



BIG MOVE Royal Cargo Brings *Wind Power* to Ilocos

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RCI Holds 1st Staff Town Hall Meeting

After seven (7) months of hardwork, the dynamic team of Royal Cargo Inc's Projects and HeavyLift (PHL) unit has successfully completed a meticulous and sensitive project, the 81-megawatt Caparispisan Wind Power project of the North Luzon Renewable Energy Corporation (NLREC) in Pagudpud, Ilocos Norte.

Royal Cargo managed the multi-million project from port handling, barging, delivery, and erection in partnership with the Danish company, Blue Water Shipping, and recognized engineered transport provider, Sarens.

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Management News

ROYAL CARGO APPOINTS NEW **GROUP CEO**

Royal Cargo, the total logistics service provider, recently announced the appointment of Mr. Michael K. Raeuber as the Group Chief Executive Officer (CEO).

Mr. Raeuber, the founder of Royal Cargo previously held the President/CEO post for the company's operations in the Philippines. With his new role as Group CEO, he will be in-charge of overseeing and managing the global operations and expansion of the whole group.

The inception of the position for a Group CEO was made due to the rapid expansion of the company overseas reaching a total of ten (10) global offices before the start of 2015. According to Mr. Raeuber, *"The move aims to address the challenging need of a fast growing clientele outside the Philippines and to maximize our growth potential across continents"*.



Royal Cargo Group CEO, Mr. Michael K. Raeuber

With the creation of Mr. Raeuber's designation, Mr. Elmer Francisco U. Sarmiento, who previously held the Chief Operating Officer (COO) spot will be taking over as the President for Royal Cargo operations in the Philippines.

Assuming his vacated post as COO is Mr. Andrew K. Raeuber who previously served as the company's Executive Vice President for Freight Division.

The two gentlemen will report directly to the Group CEO for their respective divisions and will work hand-in-hand to supervise the whole business operations of Royal Cargo Philippines.

The appointment of officers followed the recent change of company name from Royal Cargo Combined Logistics, Inc. to Royal Cargo, Inc.



FROM LEFT: President of RCI, Mr. Elmer Francisco U. Sarmiento and COO, Mr. Andrew K. Raeuber



ROYAL CARGO SINGAPORE BOOSTS OPERATIONS ANEW



The Staff and Trucks of Royal Cargo Singapore

Royal Cargo Singapore Country Manager Mr. Arvin Canuto explained that “The warehouse facility now allows us to extend various services including third party logistics (3PL), storage, and cross docking and will open doors of opportunities in the freight forwarding and brokerage business too.” He also said that the additional trucks will be an advantage as it will not only reinforce their flexibility to deliveries, trucks will also help them market the brand. “With

Royal Cargo recently upgraded operations in its Singapore office with the acquisition of new trucks and warehousing facility as it raises the bar one notch higher in providing total logistics solutions to its clientele.

these trucks running around Singapore, our exposure is far greater – our clients will easily recognize Royal Cargo”.

The new 20,000 sq ft, non-bonded warehouse located at No. 6 Changi South Street 2, Eastern Sector is just five (5) minutes away from Changi International Airport and thirty (30) minutes away from Jurong Port. It boasts ten (10) loading docks, a ramp access for easy Pick and Pack, and a specialized racking system for storage of goods. A caged area is also devoted for high value cargo while a 24 hour security and standard fire alarm and hydrant system ensures safety for all types of cargoes, anytime of the day.

The new milestone is another step towards achieving the Royal Cargo vision of becoming a top rated logistics provider across the globe.

A wide variety of new trucks also comprises the Singapore fleet including open top trailers, full box and full van. These heavy goods vehicles carry up to a maximum weight of 10 tons and will advance the distribution division’s capability to time-sensitive deliveries.



The Loading Docks and the Building Facade of the RC SG Warehouse Facility

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Royal Cargo Inks On-shore Transpo Deal with SEPC

Royal Cargo Inc. (RCI) inked a deal with Shanghai Electric Power Construction Philippines Corporation for the on-shore transportation of (3+1) 135MW power plant in Kauswagan, Province of Lanao del Norte.

Mr. Elmer U. Sarmiento, President of RCI together with Vice President for Projects and Heavylift (PHL) of RCI, Mr. Toddy de Roma, graced the contract signing ceremony held at the SEPC's Headquarters in Shanghai, China last March 6, 2015.

The coal-fired power plant is a turn key project awarded to SEPC by GNPower Kauswagan Coal Plant Ltd. Co, a subsidiary of the Ayala Corporation.

RCI will be providing SEPC logistics services including on-shore freight forwarding, duties and tax exemption, customs clearance, inland transportation, discharging from port, and barging.

Mr. De Roma explained that the project will commence in April 2015. The project will last for thirty six (36) months and will cover the transportation of 1600 units of containers, and over 150,000 tons of break bulk cargoes including various heavylifts and Over Dimensional Cargoes (ODCs).

As per Mr. De Roma, *"This will be another challenging project for Royal Cargo, but with our competent and determined people, I firmly believe that we can handle this smoothly."* RCI President Mr. Sarmiento also added *"It is a pleasure for us to be the trusted logistics provider of the Kauswagan Power Plant project. We constantly innovate and improve our technology, equipment, and people; and we assure our client, SEPC, that we will be providing them with the best and highest quality of service"*.

Royal Cargo Inc. is the leading projects and heavylift transportation service provider in the Philippines.



