






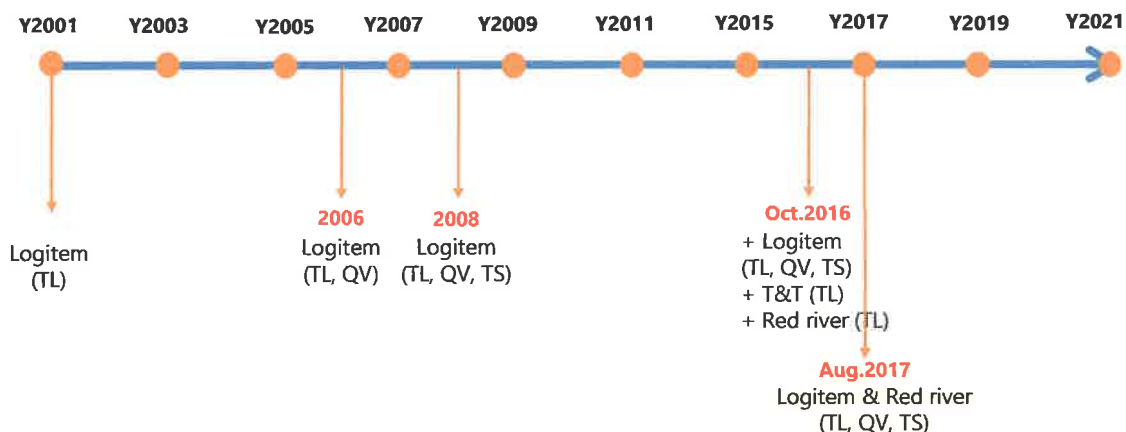
2021 MANAGEMENT COMMUTING CAR BIDDING RESULT

Prepared by	Checked by	Checked by HRGAP Mgr	Checked by LA Mgr	Approved by
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Date: 29 Jul. 21 Date: 29 Jul. 21 Date: 27 Jul. 21 Date: 8 Aug. 2021 Date: 6 Aug. 2021

1

1. Back ground



- Logitem supplier: provide Management commute car from beginning in 3 factories without do rebidding
- Red river supplier: start from Oct.2016
- Long time no do rebidding
- **Proposal rebidding with purpose:**
 - Improve service quality:
 - + Safety driver
 - + Change old car
 - Cost optimization
 - Motivate supplier

2. Bidding condition

a. Criteria for choosing supplier candidates

No.	Category	Requirement
1	Legal document	Follow law requirement (business registration, business license in transportation field...)
2	Experience	At least 5 years experience, in which 2 years experience in transportation field
3	Scope	Have experience serving for at least 1 customer from 8 cars (car 5 seats ~ 11 seats, during 2018 ~ 2020)✓

Note: normal standard (scope): have experience serving for at least 1 customer adapt at least 60% CVN's requirement (avr. 16 cars)

In CVN, VNM Mgrs up use commuting bus & in the other companies, most of VNM Mgrs up use same car with staffs

→ Difficult to find suppliers provide car (5 ~ 11 seats) with scope 16 cars/customer

→ Proposal: make bidding condition (scope) based on current q'ty car for JP expatriates (avr. 8 cars) & request suppliers commitment to provide & send quotation with q'ty car equal to CVN's requirement

b. Bidding participant



Bidding score = (HRGAP + TLGA + QVHRGA + TSHRGA + LA)/5

Due to Covid situation, QV & TS can't join

→ Bidding score = (HRGAP + TLGA + LA)/3✓

c. Bidding score structure

No.	Criteria	Rate
1	Profile, experience, operation method, quality procedure	40%
2	Quotation	60%
	Total	100%✓

