

# inside LASER

Autumn 2012

An internal publication keeping the team informed, involved and updated.



## From the Editor

### Three Simple Ways to Motivate Yourself Today!

Are you making no steps toward achieving your goals and dreams? Could you use a little "motivation"?

Here are three easy things that will help you get there one day at a time.

- 1 Review your Goals first thing in the morning.
- 2 Decide one, just one action you could take toward your goal.
- 3 Reward yourself.

It's a good idea to have a list of mini-rewards for those days when you can only spend five minutes toward your goal, as well as progressively better rewards. Of course the best reward of all will be achieving your dream, but to spur you along while you are on the journey, have some small rewards when you make progress, and even when you put forth a good effort toward progress.

Go meet those challenges and achieve your goals!

Feroza Petersen  
Editor

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Level 2, Dean Street Arcade, Dean Street, Newlands  
Cape Town, South Africa  
Telephone: +27 21 659 4000 Facsimile: +27 21 659 4090  
Email: info@laserserv.co.za Web: laser.co.za

# LASER

As always, it is with great pleasure that we have another opportunity to communicate and to share our thoughts about the prospects for the year ahead.

### Financial highlights 2011

In previous editions of inside Laser we commented on some of the operating highlights of our businesses in 2011. We are now pleased to be able to share with you a few of the financial highlights of 2011.

Revenue for the year increased 8% to R765 million and disbursements made on behalf of customers amounted to R755 million in the year. Turnover accordingly R1.5 billion - up from R1.3 billion in 2010. Despite the difficulties that were experienced in our contract warehousing and distribution business, profitability for the year increased 18% year on year.

We had 2144 employees at 31 December 2011 - a head count increase of 51 or 2.5% in the year. Our salary and wage bill for the year was R185 million. 41% of FII revenue was reinvested into the Group during the year.

It goes without saying that we are greatly indebted to everyone, customers and staff alike, for their contribution to these results.

### Contractual warehousing

We reported in the last edition of inside Laser that we were re-engaging with our major warehousing customers with a view to deriving a more commercially acceptable revenue model. This has been a particularly difficult time for all those involved, not least of all our principals - some of whom we have rendered a service to for many years. Of course too, this process has necessitated a review of all the cost drivers within the business and in this regard people and internal processes have been impacted and / or changed.

We are delighted to advise that good progress has been made and we are confident that the process will be concluded in the forthcoming months.

### Multiple services

Our Mission statement refers to our intent to continually evolve and grow our organisation and services to enable us to provide our customers with multiple specialised services. It is this very statement that emphasizes the importance of us concluding the warehouse renegotiation process favorably. Laser has grown as an organisation and as a multiple service provider over many years and warehousing remains a core component here. And critically there are significant benefits for our customers in them being able to seek multiple services from us.

This edition of inside Laser illustrates a number of occasions and events that have required collaboration between our different businesses and also our ability to offer more than a single service. It also illustrates the Specialised nature of our offering from (but not limited to) refrigerated or container distribution to express pathology distribution to international event fulfillment and sea freight.

### Olympic games

We know from our own experiences that the FIFA World Cup is enormous and significant beyond just sporting achievement. But so too is the Olympic Games - and arguably these Games are more significant from a global perspective. 32 countries participated in the last football World Cup. More than 200 countries will compete in this year's Olympic Games.

Only able bodied athletes compete in the World Cup. More than 14 000 athletes will compete in the Olympics of which 4 200 will be physically disabled. Football only in the World Cup - 26 sporting codes or disciplines in the Olympics.

Critically the 2012 Olympic Games which commence in July is another opportunity for us to endorse our Proudly South African heritage. And to recognize and acknowledge that in the Olympic Games, like no other event, there will be no discrimination based on gender, age, wealth, disability etc. Winning is definitely not everything. Just participating is lauded. But it is worth remembering too that whilst individual excellence is rewarded, being part of a team is special. And sharing ones success, and failures, with others is an important part of every successful team.

