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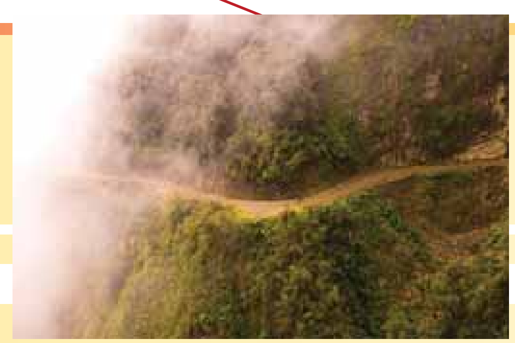

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Tradelanes

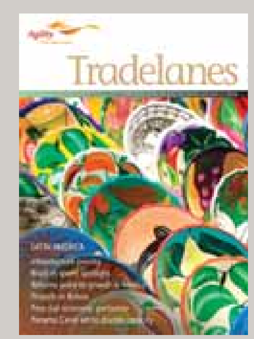
With the 2014 World Cup and 2016 Summer Olympic Games drawing attention to Latin America, we take a look at the challenges of doing business in host nation Brazil and consider the logistics hurdles facing companies doing business with the region.

Agility’s legacy companies and partners have been helping customers navigate Latin bureaucracy and overcome the continent’s terrain for nearly a century.

Most of the region suffers from lack of adequate, modern transport infrastructure. These issues are so acute they threaten a decade of impressive economic gains and wealth creation. In addition to woefully inadequate physical infrastructure, Brazil and its neighbors face other pressing problems: the lack of integrated economic and trade policies between nations; limited competition among ports, airports and transport providers; and inefficient customs and certification procedures.

One significant improvement is on the horizon. The widened Panama Canal is expected to be operational in 2015, doubling the canal’s capacity. With expansion comes access to the world’s largest containerships – and the prospect of turning Panama into a regional logistics hub akin to Dubai or Singapore. Panama’s efforts could reduce lead times and cut shipping and inventory costs to the Caribbean area and east coast of South America.

The region does boast some star performers. Peru, Chile and Bolivia are growing at twice the rate of heavyweights Brazil and Mexico, although they lack the scale to pull the rest of the region along with them. To regain momentum, Latin America needs to make major strategic investments in infrastructure, regulatory reform, systems and skills.



Latin America: the struggle to preserve gains and keep growing.

Latin America

HIGH LOGISTICS COSTS HURTING GROWTH

Pressing need for infrastructure development

Growth in trade has outpaced development of roads, rail, ports and airports needed to sustain it. Under-development of the continent's infrastructure is so acute it threatens more than a decade of gains that now has half of the region's 600 million people numbering among the middle class.

"For Latin Americans, the past dozen years have been remarkable. The region has seen a magical combination of faster economic growth, falling poverty and declining income inequality," *The Economist* wrote recently. "Is this unprecedented period of progress over?"

The OECD is concerned, too. "Latin America is facing headwinds with declining trade, a moderation in commodity prices and increasing uncertainty over external financial conditions," it says, citing an "urgent need" for infrastructure investment.

High logistics costs

Export-led growth – the aim of most Latin countries – is increasingly difficult with the region's exorbitant logistics costs. High costs are the result of poor transport

infrastructure and the slow rate at which companies and governments have embraced sophisticated technology and practices that boost supply chain efficiency.

Jose Luis Guasch, World Bank senior regional advisor for Latin America and the Caribbean, puts logistics costs at 18% to 35% of product value in the region, and even higher (40%) for small and medium-sized companies. By contrast, logistics represents about 8% of product cost in OECD countries. Losses and spoilage in Latin America are 25% of output – and nearly half for perishables, Guasch estimates.

"Excessive logistics costs hurt competitiveness, ▶

As Brazil gets ready to host the World Cup, Agility smoothes the ups and downs of logistics in this hustle bustle market. See page 8

productivity, trade and integration, but the effect goes well beyond businesses," says Francesc Casamitjana, CEO of Agility GIL Americas. "They drive up food prices and hamper the region's ability to address poverty, inequality and employment."

Trade and logistics performance have a disproportionate effect on Latin America. Commodities account for 60% of the region's exports, up from 40% fourteen years ago. The region's proportion of time-sensitive and logistics-intensive exports is three times more than that of OECD countries.

In some Latin countries, it's been a matter of commitment. Brazil, in recent years, has invested 2% of GDP on infrastructure compared with 5% by other emerging markets and 7% by China. In other Latin countries, it's a question of priorities. Nicaragua, for example, dreams of building an inter-ocean canal that would compete with the Panama Canal when it faces far more basic and pressing needs: highways, adequate power and water.

Need for systems

The Latin infrastructure crisis goes beyond hard public assets. The region is behind in adoption of demand management and supply chain planning systems, sourcing optimization strategies, development of distribution centers and other strategic investments. Modern warehousing and refrigerated storage are in short supply, and inventory financing costs are disproportionately high.

Much can be done right away "through integrated logistics policies, modern storage facilities, efficient customs and certification procedures, and promoting competition in transport," the OECD says.

Simply doubling the number of border crossings between Latin countries could lower transport costs by 6%, Guasch says. "Lack of road maintenance is emerging as the greatest threat to affordable reliable delivery of basic goods ... even for the region's more advanced economies such as Brazil and Costa Rica."

Multiplier effect

An Inter-American Development Bank (IADB) study shows that a 10% cut in regional transport costs would have 20 times the impact on export levels to the US than a 10% cut in tariffs. The IADB has made transportation and logistics a priority, spending more on it than any other sector. It has financed airport infrastructure projects in Ecuador, Costa Rica and Colombia, and has plans to back projects to upgrade and add equipment at airports in Bolivia.

For now, the Latin countries with the brightest near-term prospects lack the size to pull the rest of the region along with them. Heavyweights Brazil and Mexico are expected to continue growing, but at less than half the rate of Peru, Chile and Colombia.

One exception could be Panama, where expansion of the canal and development of the massive Pacifico logistics park are an attempt to turn the country into a regional logistics ▶

THE HIGH COST OF BAD LOGISTICS

Sector	Inventory average	ROE average
BEVERAGE MAKER:		
Based in US	18.7 days	16.8%
Based in LatAm	43.5 days	8.4%
BIG BOX RETAILER:		
Based in US	36.8 days	20.8%
Based in LatAm	65.2 days	6.7%

Source: Real Results

WHERE IMPROVEMENT IS NEEDED

Latin America needs to modernize and develop better roads, rail, airports and ports, but just as important is improvement in the services and process that speed the flow of goods and lower costs.

- Customs processes
- Licenses and fees
- Regulations, inspections, certificates
- Packaging
- Access to essential facilities
- Dry ports and logistics terminals
- Technology support
- Multi-modal operators
- Cold chain, hubs and silo services
- Consolidated brokers

Source: Logistics as a Driver for Competitiveness in Latin America and the Caribbean (Jose Luis Guasch)

Agility is actively servicing the energy sector in Bolivia. **See page 19.**

hub akin to Dubai or Singapore. At the moment, the canal project remains plagued by cost overruns and disputes with the contractor.

Near shoring benefits Mexico

The shift in focus from production costs to total landed cost – wages, transportation, duties, order lead time, cost of buffer stock and other costs – continues to force companies sourcing in China and Asia to re-examine their supply chains and give Mexico a second chance.

Near shoring with production in Mexico has given companies selling into the US market more control over quality and delivery schedules. Wage differentials have narrowed as labor costs have risen in China and are offset by lower transportation costs. At the same time, Mexico has developed a deeper, more skilled talent base and better intermodal and rail infrastructure.

Lifestyle expectations

The lifestyle expectations of Latin America's new middle class have grown along with its numbers.

BEST PORTS

Balboa, *Panama*
Buenos Aires, *Argentina*
Callao, *Peru*
Cartagena, *Colombia*
Colon, *Panama*

Francesc Casamitjana, CEO of Agility GIL Americas, discusses the business environment and logistics challenges of the continent on page 17.