2. Bidding condition

d. New bidding condition

No.	Content	Current condition	New condition	Purpose
1	Car year	- Supplier invest new car, no requirement from Canon - Actual: car year from 2008	Clear standard: - 2011 up: Imported car - 2014 up: Domestic car - Other 2010 & 2011 cars: actual km under 700,000 km✓	Upgrade car year, improve car quality
2	Car type	- 5 seats: Lexus, Camry - 7 seats: Toyota Innova - 11 seats: Hiace/Super wagon	Get quotation more car type (Mitsubishi Xpander, Fortuner...)	More diversify car type
3	Change contract distance	Can't change during contract term	- Canon can flexibility change contract distance within 500 km by quarterly & inform supplier at least 2 weeks in advance - Request supplier send additional quotation incase change +- 100 km	Cost down due to adapt with actual operation
4	Fuel charge	- Logitem: pay by contract distance + management distance - Red river: not separate rental fee & fuel charge	Unify concept & get quotation by 2 options - Option 1: Canon pay by contract distance - Option 2: Canon pay by actual distance (Remove management distance)	Cost down & easy to control operation
5	Km without guest	- Apply for the beginning & ending of day - Pay from car parking < -- > Employee's house (Logitem >= 15km, Red river: >= 23km)	No guest, No pay	Easy to control operation

2. Bidding condition

e. Reconsider contract distance to adapt with actual situation

Car type	TL					QV					TS			
	GD	FM	11 seats day	7 seats day	11 seats night	FM	11 seats day	7 seats day	11 seats night	7 seats night	FM	11 seats day	7 seats day	11 seats night
Contract distance	2,000	1,600	3,400	4,000	2,500	2,100	4,600	4,000	4,500	2,600	2,100	4,000	4,000	3,500
Actual distance (2019)	1,883	1,227	3,424	3,545	2,726	2,402	5,075	5,014	4,596	4,408	2,087	4,683	4,170	3,648
Actual distance (2020)	1,568	1,046	2,406	2,827	1,513	2,347	3,842	3,764	4,337	4,045	1,782	3,860	3,454	2,209
Deduct	-	-	53	-	-	-	408	-	-	-	-	239	-	-
Proposal	1,800	1,200	3,200	2,300	2,400	2,400	4,300	4,500	4,500	2,100	4,300	4,300	3,100	3,100

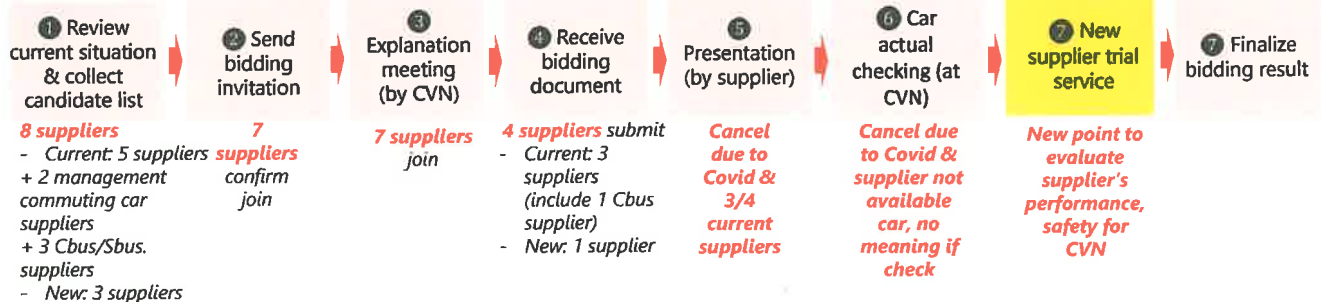
Concept:

- . GD, FM, Night shift car: Avr actual 2019, 2020 & spare 5%
- . Day shift car: Avr actual 2020, deduct km without guest & spare 25%



5

3. Review bidding process



4. Supplier selection concept

- Choose supplier for each kind of bus: 5 – 7 – 11 seats
- Supplier winner will **provide service for 3 factories & maximum 2 suppliers**

5. Summary result

a. Car propose by supplier

Category	Car type	Logitem	Red river	Huong Viet	Hanoi trans	Note
5 seats	Lexus ES 250	○		○	○	New type
	Camry 2.5G	○	○	○		Current car
	Camry 2.0G	○			○	New type
7 seats	Toyota Innova E	○	○	○	○	Current car
	Mitsubishi Xpander	○		○		New type
	Toyota Fortuner	○	○	○	○	New type
	Honda CR-V	○				New type
11 seats	Hiace	○				Current car
	Ford Transit	○		○		New type

6

5. Summary result

b. Result by car - 5 seats

Note:

- Op 1: pay fuel charge based on contract distance
- Op 2: pay fuel charge based on actual distance
- Quotation: include rental fee, fuel charge, over time