### 2012

We are cautiously optimistic about the year ahead. The first few months of the year have seen us off to a better start than expected and we can look forward to that remaining the case for the balance of the year.

We look forward to engaging with you in the months ahead.

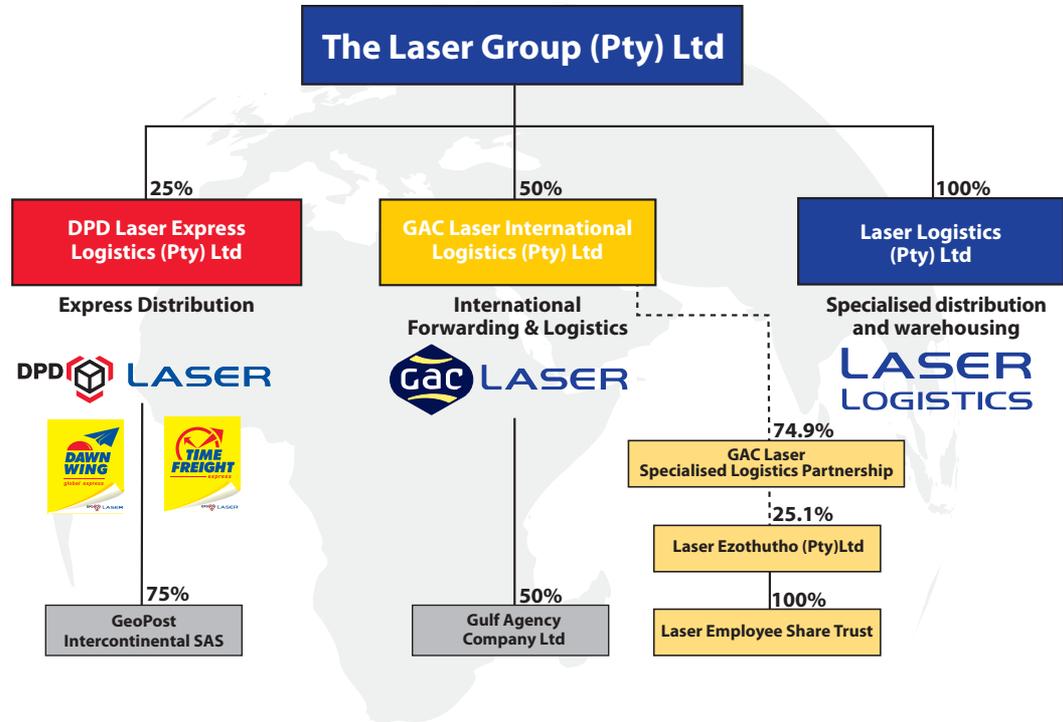
Michael Fuller & Philip Hayes



## VISION

“Our vision is for Laser and all of its operating businesses and brands to be recognisable, influential, successful and sustainable in the market that they operate whilst providing an environment for our people that is co-operative, stimulating, rewarding and proudly South African.”