Agility Emerging Markets Logistics Index 2014

How Latin American countries rank among the 45 countries in the 2014 Agility Emerging Markets Logistics Index. The Index survey of 800 industry executives indicated Mexico is a top alternative to production in China, where labor costs are rising. For the full Index, go to www.agility.com

OVERALL RANKING IN LATIN AMERICA OUT OF 45 COUNTRIES

No.	Country	2014	2013	No.	Country	2014	2013
1	Brazil	2	3	7	Colombia	26	29
2	Mexico	9	9	8	Ecuador	35	37
3	Chile	11	13	9	Venezuela	36	35
4	Uruguay	20	21	10	Paraguay	39	40
5	Peru	23	24	11	Bolivia	43	44
6	Argentina	25	19				

ATTRACTIVENESS, COMPATABILITY AND CONNECTEDNESS

Overall Ranking 2014	Country	Market Size & Growth Attractiveness 2014	Market Compatibility 2014	Market Connectedness 2014
2	Brazil	4	12	20
9	Mexico	6	33	16
11	Chile	17	9	6
20	Uruguay	31	10	11
23	Peru	19	37	23
25	Argentina	21	21	31
26	Colombia	13	43	21
35	Ecuador	43	36	12
36	Venezuela	29	34	39
39	Paraguay	42	30	33
43	Bolivia	41	38	38

"A rising middle class presents retailers with promising opportunities for new growth, especially in home décor and luxury goods," *Real Results* magazine says. "Supermarkets and hypermarkets are becoming a dominant force in large urban areas."

At the same time, the magazine says, "many retailers are struggling to capitalize on new opportunities for profitable expansion. They have been lagging in gathering and applying consumer data, hesitant to compete with Internet giants such as Amazon, and slow to make investments in supply chain efficiencies that would increase everyday profitability."

Says Agility's Casamitjana: "There is recognition across most of the region. Latin governments know they can't grow and meet the expectations of their people without significant, strategic investments in infrastructure, regulatory reform, systems and skills. It's starting to happen."

Mexico is a major beneficiary of near shoring, providing companies supplying North America with more control over quality and delivery. **See page 14**

Brazil

BIG COUNTRY, BIG AMBITIONS

Two decades of economic gains under threat

On June 12, Brazil kicks off the 2014 World Cup in the opening match against Croatia.

Seven years ago, football's governing body, FIFA, named Brazil as host nation for the 2014 World Cup. Two years later, the International Olympic Committee awarded Brazil the 2016 Summer Games.

Both announcements set off waves of national pride that eventually gave way to questions about the country's ability to pay for the world's two great athletic spectacles and accommodate visitors without crippling the economy.

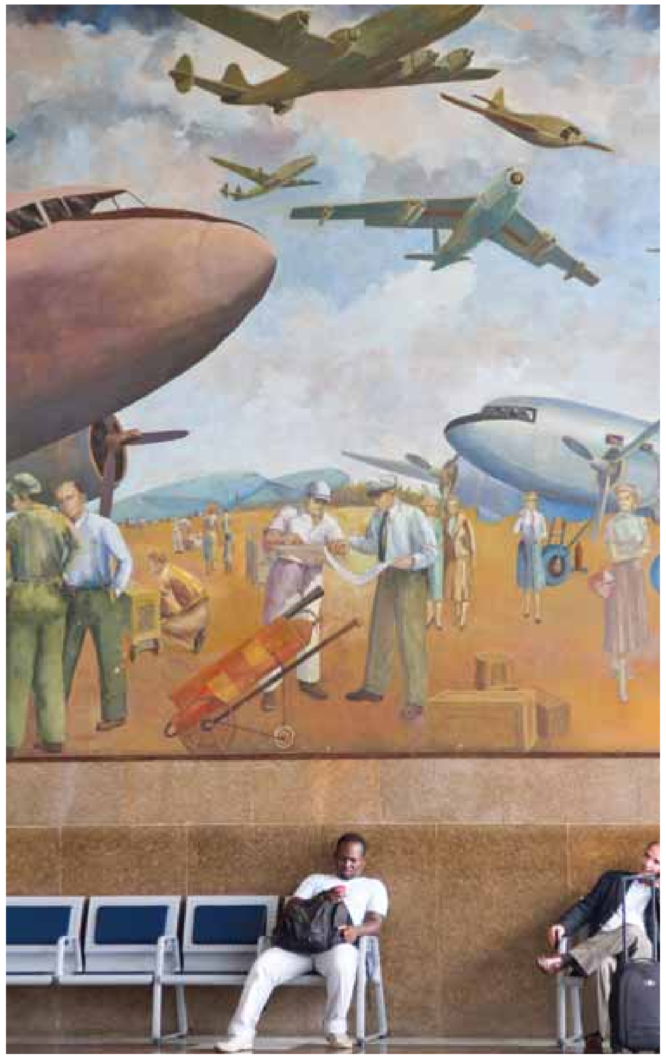
The questions grew louder as GDP growth slowed in 2011. Since then, the economy has been hobbled by weak investment, a tight labor market, inflation and uncertainty about the direction of economic policy. In January, the International Monetary Fund lowered its forecast for Brazil's 2014 GDP growth to 2.3% from 2.5%, and now economists are talking about growth of less than 2% for 2014.

Infrastructure development

But the World Cup and Olympics forced policymakers to admit that a weak network of roads, rail, ports and airports was a threat to two decades of hard-won stability and economic gains – not to mention a threat to Brazil's long-term aspirations to be a top-five world economic power. In 2010, Brazil launched a $130 billion infrastructure program that covers highways, rail lines, ports, airports and high-speed trains, along with a campaign to lure foreign investors with unprecedented concessions (www.logisticsbrazil.gov.br).

"To achieve the same infrastructure level as Chile, Brazil will need to invest $20 billion a year for the next 20 years – above what is already planned," says Ricardo Sapag, CEO of Agility GIL Brazil. "If we want to reach the South Korean level, we would need to invest $80 billion a year in addition to what is being invested today. That gives you an idea of the demand." ▶

Brazil struggles with congested highways, a badly underdeveloped rail network, port-capacity limits and airport and harbor charges that are among the highest in the world. Sixty percent of total freight volume moves over clogged roadways because of the poor rail system and inadequate connections for intermodal transport. The bottlenecks impose a high cost on businesses and consumers. Logistics costs in Brazil are an estimated 20% of GDP – twice the percentage as in OECD countries.



A mural at Santos Dumont Airport in Rio de Janeiro depicts the history of aviation in Brazil. Embraer, the nation's flagship aircraft manufacturer, is now one of the four biggest makers of commercial passenger craft in the world and has helped make Brazil the leading manufacturer of regional jetliners.

Ricardo Sapag, CEO, Agility GIL Brazil

Size dilemma

The demand for a better transportation network has generated a consensus, and change is being felt. "It's happening, though not at the speed we want. There have been airport concessions, so you see airports being remodeled. There are road concessions, so roads are being modernized. The regulatory burden remains. Processes are still too slow," Sapag says.

He says the biggest improvements have been at ports where there has been construction of highly efficient private terminals. Now the focus is on infrastructure that feeds those facilities – rail terminals, truck terminals and surrounding infrastructure.

> *How many countries have managed so much, in so little time and yet with complete democracy and stable institutions?*
>
> *Former President Luiz Inacio Lula da Silva*

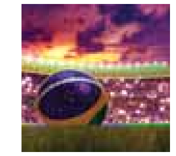
One dilemma for Brazil is where to invest. The population and the country's industrial and business might are concentrated along the Atlantic coast and in the south. The infrastructure there is more developed but also more strained by volume.

"We are a huge country. We have a very highly developed agricultural area in the center-west. Production needs to reach consumption areas and ports to be exported. Lack of warehousing, rail transportation and the cost to transport by truck are enormous problems," Sapag says.

Brazil's quasi-public energy giant, Petrobras, is the largest company in South America. It has ambitious plans of its own. Petrobras is investing $236 billion to double petroleum production by 2020. That would put Brazil among the world's six largest oil producers.

"The energy grid is predominantly powered by hydro. We need more generation – hydroelectric plants, gas plants, eolic (wind) and nuclear plants, all kinds of generation. Without it, we cannot grow industry," Sapag says.

Elsewhere in the economy, Brazilian businesses have been wary of investing. Falling world prices for commodities have discouraged investment in the mining, timber and agricultural sectors. At the same time, high levels of manufacturing capacity coupled with weak output suggest



BRAZIL'S WORLD RANKING

- 8th largest consumer market
- 3rd largest market for PCs and beauty/healthcare products
- 4th largest market for mobile phones, automobiles, TVs
- No. 1 exporter of coffee, orange juice, sugar, soybeans, chicken
- 2nd largest producer of iron; 3rd largest producer of bauxite
- Largest producer of regional jets, ethanol

Source: Brazilian government

that manufacturers are content to make do with what they have rather than adding production.

