

## Update branch development

### Start of Schenker China Ltd. Nanjing Branch

Schenker China Ltd. has formed a new branch company in Nanjing, Jiangsu Province, China. Schenker China Ltd. Nanjing Branch will be fully operational on July 1, 2007. All shipments (except exhibitions) to or from Nanjing will be handled by the Nanjing Branch.

### Start of Schenker China Ltd. Tianjin Branch

Schenker China Ltd. has formed a new branch company in Tianjin, North China. The Tianjin Branch will be fully operational on July 1, 2007, in following new location:

Schenker China Ltd Tianjin Branch  
Room 1001, The Exchange Tower II,  
No.189, Nan Jing Road, He Ping District,  
Tianjin 300051, China

### Relocation of Wuxi Office

The Wuxi office has been relocated with effect from July 1, 2007. The new address is:

Schenker (H.K.) Ltd.  
Wuxi Representative Office  
Room A,B,C, 22th Floor,  
Orient Plaza  
No. 343 Zhongshan Road,  
Wuxi Jiangsu 214002,  
P.R.China

All phone and fax numbers as well as email addresses remain unchanged.



# Consolidated strategy for success

Excerpt from an interview with Shanghai Daily, published on June 30/July 1 in the US supplement

(...) "China is a key area for Schenker and the DB Group's future development," said James T. Gagne, Schenker's managing director of central China. (...) The Schenker-BAX network boasts a team of more than 4,000 experts in 60 locations covering all of the main cities in China." (...)

"Our integration is allowing us to offer much stronger ocean freight, air freight, ground transportation and a second to none contracted logistic product." (...)

In China, talent with a strong educational background and a good understanding of supply chain management is not plentiful. "We pride ourselves on having a strong talent base. And we put a lot of effort into growing our people," he said.

China is the frontier of international business; it is the focus of global activity in the shipping and logistics industries. The dynamic purchasing power which is fueling imports is also creating a rapidly growing demand for high quality logistics services.

According to Gagne, Shanghai is driving the logistics industry to become one of the city's key economic development sectors by 2010. It is hoped that the industry will account for 13 percent of the city's GDP by 2010. Recent investments in Yangshan Deep-Water Port and the Pudong International Airport, among others, are a testament to the city's commitment to fostering and facilitating growth in the logistics industry.

"In some of our core verticals like automotive, IT, semiconductor, consumer retail and healthcare-medical, our solutions have shifted in the past from being largely international freight forwarding based to support export manufacturing, for international sales, to more complex and integrated multi-modal solutions to support domestic distribution requirements for domestic sales in the Chinese market," he said.

In the central China region, Schenker is currently implementing a domestic spare parts distribution center for a



James T. Gagne, Schenker's Managing Director of Central China

leading automotive firm. The company has also recently implemented a large scale inbound VMI (Vendor Managed Inventory) to support a new production facility for one of the world's largest IT-PC manufacturers, with IT links in place with more than 110 suppliers.

The company is also the exclusive supplier of freight forwarding and customs clearance for the Beijing 2008 Olympic Games. Its successful services to events such as the Olympics Games, the FIFA World Cup, the Commonwealth Games and many other global championships demonstrates its status as the prime mover for international sporting events.

## Market updates

### China develop first-rate waterways river ports by 2020

First-rate waterways and major ports will be developed in 20 mainland China provinces, autonomous regions and directly governed cities by 2020, says Vice Minister of Communications Weng Mengyong.

Citing to the "National River Waterways and Ports Layout Plan" from 2006 to 2020, Xinhau reported that Mr Weng said river waterways will be divided into first-rate and second-rate, or general waterways, while river ports will fall into three categories: major, regional or general. Eighteen major waterway networks and 28 major ports will be located along the Yangtze, Pearl rivers and

Beijing-Hangzhou Canal as well as the Yangtze and Pearl deltas. The network will link 56 cities with 27 customs checkpoints.

The network will comprise river waterways with a capacity of more than 1,000 tonnes, and a river port system to serve the export trade of major regional cities will be established.

By 2020, China expects to develop 19,000 kilometres of high-class kilometres of waterways ranked higher than third class, and 4,800 kilometres of fourth-class waterways, the report said. river waterways, including 14,300.

Source: e-Shipping Gazette

## Did you know?

- The FIFA Women's World Cup is the most important international competition in women's football.
- The inaugural tournament was hosted in China in 1991, with 12 teams sent to represent their countries.
- China won the "FIFA Fair play award" in 2003.
- The FIFA Women's World Cup China 2007 will be held from Sept 10-30, 2007 in the cities of Chengdu, Tianjin, Wuhan, Shanghai and Hangzhou.

Source: <http://en.wikipedia.org/www.fifa.com>