## Organisational Structure



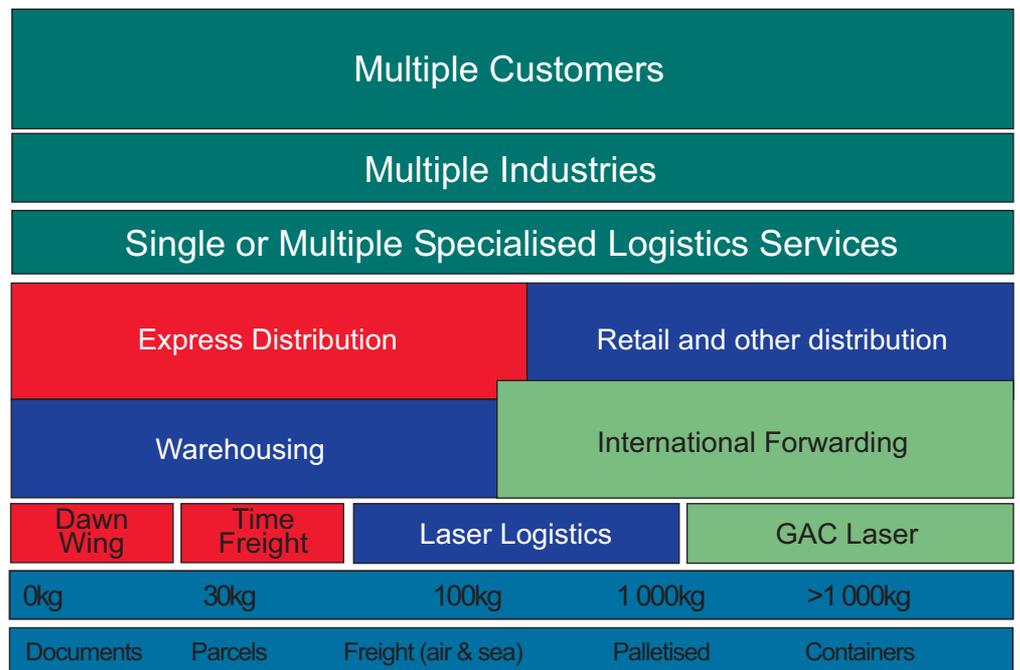
## MISSION

“Our mission is to continually evolve and grow our organisation and services to enable us to provide our customers with multiple specialised logistics services and in a manner which

- develops strong partnership relationships
- ensures technological excellence
- allows for innovative solutions
- provides fulfilment visibility
- embraces sustainable development”

**Sustainable Development is...**  
 “Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

## Value Proposition



## VALUES

Underpinning our fulfilment aspirations are our values that form the foundation of our business and enable us to best serve our customers:

- Accountability and transparency
- Growth and development
- Honesty, integrity and respect
- Pushing beyond boundaries

# PATHCARE - COURIER SERVICE IMPLEMENTATION AND TRANSPORT CONSULTANCY



From left to right: Irvin Gabriels, Odette du Plessis, Allison Kraemer and Antwon Morta.

Laser has been contracted by PathCare to consult and implement best practices to enhance the performance of their internal courier fleet. PathCare is the trademark of a group of amalgamated private diagnostic pathology practices. The Group is focused on delivering quality pathology testing in the most cost effective way and has agreed to consolidate certain external courier activities. We are proud to announce that Dawn Wing has been selected as the key external service provider.

### External Courier Migration

An analysis was done of the 44 courier and logistics service providers of PathCare. Laser concluded that a reduced number of service providers would provide for better management and transparency. An in-house courier office at PathCare Park would further enhance the service offering to PathCare. Because of the sensitive nature of the shipments and the service required, care had to be taken whilst moving services and routes to the Dawn Wing network.

### Migration Management

The migration of PathCare freight into the Dawn Wing network has created value add for the client. A customised waybill is in use for

PathCare, and the contents of each shipment is noted on the waybill, which can be tracked on Express Link. Manifests are printed at close of business to summarise all shipments for the day. All shipments are now routed by lead time and weight to ensure best service and rate; and cut off times have been changed to allow later receipt of shipments at the in house office.



Shipments to London are now routed direct from Cape Town, whilst Dubai shipments are routed directly to the local office resulting in a possible cost saving. Namibia shipments can now be routed daily.

PathCare operate their own fleet in most centres to transport their samples and specimens.

### Tracking System

A program was structured to implement the Cartrack Vehicle Tracking system and to have all tracking units installed at PathCare Park in order to minimise service interruption. The information from the tracking system made it possible to identify capacity on routes and a process of vehicle rotation was put in place to enhance the service and guarantee capacity. The fleet at PathCare Park travel more than 330 000 kilometres on average per month.

The savings benefit and the more managed use of vehicles underlined the key objectives of the process and the PathCare team is happy with the achievements to date.



## DAWN WING WINE SHOW

Wine lovers once again could look forward to three days of great wines, fabulous foods and loads of fun at The Wine Show Jo'burg at the Coca-Cola Dome in Northgate.

