

Royal Cargo Through the Years

WHAT'S INSIDE

Royal Cargo started as a two-person company. Now, it employs over 1500 personnel and covers the world with its network of owned companies and trusted agents. Its headquarters is based in the Philippines and it operates to other twelve (12) countries.

Royal Cargo is a company which proves that from humble beginnings come great things.

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ROYAL CARGO SECURES NEW PROJECT WITH DAELIM

By: Jill Viray



Mr. Elmer Francisco Sarmiento, President of Royal Cargo, Inc. and Mr. Toddy De Roma, Vîce President - Projects & Heavylift during the contract signing with Daelim Philippines, Inc. Team for the SBPL 500 MW Coal Fired Power Plant Project.

Royal Cargo President, Mr. Elmer Sarmiento, signed the Onshore Freight Forwarding Contract with Mr. Jong Hoon Lim, Daelim Philippines, Inc. (DPI), Site Manager for San Buenaventura Power Ltd. Co. (SBPL) 500 MW Coal Fired Power Plant Project last September 28, 2016, at Royal Cargo Building 1.

Royal Cargo Projects and Heavylift started handling its first importation of PCCP pipes in May 2016 via barging from Bauan International Port, Inc. (BIPI) to SBPL project site in

Mauban, Quezon Province which is approximately 447 nautical miles apart. The project's importation will extend up to 3rd Quarter of 2018.

The total volume of materials, equipment and machineries to be imported are estimated at 236 x 20' and 915 x 40' Containers, 142,952 Freight Tons (FTs) of break bulk and general cargoes and 14,099 FTs of heavy lift and over dimensional cargoes.

One of the immense and tough logistics challenges of this project is the narrow streets of Mauban town proper that will result to longer barge trips and limited site storage.

San Buenaventura Power Ltd. Co., a joint venture Company of Quezon Power and MGen owns the project. Daelim Industrial Co. of Korea (DIC) on the other hand stands as the Offshore Engineering and Procurement Contractor while Daelim Philippines, Inc. (DPI) acts as the Onshore Construction Contractor with Royal Cargo as its trusted Onshore Freight Forwarder.

RCPF NEW SET OF BOARD OF DIRECTORS NAMED

By: Jill Viray



Martin Copon III



Eden De Leon



Maritess Bacaltos Secretary



Geralyn Callanga



Manuel Tibayan



RCPF New Set of Board of Directors, TERM: 2016 - 2018

Royal Cargo Provident Fund (RCPF) has announced the new set of Board of Directors for the term 2016 to 2018, effective September 1, 2016 who won the Provident Election held last August 19, 2016.

The new set of Board of Directors are as follow: Eden De Leon (CTD)

- Manager, Martin Copon III (PHL) Assistant Manager, Maritess Bacaltos (CTD) - Secretary, Geralyn Callanga (FUNS-Procurement)
- *Treasurer* and Manuel Tibayan (FUNS-QHSSE) *Public Relations* Officer. Also included in the Board of Directors are two representatives from the management Ms. Loida F. Tasis, Vice President for Functional Services and Ms Eva D. Sunga, Vice President for Comptrollership and Tax Department.

A total of fifteen (15) candidates from different departments and business units filed for candidacy while a total of 332 provident members (55.06%) participated in the elections.

The newest polling system that gears toward a more convenient, faster and dynamic way of exercising one's right to vote was also launched on the day of the election called "eTextMoVoteMo" that allows member to vote through their mobile phones on the designated time schedule during the election day.

RCPF is the company's fund that promotes the general welfare of all the members by granting loans for personal accumulation and assistance in times of emergency.



ROYAL CARGO VIETNAM JOINS PBGV MEETING WITH PRESIDENT DUTERTE

By: Jill Viray

Royal Cargo Vietnam Co. Ltd. represented by Ms. Maria Luisa (Mhalou) Cabotaje, Sales Manager for the Philippines, joined the Philippine Business Group (PBGV) meeting with the President of the Philippines, Mr. Rodrigo Duterte during his official visit to Vietnam last September 28, 2016 at Sheraton Business Center, Tay Ho District, Hanoi, Vietnam.

In the meeting with the President, Mhalou introduced Royal Cargo Vietnam's capabilities in handling and transporting oversized cargoes and heavylift projects to any province of Vietnam. Royal Cargo Vietnam was recognized by the group as their only logistics and freight service provider.

President Duterte and the Philippine Government expressed support to Royal Cargo Group's efforts in helping grow the business ties between Vietnam and the Philippines, as well as in providing freight and logistics solutions to its clientele.

Mhalou presented in the meeting the various services being offered by Royal Cargo Vietnam such as: sea and air freight forwarding; projects and heavy equipment handling and transportation; shipping agency and representation; warehousing and logistics; marketing survey and information; tailored made logistics; consultancy/procurements and general/bonded warehouse and CFS facilities.



Ms. Maria Luisa Cabotaje, Sales Manager for Philippines of Royal Cargo Vietnam with President Rodrigo Duterte during the PBGV Meeting.



The Philippine Business Group in Vietnam (PBGV) Members with the President of the Philippines, Mr. Rodrigo Duterte during the PBGV meeting held last September 28, 2016 at Sheraton Business Center, Hanoi, Vietnam.

Present during the meeting with President Duterte were the Philippine Government Representatives including Cabinet Secretary Jun Evasco, Department of Justice Secretary Vitaliano Aguirre, Department of Foreign Affairs Secretary Perfecto Yasay, Legal Spokesperson Atty. Salvador Panelo, Ambassador to Vietnam Noel Servigon and the Philippine Business Group in Vietnam (PBGV) Members.

