



Logistics|further

ALMAJDOUIE LOGISTICS | NEWSLETTER ISSUE 2 | MAY 2016

المجدوعي
Almajdouie



Almajdouie
Hit 2-in-1
SCATA Awards



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2016



2016 OFFSHORE HEAVY LIFT,
ABU DHABI

1978



1978 FIRST HEAVY LIFT, RIYADH CEMENT



IZAZ AHMED
MARKETING MANAGER

EDITOR IN CHIEF

SPRING IS DEFINITELY IN THE AIR THIS MONTH, SO REJOICE WITH US AS WE CELEBRATE A 2-IN-1 HIT EARNING ANNUAL SCATA 2016 'LOGISTICS PROJECT OF THE YEAR' & 'MATERIAL HANDLING PROVIDER OF THE YEAR' AWARDS.

With regional economic recession looming though, it certainly is a challenging time for all, presenting us with new opportunities too. Mr. Dudi Hermanto, Business Development Manager, uncovers Almajdouie weathering the storm as he sees you through landscapes of MLC's strengths, prospects and market views. Next, we celebrate the 10th anniversary of Almajdouie De Rijke Logistics (MDR) with its focus on niche services within the petrochemical industry. Also featuring, creative springs in our workforce by crediting our colleagues for 2 innovative ideas. On the same token, we share with you newsfeeds of our Middle East Logistics Institute for Training (MELI), as it serves to deliver social values to the region's young citizens.

On the projects logistics side, we feature a mix of proceedings within the region; MLC vigour in the GCC with current offices in Kuwait, Bahrain & UAE, not to forget planting offices in Qatar and Oman. Besides, share our excitement in commissioning a heavy offshore move in Abu Dhabi and be updated on our Kuwait Project. Surely, Almajdouie commenced with a humble land tuck transport; however, just flourished in Japan and Korea, our new Asia offices building on our 50-years experience with EPCs from around the world. We look forward to meet and greet our partners/clients at our stand at the Breakbulk Europe Exhibition in Belgium.

Last but not least, our regular amaan safety brand tips you with prevention actions for your health and safety as climates of heat stresses loom.

Having said this, it is time to go 'logistics further.'

CHALLENGING TIMES

GCC COUNTRIES IN 2016 WITNESS DECLINE IN OIL PRICES, RESULTING IN UNFAVOURABLE ECONOMIC CONDITIONS AND SLOWDOWN IN PROJECTS ACROSS MANY SECTORS. IT HAS BEEN QUITE A RISKY JOURNEY ANTICIPATING AND COPING WITH THE VOLATILE ECONOMIC FACTORS. MR. DUDI HERMANTO SHEDS LIGHTS ON MLC'S TEAM RELENTLESS AND SUCCESSFUL EFFORTS IN SUPPORTING SUFFERING INDUSTRIES IN SUCH CHALLENGING TIMES.

MLC has strategically been increasing scopes across the GCC, as this month issue shares some of these key projects in recent months and their latest updates - 'on site' section. Dudi Hermanto added, we have capitalised on our owned assets to meet anticipated decline in projects in certain GCC countries and sectors such as O&G and maneuvered accordingly. For example, recent studies broadcasted Kuwait as the largest growing GCC state in the past two years. Meanwhile, KSA's oil and gas companies awarded fewer contracts by value than both Kuwait and UAE during the last three years (Watts, 2016).

MLC endures growth in such challenging times whilst upholding government's and clients' demands in tallying GDP outputs and lowering prices. Hermanto clarified, "MLC, given the dramatic fall in oil revenues compared with 2015, has taken initiatives to consent scopes at operational cost in support of industries in challenging times, in addition to sustaining our indispensable assets, our team." This is our region and our people and we believe that we must endeavour to maintain our position, rock solid, and not dispersing our entities in challenging times, he explained.

On the bright side, there are promising figures in the transportation and power sectors, illustrated in a report by MEED on the region's economic situation. Accordingly, MLC has been increasingly focused on railway projects, exhibited in our ongoing scopes of the emerging railway projects extending across the region.