Supplier	GD car (Lexus ES 250 - new car)					FM car (Camry 2.5 G)				
	Rank	Op 1		Op 2		Rank	Op 1		Op 2	
		Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)		Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)
Logitem	1	4.71	76,154,200	4.71	76,154,200 ✓	1	4.04	42,957,200 ✓	4.04	42,957,200
Red river	x	-	-	-	-	3	3.89	38,822,125 ✓	3.78	40,322,125 ✓
Huong Viet	2	3.75	89,576,433	3.75 ✓	89,576,433 ✓	2	3.95	35,745,255 ✓	3.95	35,745,255
Hanoi trans	3	3.08	132,247,427	3.08	132,247,427 ✓	x	-	-	-	-

For reference

Camry 2.0G (FM new car)	Logitem	Hanoi trans
Quotation (VND/month)	46,210,863	45,815,296 ✓
Score	4.68 ✓	4.11 ✓
Rank	1	2

7

5. Summary result

c. Result by car - 7 seats

Note:

- Op 1: pay fuel charge based on contract distance
- Op 2: pay fuel charge based on actual distance
- Quotation: include rental fee, fuel charge, over time

Supplier	Toyota Innova					Mitsubishi Xpander				
	Rank	Op 1		Op 2		Rank	Op 1		Op 2	
		Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)		Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)
Logitem	1	3.99	43,794,483 ✓	3.99 ✓	43,734,483 ✓	1	4.12	39,809,022 ✓	4.13 ✓	39,758,253 ✓
Red river	2	3.94	36,668,032 ✓	3.83 ✓	38,168,032 ✓	x	-	-	-	-
Huong Viet	4	3.70	33,320,002 ✓	3.70	33,320,002	2	3.81	32,067,885 ✓	3.81	32,067,885
Hanoi trans	3	3.80	37,219,885 ✓	3.81	37,167,107 ✓	x	-	-	-	-

Supplier	Toyota Fortuner					Honda CR-V				
	Rank	Op 1		Op 2		Rank	Op 1		Op 2	
		Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)		Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)
Logitem	3	3.51	49,687,714 ✓	3.51 ✓	49,627,714	4.71	50,819,983 ✓	4.71 ✓	50,759,983 ✓	
Red river	4	3.37 ✓	43,358,485	3.29 ✓	44,858,485 ✓	-	-	-	-	
Huong Viet	1	3.59	34,783,308 ✓	3.59 ✓	34,783,308	-	-	-	-	
Hanoi trans	2	3.56	39,427,202 ✓	3.56 ✓	39,326,276 ✓	-	-	-	-	

8

5. Summary result

d. Result by car - 11 seats

Note:

- Op 1: pay fuel charge based on contract distance
- Op 2: pay fuel charge based on actual distance
- Quotation: include rental fee, fuel charge, over time

Supplier	Ford Transit (contract 1 year)				Ford Transit (contract 3 years)				
	Op 1		Op 2		Rank	Op 1		Op 2	
	Bidding score	Quotation (VND/mont h)	Bidding score	Quotation (VND/mont h)		Bidding score	Quotation (VND/mont h)	Bidding score	Quotation (VND/mont h)
Logitem	4.71	50,247,652	4.71	50,115,524	1	4.51	47,174,907	4.52	47,042,780
Huong Viet	-	-	-	-	2	3.82	44,077,003	3.82	44,077,003
Note	Car year 2021					Logitem: car year 2021 Huong Viet: car year 2015, 2016			

Supplier	Hiace (contract 1 year)				Hiace (contract 3 years for new car 2021)			
	Op 1		Op 2		Op 1		Op 2	
	Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)	Bidding score	Quotation (VND/month)
Logitem	4.6	52,142,856	4.6	52,069,452	4.6	49,993,069	4.6	49,919,664

9

5. Summary result

e. Summary rank by car type

Category	Car type	Logitem	Red river	Huong Viet	Hanoi trans	Note
5 seats	Lexus (GD)	1	x	2	3	New type
	Camry 2.5G (FM)	1	3	2	x	Current car
	Camry 2.0G (FM)	1	x	x	2	New type
7 seats	Toyota Innova E	1	2	4	3	Current car
	Mitsubishi Xpander	1	x	2	x	New type
	Toyota Fortuner	3	4	1	2	New type
	Honda CR-V	1	x	x	x	New type
11 seats	Hiace	1	x	x	x	Current car
	Ford Transit	1	x	2	x	New type

