

Fujitsu Philippines offers nationwide coverage

FPI establishes a network of Regional Support Offices (RSOs) strategically located in different parts of the country with a goal to meet the increasing market demand for a service provider with a wide service coverage and a strong support structure.



FPI's Regional Support Office at Subic Bay

With improvements in technology, especially in data communications and in the Internet, the dream of a true distributed computing is now a reality. Technology enables enterprises to transact and interact directly with their end-users - a boon to consumers but a major management challenge for ICT infrastructure managers.

Due to the infrastructure's customer-oriented role, a severe and a demanding support service level is appropriate to maximize operation's productivity and efficiency. Twenty-four hour service availability, nationwide support, and a facility for a single point-of-contact are needed to meet these exacting demands for all call escalations.

That's why Fujitsu Philippines, Inc. has started establishing a network of Regional Support Offices (RSOs) strategically located in different parts of the country. With this network, FPI aims to meet the increasing market demand for a service

provider with wide service coverage and a strong support structure.

In addition, FPI has strengthened its Cebu Business Unit in manpower and in facility - a depot of spare parts. The Cebu City office now provides valuable services to the growing legion of FPI customers in the Visayas and Mindanao. Only in 15% of cases does FPI have to fly in specialists from the Metro Manila head office.

This has been replicated in the Subic Bay Metropolitan Authority in the Calabarzon area, and in many other geographical areas where there is a concentration of

FPI customers.

This move differentiates FPI from the rest of the ICT service providers. The RSOs enable FPI to offer its clients a range of service options, such as next-business-day up to two hours on-site response time on a 24 x 7 basis. The RSOs also enable FPI to serve its existing clients with provincial branches more effectively, increase FPI's service coverage, and pursue new business opportunities within each service area.

Aside from Subic, there is an RSO in each of the following locations: Baguio City, Calamba, Iloilo City, Cagayan de Oro City and Davao City. Each RSO is manned by an FPI technology support engineer. These RSOs, together with our existing support offices in Makati City, Parañaque and Cebu City, give FPI a total of nine points of presence in the country. Additional RSOs will be established as the need arises.

The RSO engineer acts as the first line of support for customers within the RSO territory. Additional engineers are dispatched temporarily to the territory as needed to help the RSO engineers cope with peaks in their workload. The Makati-based RSO coordinator takes care of all operational and administrative concerns of the RSO engineers and these concerns are escalated to the Field Support Group Head if necessary.

"Our business is to make our customer's business successful," said Mr. Felipe R. Manalang, FPI President. "That is why when we say we are fanatical about customer satisfaction, it is more than a marketing exercise - it is a serious business strategy. FPI invested to have the largest service support engineering team, the best customer contact infrastructure, the best service management methodology, and superior logistics. For we rather over-configure our resources, so that it should always be in favor of the customer."

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Lexmark R&D - Making a strong presence in the Asian region



"Our strategy was to start with basic software operations," said Stan Combs, Lexmark R&D President and CEO.

Lexmark is one of the leading developers and manufacturers of printing solutions in Europe and North America. With headquarters in Lexington, Kentucky, Lexmark International, Inc. has positive growth prospects in the Asia-Pacific region. The explosion of color printing in the corporate arena with the impact of the Internet as a vehicle for business has increased the prospects of printing needs in this culturally diverse region.

Although brand recognition has become extremely important and challenging in the region, Lexmark's competitive edge is strongly founded on developing and owning the technology inside its products. This shortens the product development cycle and allows the company to integrate customer inputs into research, product design, and development.

As one of America's most admired companies, Lexmark arrived on Philippine shores in 1999 with the establishment of Lexmark International Philippines, Inc., an inkjet cartridge assembly plant, at the Mactan Export Processing Zone II. This 115,500 square-foot facility in Cebu, the newest addition to Lexmark's manufacturing sites in Asia, supplies inkjet cartridges to the growing Asian market, as well as supplementing the U.S. market.

R&D Mission

In 2001, Lexmark Research and Development Corporation (LRDC) was opened at the Cebu Business Park with a mission to design, develop, deliver, and maintain software and firmware for Lexmark consumer printers. The Cebu R&D lab currently specializes in software development for printer drivers and network adapters and in rebranding of Lexmark printers for original equipment manufacturer partners worldwide. LRDC

Cebu is the base of Lexmark's R&D operations in the Asia-Pacific region.

"Our strategy was to start with basic software operations," said Stan Combs, President and CEO of LRDC. "And then we worked on steadily increasing the complexity of the products developed for both consumer and business printers distributed not only in Asia, but also worldwide."

