

**SME Development Fund/
Dedicated Fund on Branding, Upgrading and Domestic Sales
(Organisation Support Programme)**

Final Report of Approved Project

Project ref. no. : D12 001 002
Project title : A Support Program to Enhance the Capabilities of
Hong Kong's SMEs in Handling High Value
Logistics Services
Period covered : From 24/09/12 to 23/01/14
(dd/mm/yy) (dd/mm/yy)

1. Project Details

(Please mark with "*" if any of the following project details is different from that in the project proposal appended to the project agreement.)

Project Reference and Title

A Support Program to Enhance the Capabilities of Hong Kong's SMEs in Handling High Value Logistics Services (D12 001 002)

Project Summary (in not more than 150 words)

This project is concerned with the design and launch of a support program aimed to provide practical knowledge and operational practices in handling high value goods logistics services to SMEs in Hong Kong in order to enhance their knowledge level and logistics capabilities. Through organizing a series of seminars and workshops, these operational practices of high value goods logistics services are explained and delivered with illustrated cases in detail. Sets of booklets and DVD-ROM are distributed to both participated and other SMEs in general. In addition, project information and booklets contents are posted on the website tailor-made for this project. It is expected that Hong Kong's SMEs can benefit from this program so as to strengthen their capabilities in handling high value goods logistics services.

Project Objective(s) (in not more than 80 words)

1. To design and launch a support program which is able to enhance the knowledge level and provide relevant operational practices in handling high value goods logistics services to SMEs in Hong Kong for enhancing their logistics capabilities.
2. To share experiences on the formulation of logistics strategies and practical applications in handling high value goods to local SMEs through seminars and workshops.

Grantee /Collaborating/Implementation Organisation Agent

Grantee : The Hong Kong Polytechnic University

Collaborating Organisation(s) : Hong Kong Logistics Association

Implementation Agent(s) : N/A

Key Personnel

	<u>Name</u>	<u>Company/Organisation</u>	<u>Tel No. & Fax No.</u>
Project Co-ordinator :	King Lun CHOY	The HK Polytechnic University	Tel: 2766 6597 Fax: 2362 5267
Deputy Project Co-ordinator :	Stephen CHENG	Hong Kong Logistics Association	Tel: 2777 9656 Fax: 3421 2477

Project Period

	<u>Commencement Date</u> (day/month/year)	<u>Completion Date</u> (day/month/year)	<u>Project Duration</u> (No. of months)
As stated in project agreement	24/09/2012	23/01/2014	16 months
Revised (if applicable)			

Methodology Employed

The methodology employed was divided into five stages as follows:

Stage 1: Formation of Project Team

A steering committee was formed to provide direction and monitor the whole project process of good quality. Members of the steering committee include Mr. Stephen Chan (from Hong Kong Logistics Association), Dr. Stephen Ng (from The Institute of Purchasing & Supply of Hong Kong), Mr. Timothy Lam (from The Institute of Purchasing & Supply of Hong Kong), Dr. Michael Li (from Hong Kong Institute of Engineers), Dr. George Ho (from The Hong Kong Polytechnic University) and Dr. Nick Chung (from The Hong Kong Polytechnic University). Moreover, key project team members were recruited successfully through an open and competitive system.

Stage 2: The Background Study

Literature review studies and site visits were conducted in order to clearly define the theme scopes and content of high value goods logistics services within the support program. Project team members interviewed and conducted site visits to various companies such as HugoBoss, Loreal, Crown Logistics, Jebson Logistics and Unique SCM (HK) Ltd, in order to get better understanding about the real practices of high value goods logistics services. After site visits, the logistics practices and approaches were recorded as useful materials for preparing the content of booklets.

Stage 3: Production of Booklet

Contents of high value goods logistics services for the four specific sectors were compiled after the topics had been determined and the background study and site visits to logistics service companies had been conducted. Content of the booklet were prepared accordingly for the seminars and workshops.

Stage 4: Promotion of Project Deliverables

Two seminars and four training workshops were launched successfully. Logistics experts were invited to these events to spread the knowledge and real practices of high value goods logistics services to the management staff of SMEs in general who participated in the project activities.

Stage 5: Production of DVD-ROM

6,000 sets of DVD-ROM were produced. Each set of DVDROM consists of:

- soft copies of the booklet, related materials used in the seminars and workshops, and other project information;
 - videos of the highlights of seminars and workshops or interviews.
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2. Summary of Project Results

Project Deliverables

(Please list out the targeted project deliverables as stated in the project proposal appended to the project agreement and provide details of actual result achieved, including beneficiaries, for each of them.)

1. Booklets

A set of booklets in Chinese on the four topics, including (i) A consumer product regional distribution hub providing electronic parts, components, etc., (ii) Fine wine storage and transportation, (iii) Prestige branded fashionable goods local and regional logistics hub, and (iv) Establishing consolidation, de-consolidation, and cross docking centre for high value products, were developed.