Photos Courtesy of Sebastian Raeuber

Noteworthy

SHIPPING AGENT AT WORK

Royal Cargo recently served as the shipping agent and broker of Boskalis International BV, one of the biggest companies in the world in dredging operations who was appointed by Shell Philippines Exploration BV to be the lead company in the tow out and installation of the Depletion Compression Platform, an offshore natural gas platform from Subic, Zambales going to the Shell Malampaya gas field in El Nido, Palawan.

The offshore natural gas platform called Depletion Compression Platform (DCP) with an approximate weight of 25,000 tons was successfully towed last Feb 6, 2015 from Subic to Palawan by two anchor handling tug ships chartered by Boskalis International BV from Tidewater Marine. Royal Cargo acted as ship agent for these 2 ships namely the Marty Quist Tide and the William Croyle II.

Royal Cargo primarily secured all the permits for the main tug ships. It also acted as the agent in securing immigration visa extensions and special work permits of foreign personnel working for Shell contractors working for the project. These contractors were Boskalis, Mammoet and-



The Depletion Compression Platform before and after floating at the Subic Port

Seatraxx. Royal Cargo also acted as the broker and secured cargo clearances and permits from the Bureau of Customs, Philippine Economic Zone Authority (PEZA), and Philippine Ports Authority (PPA). The cargoes consisted all the materials and equipment needed for the tow out activities at Manila, Subic and Batangas.

The successful project was led by the hard working team of Royal Cargo including: Sebastian Raeuber/PHL and RC's Key Account Manager for Boskalis account; The members of the PHL Agency team: Roberto Del Rosario, Carlos Ching, Myca Tiamson and Joanna Carla Tisuela; the other members of PHL head office; Geraldine Razon, Friche Joy Almazan and Vanessa Olalo; RGSi headed by Ms. Sarah Mendoza and those from the branch offices at Batangas, Mary Jane Aguila and Subic, Ramiel del Rosario and Jenny Batacon.

Cloud-based End-to-End Logistics Solutions

Integration of Global Business Operations

Over a year ago, Royal Cargo Inc. started the implementation of the ediEnterprise program; CargoWise One. It is a single-platform software solution integrating RCI to all of its local branches, global offices, customers, and its partner agents using ediEnterprise to streamline the processes and increase the efficiency, visibility, and profitability of operations.

CargoWise One is a cloud-based capability allowing RCI to key in data once and make it instantly accessible across the worldwide operations. It also stores the data offsite and online, enabling remote global access 24/7. The system also simplifies a complex and repetitive workflow and reduces the margin of error. Another advantage of ediEnterprise is its comprehensive integration of accounting, document management, and e-Commerce solution to manage sales and customer relationship management (CRM) services.

Ms. Nora Vano, CW1 Consultant and Trainer for RCI explains that the implementation is complete globally and the learning process is ongoing. *“We want to maximize the use of the system and we’re continuously training our people to be familiar with its features”*. Ms. Vano added that the program is upgraded every weekend adding new functionalities and capabilities. *“CargoWise One is a very effective tool for the logistics operations, with its weekly updates and upgrades, it opens a lot of learning opportunities every time”*.



Royal Cargo Group CEO, Mr. Michael K. Raeuber also noted, *“With the cloud-based end-to-end logistics solutions, Royal Cargo is more capable of bringing top quality and highly efficient service to our clientele”*.

CargoWise One is a product of WiseTech Global, an innovative, multi-award winning global developer of cloud-based software solutions for the international and domestic logistics industries.

The integration of CargoWise One in the Royal Cargo operations is another move towards realizing its company vision of becoming a world-class total logistics service provider offering specialized and cost-effective logistics solutions.

*“With the **cloud-based end-to-end logistics solutions**, Royal Cargo is more capable of bringing **top quality and highly efficient service** to our clientele”*

RCI Rolls Out e-FORM for Better Visibility Drivers Now Equipped with Data Connected Devices



The Information, Communication and Technology System (ICTS) department of RCI recently launched the electronic Form - Proof of Delivery (POD) edition, an additional feature to its visibility management system, the Royal TrackPlus Mobile Solutions (RTMS).

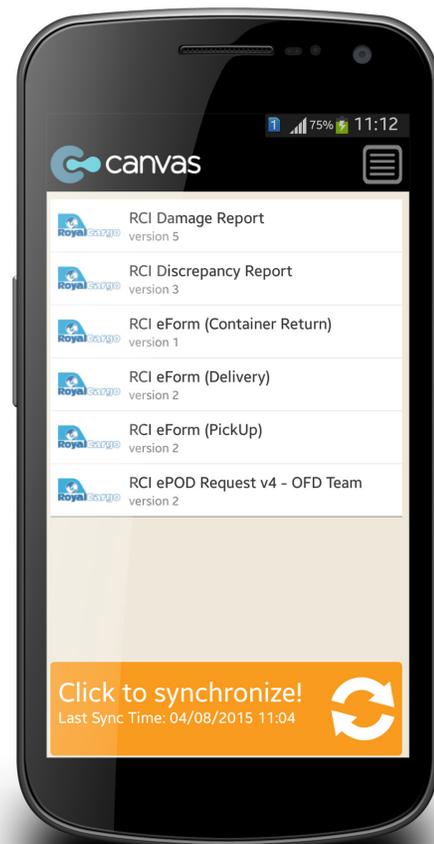
The e-Form allows the real-time electronic submission of Proof of Delivery to complete the milestone for customer visibility. It also has an electronic document (eDocs) that enables customers to view other relevant information including the barcode scanning of shipment, real-time stamped delivery, GPS location tracking, customer signature capture, image capture, and delivery information.

