



La Logistica del Made in Italy in Asia

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- 30 years experience in Mainland China specialized in the Fashion and Luxury industry.
- Well established Partnerships in Italy and Switzerland
- 350 permanent staff in Mainland China
- 110,000 sqm warehouse in Mainland China
- 100,000 sqm warehouse in Hong Kong
- 65 million pieces handled per year
- 70,000 deliveries per year



International Freight Forwarding



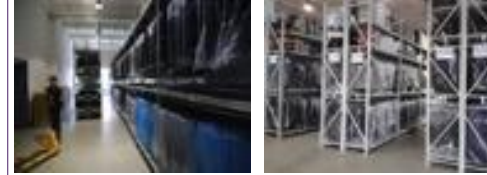
- Worldwide international network
- Air freight forwarding
- Sea freight forwarding
- Express shipping

Import/Export Customs Clearance



- Import customs clearance
- Export customs clearance
- International customs compliance
- HS code management

Warehousing



- 1st registered CIQ public warehouse
- Multi user facilities
- Bonded/ free trade zone
- Global/ regional/ local DC management
- Quality control mgmt
- China Laboratory test mgmt

Distribution



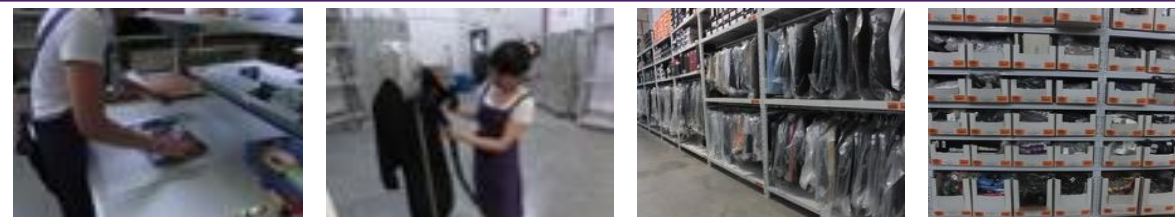
- China wide coverage
- Cross docking facilities/ line haul
- Cross border SEA and Hong Kong
- Reverse logistics
- FTL/ LTL/ Parcels
- Web tracking

Creative Store Opening and VM



- Visual merchandise logistics
- Visual merchandise/window display management
- Store decoration and props management
- Store opening turn key project

E-commerce and value added solutions



E-commerce solutions
E-commerce reverse logistics
Retail consultancy services
Visual merchandising logistics (Creative)

Fashion specialized in house developed IT solutions

Distribution Network

- Regular China wide deliveries covering over 200 cities, 1,200 cities reach
- Online tracking system TMS
- Cross border services: HK to/from Vietnam, HK to/from Shenzhen
- 70,000 deliveries in 2016; 1,000+ POS, 250 shopping malls
- Employees in 30+ cities to support emergencies, store opening and events



Shanghai Logistics Park

- China head quarter
- 50,000sqm
- 24/7 private security service
- CCTV
- Air conditioning
- 350 staffs
- Main distribution center
- Full range of services operated



Shanghai Bonded facility

- 5,000sqm
- 24/7 private security service
- CCTV
- Air conditioning
- 15 staffs
- U turn and China redistribution
- Import/Export, logistics & QC operations



Beijing Distribution Center

- 20,000sqm
- 24/7 private security service
- CCTV
- Air conditioning
- 50 staffs
- North China distribution center



Shenzhen Distribution Center

- South China hub & cross docking facility
- Cross border trucking operations
- 8,000sqm
- 24/7 private security service
- CCTV
- Ambient storage
- 50 staffs



Services

- Freight forwarding
- Logistics
- E-commerce
- Creative
- Customs brokerage
- Local distribution