Policymakers hope the upgrades in transport infrastructure and energy unleash pent-up demand and convince businesses to begin investing again.

Brazil drives the continent

Sapag is optimistic. "If you'd asked me 10 years ago if I could have seen where Brazil is today, the answer would be no. We still have enormous challenges, but they can be fixed. The economy is now global so nothing hinges on one man's desire to do or not do something. Politicians here feel a lot of pressure. Investment will be coming."

As it is, Brazil accounts for half of South America's overall economy and is among the largest trading partners of the US, Argentina, China, Germany, the Netherlands, Japan, Chile and Mexico. It is one of the world's largest producers of automobiles, agricultural equipment, airplanes, aluminum, pulp and ships. As an agricultural superpower, it is the world leader in production of meat, soybeans, coffee, sugar, oranges and ethanol. By far Latin America's most integrated economy, it has the ability to determine the direction of the region.

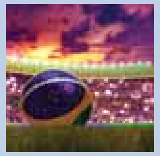
In the near term, the country faces doubts. The Brazilian *real* has taken a beating along with other emerging markets currencies over the past year, driving down the markets' value of companies and hurting their balance sheets. The IMF, meanwhile, says Brazil needs to spend more – $150 billion over five years – on infrastructure.

Former President Luiz Inacio Lula da Silva is tired of the critics. "How many countries offer opportunities like these?" he asked in a recent article. "How many countries have ▶

DID YOU KNOW?

The Edificio Copan in Sao Paulo, despite being opened nearly 50 years ago, is still cited as having the largest floor area of any residential building in the world.

Brazil has the most diversified industrial base in Latin America and Caribbean, accounting for 50% of South American economic output and 60% of Latin American R&D investment. *Source: Brazilian government*



Brazil struggles with port-capacity limits and harbor charges that are among the highest in the world

The Brazilian real has taken a beating along with other emerging markets' currencies over the past year; but longer term, the signs look more encouraging.

managed so much, in so little time and yet with complete democracy and stable institutions?"

Sapag says the mistake is to take a short-term view of Brazil. He notes that markets and investors saw Brazil as the "prettiest girl" around when it managed to weather the global economic downturn better than others. Many have soured on Brazil since 2011. "What changed? Nothing. It's not that we were that beautiful, just that the world was very ugly," he says. "Today, we are the same girl but the rest of the world looks nicer. The reality is we're a full democracy with no political risk. We've had a stable currency for more than 12 years. We're prepared to weather the occasional shock, and we have huge opportunities. I am completely optimistic."

EFFICIENCY IS THE KEY TO SUCCESS

Brazil's under-developed transportation network poses risks for companies shipping goods in and out of the country and acts as kind of tax on their goods.

In an environment plagued by delays and added costs, "what we sell is efficiency," says Ricardo Sapag, CEO of Agility GIL Brazil. "It's the root of our success. The average LCL container takes 15 days to be unpacked after arriving at port. We get it done in one day."

How? "We have good working relationships with certain terminals and we get priority service. We can expedite our cargo."

The Agility team knows the market, the geography, vendors and the bureaucracy from three decades of experience in Brazil. Other global logistics providers have stumbled by underestimating the difficulty of navigating the local market and by expecting to use international practices that don't work in Brazil.

"One example is that we don't permit any inbound shipment to depart for Brazil without prior verification of all documentation and the route chosen. We have to make sure the documents are 100% accurate and that we've chosen the best possible route. If you don't do that, everything will sit at port until it is corrected, and that will take a lot of time," Sapag says.

Brazilian bureaucracy is infamous. Importers, in particular, pay huge penalties for cargo delays when documents aren't in order. "You need to know how to be efficient. Otherwise you will die doing paperwork. We've learned this over 30 years. We know how to handle it, and competitors in a majority of cases don't."

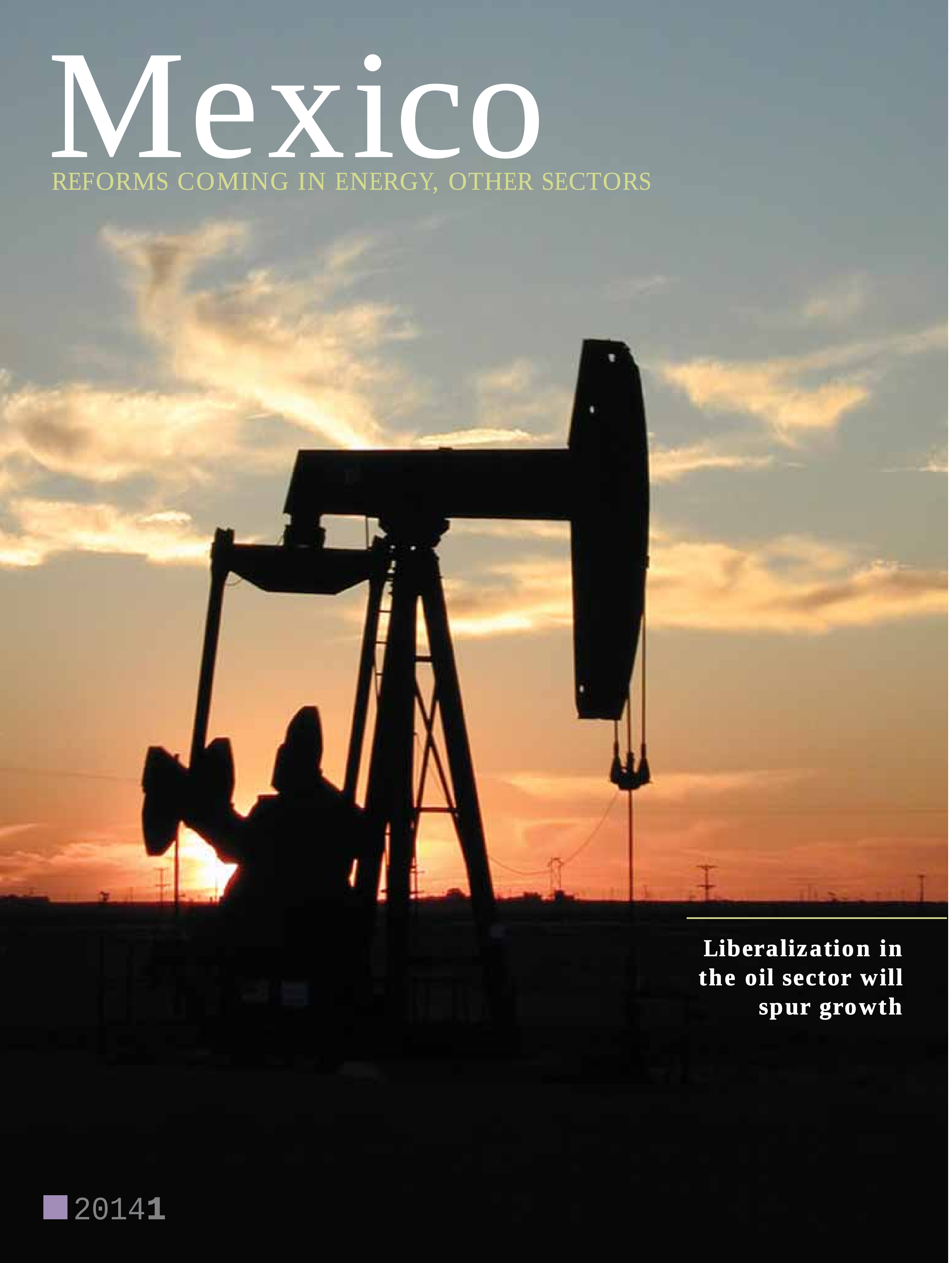
DEEP OIL SETS NEW CHALLENGES

Brazil has gained a reputation as a world leader in exploiting deep water and hard-to-reach oil deposits. This expertise is being tested to the limit when drilling deeper than ever before to reach "pre-salt" oil reserves that lie 340km off the coast of Brazil.

Pre-salt oil gets its name from the fact that it lies below a layer of salt that is thousands of meters thick, in turn buried under thousands more meters of rock. These oil reserves are well beyond the continental shelf at water depths of 2,000 meters.

There is an astonishing amount of pre-salt oil around the coast of Brazil and its quality is highly rated. The reservoir that lies off the southeastern coast was first discovered in 2007. It is estimated at near 60 billion barrels – four times greater than the nation's previously estimated entire reserves – and ranks as one of the largest petroleum reserves in the world. 60 billion barrels equates to about 20 percent of the oil reserves in Saudi Arabia.