Vice President for Global IT of RCI, Mr. Abet Cabungcal explained that the eForm solves several challenges in the supply chain process as it allows the drivers to instantly remit the information via mobile devices right after the recipient receives the shipment. He added that *“Our first challenge was to make the complete information on the delivery visible to our clients and the eForm solved that issue, with a value-added service of an image capturing feature to show the shipment being delivered to its recipient in realtime.”*

Another challenge solved by the eForm is the on-time return of POD documents to the headquarters, Mr. Cabungcal noted that *“eForm accelerates the operation and billing turnaround since the PODs will be remitted immediately. We will find out quickly if there is any discrepancy, damage, or other issue encountered right away.”*

The roll out of the eForm equipped the business units of RCI handling delivery of shipments including Premium Courier, Own Fleet, and Domestic Freight Forwarding.

The development of the eForm is another move towards the realization of Royal Cargo’s vision to be a world-class logistics provider offering an effective and cost-efficient specialized logistics solutions for its clients.



BIG MOVE**Royal Cargo Brings *Wind Power* to Ilocos****»» ...From Cover**

"We are very happy to be entrusted with an intricate and challenging project like this," according to the Vice President for PHL who also served as the Project Director for the Wind Power project, Mr. Toddy de Roma. He also described the careful planning and execution strategy they laid out specifically for the Caparispisan Wind Farm. *"It is a memorable achievement for Royal Cargo, for NLREC and for our country in terms of aiding the energy problems. We are so proud that we have a touch in fulfilling this project for the benefit of our countrymen."*

The Caparispisan Wind Project aims to support the national government's efforts toward energy security and will boost the country's ranking as one of the important emerging wind markets in Asia. It may also serve as an aid in the foreseen power shortage in the summer of 2015.

Twenty seven Siemens turbines with an estimated mass of 12,152 Tons were handled at the port of OMNICO where each part of the wind mill was carefully secured. The Royal Cargo team then barged the parts going to Caparispisan, Pagudpud, Ilocos Norte. After a six-hour travel by water, -



windmills.

the team then mounted the parts to trucks and specialized wind mill tractors and transported them to a 3-KM trip with challenging route before finally starting the erection of the -

The project was led by competent people from the Royal Cargo, Inc. including VP for PHL and Project Director, Mr. Toddy de Roma; Project Manager, Mr. Martin Copon with the assistance of Mr. Lawrence Esteban. The turbine erection was led by Project Manager, Leodie Limcangco and the assistance of Mr. Larry Zubieto.

RCI HOLDS 1ST STAFF TOWN HALL MEETING 2015

Last February 18, Royal Cargo held its first Staff Town Hall for 2015 at the Royal Cargo Yard in Paranaque City with the theme “Simply the Best!”

President for Philippine Operations, Mr. Elmer Francisco U. Sarmiento welcomed the employees with his inspirational message followed by the presentation of the 2014 Financial Report of the company’s Provident Fund, the re-orientation of the company’s Anti-Bribery and Corrupt Practices Policy, and the launching of Royal Cargo Group Code of Ethical and Integrity Standards.

Each business unit also prepared their one-minute slogan about their own interpretation of Honesty, Integrity, Fairness, and Transparency – the core values that the Royal Cargo group observe in all aspects of its operations. Freight Division bagged the first prize, Support Group won 2nd and Royal Global Services Inc. bagged the 3rd prize.

As a tradition every Staff Town Hall, Group CEO, Mr. Michael K. Raeuber, President, Mr. Elmer Francisco U. Sarmiento, and COO, Mr. Andrew K. Raeuber accommodated questions from the ranks, and laid the plans and goals of the company this 2015.

Some of the most notable questions from the Open Forum are as follows:

Q: Since Solar Power is really in right now, do we have plans of making our office/facilities solar-powered already?

A: (Answered by Mr. Michael K. Raeuber) A Solar-powered Laguna warehouse is already underway, making Royal Cargo the first-ever Cold-Storage facility to operate by means of Solar Power. In the headquarters, there is also a plan to put up Solar-panels which will cover about 30% of the total energy consumption.

Q: Is there a plan to fix and improve the roads around Queensway?

A: (Answered by Mr. Andrew K. Raeuber) Currently, we are focusing on projects which are more feasible like the improvement of the facade of Queensway by removing the stalls that block the road and the rehabilitation of the clogged sewerage system to avoid flooding in our compound. For the road, we have to consider a huge amount of budget to cover the entirety of Queensway and we will be needing the support of other companies within QCCAI.



FROM LEFT: President of RCI, Mr. Elmer Francisco U. Sarmiento, Group CEO Mr. Michael K. Raeuber and COO, Mr. Andrew K. Raeuber during the open-forum with employees.

The question about the road rehabilitation was raised during the forum since Mr. Andrew K. Raeuber, the COO of RCI also serves as the President of the Queensway Commercial Center Association Incorporated, the compound where the headquarters is located.

In closing, Group CEO, Mr. Raeuber challenged everyone to keep the enthusiasm in further improving their talents which will help drive Royal Cargo to be the top rated specialized logistics provider in the country and worldwide.