DC

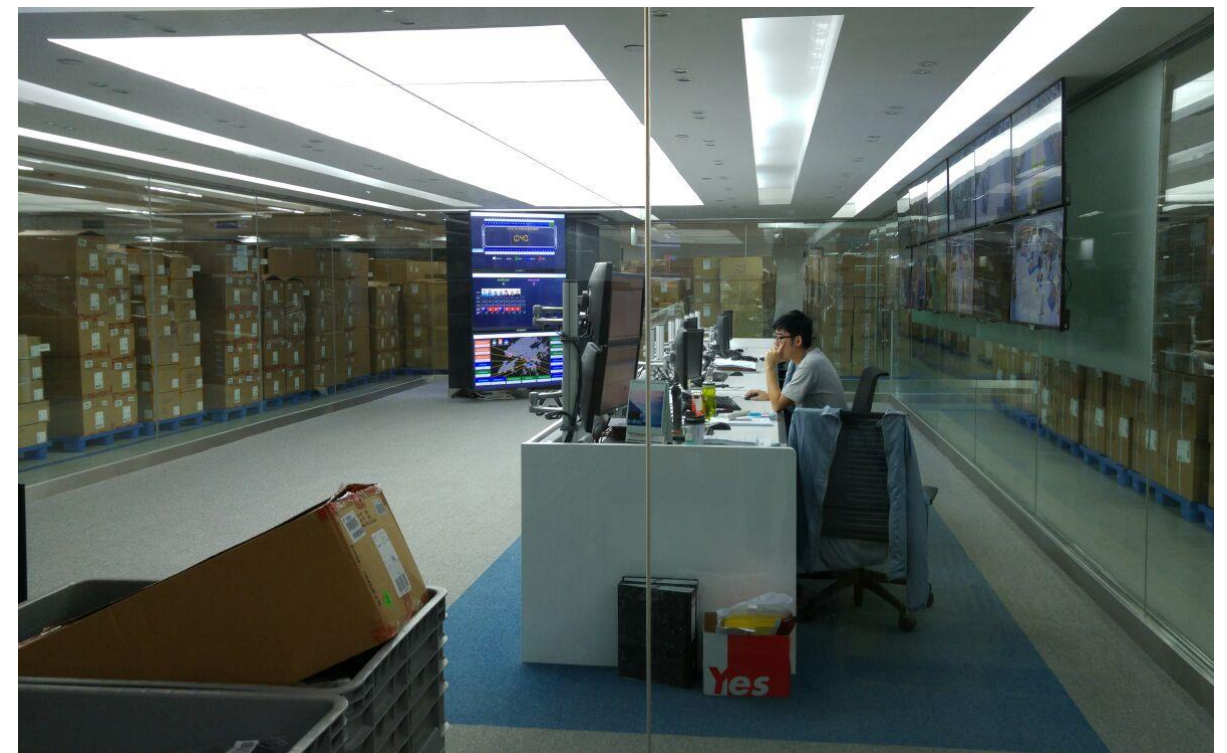
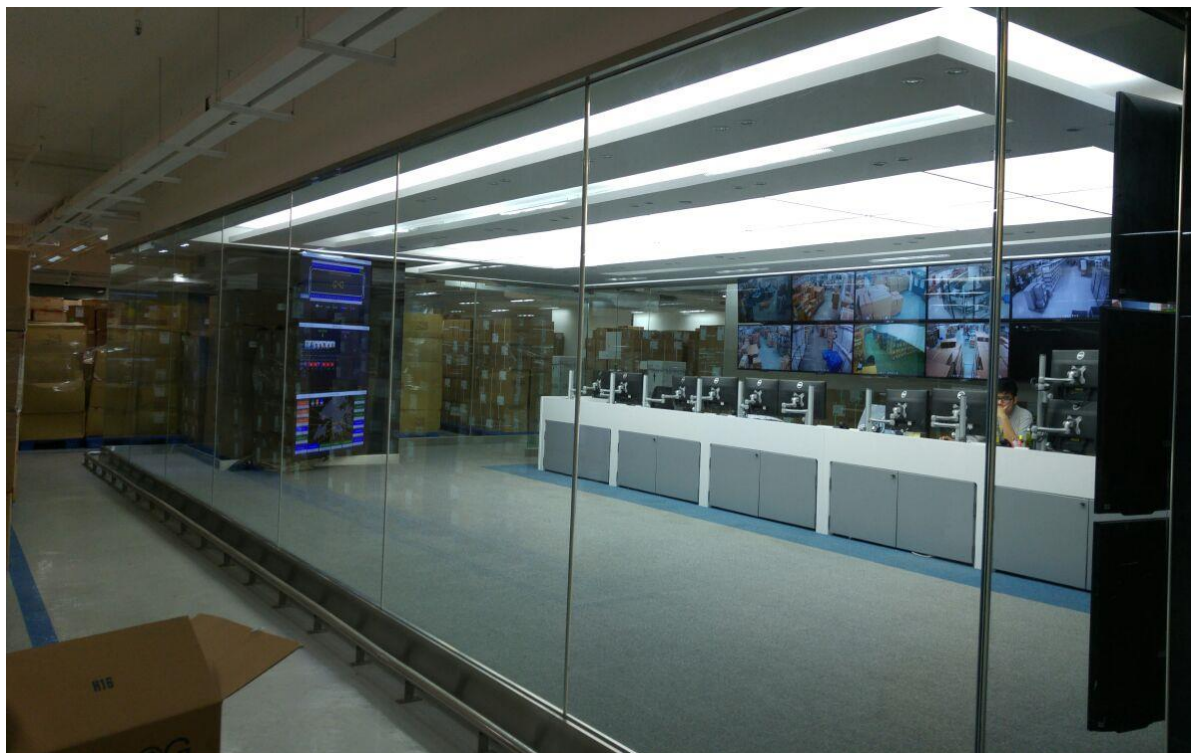
- 80,000sqm
- 24/7 private security service
- CCTV
- Air conditioning
- 270 staffs



Asia HQ
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Warehouse Control Room



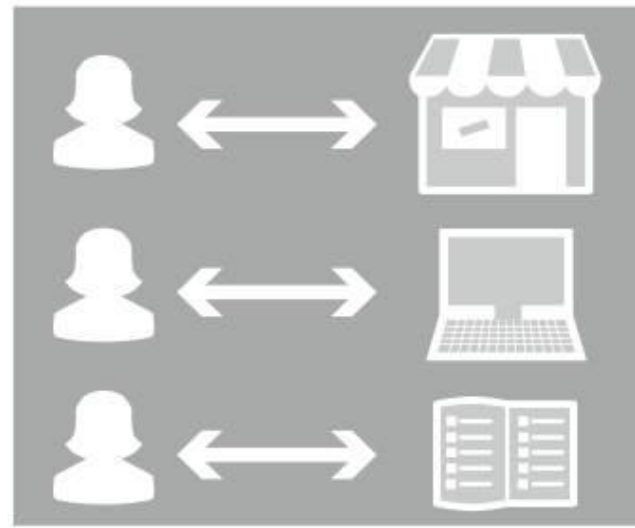
- High rental costs and low availability of top locations
- Top Luxury cities
 - Shanghai, Beijing
 - Chengdu, Shenyang, Hangzhou, Nanjing
 - Chongqing, Dalian, Wuhan, Tianjin, etc..
- More than 1,000 shopping malls under construction
- Biggest Flagships Stores in the World
- Luxury conglomerates becoming developers



