Reel clamp
- Pulp clamp
- Drum carrier
- Double handling forks
- Compactor
- Double sling carrier
- Barcoding system with direct electronic stock management access for customers

Bigger space, better location, an integrated warehouse and administration office, together with a new office for freight forwarding and customs clearing, have got the Durban team and their customers smiling all the way.

GAC Laser Durban moved their warehouse and office into combined premises in Springfield towards the end of last year, increasing the scope of the business by successfully accommodating the specific needs of a large range of customers. The new 6500-square-metre space accommodates a wide variety of products and has a unique range of handling equipment. It is suited to receiving and loading break bulk vehicles, to packing and unpacking 20- and 40-foot containers for imports and exports, and can handle both palletised and loose-bagged cargo. There is a specialised 'pick and pack' operation for smaller and more detailed requirements and, to top it all, they have obtained their PPECB certification and municipal approval to operate a food-grade warehouse for perishable goods.

In addition to these exceptional capabilities, the state-of-the-art surveillance system and 24-hour security give customers complete peace of mind.

Regional Managing Executive, Carol Holland, is quick to point out that the best facilities in the world can only succeed with a dedicated team of people who have the customers' and company's needs at the very core of every function they perform. This is borne out by the number of referrals received from existing customers. The combined Clearing and Forwarding/Administrative and Warehouse operation has had a positive impact on communication between these inter-related divisions as well as on financial savings. Most importantly, staff members now have the opportunity to better understand the challenges facing other divisions and can improve their general knowledge of all aspects of the logistics chain.

With Durban being the busiest port in Africa – and capacity soon increasing further with a second dig-out port on the old airport site south of the city – GAC Laser Durban is perfectly positioned to benefit from increased trade in this region.



Hard work rewarded with solid growth

Laser Logistics

Laser Logistics has had a great start to the year with a number of significant new contracts and a much stronger presence in the market, in addition to retaining loyal and established customers.

“We have an ability to deliver a total solution to our customers, utilising the full scope of the group’s resources. The hard work and persistence which went into laying solid foundations has put Laser Logistics in a strong position to compete against the major players within the logistics space,” explains CEO Warren Hewitt. “After a period of stabilisation and rationalisation over the past 18 months, there was a solid base in place to deliver on our growth strategy and we’re starting to see the results of that.”

An important new client is the innovative Chinese home appliance company, Hisense, which has established a major production facility in Atlantis, on the Cape’s West Coast. Hisense has made a firm commitment to South Africa and has plans in place to become a major shareholder in the appliance market in southern Africa over the next three years. These exciting growth prospects offer opportunities for Laser Logistics to expand alongside Hisense as their logistics partner for Southern Africa.

There was a completely different set of requirements from new client Hitec, who had an immediate need for additional space. Laser Logistics was able to supply the solution with a pristine warehouse facility that is customised for distribution. The new space in Linbro Park, Johannesburg, also offers N3 highway frontage which will further enhance brand visibility for both Laser Logistics and the client. The facility consists of 5500 square metres of warehousing as well as 1000 square metres of office space under one roof, suiting Hitec’s needs perfectly.

The Evolution Group, which markets leading international cycling brands and accessories, has also turned to Laser Logistics to improve their service offering in South Africa. This new client brings diversity to the business as well as providing service opportunities to other companies within the Laser Group.

In an effort to service the demands of a growing customer base, Laser Logistics embarked on a recruitment drive in Johannesburg, focusing on attitudinal ability as a key criteria for employment. Along with thirty new staff, three internships have been offered to university graduates who will be exposed to all aspects of the business. “This is a new initiative,” says Hewitt, “but with such significant growth expected in the business, we’d like to offer graduates the opportunity to develop into different fields within supply chain management so that they can add value down the line. I would like to extend a very warm welcome to the new team.”

As Laser Logistics continues to actively seek business from household brands that will require services across the Laser Group, we are excited to see how the recent contracts have shifted market impressions. The company is being recognised as a serious player within the logistics solutions space – and we are looking forward to whatever the next quarter has in store for us.



Wayne Eldridge,
Richard Torlage and
Shaun la Grange.

Laser Group's international partners are themselves substantial global logistics businesses. Laser has partnered with GeoPost in its express distribution business (operating as Time Freight and Dawn Wing) and with Gulf Agency Company (GAC) in its international forwarding business (operating as GAC Laser).

GAC is a global provider of integrated shipping, logistics and marine services. Emphasising world-class performance, a long-term approach, innovation, ethics and a strong human touch, GAC delivers a flexible and value-adding portfolio to help customers achieve their strategic goals. Established in 1956, GAC employs over 10,000 people in more than 300 offices worldwide.