The current 250-member staff of mostly programmers has been doing a lot of studies in printer technologies for wired and wireless connections like Bluetooth, consumer printing from the Internet, and total box designs in the next five years that will incorporate electronic design and mechanisms.

LRDC is the product of an extensive one-year study of potential locations in 10 countries, including Japan, Korea, China, Taiwan, and Hong Kong. There are several reasons why Lexmark chose the Philippines for its R&D operations. One core reason is the Filipino workforce, whom Mr. Combs described as "very skilled, talented, trainable, hardworking, and with a lot of potential due to a good education system and a lot of degree-qualified workers."

The second reason is more of an "accidental geography," as Mr. Combs coined it. The Philippines is centrally located and easy to access from all areas in the Asia-Pacific region. "We have business partners all over the place – China, Korea, Japan, and Taiwan – with the Philippines as the convenient place located in the middle of these countries," Mr. Combs added.

Another factor is that English is the second language in the Philippines, making it easy for an American company like Lexmark to communicate with its

Filipino workforce.

In addition, he stressed that the Philippine government is open for business investments and encourages open yet fair business practices. "In some countries, doing business is very difficult for a foreign corporation like Lexmark. To operate in the local market, for instance, some governments require a local partner that owns about half or maybe 51 percent of the company. This is not the case in the Philippines. In all of the respective business rules and regulations in Asian countries, the Philippines is the most flexible and straightforward."

Aside from the Philippines having good intellectual property protection laws, LRDC is located near Lexmark's inkjet manufacturing facility in Asia.

Expansion and Challenges

Because of numerous development projects and prospects, Mr. Combs said LRDC is set to expand its office in

employees from here to the U.S. for about three to six months. I have 25 people there right now."

Lessons from the Philippines

Working in the Philippines is such an interesting learning experience for Mr. Combs. "It is hard to quantify. People with a different culture have different expectations about how to make things work. When I ask for something, I interpret it the way a fellow American would interpret it. However, Filipinos may interpret the request quite differently. I don't mean from a language point of view but in view of perceptions. So it's been an interesting challenge for me."

In the final analysis, Mr. Combs quickly stressed the Philippines' very large untapped opportunity for product development. "In the past, people had perhaps thought more of doing low-cost manufacturing in an export processing zone like the one in Mactan. We found



LRDC employs Filipino programmers to develop printer drivers and network adapters for Lexmark printers.

Cebu in terms of office space and more development tools for its workforce, such as computers, software, and networking equipment. The company also expects to increase its manpower to 300 by the end of the year.

It partnered with Fujitsu Philippines to improve its data network facility and he emphasized that the company is very pleased with FPI's quality of service.

"The biggest challenge is keeping this lab tightly connected and coordinating the operations with our two other labs in Lexington and Colorado," he claimed. "As we are all working on the same kind of product and technology, the Philippine lab is like a satellite, so we have to coordinate our development activities very closely, doing the software designs on the printers. We send a lot of

we could go well beyond low-cost manufacturing and we've been successful doing development work here. We're quite satisfied in the quality of workmanship that we get in this country."

As a final message to any investor who is thinking of investing in other countries, Mr. Combs has this to say, "I would tell them to consider the Philippines. The country certainly offers many business possibilities, providing an environment that is conducive to successful product development."

LRDC is making a strong presence in the Asia-Pacific region and is set to increase Lexmark's leadership in the printer business worldwide, making it a truly global company. ∞

PLDT CIO says creative spending is key to maximizing ICT investment

“What we are trying to do now is to be more creative in what we are allowed to spend today by effectively rationalizing what we do and getting the solutions we want at possibly much lower investment,” said PLDT CIO, Mr. Eugene Garcia.



In today’s very difficult economic times, a company should be able to get the most out of its ICT (Information and Communications Technology) investments,” quipped Mr. Eugene Garcia, Chief Information Officer (CIO) for Philippine Long Distance Telephone Company (PLDT). “So a company like PLDT always looks for the right solutions, which will allow it to do more, to work faster, and to compete effectively in a highly volatile market.”

PLDT is the leading supplier of domestic and international telecommunications services in the Philippines. PLDT’s history dates back to 1928.

With a network of over 174 central office exchanges serving the Metro Manila area alone and 188 other cities and municipalities throughout the country, PLDT is one of the cornerstones of Philippine economy.

Creative spending

The smiling Mr. Garcia continued to clarify his views regarding the company’s ICT strategy and present situation. “The ongoing crises did not really affect the current ICT planning and level of ICT investments.