**DUDI HERMANTO,
GM BUSINESS DEVELOPMENT**

"Given the 16% fall in O&G revenues compared with 2015 (MEED, 2016), MLC has taken initiatives to consent scopes at operational cost in support of industries in challenging times, in addition to sustaining our indispensable assets, our team."

JV FOCUS: MDR

ALMAJDOUIE DE RIJKE LOGISTICS



Almajdouie De Rijke Logistics (MDR) is a joint venture between Almajdouie Group of Saudi Arabia, and De Rijke Group of Netherlands, providing niche supply chain services to the petrochemical industry.

In this feature, we explore MDR services in solid, classified and non-classified products, of which some are first-to-be produced in the Kingdom. MDR covers on-site as well as off-site services, starting from silos management, operational planning, bagging, warehousing and loading. This is in addition to the value-added services, such as production line maintenance, SSHEQ management, marshalling yard, terminals and shipping.

The JV benefits from De Rijke's 70-years European experience, coupled with Almajouie Logistics' 50-years expertise in the GCC. The JV reaped the fruits of our 10-years anniversary in being commissioned for Sadara's solid and liquid chemicals.

Under a 'collaborative business model'; MDR manages Sadara's on-site logistics operations, currently handling 1.4 MTY Solids and 2.3 MTY Liquids, as part of Sadara 26 world class manufacturing plants in Jubail Industrial City II. Mr. Taher AlBader, General Project Manager, elucidified "MDR will be responsible for packing and shipping 3.5 million tons of solid and liquid chemicals annually, where all inventory control is automated utilising customised in-house operating systems."

MDR led a 'collaborative customers supply chain' model, a single operation/ inventory point providing end-to-end supply chain visibility; outlying traditional supply chain relationships between customers and service providers, sharing the common goals of cost efficiency and high productivity. This resulted in lower logistics cost, less inventories, less obsolescence and better service. The framework allowed MDR to diversify its service, offering beyond Core Primary and Secondary Distribution.

With safety at foremost priority, our SSHEQ Dept. organises "Incident Prevention Campaigns". Senior Managements of both MDR & Sadara attended various safety meetings and briefings of full-fledged campaigns.

Recently, Almajdouie group president, Abdullah Ali Almajdouie, visited the Sadara project site in Jubail. Accompanied by MLC CEO, they were greeted by Mr. Taher AlBader and presented a 30-minute briefing by Darcis Bart, Matthew Parkinson and Amador Brinkman. Later, the team joined Sadara's president, Mr. Ziad Al-Labban, on a plant tour followed by a luncheon. Mr. Abdullah showed his deep appreciation for the outstanding performance of MDR in managing the world-class petrochemical project safely and efficiently.

"The JV benefits from De Rijke's 70-years European experience, coupled with Almajouie Logistics' 50-years heritage of in being the trusted and reliable partner in the GCC. The JV reaped the fruits of our 10-years anniversary in being commissioned for Sadara's Plant"

AWARD



ALMAJDOUIE HITS 2-IN-1 AT THE ANNUAL SCATA WINNING 2016 LOGISTICS PROJECT OF THE YEAR & MATERIAL HANDLING PROVIDER OF THE YEAR AWARDS

ON 20TH APRIL 2016, THE SUPPLY CHAIN & TRANSPORT AWARD (SCATA), HELD AT THE INTERCONTINENTAL DUBAI FESTIVAL CITY HOTEL, RECOGNISED THE OUTSTANDING LOGISTICS, AIR CARGO AND SEA FREIGHT FOR SUPPLY CHAIN AND TRANSPORT PROFESSIONALS WORKING IN THE MIDDLE EAST.

This year, smashing the SCATAs, Almajdouie wins not one, but TWO SCATA Awards. Indeed, we rejoice in being recognised for breaking through Jazan's geographical conditions and Yemen's tropical typhoon to move 34 heavy & oversized units from Jazan's Port to Jazan Economic City, 140 KM. The killer story earned the title 'Logistics Project of the Year.' The awarding body also praised MLC's continuous investment in overland transportation and in our staff. On the same token, we raised the benchmark for excellence using Oracle Transportation Management (OTM), a niche solution under the Oracle Value Chain Execution umbrella. This is in line with our mission to 'own, operate and integrate our resources reaching a wider client base with diversified services.'