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SERVICES OFFERED

Sea and air freight forwarding
Projects and heavy equipment handling and transportation
Shipping agency and representation
Warehousing and logistics
Marketing survey and information
Tailored made logistics
Consultancy / Procurements
General / Bonded Warehouse and CFS Facilities

MEMBERSHIPS / AFFILIATIONS

International Air Transport Association (IATA)
International Federation of Freight Forwarders Associations (FIATA)
Vietnam Freight Forwarding Association (VIFFAS)
Vietnam Chamber of Commerce and Industry (VCCI)



ROYAL CARGO UPGRADES TO ISO 9001:2015

By: Reymer Salvador



After a two (2) day nerve-racking audit by the representatives from TUV Rheinland Philippines for the upgrade of Royal Cargo's Quality Management System (QMS) to ISO 9001:2015, which resulted to nine (9) positive findings/noteworthy effort, twelve (12) recommendations and opportunities for improvement, and zero (0) non-conformities, Royal Cargo is now recommended for QMS upgrade and issuance of new certificate for ISO 9001:2015.

The effort and resources that each and everyone contributed in the tedious preparations of this audit have paid off!

"I would ike to extend my sincerest gratitude for the continuous support of our Top Management, Mr. Michael K. Raeuber and Mr. Elmer Sarmiento in providing guidance and direction to our quality management system. I would also like to thank and recognize the business unit heads (Vice Presidents, Head of Departments, Managers and Supervisors) for their support in the implementation of QMS programs and activities," stated by Mr. Rey Macaro, Quality Management System Manager.

QMS Department under the guidance of Ms. Loida Tasis, Vice Preseident for Functional Services also thanked all the employees for their contribution in QMS implementation in their own simple way of following procedures and understanding their role and participation in attainment of customer satisfaction, company objectives and KPI.

"I would like to thank and congratulate everyone for the attainment of this important milestone and achievement," said Ms. Tasis.





5S CONSISTENT TOP-NOTCHERS TOPPED Q3 5S AUDIT PILOT AUDIT AT VISMIN BRANCHES CONDUCTED

By: Jill Viray

The two consecutive quarters' 5S top notchers still obtained the highest scores in the Quarter 3 5S Audit. FTD and GCC with a conformace rating of 99.97%, Freight Angeles with 100% and LLC Laguna Dry Warehouse and Office Area with 93.24% top-notched the Quarter 3 5S Audit conducted last August 22 - 31, 2016 for Office, Branch Office and Warehouse categories respectively. Freight Angeles and Freight Cavite tied for Rank 1 with a perfect score of 100% under Branch Office category.

Next to FTD and GCC, FUNS Office (HR, Legal, QHSSE and Admin) ranked 2nd with conformance rating of 98.71% and SNM and JAM trailed at 3rd with 97.90% for Office Category. For Branch Office Category, Freight Subic placed 2nd with 99.59% followed by Freight Batangas at 3rd with 96.55%. CL Cavite Cold and Dry Warehouses and Office Area with 91.92% and CL LIIP Cold and Dry Warehouses and Office Area with 83.75% placed 2nd and 3rd respectively for Warehouse Category.

On the other hand, Freight Cagayan De Oro with a conformance rating of 90.10% and CL Cagayan De Oro Dry Warehouse and Office Area with 95.54% topped Branch Office & Warehouse for VisMin Branches categories respectively during the pilot audit conducted last September 2016. 5S was officially rolled out in VisMin branches (Cebu, Davao and Cagayan De Oro) February of 2016.

Will the travelling seals remain with these consistent champions for the last quarter of the audit or another department will snatch it from them? Who among these top-notchers will be awarded as the 5S Champion of the Year?

2016 QUARTER 3 5S AUDIT

OFFICE CATEGORY			
1	FTD and GCC	99.97%	
2	FUNS Office (HR, Legal, QHSSE, ADMIN)	98.71%	
3	SNM and JAM	97.90%	
4	Premium Courier Office Area & Cold Warehouse	97.35%	
5	Executive Office (OGCEO, OCEO, OCOO, IAD, TDL)	97.08%	
6	KAM and ITA	97.06%	
7	International Freight Forwarding	96.37%	
8	Trucking	96.26%	
_ 9	BPO	96.15%	
10	CCB	95.37%	
11	PHL and OFD	94.82%	
12	Domestic Sea Freight	94.35%	
13	TMW	92.22%	
14	ICTS	91.69%	
15	CTD	89.87%	
16	PROPERTIES (Common Areas)	83.99%	
_17	MEMD	73.68%	

BRANCH OFFICE CATEGORY		
1	Freight Cavite and Freight Angeles Office	100%
	Freight Subic Office	99.59%
	Freight Batangas Office	96.55%
4	Freight Laguna Office	96.43%
5	Freight Bataan Office	92.34%

WAREHOUSE CATEGORY		
	LLC Laguna Dry Warehouse & Office Area	93.24%
2	CL Cavite Cold & Dry Warehouses & Office Area	91.92%
3	CL LIIP Cold & Dry Warehouses & Office Area	83.75%
4	CL La Suerte Dry Warehouse & Office Area, CL HO	81.53%
	CL Alabang/KM23 Dry Warehouse & Office Area	80.59%
6	LLC Batangas Dry Warehouse & Office Area	77.60%

BRANCH OFFICE CATEGORY (VISMIN)			
1	Freight Cagayan De Oro Office Area	90.10%	
2	Freight Davao Office	83.19%	
3	Freight Cebu Office	82.95%	

WAREHOUSE CATEGORY (VISMIN)		
1	CL Cagayan De Oro Dry Warehouse & Office Area	95.54%
2	CL Cebu Dry Warehouse & Office Area	91.50%
3	DFF Cebu Dry Warehouse & Office Area	86.96%

Kudos. 5C Champions!