2. Seminars

Two seminars were launched as follows:

(i) First seminar:

- Topic: Roles and Opportunities of Hong Kong as the Supply Chain and Logistics Centre of High Value Goods (Fashionable goods, consumer electronics and logistics consolidation)
- Date: Oct 17, 2013
- Location: Chiang Chen Studio Theatre, The Hong Kong Polytechnic University
- Number of participants: 245

(ii) Second seminar:

- Topic: Characteristics, Storage and Transportation of Fine Wine and Establishing Cross Docking Centre for High Value Products
- Date: Dec 16, 2013
- Location: Room ST111, The Hong Kong Polytechnic University
- Number of participants: 220

Case studies of different industries including retail, cosmetics, high value fashionable brand, fine wine, information technology and third party logistics, were introduced in seminars. Logistics experts from selected companies were invited to share their experience to SMEs in general. Over 460 management staff of SMEs in general has attended the two seminars.

3. Training Workshops

Four training workshops were launched as follows:

(i) First workshop:

- Topic: Planning Techniques of Building a High Value Goods' Warehouse (Fine wine, electronics parts, logistics consolidation and cross docking centre)
- Date: Jul 23, 2013
- Location: Senate room M1603, The Hong Kong Polytechnic University
- Number of participants: 120

(ii) Second workshop:

- Topic: Supply Chain Information Visibility for High Value Goods Brand Owners (Prestige branded fashionable goods and logistics consolidation)
- Date: Nov 15, 2013
- Location: Room Y304, The Hong Kong Polytechnic University
- Number of participants: 115

(iii) Third workshop:

- Topic: A Logistics Company Focusing on High Value Goods Market Segment (Fashionable goods, consumer electronics and logistics cross docking)
- Date: Jan 6, 2014
- Location: Room N003, The Hong Kong Polytechnic University
- Number of participants: 132

(iv) Fourth workshop:

- Topic: High Value Goods Logistics Tracking Solutions and Risk Management (Electronics products, fine wine and logistics consolidation)
- Date: Jan 16, 2014
- Location: Senate room M1603, The Hong Kong Polytechnic University
- Number of participants: 100

Case studies of different industries involving fine wine, fashionable goods, skincare and cosmetics, air freight, and logistics were introduced in training workshops in order to help SMEs in general enhance their operational practices in handling high value goods logistics services. Over 465 management staff of SMEs in general has participated in the four training workshops.

4. DVD-ROMs

The booklets content, related materials used in seminars and workshops, and other project information and videos of the highlights of seminars and workshops were included in DVD-ROMs. 6,000 sets of DVD-ROMs (1 disc per set) were disseminated through Hong Kong Logistics Association, The Institute of Purchasing & Supply of Hong Kong and the Department of Industrial and Systems Engineering of The Hong Kong Polytechnic University. Through the DVD-ROMs, more general SMEs can learn various logistics operations in handling high value goods that are most suitable for the operation environment in Hong Kong.

5. Website

A project website was set up for the enrollment of seminars and workshops as well as disseminating contents and the booklets of the four topics that are easily accessed by SMEs in Hong Kong. The project website can be accessed through <http://highvalue.logistics.org.hk>.

Actual Benefits to SMEs/Enterprises

(Please indicate *in clear, specific, tangible and quantifiable terms* the benefits of the project and its contribution to enhancing the competitiveness of Hong Kong’s SMEs / enterprises in general or SMEs / enterprises in specific sectors / assist Hong Kong enterprises in general or in specific sectors in developing brands, upgrading and restructuring business operations, and promoting domestic sales in the Mainland, in not more than 400 words.)

Over 925 management staff of SMEs in different industries participated in our high value goods logistics project events during the project period. Over 460 management staff of SMEs in general has participated in the two seminars. Over 465 management staff of SMEs in general has attended the four training workshops.

In order to collect feedback from the participants, a questionnaire was conducted during each project activity. We have collected a total of 401 completed questionnaires from the participants of all our project events. From the results, 86% of the questionnaires respondents thought that the project events were very useful or useful in enhancing the competitiveness of Hong Kong’s SMEs in general. In addition, 91% of them were very satisfied or satisfied with the overall performance of the project events.

According to the feedback from the participants of SMEs in general during each activity, it is shown that participants learnt various essential logistics knowledge from our seminars and training workshops. Deliverables of this high value goods logistics project (D12 001 002) provide essential assistance in the form of sharing relevant logistics knowledge for them to enhance daily operational effectiveness and competitiveness. Moreover, it is proved that experiences sharing from selected companies by means of seminars and training workshops are valuable to the participants (Hong Kong’s SMEs in general) in the formulation of logistics strategies and action plans in handling high value goods logistics.

Milestones (in chronological order)

(# Please indicate if the milestone is completed (C), deferred (D) or not achieved (N). If it is deferred, please indicate the revised completion date. For those milestones which are deferred or not achieved, please also provide the reasons under item 2.4.)

<u>Milestone</u> (as set out in the approved project proposal appended to the project agreement)	<u>Original target completion date</u>	<u>Revised target completion date</u> (if applicable)	<u>Status</u> (C/D/N) #
(a) Formation of Project Team	31/10/12		C
(b) Determination of Scope and Topics	30/11/12		C
(c) Development of project website	31/08/13		C
(d) Selection of Logistics Companies for Illustration	30/11/13		C
(e) Content and Booklet Development	31/12/13		C
(f) Design and Production of DVD-ROM	23/01/14		C
(g) Seminars and Workshops for Participants	23/01/14		C

Marketing/Dissemination Activities (in chronological order)

(Please provide details of all completed and on-going promotional and/or dissemination activities for each of the project deliverables. Such activities may include advertisements, seminars, workshops, etc.)