3rd Prize Winner: RGSi

2nd Prize Winner: Support Group



1st Prize Winner: Freight Division

The winners of the group presentation on Integrity and Honesty.

RCI HOLDS 1ST STAFF TOWN HALL MEETING 2015



Right after the open forum of the RC Staff Town Hall, the Royal Cargo family also celebrated the birthday of Mr. Michael Raeuber, the founder of the company.

Ms. Lynda Kristi Sarte led the employees with the special song number for Mr. Raueber. A customized lyrics of the song “Simply the Best,” popularized by Tina Turner served as the surprise for the father of the company. A sumptuous dinner was also shared among the employees.

Simply the Best

(to the tune of Tina Turner’s Simply the Best)

*You started Royal Cargo
 And made it an Empire
 You’re the father, the founder
 Smart and Nice
 And you welcomed us just like a family*

*You asked from us some KPIs
 Exceed the budget
 And told us to follow the line
 And it cant be wrong
 Your mind is pure, your heart’s strong*

*Cause you’re simply the best
 Better than all the rest
 You can build anything
 Anything you want to get
 You’re stuck in our hearts
 You inspire us every single day
 Lead us,
 But for now just enjoy your day! (repeat)
 You’re the best!*

RCI LAUNCHES PRODUCT AWARENESS SEMINAR FOR EMPLOYEES

The Royal Cargo Center for Learning and Improvement headed by the Human Resources department and in coordination with the respective business units of RCI, recently launched the Product Awareness Seminar to provide employees with better understanding of the capabilities and services offered by the Royal Cargo Group.

A 3-hour discussion is allotted for a business unit/department every Monday, from 9am - 12nn at the Training Room, RC2 Building in Paranaque City. According to RCI Human Resources Manager, Ms. Janet Husmillo, “We do not want our employees to be limited on their respective duties in the company, we want to equip them with more knowledge about our various services” Vice President for Functional Services, Ms. Loida F. Tasis also added that “Royal Cargo is rapidly growing. Our vision is that as the company grows bigger, our employees should grow as well”.

The Product Awareness Seminar commenced last March 2, 2015 wherein Operations Manager for Airfreight, Mr. Menandro delos Santos

discussed the operations of International Freight - Air Import & Export. The whole month of March tackled the other sections of the Freight division including Premium Courier handled by its Operations Manager, Mr. Ronald Soriano; International Sea Import and Export, carried out by Ms. Cherry Maniquiz and Mr. Jamery Derecho, Oceanfreight Import Manager and Oceanfreight Export manager, respectively; and Domestic Freight Forwarding which was discussed by Mr. Jet Ambalada, Vice President, for Key Accounts Management and a key person who played an important role in the organization of the business unit last 2009.

Upcoming schedules of seminars are as follows:

- Customs Clearance/TMW - April 6 & 7
- Trucking Operations - April 13
- Projects & Heavylift - April 20
- Tank Agency - May 4
- Contract Logistics - Dry - May 11
- Contract Logistics - Cold - May 11

QMS KICKS OFF INTERNAL QUALITY AUDIT 2015

The Quality Management System (QMS) department formally opened the 2015 Internal Quality Audit Plan for the Royal Cargo Group last February 23, 2015 at the Board Room of Royal Cargo Building 1 in Paranaque City.

Ms. Ersie Gacer, QMS Manager led the opening meeting which was joined by the Top Management, Heads of Departments (HoDs), and Internal Quality Auditors (IQAs) to kick-off the five-month long internal quality audit to prepare the company for the upcoming ISO 9001 surveillance audit.

According to Ms. Gacer *“Our goal is to instill to all the members of the company the culture of quality – from the top management down to our fellow employees. Quality in our business is very important.”*

The roll out of the Internal Quality Audit reinforces the company’s commitment in providing its customers satisfaction and ensuring that the internal processes cope up with the demanding needs of its clients and the technology. In line with Royal Cargo’s vision to maximize its growth potential, the QMS audit aims to assess the current internal processes to ensure compliance to ISO 9001: 2008 standards and sustainability of the system.

NEW IQ AUDITORS NAMED

Prior to the start of the 2015 Internal Quality Audit, the Quality Management System department of Royal Cargo held a two-day training for selected employees who will become members of the pool of Internal Quality Auditors.

The training aims to equip selected employees of the Royal Cargo group with knowledge and skills about the process in the company. These Internal Quality Auditors will also serve as the liaison between the QMS and their respective departments/business units in terms of attending to issues, roll out of information, and trainings.

The new batch of 24 IQ Auditors will reinforce the current pool of 21 auditors. QMS Manager, Ms. Ersie Gacer explained that *“the addition will not only solve the issue on the lack of auditors, it will also make the coordination with each department easier and faster.”*

The following employees from different departments and branches in Luzon were appointed by their respective HoDs to undergo the training: Lenilyn Santiso (Legal); Michelle Peralta (ICTS); Nanette Botecario (CSR); Jessica Vita (HR); Mari Stella Segundo (PHL); Abigail Jantoc (CTD); Myrna Sayat (OFR Import); Imelda Due (Trucking); Inna Marie Cancio (Tank Agency); Fe Serrano (Domestic Sea); Netchell Calizo (Premium Courier); Jennelyn Batacon (Freight Subic); Mary Ann Jaspe (CFD); Marilyn Ajon (TLM); Rhea Rapinan (SNM); Keith Espiritu (Freight Management); Vine Enriquez (CCB); Dolores Encinares (Freight Cavite); Helen Serrano (Admin-)



-Manuel Llanderal (Freight Batangas); Razel Apilado (Freight Angeles); Luisa Ang (MEMD); Ria Topacio (Freight Bataan). Jill Viray (FUNS)

An IQA examination concluded the training which was topped by the following: 1st Lenilyn Santiso (Legal); 2nd Michelle Peralta (ICTS) & Nanette Botecario (CSR); 3rd Jessica Vita (HR); 4th Stella Segundo (PHL); 5th Abigail Jantoc (CTD)

New auditors will be joining the IQA team in conducting the 2015 Internal Quality Audit and will ensure that their respective departments are complying with the standards of ISO 9001: 2008.