To exploit these reserves Petrobras, Brazil's state-run oil producer, has embarked on what is one of the world's biggest corporate spending programs, estimated at $237 billion over five years and aimed at producing 47 million barrels (7.5 billion liters) a day by 2020. Construction of rigs is moving at a fast pace. Agility handles equipment movements for two of the largest rig companies contracted by Petrobras. These are Odebrecht (OOG) and Queiroz Galvão (QGOG).



Mexico

REFORMS COMING IN ENERGY, OTHER SECTORS

Liberalization in the oil sector will spur growth

Eduardo Porter Ludwig, CEO, Agility GIL Mexico

Two decades of fitful economic reforms have left Mexicans guarded about their prospects. These days, international investors and observers are more optimistic about the country than many Mexicans.

Just three years ago, Brazil, Colombia and Chile were the rising Latin stars. The focus has turned to Mexico as the government of President Enrique Peña Nieto has moved to tackle structural issues that once seemed intractable.

Mexico is initiating important changes in education, television, transportation infrastructure, telecommunications and, biggest of all, energy.

For the first time, PEMEX, the giant national oil company, can do business with private companies, form partnerships and share royalties. That allows PEMEX to tap the expertise and capabilities of leading multi-nationals, which are necessary if the company is to boost production, find new resources, and increase efficiency with technology and stronger business practices.

Energy spin offs

Reforms in our energy sectors are "the biggest thing happening in Mexico and will drive growth in logistics, particularly projects for at least the next five years," says Eduardo Porter Ludwig, CEO, Agility GIL Mexico.

With time, the changes should bring down domestic oil prices and spur the economy, particularly if, for example, there is investment in refining. Lack of local refining capacity currently forces Mexico to ship crude to US. refineries, where it is turned into gasoline and other fuels and sent back to Mexico for distribution and sale.

In anticipation of new exploration and drilling, Agility's project logistics experts in Monterrey and in Houston, Texas, are working with energy developers and assessing projects that will require heavy lift and supply chain support.

"As the energy sector is opened to international participation, I think we will also see streamlining in customs procedures," Porter says. "Logistics providers that have long-established relationships with authorities and a deep knowledge of regulations are going to be the best positioned to help customers moving shipments in and out of the country."

Telecommunications and television, each dominated by a single player, could soon be open to competition that would dramatically bring down prices.

Auto industry

By the end of 2015, Mexico is expected to become the largest exporter of cars to the US, surpassing Canada and Japan. Honda, Mazda and Audi are the latest automakers to open new production plants in Mexico, which now produces one in five autos built in North America. The auto industry is the country's leading source of foreign currency earnings, ahead of oil and remittances from immigrants in the US.

"You may never have heard of an all-Mexican car,"

Honda, Audi and Mazda are the latest automakers to open plants in Mexico. The auto industry is now the nation's biggest foreign currency earner.

Porter says. "But most of the world's largest carmakers have operations in Mexico, and our vehicles are exported around the globe."

Mexican manufacturers provide spare parts and components to customers with production facilities in Europe, the Middle East and Far East. The country's maquiladora manufacturers, located near the US border, produce or assemble for export to the US on a duty-free basis. ▶

Agility in Mexico

Close support to global giant

CEMEX, the global cement giant based in Mexico, was hit hard by the economic downturn of 2008 but is enjoying a revival thanks to signs of a turnaround at home and growth in the US. housing and construction market.

Agility has an eight-member team in Monterrey working exclusively with CEMEX to manage and bring efficiency to its global supply chain. Agility personnel work in the cement maker's procurement, projects and technology operations.

"We understand the environment and their strategy," says Eduardo Porter Ludwig, CEO, Agility GIL Mexico. "In turn, they have confidence that our team will meet their critical needs in the supply chain, whether that is parts, equipment and machinery or helping them get a high-level view of their supply chain so they can maintain efficiency and keep costs in check."

One good sign: Agility recently arranged a door-to-door parts charter shipment of 1,200 tons (4,600 cubic meters) of equipment for expansion of a CEMEX plant in the Philippines, where infrastructure and housing construction are booming.

Range of services

Agility GIL Mexico manages traditional freight operations from Mexico City, providing cargo management, air and ocean export, handling, de-consolidation, customs clearance and documentation services to customers in various industries, including cement, food and automotive. A new partnership is delivering an expanded range of 3PL services and warehousing. Traffic to and from Brazil represents a large share of the company's business. Agility uses air and ocean carriers to move oil and gas equipment, finished products and auto parts to Brazil. Agility also works with customers to manage the flow of goods between Mexico and Germany, France, Italy and Switzerland.

Change is coming

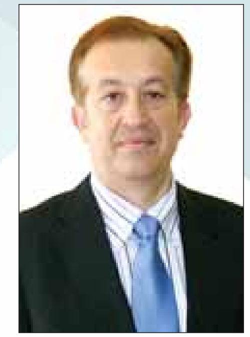
Viridiana Rios, an expert in security, justice and crime in Mexico, argued recently in *Forbes* that Mexican businesses pay an extremely heavy price for private security and tend to be extremely cautious about expansion and new investment. Bribery and other forms of corruption exact a huge cost, as does the persistence of a giant "informal" workforce – street vendors, day laborers and people working off the books. Contract enforcement in the country remains weak and inadequate anti-trust protections have tilted liberalization against small, entrepreneurial businesses, she writes.

Independent agencies such as Moody's have raised their ratings for Mexico's sovereign debt, signaling confidence in the structural changes backed by Pena's government. But rising prices and stagnant wages continue to weigh on Mexican consumers.

Porter predicts that will change. The ingredients for job creation and sustained growth are falling into place, and momentum in the Mexican economy is real, he says. "Mexico may not be an investor's paradise yet," he says, "but foreign banks are making loans and, more important, making money here."

Mexican businesses pay an extremely heavy price for private security.

Q&A



Agility's solutions are largely country-specific and rely heavily on local market experience and relationships

Francesc Casamitjana is CEO of Agility GIL Americas. He recently spoke to *Tradelanes* about logistics opportunities and challenges in Latin America.

What makes logistics and supply chain work in Latin America different?

Institutional risk, archaic and complex country-specific laws and regulations, poor infrastructure, and lack of functioning block agreements like we see in the European community. These create enormous barriers to development of an effective intra-regional logistical solution in Latin America. As a result, Agility's solutions are largely country-specific and rely heavily on local market experience and relationships.

What is Agility's strategy for the region?

Since 2009, Agility has made significant investments in the core economies of Latin America, blending acquisitions (Brazil, Mexico and Chile) and partnerships (notably Colombia, Argentina, Panama). Today, our footprint represents over $500 million in annual gross revenues, and we are growing over 10% on the top line every year. A large portion of this growth comes from customers we have in other regions that trust us for the expertise we have developed in Latin America.

What special concerns or advantages are there in key areas – infrastructure, compliance, standard practices among markets?

One major challenge is compliance. Customs laws are normally country-specific, fairly archaic and not import friendly. Experience and knowledge of local laws can make or break an entire supply chain. If a shipment has incorrect documentation, it will get stuck in customs indefinitely and potentially incur substantial penalties.

Where we have acquired or partnered with local companies, we feel expertise and experience are worth a service premium. Agility Brazil, for example, has had a consistent, above-market track record for on time service performance, giving it an almost bullet-proof approach to onboard new customers. They are able to identify early on all compliance issues and build a dedicated customer desk to manage this process routinely.

Where are the growth opportunities in Latin America?

We continue to see significant growth coming from inbound freight of higher value manufactured goods from developed markets. To capture this growth, we have invested heavily in trade lane development (our air and ocean product) and dedicated customer service (customs compliance). This ensures our service level reliability is consistent and scalable with growth in volume and customers.

So far this investment has paid off. Looking at the US-to-Brazil trade lane, for example, it became the third largest air export lane for the US organization in terms of volume. Back in 2009, Brazil was not even among the top 15 trade lanes.

We have significant demand from our customers to also perform local services in Brazil – things such as overland transportation and warehousing. These require investment and carry a difficult risk-reward ratio, particularly given institutional risk, security issues and high (local) asset values. We continue to look at these tradeoffs and, long-term, will likely pursue these opportunities.

Emerging markets generally got off to a tough start this year. How do you feel about the Latin economy overall right now?