<u>Date/ Period</u>	<u>Description</u>	<u>No. of beneficiaries (SMEs/Enterprises*)</u> *please delete as appropriate
Seminars:		
1. First seminar		
18-09-2013	Promotion in TID's SUCCESS e-newsletter	Estimated SME – 2000
20-09-2013	Email Promotion through IPSHK	Estimated SME – 300
20-09-2013	Email Promotion through ISE network (MILESAA, master programs)	Estimated SME – 1000
23-09-2013	Email Promotion through HKLA	Estimated SME – 500
28-09-2013	Email Promotion through HKSTLA	Estimated SME – 800
2-10-2013	Email Promotion through HAFFA	Estimated SME – 1000
3-10-2013	Email Promotion through SME network	Estimated SME – 1000
5-10-2013	Email Promotion through Tradelink	Estimated SME – 1200
5-10-2013	Email Promotion through Hong Kong Shippers' Council	Estimated SME – 3000
10-10-2013	Email Promotion through GSI Hong Kong	Estimated SME – 2500
17-10-2013	High Value Goods Logistics Seminar	Estimated SME – 245
31-10-2013	Hong Kong Commercial Daily press report	Estimated SME – 7500
21-01-2014	Hong Kong Economics Times press report	Estimated SME – 8800
2. Second seminar		
18-11-2013	Email Promotion through IPSHK	Estimated SME – 300
22-11-2013	Email Promotion through ISE network (MILESAA, master programs)	Estimated SME – 1000
22-11-2013	Email Promotion through HKLA	Estimated SME – 500
22-11-2013	Email Promotion through Hong Kong Shippers' Council	Estimated SME – 3000
23-11-2013	Email Promotion through SME network	Estimated SME – 1000
16-12-2013	High Value Goods Logistics Seminar	Estimated SME – 220
07-03-2014	am730 press report	Estimated SME – 12500
Training Workshops:		
1. First workshop		
3-07-2013	Email Promotion through IPSHK	Estimated SME – 300
4-07-2013	Email Promotion through ISE network (MILESAA, master programs)	Estimated SME – 1000
5-07-2013	Email Promotion through HKLA	Estimated SME – 500
8-07-2013	Email Promotion through SME network	Estimated SME – 1000

23-07-2013	High Value Goods Logistics Workshop	Estimated SME – 120
23-08-2013	Ming Pao press report	Estimated SME – 8800
2. Second workshop		
25-10-2013	Email Promotion through IPSHK	Estimated SME – 300
27-10-2013	Email Promotion through Hong Kong Shippers' Council	Estimated SME – 3000
1-11-2013	Email Promotion through ISE network (MILESAA, master programs)	Estimated SME – 1000
3-11-2013	Email Promotion through HKLA	Estimated SME – 500
6-11-2013	Email Promotion through SME network	Estimated SME – 1000
15-11-2013	High Value Goods Logistics Workshop	Estimated SME – 115
15-12-2013	ATV Program "Money Talks" report	Estimated SME – 11000
3. Third workshop		
20-12-2013	Email Promotion through Hong Kong Shippers' Council	Estimated SME – 3000
20-12-2013	Email Promotion through ISE network (MILESAA, master programs)	Estimated SME – 1000
21-12-2013	Email Promotion through HKLA	Estimated SME – 500
21-12-2013	Email Promotion through IPSHK	Estimated SME – 300
29-12-2013	Email Promotion through SME network	Estimated SME – 1000
06-01-2014	High Value Goods Logistics Workshop	Estimated SME – 132
14-02-2014	Ming Pao press report	Estimated SME – 8800
4. Fourth workshop		
28-12-2013	Email Promotion through Hong Kong Shippers' Council	Estimated SME – 3000
29-12-2013	Email Promotion through ISE network (MILESAA, master programs)	Estimated SME – 1000
30-12-2013	Email Promotion through HKLA	Estimated SME – 500
31-12-2013	Email Promotion through IPSHK	Estimated SME – 300
2-1-2014	Email Promotion through SME network	Estimated SME – 1000
16-01-2014	High Value Goods Logistics Workshop	Estimated SME – 100
21-02-2014	Ming Pao press report	Estimated SME – 8800
Project website:		
24-09-2012 – 23-01-2014	Project website: http://highvalue.logistics.org.hk	Estimated SME – 12000
Total no. of beneficiaries :		118,432

Future Plan for Promoting the Project Deliverables

The project website (<http://highvalue.logistics.org.hk>) will be hosted by The Hong Kong Polytechnic University, so that updated information can be put in the website.

Booklets and DVD-ROMs will be disseminated to Hong Kong's SMEs in general in future events organized by Hong Kong Logistics Association and the Department of Industrial and Systems Engineering, The Hong Kong Polytechnic University.