IMPACT OF HANJIN BANKRUPTCY IN THE LOGISTICS INDUSTRY

By: Reymer Salvador



Hanjin Shipping is Korea's largest and one of the world's top ten container carriers that operates some 70 liner and tramper services around the globe transporting over 100 million tons of cargo annually. Its fleet consists of some 150 containerships and bulk carriers.

Photo Courtesy of www.cnbc.com

Last August 31, 2016, South Korean carrier Hanjin Shipping filed for bankruptcy which left an estimated \$14 billion worth of cargo stranded at sea all over the world. According to The Wall Street Journal, almost a hundred Hanjin (HJN) vessels have been denied access to ports around the world due to uncertainty about who would pay docking fees, container-storage and unloading bills.

Hanjin, the world's seventh-largest container ship company with over 100 vessels, said the bankruptcy filing was due to debt and liquidity because of challenges dating to the 2008 global financial crisis. As its vessels struggle to berth at the different ports globally, the company is starting to receive assistance including the \$54M loan from Korean Air Lines, Hanjin's biggest shareholder and Korean Development Bank's \$45M conditional credit to help ease supply-chain disruptions as the firm slides towards bankruptcy.

The loans will be a sign of relief for investors, ports, Hanjin employees and even the tech companies and shippers hoping to have stocks available in the upcoming holiday season.

EFFECTS ON THE INDUSTRY

With the sudden fall of Hanjin, there are a number of effects in the industry as pointed out by experts including:

1. Supply Chain Interruption

Stranded shipments at sea means millions of dollars of merchandise items destined for retail shelves for the holidays. Until a resolution has been reached, shippers will have difficulties getting their stocks out before the busiest shopping period of the year. Shippers may renegotiate the transport of the stranded goods with new carriers incurring them additional costs.

2. New Services from Competitors

The sudden surge of rates and the capacity on routes and ports being serviced by Hanjin will urge competitors to develop new solutions to capture the market. According to experts, in the span of three months, the trend on these new solutions will put a downward pressure on rates.

3. Allocation of Hanjin's Asset

With liquidation, it is expected that most of Hanjin's assets will be captured at discount prices, giving opportunities to established competitors and even new entrants.

Although the bankruptcy of Hanjin is a significant scenario in the global shipping business, the situation of overcapacity ensures that the shock will be short lived and guickly absorbed.

As of writing, the Philippine agent of Hanjin has also recently announced the following instructions from their regional office:

- a. All containers issued for export to be returned to CY
- b. No further bookings from all origin ports; no HJN container will be loaded on any vessel
- c. HJN containers at transhipment ports to be transloaded to another line's box at customer's expense

ROYAL CARGO ON HANJIN'S FILING FOR BANKRUPTCY

Royal Cargo Philippines assures all its clients that prior to Hanjin's filing for bankruptcy, the company has stopped loading containers with them and is currently working with other shipping partners to ensure a reliable and uninterrupted service in moving cargoes.

For future shipments, Royal Cargo recommends its clients and agents to refrain from using Hanjin to avoid inconvenience.



38 SUCCESSFUL YEARS, STILL MOVING AND GROWING...

RCI HOLDS 2016 SECOND STAFF TOWNHALL MEETING AND CELEBRATES COMPANY ANNIVERSARY

By: Reymer Salvador and Jill Viray

Royal Cargo celebrated its 38th Anniversary last October 1, 2016. To commemorate its 38th year of existence, a simple but memorable celebration took place during the company's staff town hall meeting held last October 13 at RCI's quadrangle in Paranaque City with the theme "Royal Cargo, Inc. at 38!... 38 successful years and still moving and growing!"

Royal Cargo President, Mr. Elmer Francisco U. Sarmiento welcomed all the employees with his inspirational message, thanking each and everyone for their respective contributions to the many successes that the company has been reaping since the start of its business operations. He encouraged the employees to keep customers satisfaction as among their priority tasks and in return, they could look forward to a growing career in the company. In closing, he congratulated everybody for being part of the celebration and wished them and the company as a whole all the best in the future.

Mr. Sarmiento also congratulated all the challengers of The Biggest Loser, one of various employee-programs of the company that promotes healthy lifestyle.

Newly appointed Junior Legal Associate from Legal Department, Atty. Joeffrey Pagdanganan, conducted a re-orientation of Royal Cargo's Anti-Bribery and Corrupt Practices Policy. This was followed by the final weigh in of The Biggest Loser challengers.

Before the staff town hall's traditional Question and Answer (Q&A) Forum, Group Chief Executive Officer, Mr. Michael K. Raeuber, shared to the employees the plans in expanding businesses in Malaysia and Indonesia. He also conveyed the development of another cold storage facilities that Royal Cargo is constructing in Plaridel, Bulacan.

After the Group CEO delivered his updates, the top management accommodated questions from the employees.

Among the questions asked was about the possibility for the company to contribute additional funds on top of the funds raised by the employees during the recently held Fun Run for a Cause to be pledged to BrightFuture Foundation. The Group CEO Mr. Michael K. Raeuber right then and there set aside additional P75,000 on top of the P55,000 funds accumulated from the Fun Run for a Cause.