Our commitment to Latin America is long term. As we did in other emerging markets, we take calculated risk in making investments we believe will bring profitable growth. Note that the majority of our investments in the region were in the 2008-2010 timeframe, the worst moment in the global recession. And now look at the return with over $500 million in revenues!

While we see risks in 2014 – such ▶

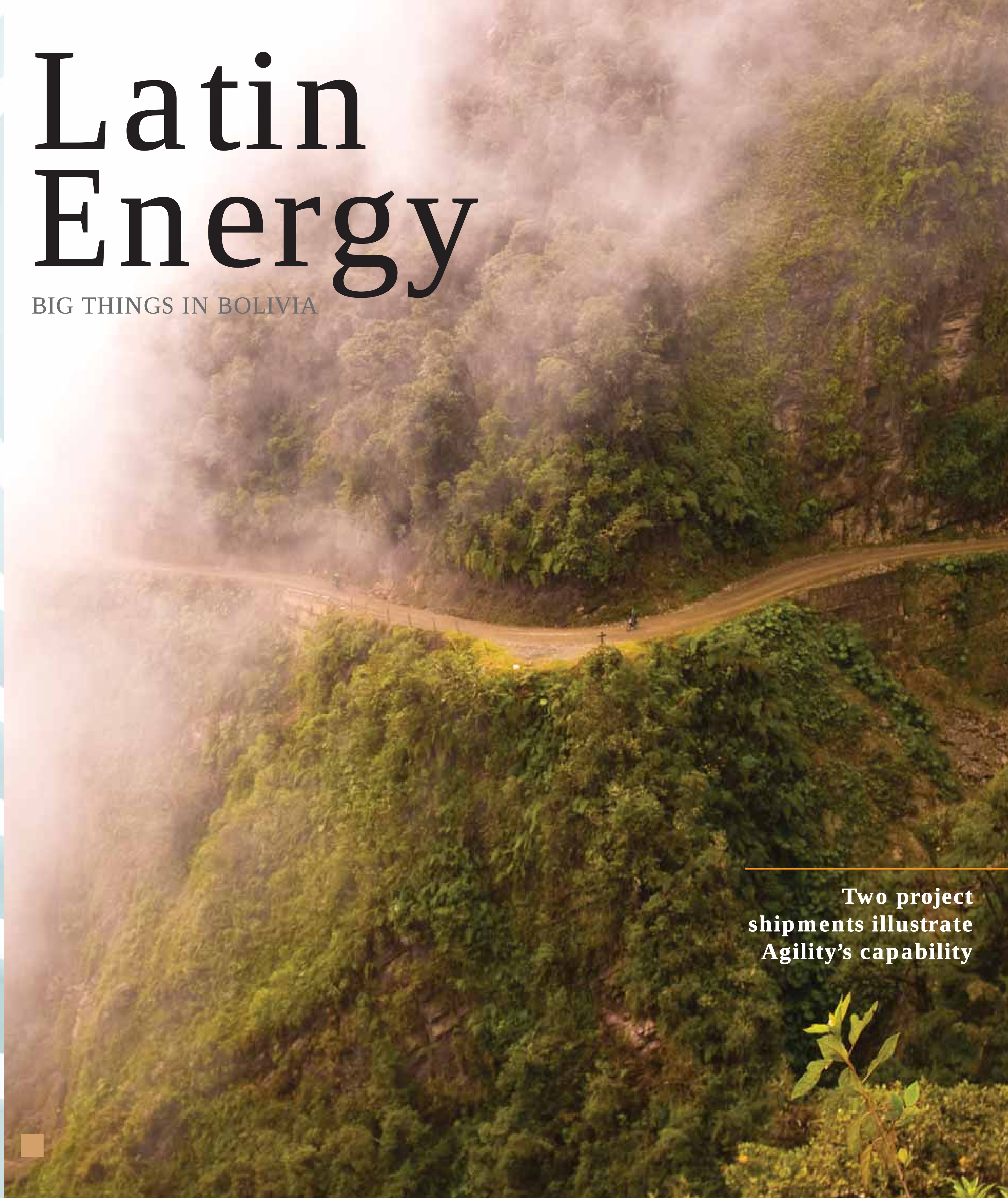
as further devaluation of the *real*, we also see opportunity – such as the manufacturing comeback in Mexico. So we see significant intra-regional growth, particularly for Mexican exports to South America and US. We are investing in enhancing our trans-border capabilities as it relates to trucking and customs to capture this growth.

It's unusual to have a leading hub located outside of the region it serves. What can you say about the role of Miami in Latin America's supply chain?
Miami continues to be the main gateway to the smaller economies in Latin America and for historical reasons the hub with the greatest variety of direct departures to almost all of Latin America. For the larger economies, though, Miami has started to lose the importance it had in the past. These economies have grown, and their supply chains have shifted and moved to the Far East, where transportation possibilities into Latin America have increased and the use of the US as a transshipment point decreased.

Where is Agility looking to expand?
We are looking at expanding organically or through partnerships in the Andean region (Colombia, Peru, and Chile) and Central America. From a trade lane standpoint, we are making significant investments in dedicated commercial and product teams for Brazil, particularly in Germany, US, China and Mexico. Finally, in terms of capability, we are making investments in new products such as Integrated Supply Chain Solutions, which includes vendor management and purchase-order management services, to support our trans-Pacific traffic into the region.

Latin Energy

BIG THINGS IN BOLIVIA



Two project shipments illustrate Agility's capability

Developing a reliable, renewable energy supply to meet domestic demand and generate a surplus for export is a critical aspect of Bolivia's infrastructure strategy.

Thermal and hydropower supply much of the country's energy, and development of wind and solar generation is in early stages. Bolivia's natural gas reserves are the second largest in South America.

One view is that the country's vast reserves of lithium will become the green energy fuel of the future. The lithium is beneath the world's largest salt flat, an area of more than 4,000 square miles (10,000 sq km) near the crest of the Andes at an elevation of almost 12,000 feet.

Global demand for lithium is growing. Lithium batteries power everything from iPods to electric cars, so Bolivia is under pressure to develop this natural resource. The government, fearful of losing control of its destiny, is moving with caution. Ultimately, lithium reserves could make Bolivia a green energy powerhouse.

In the meantime, Agility is moving large loads for customers who need to get turbines, compressors and other heavy-duty industrial parts from the US and Europe to landlocked Bolivia. As an example, two customers called on Agility's expertise to help with energy projects in the country. The consignee for both moves was YPFB, a state-owned energy company. The destination was Yacuiba, in the deep south of Bolivia on the border with Argentina.

Details matter
Two large break-bulk shipments left the Texas Port of Houston in the last months of 2013. After the US ▶



manufacturer delivered its Mars100 compressor sets, spares and ancillary products to Houston, Agility took charge.

Migyur Thondup, Agility's GIL operations manager in Denver, Colorado, managed the collaborative planning that included the manufacturer, Agility Chile and Agility Peru, agents in Bolivia and the consignee, YPFB.

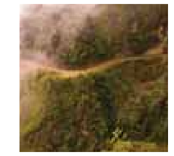
The first shipment left Houston bound for the port of Arica in Chile with a load of 94 pallets and crates weighing 282 metric tons with 1,402 cubic meters of volume equivalent to about 35 forty-foot containers.

Agility's agent in Bolivia, responsible for destination coordination, secured 14 hard-to-find suspension trucks equipped to handle large loads. The trucks were blocked from entering the port for 10 days by civil unrest and road strikes. In the interim, road permits expired. Renewals were slowed by the Christmas holiday. Once the trucks were able to leave the dock, they were forced to wait roadside for new permits.

Before departure, Agility conducted a truck-by-truck inventory check to ensure no piece was left behind. Shipment specifications and other documentation were transmitted ahead to customs agents to smooth the way for cross-border clearance from Chile into Bolivia. Trucks with normal-size payloads made the 694-mile (1,117 km) journey in a matter of days. A smaller convoy carrying the two over-size compressor sets made slow, steady progress. Along the way protestors blocked the road from time to time. Detours through fields had to be taken when bridges and small village roads proved too fragile for the massive loads.

The second shipment – about half the size and weight of the first with only one compressor set and 46 pieces – arrived in Arica the next month. Strikes at other ports caused many vessels to be diverted to Arica. The ripple effect of the backup meant a delay for Agility at the dock, but the time was made up en-route to meet delivery deadlines.

