

Call for mindset change in logistics sector

**There's a danger
S'pore could lose
edge as logistics hub,
warns US expert**

By David Boey

LOGISTICS managers and government policymakers need to adopt a mindset change and leverage on information technology in order to help Singapore maintain its cost-effectiveness as a logistics hub.

Paul Bradley, general manager (Asean region) at BDP Asia Pacific, which is the Asian arm of one of the largest logistics players in the US, said Singapore's competitive edge as a logistics hub could be eroded if creative solutions to cargo management and resupply are not adopted.

"If carriers shift their deployments and mother vessels start calling at cheaper ports, then naturally distribution centres would go there as well and that would be a competitive threat to Singapore — and that could happen," he said. "Customers will move wherever it makes sense."

Mr Bradley said the logistics forum held today can help the industry gear up for future challenges as the event will promote the cross-fertilisation of ideas and creative

solutions between logistics managers and government planners.

The show-and-tell session will be staged under the banner of a government-private sector initiative called Leap, which stands for the Logistics Enhancement and Applications Programme.

Today's discussions will be opened with a keynote address by Lim Boon Heng, Minister without Portfolio.

According to Mr Bradley, the mindset change should come from a keener understanding of the difference between logistics and supply chain management.

Mr Bradley, who said some logisticians sometimes confuse supply chain management with total logistics, added: "Total logistics is when you combine warehousing, trucking, shipping, documentation and air operations all in one integrated structure for efficiency."



ARTHUR LEE

Mr Bradley: *Today's logistics forum can help the industry gear up for challenges in the future*

"But supply chain management goes beyond that. It actually involves creatively climbing in with customers to look at their individual needs, requirements, processes, sales, manufacturing, cre-

ative outsourcing and global links. So in a sense supply chain management is a new frontier but it's not definable because it's uniquely defined for each individual customer."

First launched in July 1997, Leap helps forge partnerships between government agencies and industry players, such as logistics companies, industry associations, research institutions and software/hardware solution providers, to address issues specific to the logistics industry.

Mr Bradley added that IT-derived applications could help Singapore position itself as an ideal regional distribution centre to service electronic commerce, which allows consumers

to order and pay for goods via the Internet for delivery anywhere in the world.

With topics like these now in vogue among world-class logisticians, it appears that Leap participants will have lots on the plate today.