Royal Cargo Top Management (Seating from L-R), Mr. Andrew K. Raeuber -COO, Mr. Michael K. Raeuber, Group CEO and Mr. Elmer Sarmiento - President





With this, a total of P130,000 was raised by this event. Mr. Raeuber mentioned that as a continuous support to BrightFuture Foundation, Royal Cargo has been compensating two (2) teachers of the school.

Another question was raised concerning the possibility to implement flexi-time or 4-day work week. Mr. Sarmiento mentioned that the management will study this scheme if applicable to the nature of the business of the company.

From the contestants of The Biggest Loser, an inquiry was raised to the management for consolation prizes for the challengers. As a response, the management approved P100.00 per loss pound as consolation prizes to all challengers who were present during the final weigh-in event.

Another concern of the employees is the deteriorating condition of the roads around Queensway. The question was answered by Mr. Andrew K. Raeuber who is also the the President of Queensway Commercial Center Association Inc. (QCCBAI). According to Mr. Raeuber, this is among the projects that the association is looking into. Considering the high cost of the project, he promised to take it up with the Board of Directors of QCCBAI.

Right after the forum, winners of The Biggest Loser challenge were declared and awarded. After the awarding, Royal Cargo family shared a sumptuous dinner in celebration of the Company's 38th anniversary.

Ferronality Sketch

"...when my time is up, T wanted to be remembered with the happy memories I had with all of the people close to my heart."



IN LOVING Memory Market State of the state

Ms. Sarah Capili Mendoza

he was a petite woman with fair complexion. She wore a long straight black hair, extended up to her waist. She was blessed with chinky black eyes, small pointed nose and very attractive lips. She was a fashionable damsel who was always confidently clothed with a matching-trendy attire that urged anybody to take a second glance of her. She was certainly beautiful.

She was an independent woman with a very strong personality. She was known to be an iron lady because of her fiery speeches and sharp quips. When you hear her speak, you wouldn't know that she was a very kind woman with a lot of sense of humor, until you listen deeper on what she was saying. She was definitely amiable.

She was a dedicated, committed and loyal worker. She loved her work a lot that she spent most of her time attending to her tasks. She worked doubly hard until she achieved her goals and became successful in life. She was absolutely admirable.

To her family, she was a provider. To her church, she was a helping hand. And to some children, she was their santa claus. She was truly a kind-hearted woman.

Sarah or Sarj to her close friends came from Guagua, Pampanga. There was no doubt that she, together with her siblings, were raised well by their parents, Rev. Mariano Mendoza, Sr. and Gloria Capili. They all grew up having a simple life. Her father Mariano worked as a fish vendor and served as Pastor while her mother played the organ for the choir group in their church in Bancal, the United Church of Christ of the Philippines (UCCP).

She was an achiever through and through, being a topnotcher in elementary and high school. She graduated Cum Laude at Philippine Christian University (Bachelor of Arts, Major in Psychology) in 1981.







Sarah started out young in the industry. She came from the ranks until the company gave her the opportunity to grow more because of her dedication to her work.

Since it is Royal Cargo's culture to welcome and give credit to all deserving individuals who are determined and passionate to their field of work, Sarah, because of her notable potential, was commended by the management, went through series of promotions and became one of the pillars of the company.

Because of her outstanding services, dedication to her work and significant contributions to the growth of the company, as well as her remarkable intellect and leadership, active spirit in participating in all the affairs of the company together with her team, Sarah became a recipient of numerous awards and recognitions throughout her career.

Sarah's personal attributes were indeed commendable that she did not allow her failures, mistakes or negative circumstances to let her think lowly of herself. Sarah did not let whatever happened in her life affect her competency. For her, work is work and life is life.

Sarah will be remembered for many things, among which, for leaving footprints in the hearts of many, particularly of her clients whom she had shared not just business but her life per'se. She took care of all her clients that up to her last breath, they were with her. And this was indeed a legacy that is "hard to follow," as one of her colleagues described it.

Lourdes Aday, one of her staff, described Sarah as a great inspiration. "She served as a great inspiration to us for her courageousness, kindness and leadership. Her life story taught us that we can face any challenge, no matter how big it may be, if we truly believe in ourselves and our capabilities."





Photos of Sarah with her colleagues in the early 80s.



Photos of Sarah at work with her staff and colleagues in Royal Cargo and DHL









"Remember me and smile, for it's better to forget than to remember me and cry."

IN LOVING
Memory

Ms. Sarah Capili Mendoza

>>> from pages 8 - 9

Some of the wealthiest and most successful people were born into their wealth. But many of them started with nothing and through hard work, talent, wit and grit, managed to rise to the very top and one of them was Sarah.

Her perseverance and hard work were indeed admirable. The way she handled both her work and her people was very impressive. She saw to it that her staff were equally working hard, meeting deadlines of the company's clientele and ensured that her team delivered their expectations. She was able to work in a challenging environment and left high standards of work. Known to be a very meticulous boss, she ensured that her people always learn their lessons, as she believed that a person should strive more to be excellent in every aspect of life.

Sarah gave her heart to her work but her bigger, more genuine heart was spared for the children. Sarah loved children. One of the proofs was her love for her nieces and nephews. She made sure that they were well provided for in their needs. She also helped an organization for children in Cavite and financed some scholars in their church in Guagua.

If tears could build a stairway, and memories could build a lane,

I would walk right up to Heaven and bring you home again. Personality Sketch





Photo taken during the Royal Cargo Christmas Party in 2015 when Sarah received her 5-Year Service Award.