→ **Winner:**

- **Supplier 1: Logitem**

+ Lexus

+ Camry 2.5G

+ Hiace

- **Supplier 2: Huong Viet – 7 seats Xpander**

10

6. Fuel charge option

Note: calculate based on data of car 11 seats

(+ - 100 km)		Fuel charge (VND)	Over distance (VND)	Holiday working (VND/DAY)	Total	Differ
Pay based on contract distance (Op 1)	Actual distance > Contract distance	-	660,000	1,100,000	1,760,000	
	Actual distance < Contract distance	276,000	-	1,100,000	1,376,000	
Pay based on actual distance (Op 2)	Actual distance > Contract distance	276,000	430,000	870,000	1,576,000	(184,000)
	Actual distance < Contract distance	(276,000)	-	870,000	594,000	(782,000)

→ Proposal choose Op 2 – pay fuel charge by actual distance due to:

- Save cost
- Update with actual situation, fair for both CVN & supplier

11

7. Cost comparison

Cost comparison (USD/month/3fac)		Op 1 (keep current car & current supplier)	Op 2 (replace 25/47 cars 11 seats, 7 seats Innova)	Op 3 (replace 25/47 cars 11 seats, 7 seats Xpander)	Op 4 (replace 10/47 cars 11 seats, 7 seats Innova)	Op 5 (replace 10/47 cars 11 seats, 7 seats Xpander)
Current cost	144,918	142,930	150,261	148,791	143,329	141,859
Differ		(1,988)	5,343	3,873	(1,589)	(3,059)
Supplier		Logitem Red river	Logitem Huong Viet			
Car type		Hiace, Innova	Hiace, Innova	Hiace, Xpander	Hiace, Innova	Hiace, Xpander
Contract term		1 year	New Hiace 2021 - 3 years Other cars: 1 year	New Hiace 2021 - 3 years Other cars: 1 year	New Hiace 2021 - 3 years Other cars: 1 year	New Hiace 2021 - 3 years Other cars: 1 year
Remark	Cost	○	△	△	○	◎
	Car quality	△	◎	◎	○	○
	Service	○	○	○	○	○

Proposal choose Op 5 & replace 10 old cars (2008 & 2010 over 700,000 km)
(QV 8 cars, TS 2 cars)

12

Review current car year & actual distance:

Car year	TL	QV	TS	Total	Actual distance until 26th Jun	2008	2010				2011			2012		2013	2014			2015		2018		
2008		4		4		QV	QV	TL	TS	QV	TL	TS	QV	TL	QV	QV	TL	QV	TL	QV	TL	TS		
2010	3	7	2	12	Under 200,000 km																2	1	2	
2011	5	1	3	9	200,000 ~ 400,000 km						1		3		2	2	1	1						
2012	8	1		9	400,000 ~ 600,000 km			2			5	1	1	5	2									
2013		2		2	600,000 ~ 700,000 km	1	3	1		1		1												
2014	2	2		4	Over 700,000 km	1	4																	
2015	1	1		2	Over 800,000 km	2			1															
2018	1	2	2	5	Over 900,000 km				1															
Grand Total	20	20	7	47	Grand Total	4	7	3	2	1	5	3	1	8	2	2	2	1	1	2	1	2		

→ Replace 10 old cars

+ Car year 2008 (4 cars): QV

+ Car year 2010, actual distance > 700,000 km: QV – 4; TS - 2

13

Cost comparison by car type

Car type	Q'ty car	Current (USD/month)	Final (USD/month)	Note
Lexus	1	3,701	3,311	New car
Camry	3	5,758	5,603	Keep
Hiace	47	97,360	71,770	37 current cars
			23,530	10 new cars
Innova	27	38,099		Cancel
Xpander	27		37,645	New car
Total (month)	78	144,918	141,859	(3,059)
Total (year)	78	1,739,017	1,702,310	(36,707)

Avr unit price/car (USD/month)

Car type	Q'ty car	Current (USD/month)	Final (USD/month)	Note
Lexus	1	3,701	3,311	New car
Camry	3	1,919	1,868	Keep
Hiace	47	2,071	1,940	37 current cars
			2,353	10 new cars
Innova	27	1,411		Cancel
Xpander			1,394	New car
Total (month)	78	1,858	1,819	(39)
Total (year)	78	22,295	21,824	(471)