Since around the end of 2000, there has been a realization of the significant ICT resources the company has in place, the seeming lack of ICT direction and focus and the continuing inability to reap maximum benefits from a number of ICT initiatives.”

As Mr. Garcia remained coolly seated

in his pleasantly lit office, he further explained that across industries, corporate budgets are decreasing and this translates to a cut-down in ICT spending.

In view of this, Mr. Garcia added that the key in dealing with the situation is to be more creative in terms of spending the allowed budget and at the same time, to be more prudent in ICT expenditures.

Mr. Garcia added that due to a number of technology hypes and excesses during the past few years, a lot of ICT expenditures have gone to waste.

“What we are trying to do is to be more creative in terms of what we are allowed to spend today by way of effective rationalization through continuing infrastructure consolidation and streamlining of processes and being very selective in the choice of solutions in terms of their overall cost to the organization as well as their fit into the overall vision for ICT.”

Defined strategy

In as much as there is a defined strategy employed by Mr. Garcia, the major goals this year is to continue enhancing its ICT investment. Foremost is the implementation of a full HR suite and a new billing solution, and the full utilization of existing ERP solution to

cover previously unused components.

The complete automation of system and desktop management functions is also in the list.

In addition, PLDT is intensifying its drive towards web-based applications and capabilities, continuing hardware and software infrastructure consolidation and work related to the use of alternative desktop operating systems and office applications. With these ambitious goals in the pipeline, challenges also abound.

Pivotal role

There are two main challenges the company is facing. First is the difficult economic situation the country is in, which is internally influencing a change in the organization’s way of doing things.

Mr. Garcia reiterated that technology is a great enabler but company culture and processes determine how technology will be used in any organization.

At PLDT, this is a major challenge although opportunities abound in terms of vast resources available for the use of applicable technologies to improve present ways of doing things. This is where the role of the CIO proves vital. For him, it is imperative to provide the necessary ICT support and solutions in

an expeditious manner, given the cultural make-up of the organization.

He stressed that the CIO is also required to champion the drive towards operational efficiency, set the example via concrete operational improvements in the ICT organization, and provide a direction with regard to the sound use of ICT resources.

This pivotal role and strategy taken by Mr. Garcia is in line with the significant progress in streamlining PLDT’s operations, resulting in the reduction of both capital and operating expense. This can also be viewed as one of Mr. Garcia’s achievements. To enable the organization to fully reap the benefits from its significant ICT investments, the team established focus and direction, on top of the millions of pesos saved.

Personal values

Mr. Garcia is a homebody and values a lot quality time with his family, preferring to spend the weekend just watching action films with them.

Asked what would his legacy in the company be, he said, “My legacy is the evolution of a more agile, leaner and better performing company and the setting of the groundwork for a more efficient and more focused infrastructure and direction.”

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Mini-stop – Becoming the warmest and friendliest convenience store



“Since Mini-stop operates in a 24 x 7 mode, service to customers has to be consistent at all times,” Wilfredo Camarillo, RCSI General Manager, said.

On May 29, 2003, Robinson’s Convenience Stores, Inc. opened its 54th Mini-Stop store in España. This latest development came a long way from its first Mini-Stop opened at the MRT Central Station in December 2000.

Its number of stores climbed up since then to become a unique combo store, combining fast food with grocery products. This is indeed a breakthrough in the competitive convenience store retail scene.

“There is really a market need that is not being served by other convenience stores in the Philippines,” said Wilfredo Camarillo, General Manager of RCSI. “We plan to have 100 stores at the end of this year and in 2006, we envision to have 500 Mini-Stop stores in Metro Manila.”

Unique concept

Mini-Stop’s combo store concept is unique, claimed Camarillo. The concept was born in Japan as a wholly owned subsidiary of Josco Co. Ltd with the first Mini-Stop opened in July 1980 at Okurayama in Yokohama, Japan.

Its network broke the 100-store mark with 80 franchised stores and 20 stores directly managed.

In the Philippines, Mini-Stop is the only convenience store that serves in-store prepared food products with dine-in corner for consumers, targeting the B and C households in Metro Manila.

Magic formula

The combo store concept is beyond the mere convenience shopping. For Mini-Stop, its competitive advantages are numerous.

“For one, look at 20 years experience

of Mini-Stop Co., Ltd. in Japan, as well as the strong retail and manufacturing experience of Mitsubishi Corporation and Robinsons Retail Group, that backs up Mini-Stop in the Philippines.”