Sarah had been part of Royal Cargo since early 80's. In 2001, she was among the group of employees who became part of the Royal Cargo's joint venture entity with DHL. She returned to Royal Cargo in 2010.

arah lived a life of selflessness. Amidst her busy schedules at work, she ensured that she had time for her family, especially for her nieces and nephews.

Her life was almost seemingly perfect, until she was given a new battle to face and conquer.

In May of 2015, Sarah was hospitalized because of recurring health problem. Medical tests showed that she was suffering from a serious illness that needed immediate attention. Suddenly and without warning, she was thrown into the world of cancer. But despite that, her situation did not dampen her spirit and was eager to go back to work.

She started adapting to changes which were caused by her illness. Her life then turned into a maze filled with doctor appointments, medical procedures, medications and side effects.

For Sarah, this was indeed a challenge. She felt different from most; everyone else and everything she thought she knew and believed in turned upside down.

She faced and continued the battle she did not choose in the first place, but with a courageous heart, she whole-heartedly accepted and embraced God's will in her life.

On September 19, 2016, Sarah passed away. She was survived by her sisters, Liza and Loida and brothers, Jun and Dave.

Her star did not shine that very long, but it absolutely shone bright. She may have had lost the battle, but she won hearts - the hearts of the people who will forever love her, the hearts of the people she touched when she was still breathing, and the hearts of the people whom she shared her life with.

(Written by: Jill Viray)

Photos of Sarah with her staff and colleagues during the annual christmas party.



Photos during Sarah's birtday in May 2016.



You are missed. You will always be loved and remembered.





Royal Cargo Th



>>> from cover page..

Royal Cargo was established in 1976 as a representative office of Hermann Ludwig Organization, an international freight forwarding company based in Hamburg, West Germany. The main activities of representative office were confined to consignee-sales; information, supply of documents and transport know-how to clients in the Philippines.

In 1978, a joint venture company was formed between the Hermann Ludwig Organization and the Filipino-owned Royal Air Cargo, Inc. It was decided to adopt the name Royal Cargo Corporation to stress the fact that the company is engaged in all areas of the transport business including seafreight import/export; airfreight import/export, customs clearance, personal effects movement, trucking, warehousing and insurance. Hence, the birth of Royal Cargo.

In 1990, Royal Heavylift, Inc., a wholly owned company of Royal Cargo Corporation, was established to primarily engage in the transportation and handling of heavy lift payload and oversize cargo. Equipped with specialized equipment, Royal Heavylift facilitated the conveyance of special cargo to any project site. Its services cover route survey and transport planning, customs clearance and heavy lift and general cargo transport as well as unloading, lifting and positioning of heavy lift payloads.

In early 1990s, another company of Royal Cargo Corporation was formed - Royal Cargo Agencies, Inc. It offers a wide range of professional and well-managed services that ensure safe, reliable and efficient supervision and operation of vessels and cargo shipments.

Its partnership with several shipping lines from all over the world provided advantage of being able to offer the best rates and most efficient sailing schedules to any destination in the world. From Royal Cargo Corportransformed in 2001 into Logistics, Inc. – the new nature of the various services logistics company: intermediate intermediate in the company of the various services logistics company intermediate intermediate in the company of the various services logistics and distribution trucking, moving and storal Zone logistics, liquid solution

Two subsidiaries of the Cor-Iris Logistics, Inc., a dom distribution company. It ha Cebu, Cagayan de Oro an as one of the major players

The other company is Inc., a cargo logistics con logistics innovation, first v Clearance Facility (ECCF), that addresses the requ fast customs clearance of with guaranteed less that upon arrival. TMW Expres in Malacanang Palace by Macapagal-Arroyo on F Express Cargo Clearance by Customs Memorandun objective of providing a simplified operational prod release of air cargo. TM clearances for airfreight of four hours a day, seven day suitable for high-valued a Cargo is one of only two lice

brough the Years



ration, the Company was Royal Cargo Combined me combines the strengths into one total integrated national freight forwarding, on, projects and heavy lift, ge, free port logistics, Eco ns and shipping agency.

mpany were formed in 2007 estic freight forwarding and s branch offices in Bacolod, d Davao and was regarded in domestic forwarding.

TMW Worldwide Express, npany engaged in express web-based Express Cargo an internet-based solution irements of importers for express cargo shipments, n three (3) hours release s Worldwide was launched y former President Gloria ebruary 6, 2002. TMW Facility (ECCF) is covered n Order 16-2001 with the centralized facility with a cedure for the expeditious W does express customs cargoes in Manila twentyays a week. This service is nd/or urgent goods. Royal nse holders in this category.



In July of 2007, Royal Cargo secured a partnership with World Courier and started providing logistics management solutions for pharmaceutical and biotechnology companies. This pioneering business has seen a steady growth of client base since inception, that made Royal Cargo as a logistics company in the country with a World Health Organization (WHO) and Good Distribution Practices (GDP) certification. This department is known as Premium Courier.

In 2014, Royal Cargo absorbed Iris Logistics, Inc., and one of its affiliates acquired in 2012 - the LIMA Logistics Corporation, one of the leading logistics providers in Japan trade. Also in this year, Royal Cargo Combined Logistics, Inc. changed its name to Royal Cargo, Inc.

Royal Cargo ended 2014 with a bang and added a new flag to its group, the star-spangled banner. It expanded its operations to the United States of America (USA) and bought a controlling majority of UCANS Global Inc., a fast-growing company centrally located in Torrance, California and named it as Royal UCANS.