Traditional Channel



Multiple Channel Evolution



Omni Channel Future



Stores becoming experience centers to inform and trigger purchases

Traditional online stores starting to set up pop-up stores

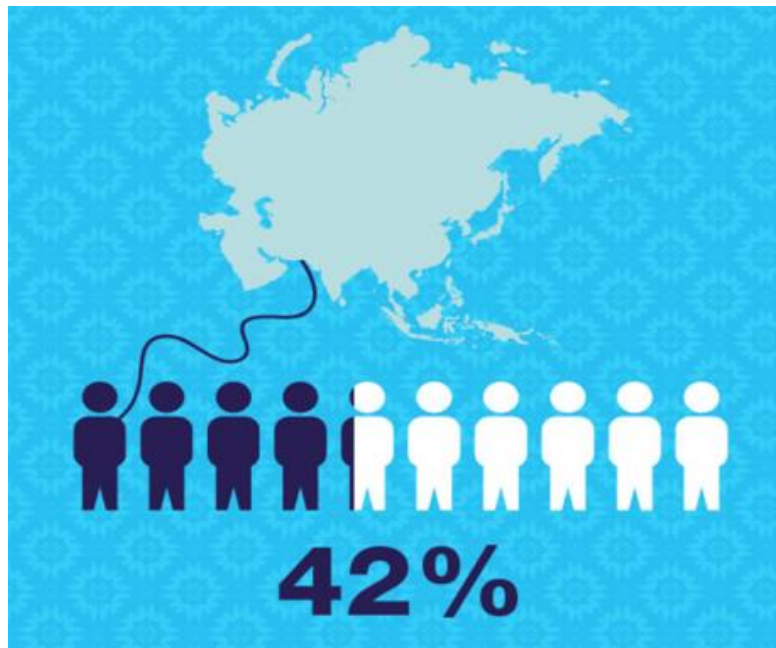


M-COMMERCE

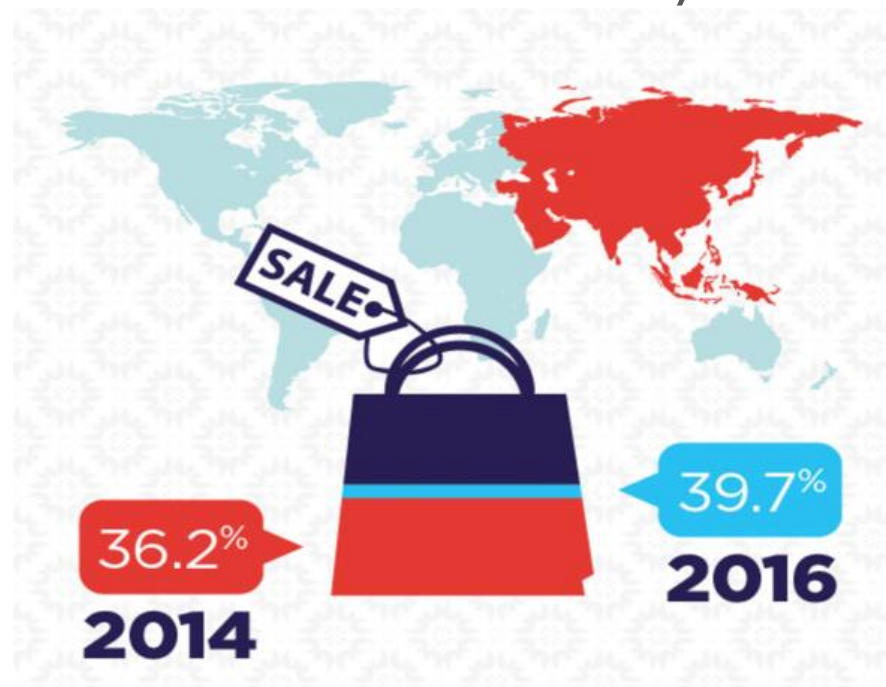
Consumers browse Web Chat Shops on We Chat and buy items they like on mobile with just a click.

Asia E-Commerce

42% of the world's
internet users live in Asia



36.5% of worldwide B2C e-commerce sales will come from Asia Pacific in 2014; this figure is estimated to reach 39.7% by 2016

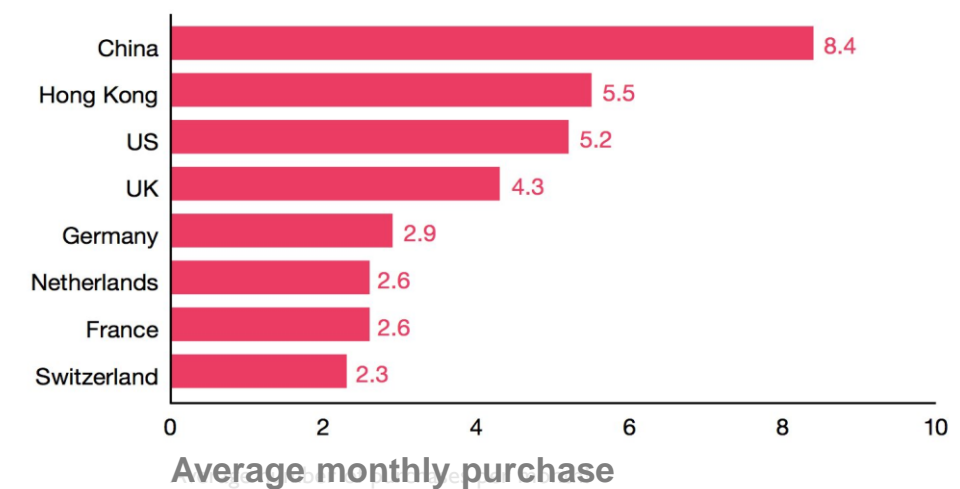


Estimated B2C e-commerce
sales in Asia Pacific (USD
Billions)