Upon collecting the award for MLC, Yousif Saleh, Transportation Manager, noted, "It is remarkable to think of how Sh. Ali Almajdouie founded this enterprise with a single

truck on KSA's Eastern shores when now we are a trusted & reliable regional player, 50 years later." This achievement is particularly pleasing for MLC individuals who work tirelessly to meet our customers' expectation in the region.

Simultaneously, Almajdouie De Rijke (MDR) won 'Material Handling Provider of the Year' Award for aiding companies in the Middle East by increasing their supply chain efficiency with world-class products.

SCATA recognised MDR for leading the complete integration of a 'collaborative customers supply chain' model covering the pre-commissioning, commissioning and start-up. This model is a single operation/ inventory point throughout the end-to-end supply chain processes. In collecting the award, Taher AlBader, General Project Manager, said, "We are greatly humbled and honoured to be receiving this award on the occasion of our 10-year anniversary, as we reap the fruits of our joint venture of two logistics powerhouses in Europe (De Rijke) and the GCC (Almajdouie).

ON SITE

AROUND THE REGION

ABU DHABI

ZADCO

MLC HAS BEEN AWARDED A LARGE SCOPE TO PROVIDE SELF PROPELLED MODULAR TRANSPORTER (SPMT) EQUIPMENT AND OPERATIONAL PERSONNEL FOR MULTIPLE ROLL-OFF OPERATIONS ON THE UPPER ZAKUM (UZ750) ISLAND SURFACE FACILITIES (EPC-2) PROJECT, ABU DHABI, UAE. THIS IS THE LATEST INLINE OF LANDMARK PROJECTS IN UZ750 FIELD, AWARDED TO PETROFAC EMIRATES BY ZAKUM DEVELOPMENT COMPANY (ZADCO).



NIYAZ MOHAMMED
PROJECTS CONTRACTING MANAGER

ZADCO is a joint venture between ADNOC, acting as the operator, ExxonMobil and Japan Oil Development Company. Upper Zakum is the second largest offshore oilfield and fourth largest oilfield in the world, located approximately 84 km offshore to the northwest of Abu Dhabi, and has an estimated 50 billion barrels of oil reserves. Our scope was to supply 120 SPMTs axles, 4 Power Pack Units (PPUs) plus skilled operators and supporting equipment for the transportation & installation of modules under the specified contract, UZ-750 Island Surface Facility Project (EPC-2).

MLC commenced with completely replaced tires, comprehensive refurbishment of axles and new PPUs added. We hired specialised service technicians from the manufacturers, SCHEUERLE, to conduct full assessment of axle lines with the necessary corrective actions, ensuring efficient handling on the island. MLC's equipment passed stringent inspections, SGS in Saudi Arabia and TUV in Abu Dhabi and were certified prior departure to work on the island. Following, we underwent

further technical joint inspections by Petrofac and Zadco officials. We also assigned skilled operators for this project, with all being trained in specialised HSE/Optima. We provided a mobile workshop, equipment with highly advanced systems for spare parts racking and maintenance coverage. "We have mobilised all resources in a timely manner with the support of our clients," said Mohamed Liaquath, Heavy Lift Fleet Superintendent, who supervised the mobilisation.

We are thrilled to have been awarded this complex and to have executed heavy loads on an offshore island one of importance to ADNOC. On this occasion, Mr. Niyaz Mohammed, Projects Contracting Manager, praised, "we continue to diversify our service offerings within the projects logistics sector." He added, we demonstrate our ability to provide complex heavy lift solutions in the region and across diverse industries, proving our 'solution-specific logistics' approach to each sector, in this case O&G.



SAUDI ARABIA

CTCI



SABIC AWARDED THE COMPLETE PACKAGE FOR METHYL METHACRYLATE (PMMA) PLANT IN JUBAIL, SAUDI ARABIA, TO CTCI FOR CONSTRUCTING THE BIGGEST OF ITS KIND IN THE WORLD. IT BEARS ANNUAL CAPACITY OF 250,000 TON OF METHYL METHACRYLATE (MMA) AND 40,000 TON OF POLY METHYL METHACRYLATE (PMMA).