The organisers of the liveliest wine event in the country were back with a fun-filled line-up and the wine extravaganza weekend delighted visitors.

The Wine Show Jo'burg, in association with Dawn Wing, is South Africa's favourite consumer wine event and shows visitors that wine can be both serious and fun, it's what sets it apart from the rest. Visitors to any of the shows could taste sublime wines from all of the regions in the country as well as many imported wines in a fun-filled and entertaining environment.

Visitors could also chill and relax whilst Dawn Wing took care of all their Fine Wine distribution needs – they could use our Sip 'n Ship and Wine Drop counter at the Dawn Wing stand.

The exhibitors' list read like the A-Z of the South African wine industry with most of our prime wine producing regions being represented. Show visitors could taste, try and buy some of the best wines in the country and explore well-known and new labels. Producers varied from big cellars, co-operative producers to small boutique wineries and independent winemakers.



Dawn Wing's exhibition at the Wine Show

## A HOTSPOT FOR SALES

(as featured in the GeoPost International newspaper)

Spirits were high for the 2012 Dawn Wing sales conference in Johannesburg, South Africa.

After a very early 6am start the teams set off on an amazing race adventure. The teams were given a clue and tasked to arrive at four different destinations provided a task to be completed by at least one member of each team. This included go kart racing, taking a photo with a lion cub at The Lion Park, descending into the Sterkfontein Caves to take a photo of stalagmites and stalactites, and finally learning about traditional Zulu beadwork traditions and create their own beadwork necklace!

Once at the venue, the teams were involved in workshop sessions which covered topics such as sales growth, generation of leads and SWOT analysis, IT operations updates, marketing updates and the sales incentive programme for 2012.

There was also a session for Alexander Rossignol and Simon Batt of GeoPost International to present the capabilities of the GeoPost/DPD networks, and to explore with the sales team the practical steps we can take together to grow international sales – all of which support the plans for this year.



Dawn Wing gets into the swing of things at their sales conference

All sessions were aimed at updating sales teams on the plans and strategies of the company for 2012 and beyond, reaffirming Dawn Wing's ambition and determination to continue to be one of the leading courier companies in South Africa.

The sales teams made their personal and group commitments to Dawn Wing – which demonstrated a fantastic level of dedication. The conference certainly boosted motivation and ensured that energy was running high - everyone went home geared up for the continued success that Dawn Wing enjoys.

# LASER'S BOWLS DAY



From left to right: Corné Coetzee, Belia Vermeulen and Gerhard Avenhant

Laser's end-of-year Bowl's day was, as usual, a huge success. Teams representing all divisions of Laser participated with vigour and great enthusiasm, competing for the coveted floating trophy.

The theme for the day was "Carnival" and this was interpreted in weird and wonderful ways, with the pink angels, red devils, masked men and the A-team.

Great prizes were up for grabs, but it was the A-team who walked away with the trophy once again. (pictured left)



From left to right: The winning team - Lesley Burger, Philip Hayes and Athenia Munro



From left to right: Danielle Davis (Laser Logistics) and Corné Coetzee (Laser Logistics)



From left to right: John Collison (GAC Laser), Lesley Burger (ex-Dawn Wing), Basil Hannival and Jack Molenaar (both from GAC Laser).

# DPD UK HOSTS GEOPOST INTERNATIONAL FORUM

The Annual GeoPost Executive Management Forum which took place at the beginning of February, was hosted by DPD UK in London, with the rather appropriate theme of “Cool Britannia”.

The event is always a much appreciated opportunity for counterparts of the European and Intercontinental businesses to exchange news and share initiatives.

Mr Paul-Marie Chavanne, GeoPost’s CEO, shared his views of the past year’s successes and spoke about challenges and opportunities which lie ahead for us in 2012.

The subsequent day was spent with all executives attending the GeoPost Group Networking Forum.