Geopost SA is a subsidiary of La Poste (the French Post Office) and part of the Geopost group of express delivery companies. Through its operating subsidiaries Geopost is the second largest express operator in Europe.

Making a **BOLD** statement

GAC's commitment to working with its clients to move their businesses forward is underlined by a new slogan being rolled out in 2013.

'Delivering your strategy' is a result of months of work and thorough examination of what message GAC wants to send to the world.

It replaces 'Wherever you go' which over the past decade has seen the group grow as a truly global organization with considerable operational strength, and places consumers squarely at the heart of everything GAC does, highlighting how it can help them achieve their goals.

DPD Switzerland to expand parcel shop network and drive forward its B2C services

By the end of 2014 DPD Switzerland is to raise the number of its parcel shops from the current level of 62 to a total of 600. In addition DPD is investing in the technical facilities of its parcel shops and driving forward the development of its B2C services.

In recent years online shopping by consumers has increased dramatically, and e-commerce customers are becoming increasingly important for DPD. The backbone for simple and convenient deliveries to private consignees is provided by the DPD parcel shops, which are being used more and more by customers to pick up and ship parcels, as well as to send off return shipments. In response to this trend DPD Switzerland is now driving forward the development and expansion of its parcel shops.

Backed up by made-to-measure products and IT-aided services the DPD parcel shop network will in future provide the ideal infrastructure for further growth in the B2C segment. "Private consignees are often not at home when their parcel is delivered," explains Marc Hasler, CEO DPD (Schweiz) AG. "Picking up the parcel at a nearby DPD parcel shop is for many consignees a practical alternative to home delivery of their parcel. In addition this enables us to avoid unnecessary delivery trips, which reduces CO2 emissions."

Any consignees who are not located at home when DPD makes the first delivery attempt can currently use the www.dpdgetyourparcel.ch online portal to redirect their parcel to an address where they can be located during the day or to a DPD parcel shop, or even specify an alternative date for the delivery.

<http://www.geopost-explore.com>

Laser and the community

Siyoli Waters: a proud Laser ambassador

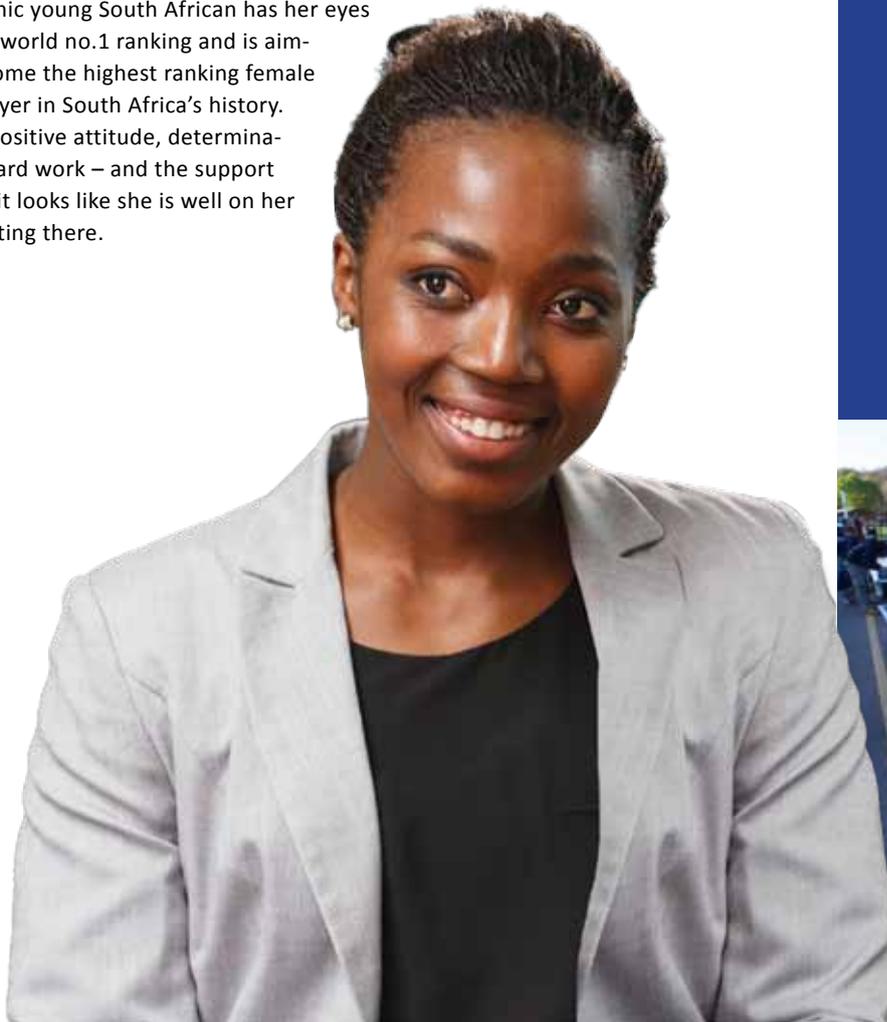
Laser is proud to announce their new ambassador, Siyoli Waters, the Western Province No.1 Women's Squash player, currently ranked 4th in South Africa and 38th in the world.