14

8. Conclusion

Car type		Supplier	Q'ty car				Note
			TL	QV	TS	Total	
5 seats	Lexus LS 460	Logitem	1			1	Current car ✓
	Camry 2.5G		1	1	1	3	
7 seats	Mitsubishi Xpander	Huong Viet (new supplier)	11	8	8	27	TS: replace 1 Innova Logitem by Huong Viet ✓
11 seats	Hiace	Logitem	20	20	7	47	10 new cars, contract term 3 years ✓
Total			33	29	16	78 ✓	

If we change supplier suddenly & big quantity car, we can face with some risk due to new supplier, no experience in CVN → not ensure service quality

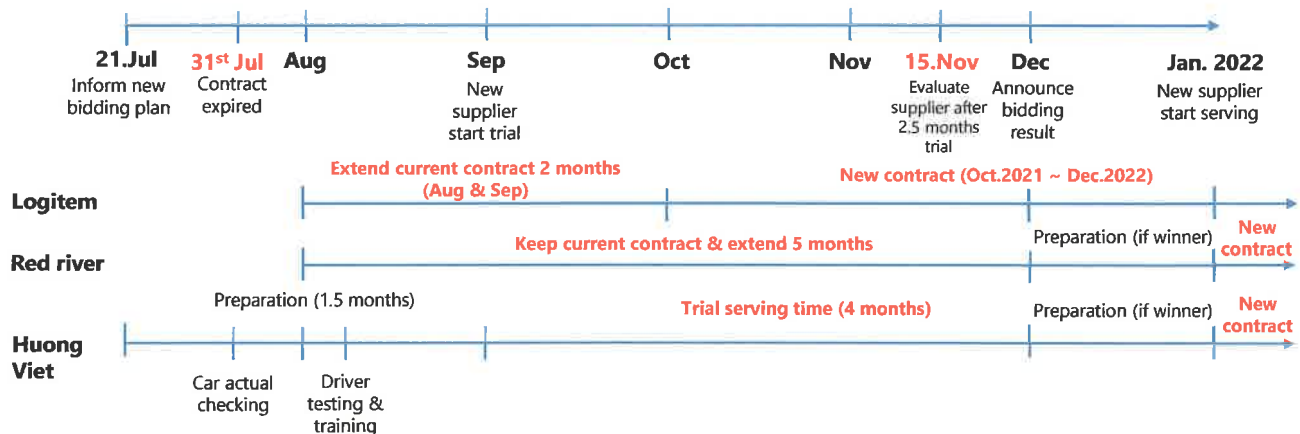
→ **Add 1 step trial service in CVN** to evaluate supplier's performance before official announce bidding result for 7 seats car

→ **Trial 1st in TL factory 5 cars** ✓

Factory	Supplier	Q'ty car		Note
		Current	New	
TL	Logitem	22	22	
	Red river	11	6 (Innova)	
	Huong Viet	0	5 (Xpander) ✓	Trial
QV	Logitem	21	21	
	Red river	8	8	
TS	Logitem	9	8	Replace 1 Innova car Logitem by Red river ✓
	Red river	7	8	
	Total	78	78 ✓	

No.	User (proposal)
1	Mr Tanaka – HR GM
2	Mr Hasegawa IAO, Mr Yamazaki LOG
3	Mr Sơn Mold, Mr Thanh MIP, Ms Nhâm Assy
4	Mr Vũng, Mr Dũng FAC
5	Mr Kiên PE1, Ms Hằng LOG, Ms Thủy MEA

Next plan



Detail for each supplier:

Logitem

1. Inform bidding result ✓
2. Extend current contract 2 months (from Aug ~ Sep.2021) ✓
3. New contract start from Oct.2021 ✓

Red river

1. Extend current contract 5 months (from Aug ~ Dec.2021) ✓
2. If the evaluation result of new supplier (Huong Viet):
 - + OK: stop contract ✓
 - + NG: Canon have to negotiate to reduce cost, if supplier agree - continue service, if supplier disagree - reconsider ✓

Huong Viet

1. Inform next bidding plan: trial service & sign temporary contract in 4 months (from Sep ~ Dec.2021) ✓
2. Evaluate after trial serving
 - + OK: new contract start from Jan.2022 ✓
 - + NG: use Red river but Canon have to negotiate to reduce cost ✓