Thondup enlisted assistance from Agility Peru. That brought greater control to the project and improved communications. So when a temporary IT system breakdown at Arica slowed the transmission of specifications and product details to Bolivia, Agility was able to quickly alert all parties. "People think the size of the shipment is the biggest problem, but it is the details that matter most," Thondup says.



Careful planning paves the way

In February and September of 2013, Agility Argentina (Transportes Universales S.A.) handled two outsized shipments to Bolivia for a German-based engineering and electronics conglomerate. Again the cargo was destined for the province of Yacuiba, where the generators were needed to power a liquid separation process at a gas treatment plant. This time, they were routed via Argentina.

The first leg of the journey entailed ocean shipments from Houston, Texas, and Antwerp, Belgium, to the port of Zarate in Buenos Aires, Argentina. The load from Houston to Argentina weighed 1,042 tons with a volume of 6,710 cubic meters. The shipment from Antwerp later in the year weighed 672 tons with a volume of 4,400 cubic meters.

Cranes on the vessels in port moved the breakbulk cargo onto trucks equipped to handle heavy loads. The first shipment from Zarate in Argentina to Yacuiba, Gran Chaco, in Bolivia required a fleet of 75 vehicles; the smaller, second shipment used 41. Since the terminal could handle only 10 trucks a day, the transfer process alone took 47 days. During this time, Agility Argentina (Transportes Universales) prepared the documentation and secured necessary permits to satisfy customs officials in Argentina and at the Bolivian border. Diego Germano, Agility's (TUSA) freight forwarding and project manager, reports both loads arrived on time and were transported without incident over the 1,243-mile (2,000 km) journey, which took about two weeks. No accidents, no bad roads and not much rain. He attributes the smooth ride to careful planning on the front end.

Two of the customer's representatives, two from Agility and two from the consignee comprised an advanced planning team. This group spent four days in a van traveling the same route the shipments would take. They looked at road surfaces, bridges, clearance margins, terrain and weather reports, trying to anticipate obstacles and remove them in advance of the shipment. Their trial run, along with meetings at Agility's office in Buenos Aires and at the arrival port, was critical to success and made the second delivery even easier.



Peru

STELLAR PERFORMER

GDP per capita has increased 50% since 2002

Alfredo Rusca, Agility GIL Peru Country Manager, waits on a car ferry to cross the Huallaga river, a tributary of the Marañon and Amazon rivers, en-route to the proposed site of a cement plant. The road trip identified transport issues, such as a complete absence of bridges in the area.

Peru is "one of the best-performing economies in Latin America," the World Bank says. The bank attributes Peru's strength to economic reforms that began in the early 1990s.

Peru has enjoyed high growth rates – as high as 10% in 2008 – and low inflation. High commodity prices and economic liberalization have helped it build up reserves, reduce foreign debt, stabilize the currency and cut the poverty rate. GDP per capita has increased 50% since 2002.

When the global downturn shrank the economies of neighboring countries in 2009, Peru still managed to expand by 0.9% and returned to 8.8% growth in 2010.

Tough logistics

Even so, the geography and poor transport infrastructure make the country a tough place for logistics providers to operate. And while big mining and energy projects have brought foreign investment, they also have triggered protests and roadblocks in local communities concerned about environmental impact.

Agility GIL recently delivered water-treatment equipment to reservoirs for a large mining project at 3,700 meters above sea level. "We had to coordinate a very good route plan with the owners of the project and the authorities, sometimes changing routes at the last minute in order to avoid communities in the way," says Alfredo Rusca, Agility GIL's Peru Country Manager.

Resourcefulness

Rusca describes Peru's geography as "awesome," but says "there are any number of places where access is so difficult that it forces unorthodox ways of handling logistics."

That can mean use of hydraulic lifts rather than cranes to load or unload big pieces. It can involve arranging for raft and pontoon crossings at rivers where bridges are absent or unable to handle wide and heavy loads. In extreme cases and remote areas, it requires use of animals rather than vehicles or manpower to move cargo.

"For one job, we rented farmland to stage off-road transport for a big project. We uprooted the farmer's apple trees, took them to a greenhouse, did the job, then went back and replanted the apple trees," Rusca says.

The climate is so varied that, like the terrain, it can complicate matters. "In summertime in Lima, you've got 30 degrees Celsius. Drive 45 minutes east into the Andes, you can be at 12 degrees. In 45 more minutes, we are at 4,000 meters and it's -10 degrees with snow. A couple more hours in the same direction and you are entering the upper Amazon jungle. That's what you have to think about if you do logistics in Peru."

PERU AT A GLANCE (2012 DATA)

Population	30 million
GDP	$204 billion
GDP growth	6.3%
Inflation	3.7%

Source: World Bank

Fresh produce

One of Peru's success stories over the past 20 years has been the development of its fruit and vegetable exports, spurred by domestic consumption and the nation's large number of restaurants (*see item "Peruvian Cooking"*). The country's vastly differing terrain and climate (some 90 different micro-climates make it one of the most bio-diverse on the planet), means that both tropical and temperate ▶

Colca Canyon, located 100 miles (160 km) northwest of Arequipa in the far south of Peru, is more than twice as deep as the Grand Canyon in the US at 4,160 m. However, the canyon's walls are not as vertical as those of the Grand Canyon, allowing local farmers to continue cultivating the pre-Inca stepped terraces.

Food: from field to restaurant table

With Peru's burgeoning restaurant sector and fresh produce exports, supply chain expertise and capacity are in big demand.

Peru boasts of more than 120,000 registered restaurants. The renowned Peruvian chef and restaurateur, Gaston Acurio, has traveled the world spreading the word about the wonders of Peruvian food. He invested $6 million in the Astrid & Gaston flagship restaurant in San Isidro, an exclusive district in Lima. Astrid & Gastón, along with Central, another famous Peruvian restaurant, are frequently ranked among the 50 best restaurants in the world.

Peru also hosts the famous Mistura food festival, a significant cultural event considered to be the largest in the whole of Latin America.

Peruvian cuisine combines the tastes and ingredients found in Spanish, Arabic, Italian, Chinese and Japanese kitchens, making it a fusion hit. C*ebiche (*raw fish and spices in citrus juice), *aji de gallina* (chicken and peppers in cream sauce), *lomo saltado* (a beef stir fry), *chicha morada* (a sweet, corn-based drink), and *arroz con leche* (rice pudding) are a few of the many dishes that are staples of Peruvian cooking.

Peruvian dishes typically contain local produce and spices and, in some cases, seafood such as salmon or oysters imported from Chile. Movement of fruits and vegetables flows from the fields to wholesale markets known as *mercados mayoristas*. Retailers purchase fresh goods daily.

COLD CHAIN LOGISTICS

Some supermarkets and restaurants have invested in their own supply chains, which carry goods from the producer to the store or restaurants. Fresh fish and other seafood are flown daily from north and south Peru, while Amazonia produce and spices originate from the Orient of Peru.

There are very strict rules for the transport and handling of foods. Cold chain regulations for poultry, meat and seafood are stringent – some products such as lobsters, clams and black oysters must be shipped live.

With facilities close to Lima's Jorge Chavez International Airport and the Callao Port, Agility is able to handle huge volumes of food products. Alicorp, Peru's largest consumer goods company, is among Agility's key customers.

In 2013, Agility handled exports of approximately 1.2 million kilograms of fresh produce such as mangoes, strawberries, blueberries, avocados, snow peas and artichokes for Agroindustrial Beta, Inkafruit, Agrocola La Venta and Agrokasa.

WORLD LEADER IN ASPARAGUS

Peru has turned asparagus from a rare seasonal delicacy into a fresh produce item that consumers and restaurants in Europe and the US can get 12 months a year.

Two decades ago, Peru's asparagus industry was almost non-existent. Today, the country is the world's top exporter of fresh asparagus and No. 2 in exports of processed asparagus after China. Nearly all of Peru's production is for export because asparagus is not a feature of Peruvian cooking.

Agility GIL ships Peruvian asparagus to Spain, the UK, Netherlands, France, Italy, Belgium and asparagus-mad Germany. Agility handles bookings, cargo receiving, inspection, documentation, export clearance and air freight from Lima to European destinations for farms and packers in Peru's main growing regions: Ica, 300 km south of Lima, and the Chao and Viru valleys, 500 km north of Lima.

The job requires care at every step – temperature control, labeling and covering, tracking and hydro-cooling en route to export markets. Typically, the asparagus takes four or five days to go from farm to restaurant table, supermarket or kitchen.