- 2015: 415 million online shoppers, 60% of all internet users in the country
- 2015: >80% mobile transactions (m-commerce)
- 2020: 750 million online shoppers
- Platforms T-Mall and JD – controls 57.7% and 25.1% of the market respectively
- E-Commerce as % of Retail Sales (consumer goods)
 - 2015: 12.9%

The Chinese buy online 4x more than the Europeans



E-Commerce Retail Sales USD BN

	2014	2015	2016	2017	2018	CAGR
China	473	672	911	1,208	1,568	27%
% global	35%	40%	44%	48%	52%	
Asia-Pacific	647	877	1,152	1,488	1,892	24%
% global	48%	52%	56%	60%	63%	
Worldwide	1,336	1,671	2,050	2,498	3,015	18%

Source: China Internet Network Information Center

Omlog
China E-Commerce
General Import Mode*
Cross Border Mode

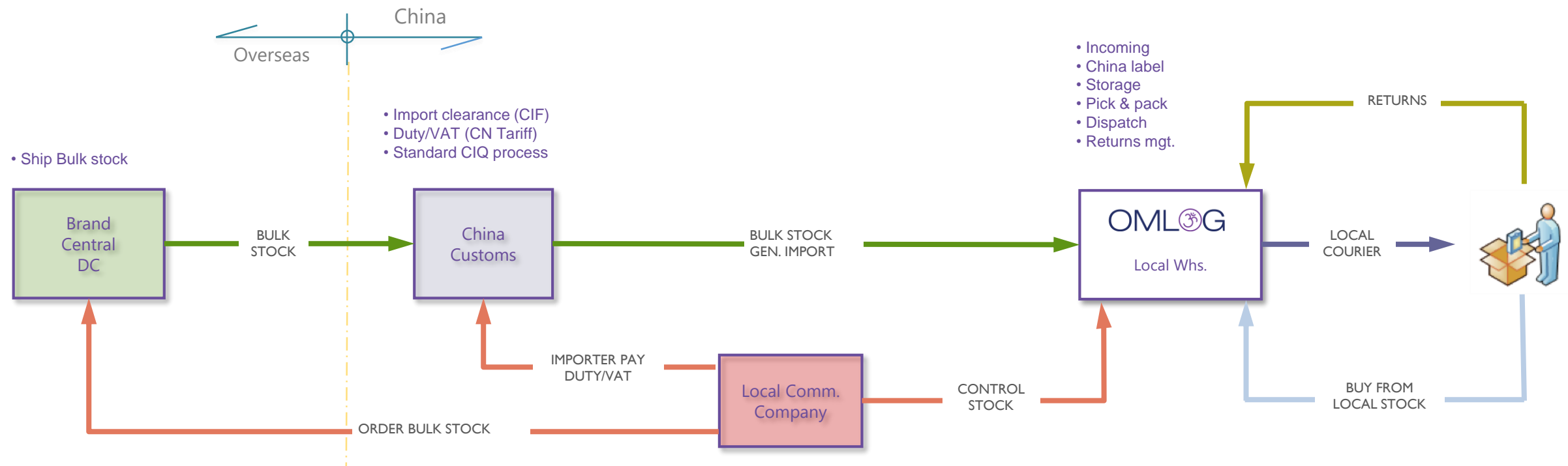
*) Due to difficulties in managing imported e-commerce return products via cross-border e-commerce mode, Omlog uses General Import Mode with payment of local import duty and VAT based on CIF price of the merchandise.

- Marketing Strategy to find the best channels (T-Mall, JD, own website)
- Define the best logistics and order fulfilment mode
- Liaise and connect with the different channels
- Customs and CIQ Statutory Supervision for Imported products
- China retail labeling requirements
- Distribution and returns