Munoz, Quezon City



Photos during the inauguration of the Royal Cargo Building in 1995





Royal Cargo's victory keep going and coming in 2015 that it started the year unveiling the first-ever solarpowered warehouse facility in the country with the successful installation of a 245KW Photovoltaic (PV) or Solar Panel System in its Cold Storage warehouse at the Laguna International Industrial Park (LIIP) in Biñan, Laguna. The solar panel system may store over 300,000 kilowatt hour (kwh) annually and is capable of generating and providing fifty (50) percent load of electricity for the cold storage during daytime.



TOGETHER LET'S PAINT A BRIGHTER FUTURE! RCI HOLDS FIRST-EVER FUN RUN FOR A CAUSE

By: Jill Viray



Despite the threatening weather condition, Royal Cargo successfully hosted its first-ever fun run for a cause held last October 1, 2016, Saturday at Southwoods Ecocentrum, Binan, Laguna.

This event is part of the company's Corporate Social Responsibility Program and Family Welfare Program. The Fun Run, featuring 3K and 5K race categories was also held in line with the Biggest Loser Program of the Company as part of its activities promoting healthy lifestyle among its employees. The awarding of winners was held during the commemoration of the 38th Anniversary of Royal Cargo last October 13, 2016.

Mr. Manny Tibayan, Chairman of the Fun Run 2016 Organizing Committee said that they have put so much effort in encouraging co-employees to join the cause as among its purposes is to donate the fund that it will generate from this race to BrightFuture Foundation.

More than 700 participants composed of employees and employees' family members and friends joined the 3K and 5K run.

Hosted by Human Resources Manager, Janet Husmillo and HSSE Manager, Andrew Valenzuela, the program started with a prayer led by Maricelle Guiao followed by a delightful warm-up exercise headed by Jem Demafelix of Domestic Freight, Teresa Sabanal of FUNS-QHSSE and Pat Diuyan of Trucking.

Mr. Elmer Francisco Sarmiento, President and Chief Executive Officer of Royal Cargo, Inc. lauded all the participants in his closing remarks. He emphasized the need to practice a healthy lifestyle and bring about physical and mental fitness. He also thanked all the participants for joining the company's first fun run activity.

After the program, Mcdonald's chicken sandwiches and orange drinks were served to those who joined the fun run.







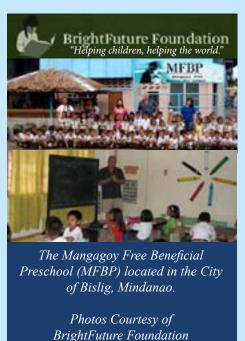


ROYAL CARGO FUN RUN 2016 WINNERS

The winners in the 3-kilometer distance run were: Juan Karlos Mariñas (1st), son of Jimmy Mariñas (Lima Laguna) with 13 minutes and 59 seconds, Tristan Tinte (2nd), son of Lea Tinte (Lima Batangas) with 14 minutes and John Mclean Sarreal (3rd), son of Sonia Sarreal (CCB) with 15 minutes and 28 seconds.

Jason Galicia of CL PHC (1st) with 24 minutes and 30 seconds, Ronald Nery (2nd), companion of Theresa Santos (IAD) with 25 minutes and 26 seconds and Jim Darryl Mariñas (3rd), son of Jimmy Mariñas (Lima Laguna) with 25 minutes and 28 seconds on the other hand dominated the 5-kilometer distance run.

Cash prizes amounting to 5,000 for the 1st Place, 3000 for the 2nd place and 2000 for the 3rd Place for the 3K Run category and 7000, 5000 and 3000 for the 1st, 2nd and 3rd Place respectively for the 5K Run category and medals were given to all winners.



www.brightfuture.org

















MFBP CHOSEN AS FUND'S BENEFICIARY

The Fun Run Committee has chosen BrightFuture Foundation as the beneficiary of the proceeds of the event that accumulated a total of Php 130,000.00. BrightFuture Foundation is an organization that builds schools and classrooms in remote areas of Mindanao to provide gratis education to unprivileged children.

BrightFuture Foundation supports Mangagoy Free Beneficial Preschool (MFBP), a school in the remote Philippine city of Bislig. It offers free English instruction to approximately 200 underprivileged, preschool-aged children, and employs a paid staff of six. In addition to free tuition, the school provides uniforms and books for the students and staff.



THE BIGGEST LOSER



"Persevere and you will win the prize."

After a four-month long challenge to all the obese and overweight employees of the Royal Cargo Group from the Head Office and Luzon Branches, "Royal Cargo The Biggest Loser" has finally concluded with the declaration and awarding of the first-ever The Biggest Loser "Winners" last October 13, 2016 at the 2016 Second Staff Townhall Meeting held at RCI Yard.

Joel Acielo of LIMA Batangas bagged the first place with P25,000 as the grand prize and was hailed as the first-ever "Royal Cargo The Biggest Loser", Ricky Ranit of PHL-SCL placed second taking home P20,000 followed by Analie Murillo of CL-PHC at third with P15,000. Winners also received certificates of recognition.

When a 5'5 tall Joel joined the competition, he weighed a hefty 211 pounds. Within four months, Joel dropped to 152 pounds, shedding a whopping 30% of his body weight. Ricky, on the other hand, lost 51 pounds from an initial weight of 199 pounds to 148 pounds and Analie, a total of 41 pound loss, from 161 pounds down to 120 pounds.