Agility works with major suppliers such as Complejo Agroindustrial Beta, Agrokasa, Exportica, Agricola La Venta and Talsa. Its network of preferred carriers includes KLM, Air France, Iberia, Delta and LAN.

Unlike other exporters that specialize primarily in green asparagus, Peru splits production 50-50 between green and white asparagus. Rather than rely on the cold to induce a required dormant period for their plants, growers in temperate reclaimed Peruvian desert harvest year round and use irrigation to time growing cycles and meet export demand.

Chile was a pioneer in off-season fruit and produce exports to the Northern Hemisphere. In Peru, asparagus growers and other farmers have had to adjust to competition, drought, complaints about over-use of irrigation, encroachment of oil production, and the economic downturn in Europe, which has curbed demand.

Today, many growers in Peru have switched from conventional drip systems to more technologically advanced systems that dramatically cut water consumption.

"Fresh asparagus was once a springtime treat, but it is now readily available in all seasons, thanks mostly to exports from coastal Peru," says the online global geography forum *GeoCurrents*.

"In the US and Europe, off-season asparagus is obtained almost entirely from Peru," *GeoCurrents* says. "Although asparagus is most widely celebrated in Germany and neighboring countries, Peru currently out-produces Germany by more than three-fold."

The Machu Pichu region grows the Physalis or Cape gooseberry, known locally as Pichuberry. Rich in vitamin C and other antioxidants, it is native to high altitude tropical regions of Peru, Colombia and Ecuador

PERU'S INFRASTRUCTURE NEEDS

OCEAN

- More ports with deeper draughts and ability to handle gearless vessels
- Relief from traffic congestion, which adds delays, waiting times and cost

FRESH WATER

- Improved control of river transit via Amazon and tributaries
- Improved border control and facilities
- Better facilities and regulation of inter-modal transport

AIR

- Modernization of Lima's Jorge Chavez International Airport and other airports to allow regional passenger and freight carriers to operate and expand service

SURFACE

- Investment in road and rail construction

REGULATORY

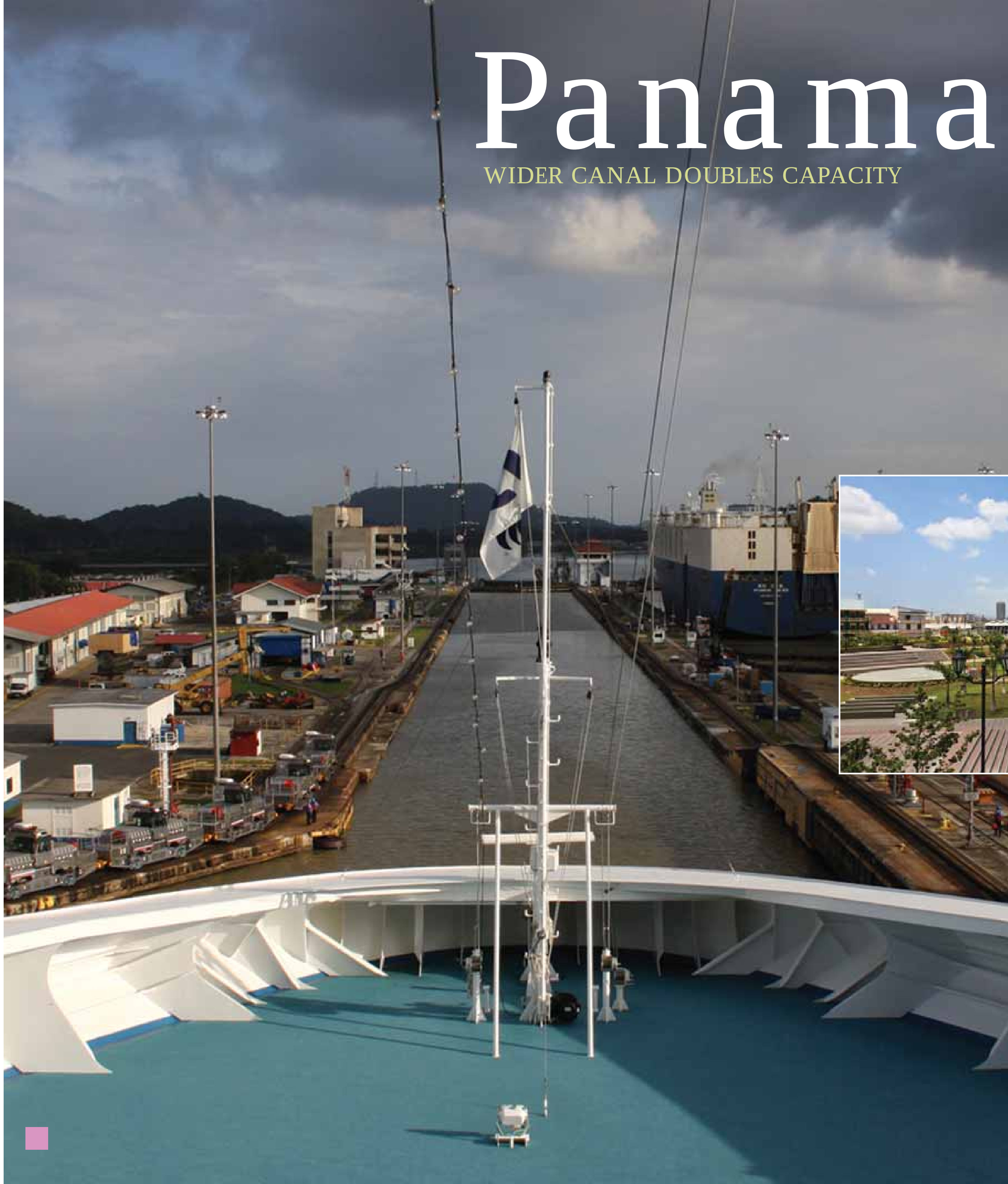
- Reduction of overlapping regulations and streamlining of regulatory authorities

fruits are produced, such as mangoes and strawberries, while Peru is also the acknowledged world leader in asparagus exports.

From facilities at Lima's airport and the port of Callao, Agility handles exports of fresh produce and processed foods for most of the leading co-operatives and wholesalers, and Alicorp, Peru's largest consumer goods company. More about this in the separate item *"Cold Chain Logistics."*

DID YOU KNOW?

At 3,808m, Lake Titicaca in southern Peru is the world's highest navigable lake and South America's largest lake.



Panama

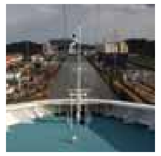
WIDER CANAL DOUBLES CAPACITY

After a century as the pivotal link on the Pacific-Atlantic shipping routes, the Panama Canal expands to handle larger vessels while eyeing potential competitors.

The Panama Canal is the country's major moneymaker and central to the nation's identity. It did for Panama what oil did for Saudi Arabia and copper for Chile; but to stay relevant to 21st century trade, the canal needed the ability to handle a new generation of larger, "post-Panamax" vessels.

The term Panamax refers to vessels that were the maximum size that could pass through the canal. But in the 1990's, a new generation of much larger vessels entered service and could not use the waterway. As a result, the canal has missed out on potentially lucrative revenues from container ships, oil tankers, liquefied natural gas carriers, and bulk carriers – all too wide to pass through the canal.

Work began in 2007 to create a third traffic lane, to widen and deepen existing channels, and to build new, wider locks at either end capable of ▶



ABOVE: ***The widened canal will give the latest containerships direct access to the Gulf and East coasts of the US.***
ABOVE RIGHT: ***Present day Miraflores lock and in the background construction work on new wider locks.***

handling vessels of up to 161 feet wide, 1,200 feet long and with draught of 50 feet. The larger post-Panamax ships will be able to carry a maximum 13,000 TEUs per vessel, up from the current capacity of around 5,000 TEUs. Expansion more than doubles canal capacity.

Completion of the expansion was expected in late-2014, nearly 100 years to the day after the canal was opened. But technical problems and contractor disputes have pushed the completion date into 2015.

Impact on supply chains

"The immediate benefit to shippers will be cost reduction," says Jaan Roots, Agility's Director for Latin America Tradelanes. "The newer, bigger vessels are more economical to operate and when they can move through the canal, there will be cost benefits for importers and exporters in Latin America, the Caribbean, and the east and Gulf Coasts of the US."