Mr. Abdul Haseeb, project in charge with ample experience handling such critical & heavylift cargo, managed the execution with success. MLC's heavylift team supported meetings with CTCI & SAMAC team. We also managed completing joint site surveys prior finalisation. In planning, all related permits from respective authorities, such as the Royal Commission, Ministry of Transport were obtained, prior to arrival of units to Jubail Industrial Port for effective execution. The first batch of shipment arrived to Jubail Industrial Port on 21st December 2015 comprising 11 heavy units, followed by the arrival of the second batch of 8 units on 14th February 2016; totalling 19 units delivered safely to site, as per requested dates from the site.

Project Management Office (PMO), in coordination with operation teams, allocated necessary resources coupled with a team of experts accomplishing the critical abnormal cargo. CTCI praised the dedication afforded by our team in meeting deadlines and fulfilling the scope in a safe and professional manner. The management appreciated the team members' endeavours and honoured Abdul Haseeb for the overall success of the project execution. With such performance merits, there is a great chance for MLC to be granted CTCI upcoming Saudi Kayan extension project, expected to commence in the third quarter of 2016.



IN INNOVATION



MOHAMED MAHMOOD
MLC FREIGHT MANAGER (JEDDAH)

"Almajdouie Spark Programme cultivates a broad innovation system within training, management and recognition."

TO MAINTAIN SUCCESS IN THE MARKET, WE NEED TO UTILISE OUR WORKFORCE AS EFFECTIVELY AS POSSIBLE. BY STIMULATING AND, FORTH, IMPLEMENTING EMPLOYEES' IDEAS, IDEA-MANAGEMENT IN TURN ENCOURAGES EMPLOYEES TO CONTRIBUTE BEYOND THEIR JOB SCOPE. THE RESULTS NOT ONLY BENEFIT THE ORGANISATION, BUT ALSO ADD EMPLOYEE SATISFACTION.

Ideas are generated under Almajdouie Spark Programme cultivates a broad innovation system within training, management and recognition. In this edition, we praise 2 recent innovations in MLC by shedding lights on their tremendous efforts to improve our operations.

REDEFINING CHARTER PARTY AGREEMENT

Under management support and advise, Almajdouie Jeddah Freight Manager, Mohamed Mahmood, innovated Fix Deposits Amounts- Almajdouie Guarantee Letters, and successfully negotiated shipping lines to adopt the idea, instead of payments as container deposits in order to support cash flow. During 2012, cash was wedged due to huge quantities of import containers. Seeing these adverse impacts, the management decided to negotiate with shipping Lines for No Container Deposit (NCD) terms to avoid this dilemma.

Mr. Mahmood, autonomously worked on this assignment with his team over the years and was able to achieve NCD from large number of shipping lines operating to Jeddah, against Guarantee Letters. This was not easily realised, as we endured challenges fulfilling shipping lines' requirements whilst guaranteeing to sustain a control system to avoid any mishap; which could lead to the termination of contracts with the support of relevant SBUs.

In June 2014, in implementing the forementioned, there was an evident reduction of wedged cash. These results not only directly impacted and supported cash flow, but also managed to reduce CC lead times by 3-4 days, facilitate our operations and avoid container deposit refund processes and follow ups.

"This is a good example of a successful team working under a supportive leadership. I believe the entire Almajdouie group step ahead from other companies in valuing and believing in their staff," stated Mohamed.

IN INNOVATION

EMPTY CONTAINERS FIND REFUGE

IBRAHIM RABIA AL-SAYED, FLEET MANAGER, REDESIGNED OPERATIONS TO DELIVER EMPTY CONTAINERS FROM DAMMAM DIRECTLY TO PLF JUBAIL, WITHOUT EACH CONTAINER HAVING TO PASS THROUGH JUBAIL TERMINAL, SERVING A CHOKING POINT IN OPERATIONS.

Concerned with the department providing comprehensive fleet backing management programmes to support clients, Mr. Al-Sayed explains the need to re-design our operations workflow, filter basic requirements, eliminate choking points and cut costs, improving productivity to its peak. Essentially, Mr. Al-Sayed's innovative idea streamlined operations making it seemingly simple, yet very effective and efficient.