Twelve (12) other challengers from the total forty-nine (49) qualified participants who joined the contest were granted a hundred peso consolation prize per loss pound who were as follows: Abegail Sicapore, CL PHC (36 lbs), Mary Ann Baquiran, CTD (35 lbs), Reynah Teves, CL PHC (32 lbs), Teresa Sabanal, FUNS-QHSSE (31 lbs), Alfred Roquero, CTD (26 lbs), Darius Espanola, Lima Batangas (22 lbs), Ma. Roma Navarra, CL PHC (21 lbs), Dense Tan, CL PHC (21 lbs), Neil Aringoy, PHL (19 lbs), Sharon Cabague, FUNS-QHSSE (16 lbs), Gemma Flores, CTD (15 lbs) and Eden de Leon, CTD (15 lbs).

Royal Cargo The Biggest Loser is a weight loss challenge that was launched in June with a monthly weigh in to determine the challengers' initial weights, which served as the baseline in determining the overall winners.





WINERS HAILED

By: Jill Viray





Joel Acielo, LIMA Batangas (1st Place)



Ricky Ranit, PHL SCL (2nd Place)



Annalie Murillo, CL PHC (3rd Place)

FITNESS ACTIVITIES

To help out all the challengers to lose weight, the company sponsored a series of weekly fitness activities: Zumba Dance, Muay Thai Aero and Fitness Training led by professional and certified fitness instructors.







MONTHLY WEIGH INS

Monthly weigh ins were held to monitor the weight loss of the all challengers.

Certificates of recognitions and tokens were given to the top three (3) challengers who lost the biggest percentage of weight.







First Weigh In - July

Second Weigh In - August

Third Weigh In - September





NEW APPOINTMENTS IN ROYAL CARGO COMBINED LOGISTICS (S.E.A.) PTE. LTD.

The Management of Royal Cargo Group is pleased to announce the appointment of **MR. AB AZIZ AHMAD** as *Director of Royal Cargo Combined Logistics (S.E.A.) Pte. Ltd.*

As Director, he will be responsible to manage and develop the business and operations of Royal Cargo Singapore Office.

Mr. Aziz graduated from Nanyang Technological University, Singapore (NTU) with a degree in Business Management. He has over 30 years of experience in the logistic industry and his previous employment with Secureforce which is the leading security trucking company between Singapore, Malaysia and Bangkok. He was also doing project shipment under Pro-Log & Rhenus Logistics Singapore.

His key strengths are in the area of general management, project management, customer management & sales and marketing.

His contact details are as follow - mobile: +(65) 8727 5289 and email address: <u>aziz.ahmad@royalcargo.com</u>

MS. ROHAIDA RIPANGI has been appointed as Accounts and Admin Support of Royal Cargo Combined Logistics (S.E.A.) Pte. Ltd.

Aida, as she preferes to be called, reports directly to Mr. Ab Aziz Ahmad.

Her contact details are as follow - mobile: +65 8117 8284 and email address: royalcargo.com

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ERRATUM ROYAL CARGO VIETNAM CO., LTD.

MS. MARIA LUISA CABOTAJE or Mhalou as she is known, Sales Manager for Philippines of Royal Cargo Vietnam Co., Ltd., reports directly to Mr. Long Nguyen, Director of Projects, Sales and Development.





RCI HOSTS 2016 FIRST BLOOD LETTING PROGRAM

By: Jill Viray

The 2016 First Blood Letting Program hosted by Royal Cargo, Inc. last 29 July 2016, Friday collected a total of fifty two (52) bags of 450 ml blood from the company's employees.

The event was organized and spearheaded by Mr. Manny Tibayan, Sr. HSSE Officer with support from Mr. Albert Nanez and Mr. Andrew Valenzuela, in partnership with Red Cross Rizal Chapter, Muntinlupa Branch.

The annual blood letting program is part of the Royal Cargo's Corporate Social Responsibility program that is continuously running for six (6) years now. Starting this year, the said program will be done twice a year.









PRC AWARDS ROYAL CARGO PLAQUE OF RECOGNITION

By: Jill Viray

For its invaluable support to the safety training of the Philippine Red Cross - Rizal Chapter for the year 2015 - 2016, Royal Cargo, Inc. was given a Plaque of Recognition during the Partners-in-Service Recognition of the Philippine Red Cross - Rizal Chapter held at The Main Lounge of Manila Polo Club, Makati City last July 26, 2016.

Royal Cargo has been receiving awards for its support to Red Cross in conducting safety trainings which include First Aid and Basic Life Support trainings for the past five years.

Royal Cargo's partnership with Philippine Red Cross is running for several years now where the Company actively participates and supports Red Cross activities such as blood letting program, million volunteer fun run, logistical support during typhoon and other disaster rescue and relief goods distribution.



Established officially in 1947, but with roots that traces back to the revolutionary days, the Philippine Red Cross has truly become the premier humanitarian organization in the country, committed to provide quality life-saving services that protect the life and dignity especially of indigent Filipinos in vulnerable situations.



ROYAL CARGO BASKETBALL TOURNAMENT SEASON TEN COMMENCES

TRUCKING/ITA TROUNCES CL COLD IN THE OPENING GAME

By: Jíll Víray













TRUCKING/ITA (Orange) shook off its cobwebs early and clobbered CL COLD (Black) to an 87 - 71 blowout, Friday, October 21, 2016 in the Opening Day of the Royal Cargo Basketball Season 10 Tournament held at Olivarez Gymnasium.

TRUCKING/ITA (Orange) showed off an impressive rally that trounced CL COLD (Black) with a 16-14, 21-19, 25-17, 25-21 with the comeback of the 2014 Basketball Tournament's MVP, Leopoldo Angeles leading the team.