"Expansion of the Panama Canal will also help ease pressure on US ports, relieving congestion at the Ports of Los Angeles and Long Beach," says Roots. These west coast ports receive most of the post-Panamax traffic currently coming from Asia, offloading it to move onward by road and rail.

The US ports of New York/New Jersey, Savannah, and Charleston will be able to receive New-Panamax ships and an increased flow of goods from Asia. Traffic to these ports is expected to double by 2030, and other ports on the Gulf and east coasts are expected to proceed with expansion plans that will allow them to handle the larger vessels.

The ability to use larger vessels is expected to improve the competitiveness of US exports such as grain, coal, petroleum products and liquefied natural gas.

A 1928 postage stamp showing the Gaillard Cut. Construction of the cut was one of the great engineering feats of its time. Work started in 1881 and was completed in 1913.

The decision to widen the Panama Canal also spurred Mexico to OK construction of five new ports, including the ambitious mega-container Punta Colonet port, which will be as large as the Ports of Los Angeles and Long Beach combined.

Colon Free Trade Zone

Panama's Colon Free Trade Zone (FTZ) - established in 1948 and situated at the Caribbean entrance to the Canal – is the largest FTZ in the Western Hemisphere and second largest in the world after UAE's Jebel Ali Freezone. Colon, too, is likely to benefit from the passage of larger containerships through the canal.

"From its inception, the Colon FTZ has been a close-to-market marshalling area for goods of varied countries of origin, especially for low-volume buyers in the neighboring region for whom it is the purchasing point of choice," Roots says.

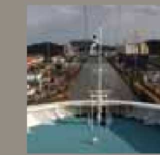
The FTZ allows goods to be imported, stored, modified, repacked, and re-exported without being subject to customs regulations. The Panamanian government also provides a range of capital transfer, dividend and tax incentives to companies operating in the FTZ.

Colon is an important hub for supplying Latin America and the Caribbean. Trade through the Colon FTZ exceeds $11 billion annually. The zone processes products imported from Asia, US, Mexico and Western Europe. It also draws more than 250,000 visitors a year looking to make tax-free purchases.

"In recent times Colon FTZ has further developed with local companies offering assembly and consolidation services at competitive prices," Roots says.

"Larger retailers in the region are buying emergency stocks from the FTZ, citing the proximity to South America and the cultural similarity as big advantages."

For traders, supplying Latin America via Colon offers reduced transit time from distant production sites to Latin and Caribbean markets and the US. It can cut up to two-thirds off shipping costs when compared with shipping via Miami. The relatively stable, US dollar-based Panamanian economy and its sizeable banking sector are added attractions.



A Nicaragua Canal?

The idea of a canal across Nicaragua linking the Pacific and Atlantic is centuries old. Proponents bold enough to propose a waterway three times longer than the one that cuts through Panama have usually been laughed down.

This time, the backer is from China, and observers are taking a keen interest in proceedings. Hong Kong Nicaragua Canal Development Investment Company (HKND), the developer, argues that large volumes of goods are being carried on ships that will be too big for the Panama Canal even after its current expansion. Nicaragua's proposed canal, with twice the draught of Panama's, would aim to accommodate such giants.

The odds seem stacked against such a mammoth engineering task. The environmental and social impact of channeling through the Nicaraguan jungle and ancestral indigenous lands has an array of opponents ready to campaign against the project. Another issue: removing millions of truckloads of earth in a region with few roads or railways.

Whether the 170-plus mile navigation could be profitable is open to question. The trend towards nearshoring and the possibility of new routes developing through the Arctic suggest that the importance of a Central American crossing may diminish, at least in terms of trade. China has also been negotiating with Colombia to finance a 250-mile railway linking its Pacific and Atlantic coasts, along with a new port near Cartagena and upgrades to an existing port in Buenaventura. The competition might be enough to kill the dream of a Nicaraguan canal.

Beijing's larger motivation might be to gain geopolitical clout and economic leverage in Latin America. When the US took over the Panama project from the French in 1904 and saw it through to completion in 1914, President Theodore Roosevelt understood the advantages of American control over a key commercial route and maritime asset.

The proposed alternative routes for a waterway through Nicaragua

Philippines

SAVING TIME, SAVING LIVES

Tan Yi Hui reports on relief efforts following super-typhoon Yolanda in the Philippines

When super-typhoon Yolanda made landfall in the Philippines, the once rustic seaside town of Tacloban situated in the region of Samar and Leyte, stared right into the eye of the storm, one of the strongest in history.

The chaos didn't end with the typhoon. With damaged infrastructure and communication lines, huge logistical bottlenecks developed with the rush of international and local aid following the disaster. Filipino authorities and humanitarian organizations such as the Logistics Cluster of the World Food Program (WFP) had their hands full, distributing the right cargo to affected people.

It is estimated that some 16 million Filipinos were affected, and at least four million were left homeless, with no food or shelter. The rush to get the relevant supplies to the people that need them the most, with a disaster-damaged infrastructure, is often the biggest challenge of relief operations. This is where the Logistics Emergency Teams (LET), come in.

World Food Program logistics challenge

Four companies – TNT, Agility, UPS, and Maersk make up the LET – a partnership created to support the Logistics Cluster of the WFP and the wider humanitarian community.

Tommy Thomson, coordinator for WFP's global Logistics Cluster, sums it up: "For me, the LET is about saving time because they bring in enormous local expertise. They have particular skills that work well within the country."

Following the initial impact, two customs advisors were deployed to Manila and Cebu, the hubs for incoming humanitarian cargo. Over at the Mactan military airbase in Cebu, a 240 square-metre Logistics Cluster warehouse stores inter-agency relief items, equipped with an LET-supplied forklift.

As the initial rush cleared and international military air assets returned home, most of the cargo coming into Tacloban is being shipped from Manila and Cebu, and then loaded onto trucks to be taken to affected areas further inland.

Ong Choon Lye, Agility GIL Director of Sales Support in Singapore, was deployed to Tacloban Airport as a warehouse manager. He spent two weeks working with local authorities to improve their storage and packaging operations.

He says: "When I arrived in Tacloban, there was cargo all over the tarmac, because so many planes were flying in with supplies. So my immediate concern was to clear the area and separate goods into perishable and non-perishables. The whole process took us about three days."

Twenty-minutes away from the airport is LET's main staging location in Tacloban, where relief ops logistics action happens. Ten thousand square metres consisting of three storage facilities and three WFP mobile storage units serve as the re-packing area for relief goods.

At the peak of the relief work, 100 tons of rice and packed goods were unloaded and loaded each day in a round-the clock operation, and then trucked out to affected towns hours away.

Ongoing effort

LET efforts are ongoing and have included the transport of relief cargo from Cebu to regions such as Roxas, Bantayan Island and Tacloban. A health and safety expert from Maersk-owned APM Terminals in Benin, West Africa, flew in to train humanitarian and government staff. In all, the LET has trained 53 participants across government organizations, humanitarian agencies and private companies in health and safety in warehousing operations.

The road to recovery is a long one for the people of the Philippines affected by the disaster. But already, they are starting to rebuild. Signs of gratitude posted on street walls say "Thank you for the international aid." A heartwarming sight amid so much destruction.

Tan Yi Hui is based in Singapore for the Maersk Group.

LEFT: *Ong Choon Lye, a senior Agility logistician and trained volunteer, was deployed from Singapore to the Philippines to support the humanitarian operation.*
BELOW: *Agility employees around the world made their own contributions to disaster relief efforts. In the Philippines, the Agility team helped pack relief goods for the Philippines Red Cross.*
BOTTOM: *The Agility team in Dubai packed and transported donated relief goods going from the Philippines Consulate General in Dubai to the storm-ravaged area.*

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About Agility

Agility brings efficiency to supply chains in some of the globe's most challenging environments, offering unmatched personal service, a global footprint and customized capabilities in developed and developing economies alike. Agility is one of the world's leading providers of integrated logistics. It is a publicly traded company with $5 billion in revenue and more than 22,000 employees in 500 offices across 100 countries.

Agility's core commercial business, Global Integrated Logistics (GIL), provides supply chain solutions to meet traditional and complex customer needs. GIL offers air, ocean and road freight forwarding, warehousing, distribution, and specialized services in project logistics, fairs and events, and chemicals. Agility's Infrastructure group of companies manages industrial real estate and offers logistics-related services, including e-government customs optimization and consulting, waste management and recycling, aviation and ground-handling services, support to governments and ministries of defense, remote infrastructure and life support.