IQA TEAM BUILDING

The IQA Team organized a team building workshop at the Hacienda Gracita Leisure Farm and Private Resort, Muzon Road, Barangay Kaykwit, Indang, Cavite. Vice President for Functional Services, Ms. Loida F. Tasis facilitated the event through discussions, games, and group activities enabling the Batch 2015 IQ and 5S Auditors to get to know each other more, bond, and have fun.





GROUP CEO TAKES PART IN ARANGKADA FORUM 2015

Royal Cargo Group CEO and European Chamber of Commerce of the Philippines (ECCP) President, Mr. Michael K. Raeuber took part in the recently concluded Arangkada Philippines Forum 2015 with the theme “Invest Now for Inclusive Growth!”.

Mr. Raeuber was one of the keynote speakers who discussed the “Keys to Unlock Investment” and the Logistics and Luzon Port Issues. Arangkada Philippines is a comprehensive advocacy paper intended to share recommendations leading to the creation of \$75 billion in new foreign investment, 10 million jobs and over one

trillion pesos in revenue for the Philippine economy within this decade. Royal Cargo Inc. was also one of the major sponsors of the said event.

RCI IS MALASIMBO’S OFFICIAL LOGISTICS PROVIDER

The Malasimbo Music and Arts Festival chose Royal Cargo as its official logistics provider for the transport of their materials and equipment in the two weekends of festivity.



Malasimbo Music and Arts Festival is an international music arts and festival set amidst the tropical gardens of Puerto Galera where a grass-terraced amphitheater serves as seats for concert goers. It was held at the Mount Malasimbo in Puerto Galera, Oriental Mindoro on March 6-9 & 13-15, 2015.

PREMIUM COURIER JOINS THE 2015 PCR P ASSEMBLY

Royal Cargo Inc’s Premium Courier (PC) recently joined the 2015 General Assembly of the Philippine Clinical Research Professionals held at the auditorium of the University of Santo Tomas Hospital in Manila.

The team led by PC’s Operations Manager, Mr. Ronald Soriano graced the assembly with the theme “Health in Research and the Healthy Researcher”. PCR P discussed the latest trends and industry updates about the clinical trial field.



Premium Courier department is the arm of RCI dedicated in providing logistics management solutions for Pharmaceutical and Biotechnology companies. It also operates a Clinical Trial Depot which serves the Clinical Research professionals by handling and managing clinical supply chains as well as time-critical and sensitive shipments.

CONSTRUCTION SAFETY TRAINING AT LIIP

The HSSE and Contract Logistics Departments conducted the Fabrication & Installation of Protective Safety Nets & Roof Access Training for all supervisors, leadman, and helpers last February 25, 2015 at the Cold Storage facility in Biñan, Laguna. Mr. Manuel Tibayan, HSSE Safety Officer equipped the participants with knowledge on construction safety in preparation for the upcoming installation of the Solar-power system in the CL Laguna facility.





ROYAL CARGO CELEBRATES PRESIDENT'S BIRTHDAY

Royal Cargo Philippines recently celebrated the birthday of its President, Mr. Elmer Francisco U. Sarmiento at the yard of its headquarters in Paranaque City.

Song and dance performances, as well as tribute videos were prepared to surprise the birthday celebrator. A sumptuous dinner was shared by the employees together with the family of Mr. Sarmiento.

ROYAL CARGO HOLDS ANNUAL BLOOD-LETTING ACTIVITY

The Royal Cargo Group of Companies recently held its Annual Blood-Letting Activity in support to the Philippine Red Cross. A huge number of employees participated in the said activity to raise blood bags for PRC.

In line with this, the PRC has granted Royal Cargo, Inc. a Certificate of Appreciation for its meritorious service rendered in promoting blood services.

Royal Cargo has been recognized for its annual Blood-Letting Activity that started in 2011.



RCI ROLLS OUT DEFENSIVE DRIVING COURSE

The HSSE and Own Fleet Department organized a Road Transport Safety and Defensive Driving Course for all drivers & helpers last March 2, 2015 at the Property 3 (P3) NAIA Ave. cor. Multinational Road, Parañaque City. The training was conducted jointly by HSSE Safety Officer, Mr. Manuel Tibayan, and Own Fleet Manager, Mr. Larry Zubieto.

Royal Cargo regularly holds the Road Transport Safety and Defensive Driving Course to ensure the efficient, effective, and safe driving of all its drivers and helpers.

RCI CONDUCTS CHEMICAL HANDLING AND DISPOSAL TRAINING

The Health, Safety, Security and Environment (HSSE) Department of Royal Cargo in partnership with Chevron Philippines Inc. conducted a Chemical Handling, Storage, Used & Disposal Training for at the KM23 Warehouse in Alabang last Feb 21, 2015. All supervisors, checkers, dispatchers, operators and helpers attended the training.