This year's game season officially commenced as all nine (9) competing teams from different business units – PHL/OFD/MEMD (Blue), TRUCKING/ITA (Orange), HEAD OFFICE (Gray), CL COLD (Black), CL DRY (Violet), CL 3PL (Maroon), IFF DMI (Green), CCB/TMW (Red) and DOMESTIC FREIGHT (Pink) paraded with their respective muses.

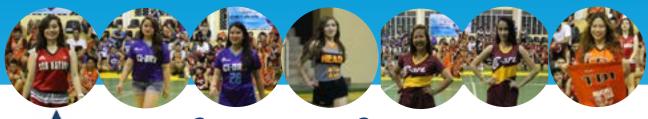
Hosted by Janet Husmillo, Human Resources Manager, the ceremony started with a prayer led by Larry Zubieto followed by an opening remarks from the tournament's commissioner, Andrew Valenzuela.

Following the opening remarks was the breathtaking and eyecatching parade of the thirteen (13) alluring damsels as muses of each team who flashed their best walk as they attractively modelled themselves along the center court that made the crowd grew louder.









Who will be this season's Best Muse?

BASKETBALL

















Mari Stella Segundo represented PHL/OFD/MEMD (Blue) while Cherry Lyn Suarnaba for TRUCKING/ITA (Orange). HEAD OFFICE (Gray) was led by Germaine Dhane Carlos, CL Cold (Black), CL (Dry) and CL 3PL (Maroon) by Sharlyn Matibag and Angelique Mañas, April Torrefranca and Almira Poon, and Cynthia Mae Torres and Glezyll Tagabe respectively. Zheena Aquino and Michelle Yanga modelled for IFF DMI (Green), Paola Mae Quidato stood up for CCB/TMW and Krissia Marie Abrena presented DOMESTIC FREIGHT (Pink).



The recital of the Oath of Sportsmanship led by the 2015 Season 9 MVP, Froilan Espinosa, Jr. of PHL went after the parade of muses.





The symbolic tossing of the ball before the opening game between TRUCKING/ITA (Orange) and CL COLD (Black) that kicked the start off was facilitated by Toddy De Roma, Vice President of Projects and Heavylift and Andrew Valenzuela, HSSE Manager and Season 10 Basketball Tournament Commissioner.



Royal Cargo Through the Years





>>> from pages 12 -13...

Also in this year, the dynamic team of Royal Cargo's Project and Heavylift (PHL) unit 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.

In July of 2015, Royal Cargo bagged the Philippines' 2015 Project Logistics Service Provider of the Year Award during the Frost & Sullivan's 2015 Philippines Excellence Award for its exemplary performance and growth in the field of project engineering and heavylift transportation, while in November, the overall chief and founder of Royal Cargo, Mr. Michael K. Raeuber was named the Jones Lang Lasalle (JLL) Expartriate Executive of the Year at the Asia CEO Awards as recognition to his distinctive achievements in the past years.

Royal Cargo ended 2015 with another feather on its cap when it was recognized by the Bureau of Internal Revenue (BIR) as one of the only two (2) logistics companies amongst the top 500 corporate taxpayers in the Philippines.





2016 is another remarkable year for Royal Cargo. In June of 2016, Royal Cargo completed a comprehensive anti-bribery due diligence review administered by TRACE, the world's leading anti-bribery standard setting organization. TRACE Certification is based on the highest international standards and underscores Royal Cargo's commitment to transparency in international commercial transactions.

The expansion of the company's operations also took place in June of 2016 when it acquired eighty (80) units of Mitsubishi 4D34-2AT5 4-wheeler with front aircon reefer vans to continuously serve the heightening demands of its cold storage operations.

Royal Cargo traversed its wings in Asia when it acquired and established its 12th and 13th global offices respectively in Thailand and Taiwan in June of 2016, too. Adding to its diverse portfolio, Royal Cargo purchased the Cargo Link Express Limited Thailand, a member of HAE Group in the United Kingdom and named it to Royal Cargo (Thailand) Co. Ltd. Subsequently, the established global office located in Taiwan was named Royal Cargo Inc., Taiwan Branch.

The success of Royal Cargo still continues in July of 2016 when the company bolstered its cold storage operations with the opening of the second phase of its temperature-controlled facility located in Laguna International Industrial Park (LIIP). The 4000 square meter (sqm) facility doubles the initial floor area of the Cargo City South Hub to a total of 8,000 sqm. With the second phase' estimated capacity of 6,000 palette positions, the South hub now offers a total space for 10,000 palettes which can accommodate more than twice its initial capacity of 4,000 palette positions.

To date, Royal Cargo continuously grows and enhances its capabilities by acquiring new assets, equipment, properties, and investing in advanced technology.

Royal Cargo is now also taking possession of the North with its North Hub Project in Plaridel, Bulacan which is currently a work in progress. To add, Royal Cargo is as well working out in constructing cold warehouses in the VisMin areas particularly in Zamboanga, Cagayan de Oro and Davao.

Royal Cargo is also looking at strengthening operations in Asia with its plans of opening up branches in Malaysia and Indonesia in the coming year.

Royal Cargo's headquarters is based in Paranaque City and it operates in 18 offices nationwide and 11 warehouses in key cities around the country. Royal Cargo is also well represented in all major PEZA zones.

With its primary operations in the Philippines and Southeast Asia, Royal Cargo also now operates in twelve (12) other countries including the United States of America, United Kingdom, Germany, Singapore, Vietnam, China, Hong Kong, Cambodia, Palau, Guam, Taiwan and Thailand.





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