Great store location that is always clean, excellent customer service, and a wide variety of merchandise in a combo store format are part of the formula for successfully managing a convenience



A powerful, integrated, and convenient POS system from Fujitsu provides Mini-Stop with real-time sales figures any time of the day.

store, he added.

Technology at work

At Mini-Stop, Camarillo further claimed that the stores are fully computerized and that the technology infrastructure is reliable to support the day-to-day operations of every store.

A powerful, integrated, and convenient TEAMPOS (Point-of-Sale) system from Fujitsu Philippines provides the store real-time sales figures any time of the day.

A Merchandise System (MD), which includes ordering tool, consolidation and management of the store’s merchandise inventory cost, retail, and GP, is also provided by FPI. The system is linked to a Planogram and the Order Book to enable the stores to easily manage gondola space and stock replenishment. The Fujitsu Primergy server is one of Mini-Stop’s main servers that run these mission-critical applications. Aside

from the server, FPI has also provided maintenance service, Fujitsu projector, and laptops to RCSI.

“Mini-Stop Japan has recommended Fujitsu as the brand to use in the POS system so we are very confident with FPI as our technology partner in the Philippines,” Camarillo said.

He added, “FPI engineers have provided fast response time when there is a technical concern and they continuously monitor the systems to make sure they are up and running all the time.”

Mini-Stop’s other technology systems include the Platinum System, a reliable, stable, and integrated software used for accounting and financial management. The system also has a module on purchasing and inventory that Robinsons Distribution Center, Inc. (RDCI) uses for its purchases and inventory management.

The Exceed System is a fully functional state-of-the-art Warehouse Management System that provides efficient warehousing and logistics operations of RDCI.

RDCI is a logistics partner of Mini-Stop and joint venture company of Mitsubishi Corporation and Robinsons Retail Group.

Franchising opportunity

Capitalizing on the entrepreneurial spirit of Filipinos, RCSI is optimistic that it will get enough franchisees to help in rolling out more Mini-Stop stores in Metro Manila. Moreover, RCSI is on an aggressive campaign to get more franchisees.

For Camarillo, the key to running a successful convenience store is to franchise as much as it can. At present, five Mini-Stop stores are franchised and RCSI is targeting 30% of total stores are directly managed by the company, while 70% are franchised.

“We have turned over five stores out of the 54 stores today to franchisees because we want to make sure that we have perfected the system before we turn over to them. We can confidently tell them that this business works,” he stressed.

For those interested in being a franchisee of Mini-Stop, please contact Robinsons Convenience Stores, Inc. at 671-7202 and 671-7223.

Suyen - Expanding market reach beyond Philippine shores

Since 1987, the English word “bench” for Filipinos has come to mean other things than a long seat or a magistrate sitting in court in a judicial capacity. For the past 15 years, it has come to mean a chain of stores selling tasteful clothes.

Mr. Jude W. Ong, Suyen Corporation’s Assistant General Manager, emphasized, “Yes, we are a retailer of garments but we have evolved and diversified.” And that is in fact an understatement.

Ever wondered how come candies and selected beauty products are now being sold in Bench stores? Currently, Suyen Corporation has business interests in beauty salons and home furniture.

It has set up Fix Salon for hair salon services, Dimensione for home furniture and Human for the hip and fashion-conscious young market.

These entries have made marketing practitioners and academicians deduce that Suyen is no longer just a retailer selling garments but a corporation in the business of selling a lifestyle.

Filipino Lifestyle

For the past 15 years, Suyen’s most popular brand, Bench, has been affecting Filipino lifestyle and fashion, which started with the opening of the first Bench boutique in 1987 through the combined efforts of Mr. Ben Chan and his sister and brother-in-law, Nenita and Virgilio Lim.

Today, Bench is undoubtedly the country’s largest retail clothing store with 53 stores, plus 18 Herbench stores, 28 local franchise outlets, and 120 distributors nationwide.

And it does not stop here at home. It has thriving franchises already operating in Alkhobar Riyadh and Kuwait in the Middle East.

The Bench label, through its authorized retailers, has also demonstrated quite a strong presence in the cosmopolitan cities of California, Canada, Florida, Saipan, Brunei, Taiwan, United Arab Emirates and Palau.

With the opening of the Guam and Shanghai branches, Bench has clearly established itself as a force to reckon with in the very dynamic fashion landscape, offering premium quality products at affordable prices even in the most competitive markets.