This proved a great platform for discussion, and Business units also displayed their key strengths, known as “Golden Nuggets”, their Corporate Social Responsibility activity and some examples of local innovation.



From left to right: Morty Langslow (Lenton), Simon Higgs (IBC) and Philip Hayes (DPD Laser)

GeoPost International was delighted to have DPD Russia and DPD Ukraine participate along with DPD Laser showing Time Freight and Dawn Wing coverage and solutions for South Africa.

## CELEBRATING A DECADE AND MORE AT LASER



Mogamat Orrie



Jack Molenaar



Gavin Walbrugh



Teboho Motaung



Wendy Heyns



Edward Poola



Imtiaz Adam



Antonette Reddy



Portia Morapama



Ralph Mokoena



Simbogile Dlokolo



Carol Holland



Catherine Long



Dennis Biyase



Beverley Baglione



Thobeka Tshaka



Allan Pillay



Bobby Bhiman



Christie Reddy



Connie Mavhungo



Dimitri Damalis



Jo Law



L Plumridge



Mary Molefe



Yasmine Touffie



A Rambharren



Candice Williams



Christopher Govender



David Mncwabe



Frans Moabelo



Henry Mkhize



Henry Ngoma



Isabel Mthethwa



I Sewpersad



Israel Shandu



J Naidoo



L Pillay



Lorraine Dicker



M Pather

LASER

more in next issue

# THE DRUM MASTER



After many presentations and being short listed as a logistics supplier, GAC Laser in Johannesburg received a request from Puma Energy for the company to collect 10 super-link loads of 210 litre drums of oil/lubricants. Included in the request were pallets with a mixture of lubricants in various packs and sizes. These were to be warehoused, starting the very next day, for shipment during mid-January 2012.

GAC Laser accepted and collected the cargo on the 29 December. The first shipment was inspected, loaded and shipped during the 3<sup>rd</sup> week of January 2012 without any problems.

Since then, together with GAC Angola and with the help of Laurance Robineau and the Angola Team, GAC Laser has handled numerous consignments on behalf of Puma Energy.



# DEFENCE SERVICES ASIA EXHIBITION

The Defence Services Asia exhibition was recently attended by a number of our clients. GAC Laser Specialised Logistics transported all exhibition material for the Department of Trade and Industry.

Defence Services Asia is one of the world's largest defence exhibitions and is held every second year in Kuala Lumpur.

## Africa Aerospace and Defence exhibition

As exciting, is the Africa Aerospace and Defence (AAD) exhibition to be held in South Africa in September this year. GAC Laser Specialised Logistics is the sole appointed on site agent for AAD and as a result of this our attendance at the Defence Services Asia was even more important. Many of the exhibitors will be attending Africa Aerospace and Defence exhibition and exhibitors were pleased to meet the GAC Laser Specialised Logistics team as we will be handling their cargo.



# OUR REFRIGERATED BUSINESS



For the last twelve years Laser Logistics has been responsible for the complete retail distribution in the Western Cape of County Fair Foods, a subsidiary of the Astral Group, a company listed on the JSE. Whilst the distribution has been outsourced to Laser, the business operates on a fully integrated basis with the systems, staff and processes of County Fair Foods.

A core element of Laser's refrigerated distribution service is the focus on uncompromising service levels and the on-going quest to continuously

raise the standards of the physical distribution process within the FMCG industry. It is with this in mind that Laser Logistics commenced its Truck Rental operations in Cape Town in 2005 to principally service their existing customer base. More recently Laser Logistics acquired two new 30 Pallet Refrigerated Trailers to transport Bulk Loads to a few of County Fair Foods wholesale outlets.

**LASER**  
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## MORE ABOUT OUR CONTAINER SERVICES

With the expansion at Cape Town port and the Western Cape economy showing signs of recovery after the financial crisis of a few years ago, the need to grow the service offering of Laser Logistics in the container cross haul sector became a priority.

GAC Laser already has a strong presence in the region's import and export footprint, with the joint venture clearing and exporting container cargo for its clients as part of the core service offering. The land transport arrangements export for imported container cargo and the planning of export shipments are being managed by GAC Laser through their own transport department.