CCB CONDUCTS TRAINING AND OPERATIONAL MEETING

Vice President for Brokerage, Ms. Sarah C. Mendoza facilitated an operational meeting regarding Customs Clearance & Brokerage (CCB) to all branches and other related departments of the Royal Cargo Group.

The whole day event discussed the connectivity of branches, streamlining of operations, and awareness about CCB. A total of 65 attendees graced the event held at the Royal Cargo headquarters in Paranaque City last March 21, 2015.

RCI SEIM MANAGER SHARES EXPERTISE TO STUDENTS

Royal Cargo Inc's SEIM Manager, Ms. Antonette Ayos recently shared her expertise in warehousing and logistics to the MBA Students and Junior & Senior students taking up Business Management, Major in Operations Management at the Cavite State University in Indang, Cavite.

With the theme, "Enhancing Operations & Logistics: Getting Ready to ASEAN Integration", Ms. Ayos oriented the students with the challenges and opportunities of the Philippines in the logistics industry as the ASEAN Integration comes to realization this 2015.



HSSE HOLDS FIRE AND EMERGENCY EVACUATION DRILL

In observance of the Fire Prevention Month, the Health, Safety, Security, and Environment (HSSE) unit of RCI recently conducted its annual Fire Drill and Emergency Evacuation procedure to determine the alertness and awareness of all employees in case of emergency.

The activity was held at the RCI headquarters in Paranaque City last March 27, 2015 which was supported by the Paranaque Bureau of Fire, Filipino-Chinese Fire Volunteers and local government of Barangay Sto. Nino, Paranaque City.

RCI EXTENDS FREE BLOOD SCREENING TO ALL EMPLOYEES

The Human Resources department of RCI in partnership with LRI - TheraPharma recently organized a FREE blood screening activity for all the employees of the Royal Cargo group of companies.

The activity held at the RCI headquarters in Paranaque City was joined by a huge number of employees who availed free glucose, blood pressure, and uric acid screening. This initiative adheres to the mission of the company to protect and care for the welfare of all its employees.



MESSAGE FROM THE GROUP CEO

Year 2014 has been remarkable with Philippine Operations exceeding the overall challenging budget by 28%. This was based on the almost traditional outstanding performance of our Projects and Heavylift Department exceeding its own budget by 60% with the biggest overall contribution to the Group. The Freight Division, performing 56% above budget on a lower scale, followed that performance. Tank Agency came in 3rd with 41% above budget and a superb performance was also recorded by TMW, our Express Release Company.

Our Group acquired UCANS Inc. a Los Angeles-based company extending our reach to the United States of America.

Indeed, it was an amazing year for Royal Cargo, where we measured up against many challenges including the Manila port congestion caused by expanded truck bans.

This 2015, we will harvest on new opportunities. We have set again demanding budgets for this year which, when met, will drive the success of our group and will provide big steps towards our vision to be the undisputed logistics market leader in the Philippines.



We must live up however to market challenges and provide services exceeding competitive international norms to continue our success.

That calls for further IT driven automation and discipline in following procedures, protocols, and learning new ways of doing many things more efficiently.

Each new year opens new doors, inspiring us to start anew full of energy, determination and purposeful drive. As the Group CEO, allow me to encourage you, the biggest part of our global group to kick off the year with sincere enthusiasm and desire to improve yourself further and make Royal Cargo a top rated specialized logistics provider, here in the Philippines and across the globe.



MICHAEL K. RAEUBER
Group CEO

“Indeed, it was an amazing year for Royal Cargo, where we measured up against many challenges”





THE PRESIDENT'S ADDRESS

We look at 2015 as a very challenging year where we have to prove ourselves again by replicating our success from past years by doing and achieving more this year.

I would like to extend my congratulations to all the hardworking officers and employees who toiled to make it happen. Let's do it again in 2015!

In spite of our success though, there are a lot of rooms for improvement.

We need the following:

- 1.) More discipline in the way we do things.

Despite the outstanding performance of our group, we can't deny that there were still some lapses and shortcomings on our part. To ensure our customers' satisfaction, we need to institute proper processes in all aspect of our business. Remember, good leaders are good followers.

- 2.) Automate repetitive manual activities and maximize the use of Cargowise One (CW1).

Perhaps, we are using CW1 to much less than its capability. From time to time, I get to know some process which is in CW1 itself. I challenge all managers and VPs to know more about our CW1 than Mr. Raeuber or myself. In fact, I was telling everybody that the future leaders of Royal Cargo are people who know our system well.

- 3.) Focus with a clear understanding of what we do.

Incidents and near misses as well as errors are due to lack of focus and misunderstanding of the situation. So, let's always be focused to avoid grave mistakes and accidents.

You may have known by now about our shortened corporate name. For the purpose of brevity, we are now Royal Cargo Inc. The Philippine SEC has approved our new name effectively. Henceforth, we go by our initials RCI, from RCCLI.

Mabuhay po tayong lahat.

ELMER FRANCISCO U. SARMIENTO
President, RCI Philippines

FROM THE COMMAND POST

It is a great pleasure to welcome each and everyone in the re-launch of the Contineo, the medium where we share the achievements and ambitions of our group.