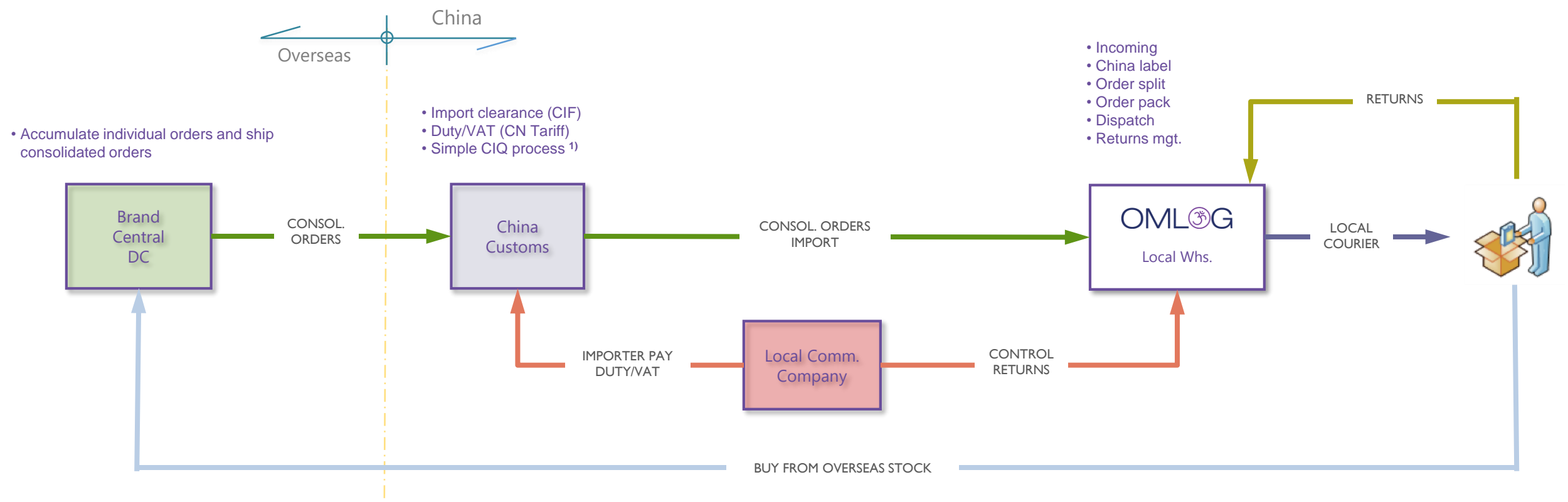
- Lower cost entry level
- Highly influenced by social media
- Cross-border online shopping becoming a big trend in China with new policies from Apr-16
 - Lower taxes
 - Streamlined import procedures
 - Max. RMB 2,000 /transaction, max. 20k/person per year
- Cross-border e-commerce represents 17.3% of China's total imports and exports trading volume





- Sales by the Brand China Commercial Co.
- Import Duty and VAT is based on the CIF value
- Importer is the Brand China Commercial Co.
- Products should comply with local regulations
- Fast fulfilment with all stock available in China
- Imported stock must be kept in China
- Shorter order fulfilment time-frame
- Shorter order fulfilment time-frame
- Accepted by all local platforms in China

General Import Mode - Overseas Stock B-B-C

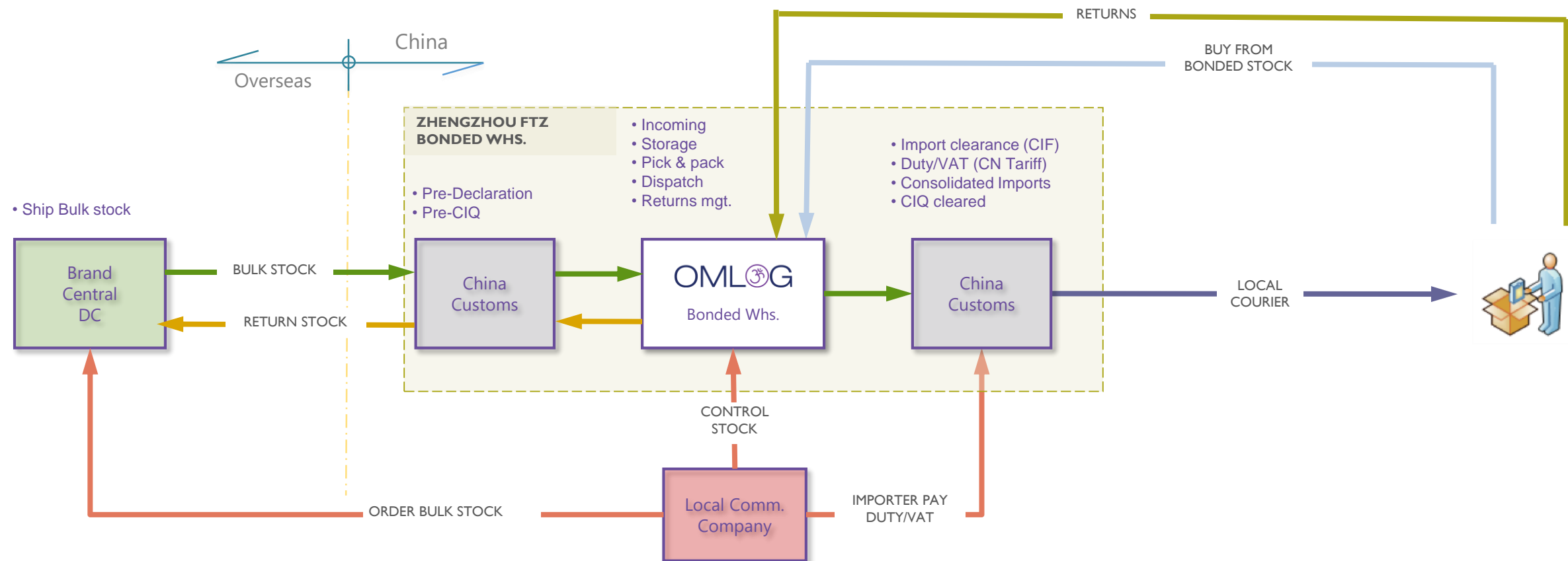


- Sales by the Brand China Commercial Co.
- Import Duty and VAT is based on the CIF value
- Importer is the Brand China Commercial Co.
- Products should comply with local regulations
- Possibility of CIQ inspection for the consolidated orders
- Slow fulfilment with all stock overseas
- Returned stock must be kept in China.
- Longer order fulfilment time-frame
- Not for larger platforms like T-Mall and JD
- No stock in China