Laser Logistics had spare capacity of truck tractors from the haulage services and decided to have two 13,5m tri axle flat deck container trailers built to mobilise the service offering.

The redeployment of the two truck tractors and the purchase of two new trailers enabled Laser Logistics to service GAC Laser on a dedicated basis, minimising the reliance of GAC Laser on sub-contractors. This further promoted the on-going evolution of Laser

Logistics' general distribution services. It was a natural progression for Laser Logistics to expand into container cross haul distribution, as many of its own multinational customers import container shipments to Laser Logistics warehouses for cross dock, warehousing, primary and secondary distribution services.

GAC Laser also plays a prominent role in providing ships spares services. The two flat deck trailers were specifically chosen to enable Laser Logistics to be flexible and offer multi cargo haulage rather than just container cross haul services.

The container services kicked off operation during October 2011 and soon reached capacity. A decision was recently taken to purchase two trailers, one 12m skeletal container trailer and one 6m skeletal container trailer. The two new trailers would enable Laser Logistics to expand capacity and service customers with specific 6m container distribution need.

Further expansion is expected as this service grows to offer solutions to other customers in the import and export market.



## Partner Activity

Partner developments on the global front.

Laser's international partners are themselves substantial global logistics businesses. Laser has partnered with GeoPost SA (a subsidiary of La Poste, the French Post Office) in its Express Distribution business and with Gulf Agency Company Ltd (GAC) in its International Forwarding business.



**DPD Laser Express Logistics is a company jointly owned by Laser and GeoPost SA, a wholly owned subsidiary of GeoPost, a parcel distribution specialist made up of the Express subsidiaries of the La Poste Group. GeoPost, through its operating subsidiaries, is the second largest express operator in Europe.**

**DPD Continental in India** has enhanced its depot structure by converting a small office into an official depot in famous region of Agra. "The business potential is huge and DPD is growing in this market very rapidly", says Vivek Sharma, responsible for business development within DPD Continental.

**DPD in Russia and Hermes have joined forces and presented in B2C - Joint venture to the Press.** DPD Hermes has established a joint venture to provide additional, high quality B2C delivery services for the Russian Market. Today, the network of Parcel Shops already consist of 300 shops in Moscow, St. Petersburg, Yekaterinburg, Novosibirsk, Chelyabinsk, Nizhny, Novgorod, Samara, Krasnodar and Rostov-no Danu. The Parcel Shop are set up within well-know Russian retail chains.



### **Kazakhstan-Customer Friendly**

On 1 March, DPD in Kazakhstan switched over to a new working system called "ARGIS" which will simplify the customer's life in terms of having one order number enabling him to track and trace parcels throughout the Custom Union of Kazakhstan, Russia and Byelorussia. This new system has more user friendly options for the customer, such as sms and email notifications, previously not available.



**GAC Laser International Logistics is a company jointly owned and controlled by Laser and GAC. GAC was established in 1956, and is the largest independent shipping, marine and logistics provider in the world, with more than 300 offices covering 1000 locations worldwide.**

### **Hapag-loyd chooses GAC as partner in Nigeria and Ghana**

Leading global liner shipping company Hapag-Lloyd has signed an agreement with the GAC Group to handle their vessels calling at ports in Nigeria and Ghana. Under the deal, GAC will act as full liner agents for Hapag-Lloyd, actively selling its liner services in the region, as well as providing a range of shipping agency and complementary services for its fleet.

### **GAC Singapore affirms commitment to workplace Safety and health with bizsafe level 3 accreditation**

GAC Singapore has underlined its commitment to workplace safety and health (WSH) practices with its achievement of BizSAFE Level 3 accreditation after a rigorous risk management audit.

BizSAFE is a five-step programme introduced by the Workplace Safety & Health Council (WSHC) in Singapore to help companies build their WSH capabilities and achieve quantum improvements in standards.