Contineo serves as a chronicle of our organization's history, milestones, and future endeavors through articles that feature and give tribute to each of us. Days pass by so quickly and our milestones today will become part of history in a snap. Our goal is to archive all these remarkable memories in this newsletter which will continuously inspire us in realizing the visions of the Royal Cargo group this 2015.

Year 2015 is definitely an exciting and challenging year for us as we are obliged to outshine our excellent performance in 2014.



Our set budgets may be high, but we will be able to exceed our targets this year if we will work side by side towards the same goal, GROWTH - Growth that applies both for our personal development and growth for our company.

Let us all celebrate the significant achievements we had in the past months and look forward to bringing our company towards further success.

ANDREW K. RAEUBER
COO, RCI Philippines

Mr. Elmer U. Sarmiento giving his Opening Remarks

Mr. Michael K. Raeuber giving his Inspirational Message



THANKSGIVING PARTY

Royal Cargo recently held a Thanksgiving Party for its Third Party Logistics (3PL) unit - Purefoods Hormel Corporation (PHC) last January 25, 2015 at the Admin Hall of First Cavite Industrial Estate (FCIE) in Dasmariñas, Cavite.

The Thanksgiving Party is a manifestation of Royal Cargo's sincere gratitude to its hard-working employees specifically from the 3PL unit as well as to its long-time business partner, PHC after successfully accomplishing the challenging demands of the market in the Christmas season of 2014.



Mr. Raeuber with Robert John Alvarez, the Best Star Performer 2014



Mr. Raeuber with Christopher Aranas, the Supervisor of the Year 2014



Mr. Sarmiento together with the first batch of 5-year Service Awardees



The DIH Christmas Drive Team with Ms. Loida Tasis, Ms. Leny Raeuber, and Ms. Edna Sarmiento



Mr. Rodolfo Volante with his impressive performance



The management of Purefoods Hormel Corp. led by Mr. Ernie Gana and Mr. Neil Aguilar

Group CEO of Royal Cargo, Mr. Michael K. Raeuber and President for Philippine operations, Mr. Elmer Francisco U. Sarmiento led the group of ecstatic and energetic individuals carrying out the distribution of wet goods for PHC. Also present in the event were Ms. Loida F. Tasis, VP for Functional Services, Mrs. Leny Raeuber, and Mrs. Edna Sarmiento. The management of Purefoods Hormel Corp including Ernie Gana, Outbound Logistics Manager and Neil Aguilar, DLG Logistics Manager also attended the night full of recognitions, fun, and showcase of talents.

Royal Cargo recognized the Star Performers, the select employees whose performances stood above the rest, as well as the 5-year Service Awardees. The Best Star Performer and Supervisor of the Year awards were given to Robert John Alvarez and Christopher Arnes, respectively, who received a plaque and cash incentives.

Each department also presented their throwback performances with the 60's – 90's theme. DIH Christmas Drive Team brought home the award for Best Group Performance.



Rising after the Fall

by: Reymer Salvador

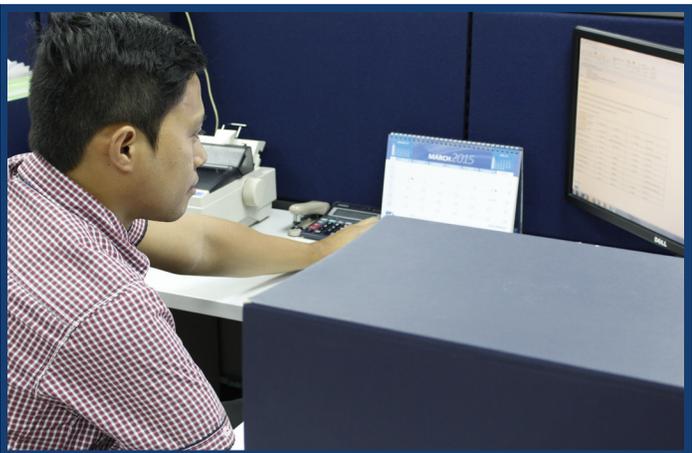
Experience and confidence are vital in our career development as these are two of the ammunitions we make use of during job interviews. Experience is the blueprint that sketches our capability and talents while confidence is the perfume that gives us the radiant and fragrant vibration to impress our interviewer. But not all times, the blueprint and the perfume are effective.

An accounting assistant for the Comptrollership and Tax Department (CTD) of Royal Cargo Inc (RCI), Mark Anthony D. Dumadag shared his experience on employment discrimination.

Mark is a hardworking and loving son, brother, and servant of the community. He was one of the bright scholars of the Philippine Women's University (PWU) who also devotes his free time as a member of the Rotaract Club of Malate and a church server in the parish of the Our Lady of Holy Rosary in Taguig.

College days were his most demanding days – worked while maintaining his scholarship at the PWU, and followed his passion of serving the community by leading the Rotaract Club of Malate. As President of the Rotaract, he launched the “Read Aloud” program, a story-reading project for street children plus other various community activities. Whenever he successfully executes one of the community activities, he felt more inspired and energized. His passion to serve helped his confidence level soar high. After college, Mark pursued the Accounting profession and was able to obtain several work experiences.