Bench’s secret is in the merchandise. The mix features a wide collection of locally manufactured men’s shirts, trousers and footwear. Enthusiastically embraced by the growing mall market in the Philippines, the Bench line has since

expanded to include stationery, men’s fashion accessories, toiletries and an extensive underwear range. The Bench lifestyle also includes a teen line called Bench Brats, the Bench Body & Bath line of fragrances and bath products, Prescribe(r) skincare products and Bench Bytes snacks. The ladies’ line, HerBench, now also features a line of fragrances and cosmetics, HerBench Colours.

Headed by Ben Chan as chairman and executive creative director, the company is currently staffed with over 1,200 employees.

The Bench products are distributed primarily through boutiques, franchise outlets and concessionaires within department stores.

Some Bench products, most especially the grooming and body care products, are also sold in supermarkets, pharmacies or drugstores, and convenience stores; there are also over 75 wholesalers throughout the country.

Operational Challenges

With these dynamic activities for Bench, Suyen’s business diversification ushered in new operational challenges. To start with, “the number of items we managed in the warehouse has ballooned.

Expanding internationally, to China for example, added a new and daily operational pressure,” Ong said.

To this, Ms. Sheila Buensalida, MIS Manager, said, “That’s why we are currently in the middle of intensifying our business systems.”

Buensalida detailed that their initiatives have started with their merchandising-warehousing system, human resources-payroll and financial systems.

She continued, “We are seriously considering just buying third party products for the human resources and the financial systems.”

When asked why, she stressed, “These applications are common across industries and being so, we can easily get the best out there and implement these applications here.”

But for the other systems, Buensalida quickly pointed out, “We will definitely do a ground-up development for our merchandising and warehousing system.”

“The approach is necessary,” Buensalida noted and continued, “Suyen’s merchandising and warehousing process is unique.”

So unique, she professed that it is a source



of competitive business advantage to them to which Ong agreed.

“And in the middle of all these operational improvements, we are supporting our POS system present in 220-strong branches across the network,” Buensalida shared.

Strong Data

With its business lifeblood being driven by the ever-changing fashion industry, Suyen has experienced SKUs representing its different products changing every season and increasing perpetually. Managing this growth and ensuring its integrity are top priorities.

Dante Dulguime, Suyen’s Oracle DBA said, “It’s not a practice or a policy here to delete. We all store the data. And because of this, doing a manual backup of our data is not anymore practical as it used to. The data we manage now is huge.”

With this, Fujitsu Philippines, Inc. offered and implemented an automatic data back-up system that eases Dulguime’s concerns and has redirected his time to perform higher value activities for Suyen.

Aside from this, FPI was also tapped to maintain the primary servers that run the critical applications of the Company, like the warehousing and merchandising

system. Recently, FPI also supplied the new generation Fujitsu Primepower servers to run the upgraded critical application systems.

Springboard Value

“FPI acts as a springboard. We can toss any idea to the FPI staff and they have always given us a feedback and even a proposal. Even if the project does not push through, FPI is always there. We appreciate that,” Dulguime said.

He continued, “FPI’s people can be reached when we need to reach them. They always give us a feedback and resolution. We are happy. But above all, they are easy to deal with. We can talk to them with ease.” To this Ong agreed.

Market Innovation

With innovative marketing strategies, Suyen’s efforts and enthusiasm in delivering creative and engaging visual merchandising and display, particularly in the Bench brand, add up to the kind of retail clothing store that is the seed of Filipino talent.

Amidst a multitude of Filipino-owned corporations born in the last decade or so, only one remains undeniably on top of its genre and it is known by one simple, yet popular name- BENCH. ∞

LBC – Transforming into a multi-service company



Incorporated in the 1950s as a brokerage and air cargo service provider, LBC had been evolving into a variety of organizational transformations to catch up with current market trends.

LBC offered 24-hour courier service, which also included money remittance services for delivery anywhere in the country. The company since then expanded and increased its branches from the initial 13 to the current 543, covering practically every city and municipality of the country.

Overseas presence

LBC established its first overseas office in North America, particularly in San Francisco, USA in 1986. LBC's overseas network now spans 76 branches, located in different continents and in countries where there are many Filipinos.

As a result of its continuous growth and development, LBC also engaged in corollary businesses such as travel and banking. These were later matched with Pension and Educational Plans. Newspaper publishing in the U.S. also adds up to its now diversified set of companies.

LBC in time got the advantage of the Internet, its add-on elements and the www.teamlbc.com website was born. The company's Internet thrust is to attain the LBC's Year 2020 vision of reaching out to the global community that will ultimately make the world a smaller place.

Banking business

LBC banking roots may be traced to LBC Bank's founding on June 13,

1956 to engage in lending to small and medium enterprises and rural industries.