### **GAC renews long-standing sponsorship deal with racing driver Alex Brundle**

GAC has renewed its sponsorship of rising motor racing star Alex Brundle, the 21-year-old son of Formula One™ legend Martin Brundle, for a fifth consecutive year. Alex was a schoolboy competing in junior single-seater races when GAC first signed him.



# SOWETO TEACHERS MOVE-IT MOVING IT!



Dr Claire Nicholson, third from left, congratulating her teachers on completion of the programme.

Dr Claire Nicholson and Lara of Move-it Moving Matters set off early one morning to meet the Laser Logistics truck at the first of the 11 schools in the Soweto region.

Pictured with Dr Claire Nicholson are some of the teachers who completed the programme. Once again the warehouse team in Johannesburg have done us proud with their fantastic support of this very worthwhile project.

# LUNCH FIT FOR A KING AT HOUSE OF GRACE

Laser Logistics once again joined forces with key client County Fair to support the children of House of Grace, one to County Fair's CSR initiatives. The children who reside at the House come from all walks of life, most of who have been abandoned or abused. The Home also cares for HIV/Aids affected children who all attend Fisantekraal Primary School. The lunch was a highlight on the calendar of these children who expressed immense appreciation for the love and care from laser Logistics.



The Popular County Fair and Laser Logistics vehicle acts as a backdrop for all the children sponsored at the House of Grace.

# DAWN WING GIVES TLC



Dawn Wing staff at the Mad Hatters tea party.

Dawn Wing's Cape Town team had the privilege of joining scholars at the TLC Outreach Programme for their Mad Hatters tea party recently.

The Programme focuses on providing a positive learning environment and atmosphere for toddlers and preschoolers to be groomed for primary school.

Each child received a goody bag filled with yummy treats and fun gifts. Dawn Wing is very proud to be associated with initiatives that support basic life skills which so many children need to survive in today's world.

## Profiling our People

Meet colleagues.



Vanessa Alexander

Vanessa Alexander, current Distribution Manager, joined Laser Logistics in June 2008 as a logistics administrator.

In just two years, she was put in charge of operations administration. During this time, she grabbed the opportunity to study at UNISA and successfully completed a certificate in industrial psychology. Last year she participated in the Laser Academy where the theme was “becoming good to great”.

“I have an immense longing to develop people within the workplace. The joy one sees on an individuals’ face by what you have taught them brings immense pleasure to me. Increasing one’s self-worth can only enhance the quality of work”, says Vanessa.

**LASER**  
**LOGISTICS**

## Industry News

Topical industry news.

# RISING ROAD LOGISTICS COSTS IN SOUTH AFRICA



### What is Road Logistics costing South Africa?

Logistics Management as defined by the Council of Supply Chain Management Professionals (CSCMP): "Logistics management is that part of supply chain management that plans, implements, and controls the efficient, effective forward and reverse flow and storage of goods, services, and related information between the point of origin and the point of consumption in order to meet customers' requirements. Logistics management activities typically include inbound and outbound transportation management, fleet management, warehousing, materials handling, order fulfilment,

logistics network design, inventory management, supply/demand planning, and management of third party logistics services providers. To varying degrees, the logistics function also includes sourcing and procurement, production planning and scheduling, packaging and assembly, and customer service. It is involved in all levels of planning and execution – strategic, operational, and tactical. Logistics management is an integrating function which coordinates and optimizes all logistics activities, as well as integrates logistics activities with other functions, including marketing, sales, manufacturing, finance, and information technology."

From the above it is clear that logistics and supply chain management play a big role in any economy and are a critical contributor to the competitiveness of a country. The demand for products can only be satisfied through the proper and cost-effective delivery of goods and services. South Africa's main economic activity is located in Gauteng in the centre of the country, and this has inherent challenges for the logistics also includes coordination and collaboration with channel partners, which can be suppliers, intermediaries, third party service providers, and customers. In essence, supply chain management integrates supply and demand management within and across companies."

**LASER**

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