In his current stint with Royal Cargo, Inc, Mark religiously processes payables for the suppliers and validates all the expenses of ten (10) business units (BU) including the Domestic Inland Haulage (DIH) and the nine (9) Contract Logistics (CL) Dry facilities all around the country. Every end of the month, he also prepares the Profit and Loss (PnL) report for units that he handles which will be presented by the team to the Royal Cargo management. Mark also does the analysis of Financial Statement to make sure that all charges or disbursements are valid and correct. All these tasks, he accomplishes with quality and lands on the desk of his immediate supervisors on time.



As Ms. Maricelle Guiao, RCI Operations Accounting Manager and his current overall supervisor noted, she finds Mark as an eager and reliable fellow when it comes to handling the responsibilities assigned to him. *“He submits his reports on time and he is very efficient and effective in terms of monitoring and processing the payables for the truckers of our DIH, it is also the reason why we entrusted to him a huge account, our CL Dry unit”.* She explained that the strict and orderly procedure followed by Mark resulted to a smoother transaction between RCI and the suppliers. *“We were able to avoid delays and lapses on the payment”*, added Ms. Guiao.

Mark explains his secret to managing his duties at work, *“I may have physical disadvantage, but that doesn't hinder me to perform well. Time management is the key. I make sure I manage my time well so I will finish my deliverables on time”.*

Despite the impressive credentials both on his personal and professional track record, Mark once stumbled after being turned down by a medical-related company pointing out his underdeveloped limb as the reason why he cannot land the job. *“My initial reaction, I started doubting...I felt afraid about rejection because I was rejected without any reason other than my arm.”*

He recalled that it took some time for him to overcome the painful treatment but with his family in mind and the flowing desire to help others, Mark was able to conquer his fears and doubts. *“Before I was only confident knowing that I am equipped with talent and experience. Now I have added the intense determination to succeed and I believe God will never leave me.”*

Mark said he feels really blessed and is very thankful to RCI for giving him the opportunity to join the company and for accepting him for what he is. As a way of giving back, he hopes to form a group who will be involved in community service and will spearhead the corporate social responsibility of the company.

Vice President for Functional Services of RCI, Ms. Loida Tasis reiterated that *“We open our doors to every deserving individual who wants to grow with us. RCI provides equal opportunity to everyone despite their religion, nationality, and physical disabilities.”* She also added that the employment process of RCI is particular on the potentials and the credentials presented by the applicants. Royal Cargo considers its people as the company's best asset as it now employs over 1000 personnel who are competent and highly trained to serve the needs of its clients.

CAR FLEET DEPARTMENT

1 MILLION KM DRIVEN ACHIEVEMENT AWARD

Royal Cargo Inc. Light Vehicle Land Transport - Car Fleet Department (CFD) received its 1 Million KM Driven Achievement award from SPEX Land Transport Contract Holder and Spex G during the SPEX LSUR Expectation and Contract Owners/ Holders and Contractors HSSE Leadership Forum held at the Vivere Hotel in Alabang last January 14, 2015.

The said achievement was made possible by the hardworking team of the Royal Cargo Car Fleet Department led by Mr. Andrew Valenzuela, CFD Operations Manager.



PROJECT ROAD SAFETY PERFORMANCE

Shell Philippines Exploration (SPEX) commended both Frederico Diano, Operations Supervisor and Luzviminda “Mimmie” Rutor, Scheduler, for their significant contributions to the Project Road Safety Performance.

Commendations and monetary award were granted to both employees who have both displayed unwavering commitment to comply to the standards of SPEX, as well as courage in asking questions and challenging requests. As per SPEX, their performance has also contributed to improving their road transport KPIs and the safety culture of their drivers in the yard.

On behalf of the Royal Cargo Group, it is our pleasure to congratulate Fred and Mimmie for a job well done! Keep up the good work and best wishes for many future successes.

6TH GOAL ZERO SAFETY AWARD

For its determined efforts in maintaining a hundred percent safe working environment, Royal Cargo Inc. – Car Fleet Department received its Sixth Goal Zero Safety Award from Shell Philippines Exploration B.V. (SPEX).

Attaining these consecutive awards was made possible through the collaborative effort of Andrew Valenzuela, CFD Operations Manager; Erin Masangcay, CFD Manager and the HSSE Team spearheaded by Albert Nañez, Safety Manager who all ensure a hundred percent safe working environment in all CFD operations.

In order to maintain the goal zero target of SPEX, deployment of highly competent drivers is assured. The drivers undergo various training such as defensive driving, first aid, basic life support, fatigue awareness among others. They are only allowed to operate regularly inspected and maintained vehicles.

Royal Cargo CFD renders transport services to Shell operations.

CONTRACT LOGISTICS – PHC 3PL

ZERO VARIANCE IN THE WAREHOUSING INVENTORY OF GEN STORE

RCI recognizes the outstanding achievement in attaining and maintaining zero variance in the warehousing inventory of Gen Store of PHC through efficient conduct of various warehousing activities and for the successful implementation of “Photo Visual Aid Project” which resulted to customer satisfaction and commendation.

Congratulations to the Gen Store team and to the following heads and members who made the project possible and successful: VP Contract Logistics, Alex M. Dogma; Senior Operations Manager, Enrico Calderon; Deputy Project Head, Leandro Ola; Mark Guemo, Willie Rongduen, Jeff Tiempo, and Rodolfo Volante.

Keep up the good work!





6TH ROYAL CARGO VOLLEYBALL TOURNAMENT

Opening Ceremony: March 16, 2015

2015 RCI SUMMER OUTING

At Grande Island Resort, Subic, Zambales on May 2-3, 2015



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