In June 1995, LBC Development Corporation acquired the majority shareholdings from previous owners. This led to the birth of LBC Development Bank or simply, LBC Bank. The acquisition was prompted by LBC's need for an efficient financial delivery network that would answer to its growing volume of remittances from abroad.

Today, the bank has 20 branches nationwide and is also a proud equity member of the Megalink network of banks.

Aside from providing the financial services requirements of its affiliates, the bank is also engaged in community banking, where it has already gained recognition for its "Bilis" products and excellent customer service.

Infrastructure investment

With LBC's rapidly growing domestic and overseas network, its information and communications infrastructure has also evolved and constantly enhanced to better serve an equally growing customer base of about 2,000,000 with transactions going over 30,000 per day. Its database now carries more than nine million records. It also handles an increasing number of overseas transactions from different countries, primarily from the United States with more than half a million customers.

According to LBC IT Director, Mr. Eduardo B. Cajigal, LBC started its computerization five years ago. Fragmented data and data connectivity

have been challenging concerns.

LBC has an extensive points-of-presence from Laoag to Zamboanga with more than 2,500 computers and printers, 12 powerful quad-processor servers, and a back-up recovery site in Makati.

The company is currently using a web-enabled monitoring application that periodically updates data and transactions, such as gross sales, incoming shipments, and daily deliveries from LBC branches that are fed to the main distribution center in Pasay City. Top management uses an Intranet web-enabled business intelligence tool that allows them to view real-time changes in sales, trends, and customer behavior for effective marketing strategies and business decisions.

It has also implemented a track-and-trace system to monitor the daily status of all its shipments. The system is currently available for LBC personnel and Customer Hotline but would soon be operational for LBC customers via SMS and the Internet.

Aside from tracking shipments, LBC has also implemented an incident report monitoring system wherein branches can report any technical problem – whether hardware or software-related – to LBC's technical personnel.

To provide up-to-the-minute information for its customers, Cajigal added that the company aims to have one synchronized, integrated database, connecting all the databases from LBC's domestic and overseas branches.

As part of its financial services, LBC will soon unveil a remittance system wherein

the LBC customer can remit their money over the counter at any LBC Branch within five to ten minutes, instead of the usual 24-hour wait on a door-to-door delivery. This system was developed in partnership with Fujitsu Philippines.

Cajigal added that LBC has established a very good rapport with FPI. "The staff has the capability and capacity to provide us the service and we are banking on the experience of FPI."

"Providing effective service, maintaining a very economical or cost-effective way of operating the business, and finding ways and means to increase business profits are major challenges for LBC



"Technology has become mature, in terms of capacity and service. The business should drive the technology, not the other way around," said Eduardo B. Cajigal, LBC IT Director.

when implementing ICT projects."

Multi-service company

Cajigal stressed that as part of LBC's vision in the medium term of making the world a smaller place for Filipino families, the company is looking at becoming one of the leading ICT companies in the Philippines through its subsidiary, W-Network, Inc., within the next 10 years.

"LBC, as the premier Access and Delivery Company, always aims to provide better service for our customers. We want to become not only a modern courier company but also a multi-service organization, offering financial services, ICT services, logistics services, digital printing services, and e-commerce, which started with the teamlbc US web site. The company plans to have a web site for each country where LBC has an overseas presence," he said.

For Cajigal, being practical in technology is a sound business decision that counts a lot on continuously transforming LBC as the next-generation multi-service organization. ☺

Airfreight 2100 – Bringing the nation closer together

Iwould like to welcome other companies out there to join us in realizing the connectivity for our country. We can do this with the combined talents of our country's ICT professionals," said Mr. Bert Lina, Chairman of Airfreight 2100, Inc.

This is the vision of Airfreight 2100 that serves as the driving force in the company's effort to use Information and Communications Technology in improving its services and operations. At the same time, this is also the company's way of doing their share in contributing to nation building.

Customer-driven vision

As a customer-driven quality company, Airfreight 2100 is committed to providing time-definite, totally reliable, efficient and innovative pick-up and delivery, and logistics services for international and domestic shipments.

One of the most significant turning points in Airfreight 2100 Inc.'s history was when it officially became the sole licensee of Federal Express Corporation in the Philippines in 1989.

Airfreight 2100 handled 100 percent of all pick-up and delivery for FedEx in the country, and was granted the sole authority to use the FedEx trademark.