Note:

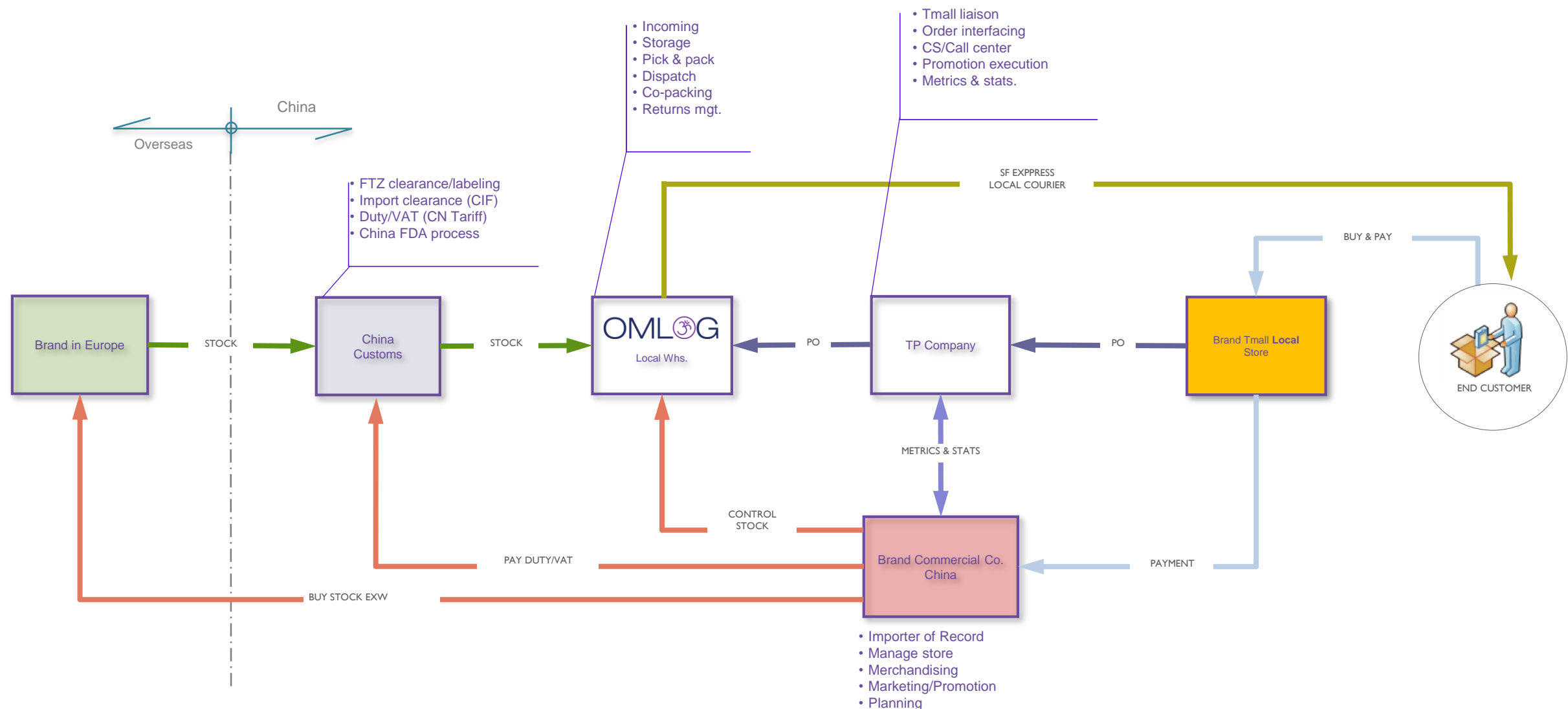
1. In the majority of the cases CIQ process can be avoided by reducing the number of pieces for each declared HS Code.