Behind the scenes were numerous hurdles to be dealt with. Implementation underwent evaluations from different stakeholders, change in structures and expectations, failing to build support for replication and ultimately resistance to change. Though, management studies repeatedly indicated that employees engagement, loyalty and productivity directly correspond with recognition and standing significance.

Often non-management levels employees are not consulted, despite their direct point of contact with clients and integral operations. Therefore, Mr. Al-Sayed reformed this course, encouraging regular invites of front line employees, drivers and those involved in fleet operations to share their biggest gripe on processes and attending to their suggestions for improvements. Not forgetting, contributions must be rewarded with public acknowledgements and incentives. These processes also stand to reduce employee turnover costs.

The idea also introduced new product lines, which in turn yields more revenue for MLC. There is an evident increase in customer satisfaction, seen through employees' endeavours in identifying ways to improve services. In addition to rise in employees' work morale and job satisfaction, as they feel a sense of purpose in positively influencing the overall direction of the Company. Mr. Al-Sayed praised the Spark Programme for its sense of ownership and increase in engagement, enabling employees to play a more active role in steering the future of their organisation.



**IBRAHIM RABIA AL-SAYED
FLEET MANAGER**

"Spark Programme gives employees a sense of ownership enabling employees to play a more active role in steering the future of their organisation"

IN EDUCATION

EDUCATING THE NEXT GENERATION OF LOGISTICIANS

50 years of pioneering the logistics sector in the Middle East, Almajdouie established a specialised training institute in 2010, namely, Middle East Logistics Institute (MELI). The first of its kind in KSA, MELI envisions building globally competitive logistics and SCM capacities for Middle East's business community. In this feature, we share with our readers some of MELI's current activities with a view of the benefits MELI courses offer its clients and the community.



Al-Marai Transport Managers
Certified Course



MELI Trains 53 NATO officers



NAQEL Express Team
ADR International Program

MELI IN BRIEF

MELI courses are affiliated with Michigan State University and accredited by The Chartered Institute of Logistics and Transport (CILT), Institute of Supply Chain Management (IoSCM) and International Road Transport Union (IRU). MELI also regularly conjoins local expertise in the field of logistics. Most recently, we cooperated with the Chamber of Commerce in Dammam establishing awareness sessions, projects and training courses.

For more information, **visit <http://www.meli.edu.sa>**

"The first of its kind in the Kingdom, MELI has a fundamental impact and educational focus to develop young professionals, practitioners, managers and executives of the logistics and supply chain management sectors in the region"

FURTHER INFORMED



"During the workshop, Mr. Baheej Biqawi, CEO Almajdouie Logistics, voiced engineers' successes, heed and significance to our society and environment. He asserted that their prominent transformations and system creations facilitate and augment modern life, as we know it"

CIVIL DEFENSE UNION HONOURS MLC

Dr. Samer A. Assa'edi presenting trophy to Mr. Omar AlMehdhar in honour of Almajdouie's sponsorship of the Civil Protection World Day held in Yanbu.



WORKSHOP UNDERSTANDING LOGISTICS & SCM

JORDAN ENGINEERS ASSOCIATION IN THE KINGDOM'S EASTERN REGION (JEA EAST) ORGANIZED A WORKSHOP ON THE 21ST MARCH 2016 IN KHOBAR, HIGHLIGHTING THE IMPORTANCE OF LOGISTICS AND SUPPLY CHAIN MANAGEMENT.

The workshop saw the attendance of over a hundred engineers from different companies.

Sponsored by Almajdouie Logistics (MLC), the Middle East Logistics Institute (MELI) presented interactive sessions and delivered an exposition covering the importance of supply chain & logistics engineering professionals. The first of its kind in the Kingdom, MELI has a fundamental impact and educational focus to develop young professionals, practitioners, managers and executives of the logistics and supply chain management sectors in the region.

Engineer Abdul Karim Al-Jabali, president of JEA EAST, initiated the welcoming speech, and in turn praised MLC for their perpetual participation and support in Supply Chain Management and Logistics educational initiatives. As a token of appreciation and honour to MLC's educational advancements and endeavours, JEA EAST also presented MLC with a memorial plaque.