With services ranging from door-to-



Thelma Sotto, CEO of E-Konek, is confident that the internal structure and infrastructure of the company are already aligned with Airfreight 2100's vision.

door delivery, to seafreight, trucking, and warehousing of virtually any shape, weight, and size of shipment to a growing coverage of destinations, *AIR 21* is truly the country's total logistics solutions provider.

Globally competitive efforts

Mr. Lina claimed that the company is consistently upgrading its resources and manpower, and developing its manpower's competency and the company's technology.

These are all in line with the company's vision to harness the power of ICT to maximize growth and efficiency in its operations and ultimately bridge the gap

between the government and the private sector, thus helping the government realize the advantage of ICT. Airfreight 2100 is doing its own share of improving government service.

Concretizing the vision

The actual realization and implementation of this ambitious business thrust is in the hands of Ms. Thelma Sotto, OIC of E-Konek Pilipinas.

As OIC of E-Konek, the ICT company of the Lina Group of Companies, Ms. Sotto handles about 30 ICT professionals under her wing. According to Ms. Sotto, the main direction of the Lina Group is to provide technology services to the government, specifically to the export community.



Reuben S.J. Pangan, Vice President of Airfreight 2100, will be President and COO of Dynamic Outsource Solutions, Inc. (DOS-I) to offer outsourcing in domestic and foreign markets.

Ms. Sotto added that most of the projects they are doing now is with the government sector. This is clearly in line with the vision of Airfreight 2100 to link the government to the private sector.

Current Projects

Presently, there are several ongoing projects with various government agencies. With the Bureau of Internal Revenue (BIR), there is the Tax Relief Project, a solution summary of sales receipts and purchases in connection with VAT. Another is the Electronic Registration, which allows the professionals to register with BIR on the web. This is simply an online registration for professionals who do not have the time to process their BIR needs manually.

One of the most important projects of E-Konek is the Portal Network for the export community. This is like a hub (intranet) for the export community where everyone is identified. This ensures the security of the network. In simpler terms, this is a web site that hosts a lot of services. One of which is the vital Automated Export Documentation System (AEDS).

AEDS allows a more efficient and faster export processing. From the tedious half-day processing time, it now only takes 30 minutes to complete everything for



one to get their product. This system is wired with the Philippine Export Zone Authority (PEZA). The implementation with PEZA is intended also to demonstrate the effectiveness of the technology. On hindsight, this is the company's way of convincing the government that with ICT, so much can be accomplished with so little time.

Another feature is the E-Procurement System, which is also an automation of one of the processes in the export trade.

The intranet is now undergoing expansion and the areas covered are General Santos City, Davao, and Cagayan de Oro. Connecting exporters will be done via frame-relay.

E-Konek is also working with Subic Bay Metropolitan Authority (SBMA) with a project called the Trade and Facilitation System. The role of E-Konek is to set-up the system, operate and maintain it for SBMA. This is also in line with vision of helping the government improve its services through technology.

Projects in the Pipeline

According to Mr. Reuben S.J. Pangan, VP of Airfreight2100, the company is looking at offering Business Process Outsourcing for both local and foreign companies.

Another is the Logistics Outsourcing for Warehousing, Inventory Management, Customer Service and Delivery.

Internal Technology

True to its ideals, Airfreight 2100 is not only employing the power of technology for its various projects but internally, the company is using state-of-the-art system to maximize efficiency in its operations.

Ms. Sotto said that they are using SMS/GPRS technology for their Forwarding Distribution business. This is for the



Bert Lina, Airfreight 2100 President, emphasized the importance of harnessing the power of ICT to maximize growth and efficiency.


remote locations where the company operates. Specifically, the SMS will enable Airfreight 2100 to determine the status of the delivery.

In this way, all goods will be monitored properly, thus eliminating the chances of failed or missing deliveries. On the other hand, the GPRS is an ongoing project with Smart Communications and Globe Telecom.

Major Undertaking

One of the major endeavors of Airfreight 2100 is the creation of an Information Data Center. As the technology requirement of the company grows, there is a need to have a reliable data center. Naturally, the first step is to set-up the IDC. There will also be a need to have a back up or mirror site. The target date for the completion is within the year.

This bold and ambitious plan of Airfreight2100 is a proof on how committed the company is in harnessing the wonders of ICT in fulfilling its vision.

Indeed, this is also a concrete step by which the company is slowly metamorphosing from a forwarding company to a Total Logistics Solutions Provider. 

PSBank – Aligning technology to customer needs

Today’s fast-paced lifestyle dictates how people do their business, not just ordinary day-to-day activities but equally important, their banking requirements. This lifestyle makes it imperative to re-orient a bank’s organizational set-up and its culture to meet this consumer need, and in the process, reach out to the ordinary depositors and consumers faster and more efficiently.