General Import Mode - Bonded Warehouse Stock

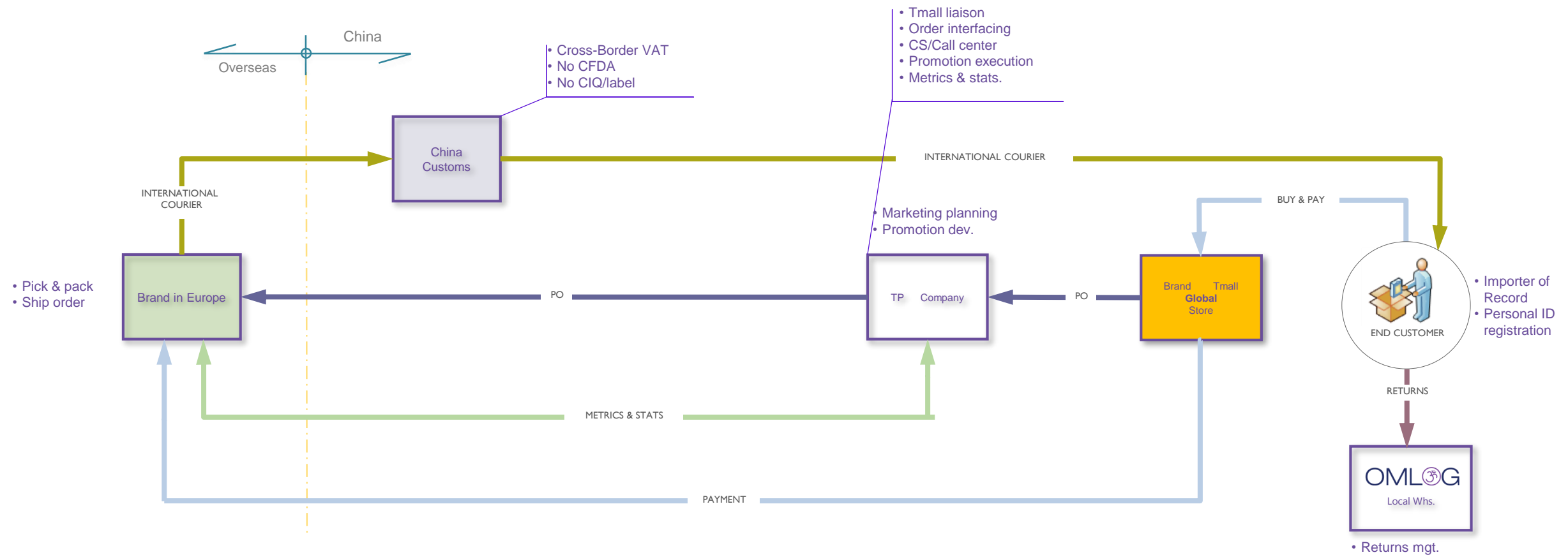


- Sales by the Brand China Commercial Co.
- Import Duty and VAT is based on the CIF value
- Importer is the Brand China Commercial Co.
- Products should comply with local regulations
- Products will be pre-CIQ upon entry into FTZ
- Consolidated imports for orders into China
- Refund of Duty/VAT for returned product within 30d
- Bonded stock can be exported out of China

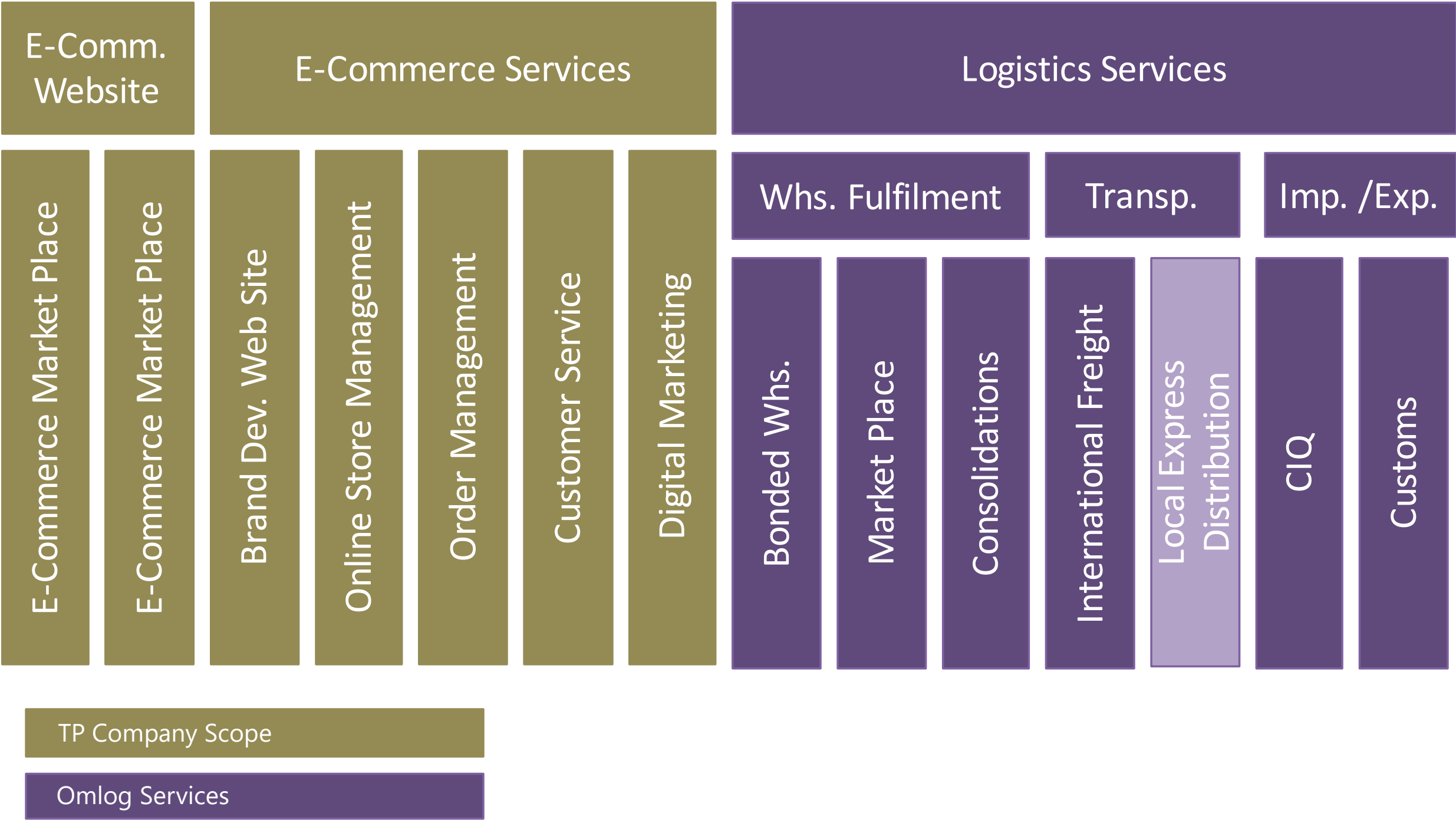
- Faster order fulfilment as stock is in China
- Accepted by all local platforms in China



