

Centre of Innovation for Supply Chain Management at Republic Polytechnic officially launched

Centre will support and drive excellence in Singapore's growing logistics sector

Singapore, 22 April 2013 – The Centre of Innovation for Supply Chain Management (COI-SCM) was officially opened at Republic Polytechnic today. The COI-SCM, which commenced operations in January 2012, was jointly set up by SPRING Singapore, the Economic Development Board and Republic Polytechnic. It aims to champion supply chain excellence for Singapore-based companies through innovation and process re-engineering, adoption of technology and training programmes to develop supply chain expertise.

Officially launched by Minister of State, Ministry of Finance and Ministry of Transport Mrs Josephine Teo, the COI-SCM will assist SMEs in developing their logistical capabilities, move up the value chain and grow both locally and in the region. It also aims to improve productivity by providing knowledge in logistics, supply chain engineering and technology, and will enhance manpower resources and capability through supply chain management diploma courses, continuous education training and industry specific training.

The COI-SCM is helmed by Centre Director Dennis Quek, who brings with him more than 20 years of experience in logistics and supply chain management, both locally and regionally. According to Mr Quek, “As one of the 16 key sectors¹ in the local economy, it is imperative that we continually seek to drive productivity and efficiencies in this sector. With the right resources, expertise and insight, the COI-SCM will provide real value and support to ensure Singapore-based companies are well-equipped to compete locally and abroad.”

Since it commenced operations, the centre has been involved in 33 projects, supporting 28 companies across various industries. These projects include the development of cloud technology software; machine to machine communications, and analytics for supply chain resource pooling opportunities amongst many more, all focused on delivering productivity gains for companies in the sector. It has also been in active discussion with more than 400 companies in the sector to understand trends and challenges faced in supply chain and logistics.

A specific focus of the COI-SCM is small and medium enterprises (SME), which are expected to benefit significantly from the knowledge, resources and training provided by the centre. As a centre specialising in logistics and supply chain management, SMEs may tap SPRING’s Innovation & Capability Voucher to engage the services provided.

“With a fully-equipped technology laboratory and strong supply chain expertise, COI-SCM serves as a one-stop centre for SMEs from different industries with supply chain needs. Thus, it plays an important role in our SMEs’ productivity journey by providing them with innovative and effective solutions in their business.” said Mr Tan Kai Hoe, Deputy Chief Executive, SPRING Singapore.

¹ Collectively, the 16 key sectors contribute approximately 55% of Singapore’s Gross Domestic Product (GDP) and around 60% of employment.

"The COI plays a key role in helping the industry transform through innovation and technology, paving the way for Singapore to attain the next phase of leadership in the logistics sector. MNCs can tap on the expertise of the COI as well, particularly in helping their smaller sub-contractors on their journey to greater productivity." said Mr Kelvin Wong, Executive Director, Economic Development Board.

At the official launch, several projects that the centre has been involved in with the industry were showcased, highlighting the innovative work already being carried out.

These included the following:

- **The Cloud Logistics Tracking software kit** is developed by Republic Polytechnic to enable logistics companies with better visibility to manage delivery operations, as well as transaction status in real time using cloud technology and Android handsets. Using technologies that are present in current smart phones (GPS, 3G, touch screen) and readily available cloud platforms makes this a cost effective solution for small and medium sized enterprises. Besides real time monitoring the software collects data that can be used to generate analytics of their delivery operations or, using external information like real time traffic conditions, to predict a more reliable estimated time of arrival for their customers.

The software kit, which is under proof-of-concept, is currently being deployed with Keppel Logistics and its SME business partners for the purpose of conducting a feasibility study to validate data to be collected, and to evaluate the impact on the delivery team and operations.

- **Machine-to-machine (M2M)** applies advanced communications technology to collect data, remotely monitor and efficiently track the status of processes or transactions. By connecting devices and the relevant software in the supply chain, M2M technology helps companies to reduce costs, achieve competitive advantages through agility and increase profitability. COI-SCM has embarked on a M2M Supply Chain Project with SingTel as its preferred M2M technology partner, and in collaboration with two leading partners in the drinking water distribution business, namely Dr. Who (Dr. Who Waterworks Pte. Ltd.) and Pere Ocean (Wanin Industries Pte. Ltd.). In this project, the water suppliers will use SingTel's M2M technology to obtain real-time water consumption data from the water dispensing machines for more accurate demand forecasting. This information will help the suppliers to efficiently plan and manage the entire drinking water supply chain including the sourcing of raw materials, production and distribution of water and back-end financial activities. The project is currently under proof-of-concept. It has wide ranging applications beyond the distribution of drinking water and can be applied to any industry that embraces the advantages of "on-demand" services.
- **Resource pooling** – COI-SCM is working with a group of seven companies located at Gourmet East Kitchen at Bedok North Street 5 - a multi-tenant industrial complex for the food industries – to improve resource utilisation and to identify opportunities for resource pooling among them. Led by Hock Lian Huat Foodstuff Industry Pte. Ltd., these

companies have engaged with COI-SCM to help them eliminate non-value added processes in their post-manufacturing logistics operations, identify opportunities to increase delivery truck utilisation, and optimise delivery network routes. The companies serve customers at largely common locations such as malls, food courts and food centres, and have engaged COI-SCM to identify opportunities for resource pooling, including opportunities to outsource such work to 3rd party logistics providers. In the light of a tight labour market and expensive COEs for vehicles, resource pooling can help companies be more efficient and alleviate resource challenges. The other six companies in this initiative are Feng Rong Food Enterprise, JP Supplier Pte Ltd, Kiong Sing Food Pte Ltd, Peng Wang Fish Product, Sin Mui Heng Food Industries, and Top Choice Food Industries (Singapore) Pte Ltd.

- **Forecasting models** – Corlison Pte Ltd is a distributor of personal care products and brand owner of Pearlie White oral care products. COI-SCM was engaged to review and develop a more robust forecasting model aimed at helping Corlison reduce inventory levels and inventory carrying cost, which should in turn create storage space for other productive use. The next phase of engagement with Corlison will be to train its supply chain team in forecasting methodologies, and also to conduct a feasibility study on automated order-picking solutions.

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About Republic Polytechnic

The first educational institution in Singapore to leverage Problem-Based Learning approach for all its diploma programmes, Republic Polytechnic (RP) has six schools and two academic centres offering thirty-seven diplomas in Infocomm, Engineering, Applied Science, Technology for the Arts, Sports, Health & Leisure, Events and Hospitality, Enterprise, and Communication.

Republic Polytechnic is committed to nurturing innovation and entrepreneurial learning in an environment that develops problem-solving skills and lifelong learning opportunities. Its holistic, broad-based curriculum, covering culture, enterprise development and cognitive processes, prepares students for an active and meaningful role in society.

Republic Polytechnic strives for excellence and has achieved various international and national accreditations, including ISO9001, ISO14001, OHSAS 18001, SS540, Singapore Quality Class, People Developer, Innovation Class, and Service Class.

For more information, visit www.rp.edu.sg

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