As one of the leading thrift banks in the country, Philippine Savings Bank, or PSBank, is conscious of the quality of service it dispenses and refuses to be outdone in the evolving consumer-driven processes in the banking field. It is aggressively aligning its technology plan with its business infrastructure and customer requirements to fulfill its vision of becoming the consumer and retail bank of choice.

Banking Services

The historic Plaza Miranda is where PSBank first opened its doors on September 26, 1960. Dr. Guillermo Picache, the Dolor family, and subsequently, the Metrobank Group led and guided PSBank to the status it holds today: a major player to reckon with in the savings bank industry.

Now with 103 branches in key areas across the country, the Bank offers a wide range of products and services that cater mainly to retail (i.e. small and medium scale) and consumer segments of the market. It plans to expand its branch network by opening 18 more new branches this year in strategic locations.

Aside from the usual array of deposit, trust and investment services, foreign and domestic remittances facility, and investment counseling, the Bank also offers consumer loan products such as the mortgage loans’ PSB Home Rate Protect, auto loans, and salary loans under the PSB Multipurpose Loan and Flexiloan programs. The Bank has likewise stepped up its lending activity to the micro-segments of the economy (small and medium enterprises).

In 2002, PSBank outpaced some of its key competitors and emerged as the second largest savings bank in the country in terms of assets.

Customer focus

Mr. Pascual M. Garcia III, PSBank President, pointed out the Bank’s two target markets. Its principal market is the consumer sector, from 900,000 small to medium-sized enterprises to 12 to 13 million households in the country. This sector represents the majority of the Bank’s clientele. Its secondary target market is the large corporations.



“Technology is extremely critical, this is where the essence of success lies,” said Pascual M. Garcia III, PS Bank President.

“The consumer sector may have smaller requirements compared to corporations, but the sheer volume of transactions required by them argues for the need of the Bank to have a very strong, responsive infrastructure,” Mr. Garcia said.

In a banking industry where products and services are indistinguishable, PSBank strives to improve its services to its customers.

It has harnessed powerful technology applications that are seamlessly integrated to deliver higher levels of productivity, growth, and service differentiation. Mr. Garcia added,

“Technology is extremely critical; this is where the essence of success lies. The



Noli S. Gomez, CFO and VP of PS Bank, claimed that the Bank has several significant projects in the pipeline.

interaction with the customers requires a very strong system to support the delivery of our services.”

Technology Plans

According to Mr. Noli S. Gomez, PSBank’s FVP and Chief Finance Officer, information and communications technology projects are in the pipeline. The first is the implementation of the Collection and Asset Management System (CAMS) where Fujitsu Philippines, Inc. is providing support.

The CAMS was developed to complement the Integrated Loans System, which manages the Bank’s automated credit and loans operations. CAMS is a front-end system and is largely a management

tool that will ensure efficient and reliable collection process.

It will ensure that collectibles on all loan types are tracked in various stages, and in the process, provide the Bank with accurate and real-time information critical to decision making.

Equally important is CAMS’ ability to allow the Collection Division to service customer needs efficiently. The other projects in the pipeline include the following: Intranet-based Credit Rating System, Integrated Financial Accounting System, Internet and Mobile Banking, and enhanced Management Information System.

These projects are geared towards improving customer service and operational efficiency, and will require training and building a knowledge-based skill that is more sales- and service-oriented.

Competitive Edge

Mr. Garcia stressed that the two main challenges confronting PSBank are the organization and technology infrastructure. A responsive, streamlined organization supported by an efficient technology infrastructure will allow even a comparatively small savings bank to compete with the larger commercial banks by its ability to deliver faster and quality service to more customers.

Other institutions are just happy maintaining and keeping their systems operating at current levels without making the effort of fully aligning the business to changing customers’ needs and wants. “That is why we are focusing on rebuilding our organization and infrastructure.

Recent technology developments worldwide show that customers’ expectations on banking services have changed. They want service that is fast and is efficient but does not compromise quality. They want it where they need it, when they need it, not when it’s made available.”

Closing the gap

“Our ICT projects are hinged on managing users’ perceptions and requirements. The success of the Bank is heavily dependent on customers’ involvement. It is not so much as the technology that makes the system great, but the value-added benefits that they derive from it,” President Garcia concluded.

Customers matter most when deciding which system will work best and which one to use. The ability to close the gap between what the customers want and what the Bank can provide is important in a business that thrives on service.