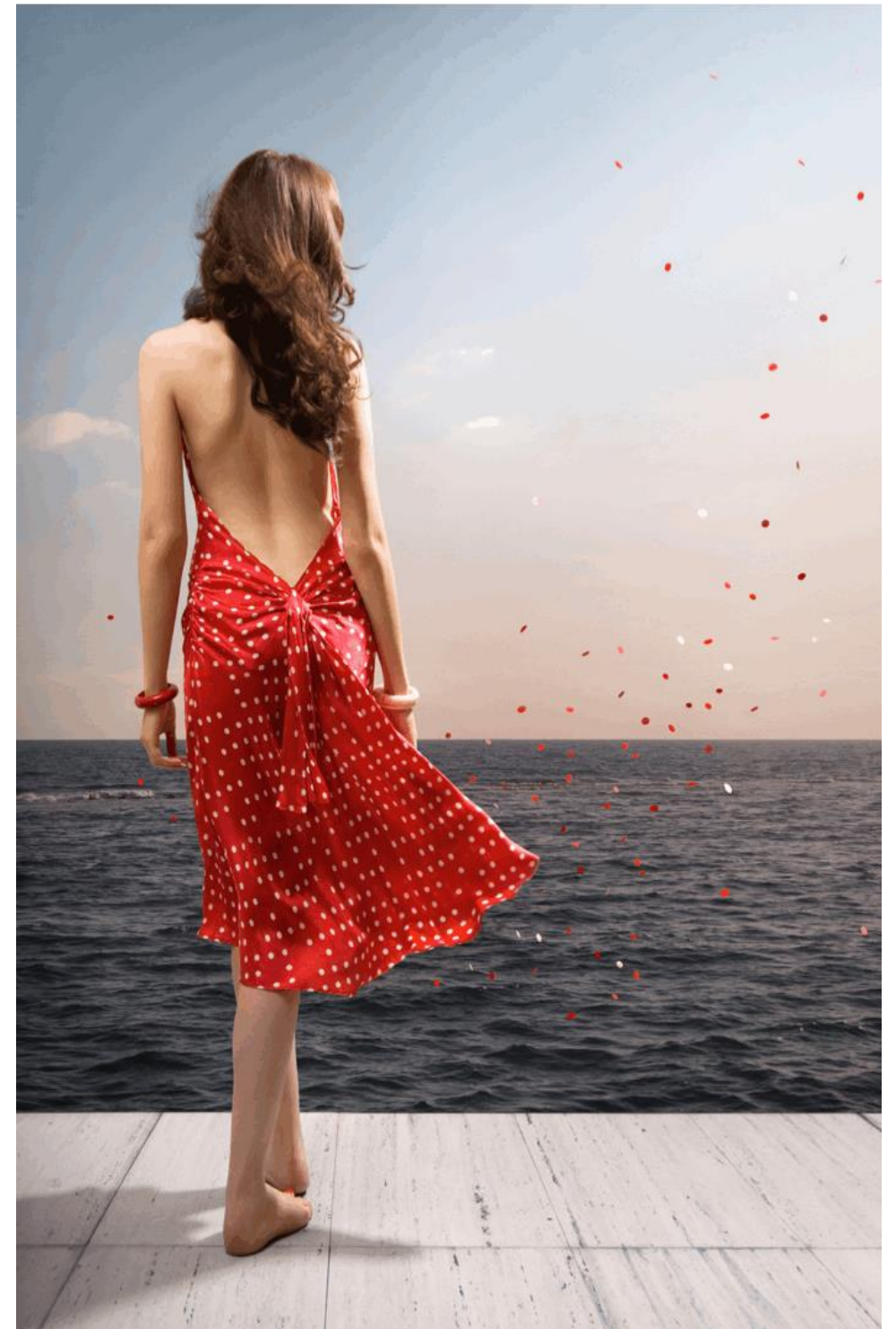
- Faster Fulfilment time with stock already in China ready to be picked and packed
- Lower costs for local express courier distribution services
- Sales by the Brand China Commercial Co.
- Import Duty and VAT is based on the CIF value and not Retail Price
- Importer is the Brand China Commercial Co.
- Products should comply with local regulations CIQ and CFDA (China Foods & Drug Administration)
- Imported stock must be kept in China



- Longer order time with stock in Europe
- Expensive international express courier costs
- Sales by the Brand Overseas Company – Max. RMB 2,000/order with a max. of RMB 20,000/year
- No import Duty – VAT is fixed at 11.9% (clothes/bags/shoes/accessories)
- Importer is end customer with tax paid via express courier company
- No trade compliance risk for products outside the Negative list
- Returns can only be sent to a local China warehouse



- Specialized Fashion Warehouse Logistics, Import/Export Customs Clearance
- E-Commerce DC's available in:
 - Shanghai
 - Beijing
 - Zhengzhou
- Pre-retail and China Retail Compliance
- Fashion VAS services
- In House IT systems
- 400 fashion specialized staff



E-COMMERCE/VALUE ADDED SOLUTIONS

Packaging per brand requirements, or E Tailer

In house system, interfaced with Client online platform

Multi Channel inventory management. Priority allocations management.

Reverse of e-commerce and QC

Gift Cards, Goodies, personal notes

Express/ parcel delivery companies sourcing and management

Space optimization module, Multi Sku per Bin location



China Clients



Grazie!