During the workshop, Mr. Baheej Biqawi, CEO Almajdouie Logistics, voiced engineers' successes, heed and significance to our society and environment. He asserted that their prominent transformations and system creations facilitate and augment modern life, as we know it.

JEA EAST is a prominent board that offers quality services and networking platforms, from scientific and social events, union activities to diverse amenities for the Eastern Province's engineers and their families. They take heed to make use of beneficial drives through supporting and fostering colleagues and surrounding circumstances to deliver interests in line with their professional missions.

FURTHER INFORMED



PROJECT UPDATE KUWAIT CLEAN FUEL

ON 26TH MARCH 2016, MLC SUCCESSFULLY DELIVERED A COLD HIGH PRESSURE SEPARATOR OF 11.6X6.3X5.1 AND WEIGHING 202MT FROM SHUAIBAH PORT, KUWAIT TO GREEN FIELD, PROJECT SITE.

Fortunately, Kuwait customs granted pre-clearance of heavy units, which allowed us to receive cargo from the ship & pull out directly from the port to the job site or to reline in case of limited units.

Almajdouie is pleased to broadcast our latest offices launched in Japan and Korea.

These offices aim at bridging the gap between EPC contractors from Japan operating in the GCC. This will serve the growing logistics needs, as the director in office, Mr. Hiroyoshi Takahashi, puts it, "these strategic openings take off on Almajdouie's 50 years experience in project logistics serving large segments of EPCs from Asia, such as Japan, Korea, Taiwan and China."

SAUDI DOWNSTREAM PARTICIPATION



MLC, along with MDR, participated at the Kingdom's largest downstream exhibition, Saudi Downstream. This year's theme highlighted the Kingdom's support for continual foreign investments and also focused on Saudi Arabia's trusted stability within the global market. The event shed lights on how the Kingdom is transforming to a manufacturing powerhouse and a leading exporter of petrochemicals across the world.

Ultimately, Almajdouie would like to thank visitors to our stand, as it is always a pleasure meeting and exploring business prospects.

UPCOMING EVENTS

BREKbulk EUROPE 2016

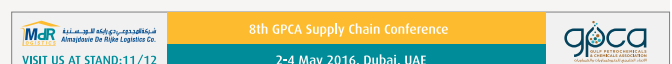
We are pleased to invite our esteemed clients to our stand at Breakbulk Europe on 23-26 May 2016 in Antwerp, Belgium.

This is the largest exhibition and educational forum in the world addressing the needs of traditional break-bulk and project cargo logistics professionals. Stop over at Breakbulk Europe Exhibition to network and connect with over 350 exhibitors at the world's top level logistics providers in specialised services.

GPCA SUPPLY CHAIN CONFERENCE 2016

As a member of the Gulf Petrochemicals & Chemicals Association (GPCA), MDR is looking forward to see you at the upcoming 8th GPCA Supply Chain Conference on the 2-4 May in Dubai.

The conference will feature effective SCM strategies vital to the Gulf region, as many rely on exports to grow their operations. It provides a platform to facilitate discussions on key industry trends and growth opportunities, while creating value in optimising supply chain processes. On average 350 delegates from 23 countries attend GPCA Supply Chain Conference.



SAFETY TIP OF THE MONTH

PROTECT YOURSELF AGAINST HEAT STRESS

HEAT STROKE **FIRST AID**

REQUEST IMMEDIATE MEDICAL ASSISTANCE

MOVE THE WORKER TO A COOL SHADED AREA

REMOVE EXCESS CLOTHING AND APPLY COOL WATER ON THEIR BODY

HEAT EXHAUSTION **FIRST AID**

STOP ACTIVITY AND SIT IN COOL AREA

DRINK WATER AND EAT OR DRINK CLEAR JUICE OR A SPORT BEVERAGE

AVOID SALT TABLETS

DO NOT RETURN TO ACTIVITY UNTIL YOU HAVE RESTED FOR A FEW HOURS AFTER CRAMPS SUBSIDE

SEEK MEDICAL ATTENTION IN CASE OF HEART PROBLEMS, ON LOWSODIUM DIET OR IF CRAMPS DO NOT SUBSIDE WITHIN AN HOUR