While her sporting talent and commitment may get her noticed, it is the well-rounded character of this young woman, together with her many achievements, that make her such an outstanding role model for young South Africans. Her values of excellence, diligence, persistence, hard work and integrity have paid off as she has achieved one goal after the next both personally and professionally.

With a Bachelor of Science (Chemistry) degree from the University of Cape Town, a Grade 8 in piano and a mean golf swing, Siyoli has chosen to concentrate on her squash career for now. Laser sponsorship has enabled Siyoli to compete with the best players in the world at top international tournaments. Her achievements in 2012 included South African Women's Team Captain and no. 1 player; South African Squash Player of the Year; Winner of the Mediterranean Open in Malta; Captain for the World Team Championships in France; and a place in the Mail and Guardian's Top 200 Young South Africans.

More recently, in April this year Siyoli won two back-to-back tournaments on home ground, including the WSA Tour 5 Keith Grainger Memorial UCT Open, bringing her to a total of five WSA victories.

This dynamic young South African has her eyes set on the world no.1 ranking and is aiming to become the highest ranking female squash player in South Africa's history. With her positive attitude, determination and hard work – and the support of Laser – it looks like she is well on her way to getting there.



GAC Laser supports the Sasol Solar Challenge

In September 2012, GAC Laser assisted international teams participating in the Sasol Solar Challenge. The challenge covered 5400km of South Africa's toughest terrain over 11 days. Thirteen teams started from the CSIR campus in Pretoria and travelled through Vryburg, down to the Mother City and then wound their way up via the East Coast to Bloemfontein, finishing off back in Pretoria – all on solar power.

Reigning world champions, Tokai University of Japan, took top honours, followed by Japanese team Shinozuka with the University of KwaZulu Natal in third place.

GAC Laser were involved with the import forwarding and clearing on behalf of the Japanese teams, provided a support vehicle for the duration of the race, and assisted with the return of the vehicles and equipment.



Staff news

Big step up for Ziyanda Mtyingizane

The friendly voice that answers the telephone at Laser head office belongs to Ziyanda Mtyingizane, who joined Laser in 2005 as a general worker. Her responsibilities then included kitchen duties, cleaning the offices and generally assisting wherever an extra pair of hands was needed. Over the next few years, Ziyanda proved herself to be a reliable and helpful member of the team and she progressed to relieving the receptionist when needed. In 2012 Ziyanda did a training course in front office and reception duty and was promoted to receptionist on a permanent basis shortly thereafter.

"We believe that everyone should be given the opportunity to improve themselves. We also recognise hard work and dedication where we see it. It has been great to see Ziyanda progress and we look forward to creating more opportunities for staff as the business grows," says Alan Swanson, Laser Group CFO.

Ziyanda is clearly a people's person and loves her new job. She has a ready smile and a quiet but courteous way with visitors. "It felt so good to be offered this job," says Ziyanda. "I really enjoy what I do now and I am going to give it my very best."



Industry trends

supplychainforesight 2013

'Serial innovation, smart partnerships and sustainable advantages' is the theme for the tenth annual supplychainforesight report, which was released in March. This independent study, sponsored by Barloworld Logistics, provides valuable insights into current supply chain trends and strategic planning in South Africa.

The first part of the survey examines the objectives and constraints business and supply chains face in the next five to ten years. The survey finds that the top strategic business objective for all respondents is to increase the flexibility, agility and responsiveness of their businesses. This is indicative of the times in which we live and is directly linked to the top strategic supply chain objective. Integrating and harnessing the supply chain is essential to enable business objectives.

Eighty percent of respondents in the survey selected introducing new products and services as their second priority. This covers expanding into emerging markets by introducing products and services for the first time, and creating new and customised services to grow locally and internationally. This may partly be driven by companies looking to mitigate the increasing risk, uncertainty and competition in our local environment.

The survey responses clearly indicate that emerging markets, with their opportunity to expand and broaden revenue streams, are seen as key to growth.

With broader market reach and greater consumer demand for customised products and services, organisations are under pressure to be flexible, agile and equipped to react to fast-changing consumer demands and market conditions. This has resulted in the supply chain evolving from a means of controlling cost to being an engine for growth.

The top two constraints – cost of transport and available supply chain skills – are world-wide phenomena, and this is where innovation and smart solutions will have their biggest impact.

With credit to Barloworld Logistics supplychainforesight 2013



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