



Garments are shipped through the supply chain hung on hangers. The method makes for easy sorting, thus helping to cut costs by reducing handling charges

## From racks to hangers to shelves

Logistics provider's innovative approach to transporting and storing apparel

fashion retailers' requirements.

Generally, most garments arrive at SnT's facility hung on a rack and transported around the supply chain in that state. While it looks like taking up more space, the method actually allows for more garments to be transported and sorted easily.

"For apparel, everything looks alike but sizing can be different. That is why we use radio-frequency identification (RFID) technology to sort through each variation," says Wong.

He reveals the company has invested over RM4 mil to set up the Subang facility and is currently working towards recouping the investment.

The integrated facilities which are spread out across six locations can process over 1,000 orders a month for customers throughout Malaysia. SnT is able to deliver up to 200,000 items a month to over 300 destinations.

Wong says his team is able to affix over 300,000 price or bar code tags onto garments or other goods a month as part of its value-added services.

### Starting from IT

Wong started SnT back in 2000 as Ship and Track, a software developer that offered logistics tracking over the internet.

Following the dotcom bust just three years into the business, the company switched strategy to become a logistics solution provider with call centre services.

Today, its services go beyond physical delivery or warehousing-related functional services to include logistics business process outsourcing (BPO).

"We knew we did not want to be just another logistics player in the market. We are in the late-logistics provider

category which means we serve as a single-window supply chain manager for our customers' needs."

One of the biggest issues faced by those in the logistics business is missing items, resulting from both inside and outside sources. "Such occurrence can kill our business as customers will lose trust in us if it happens often. As such, security is important at our facilities."

Also, high-value items are shipped in locked cages which are accessible to only a select group of personnel.

As many of its customers' regional hubs are in Singapore, SnT has to ensure all garments reach the intended store before it opens.

"It is our customers' principle to have fresh items every day as they rarely keep a lot of stock at each store. That means our trucks would have

to move at odd hours to meet the demand," says Wong.

Through its eLogistics platform called "HeLP", SnT enables end-to-end integration of the warehousing and delivery services with the customers' existing business processes. The system connects customers with freight forwarders to coordinate worldwide transportation from the UK, Sri Lanka and China in order to ensure smooth delivery of goods from their regional hubs to SnT's warehouse.

Incorporating IT in the physical side of the business came naturally for Wong, who had over 15 years of experience in IT prior to starting the company.

Apart from fashion retailers, SnT's clientele includes companies from the information communication technology (ICT), fast-moving consumer goods (FMCG), consumer electronics, paper, bio-pharma and e-commerce industries.

### e-commerce fuels demand

Wong sees a growing demand from the e-commerce sector whose needs are different from brick-and-mortar fashion retailers. "We deal with smaller delivers [goods] in small quantities or loose items.

"In that instance, our e-commerce customers are able to link up to our system and have full visibility of their inventory at any one time," he explains.

Asked about cost-saving methods, Wong affirms that economies of scale do help to achieve such targets. "We are handling multiple customers using a common platform.

"That said, we must reduce missing, wrong and damaged shipments as a part of increasing customer fulfilment needs."

He adds the logistics outsourcing business has been enjoying an uptrend over the past years and that SnT has been achieving a 15-20% annual growth rate.

Wong and his team are hard at work with their recent bio-integrated logistics hub project worth RM150 mil in Nusajaya, Johor.

Called the WHDistripark, the state-of-the-art hub is a joint venture between SnT and jeweller Datuk Meer Sadik Habib. The facility is expected to spread across 10.4ha.

The Distripark is a purpose-built facility catering to the needs of global companies in the bio-pharma and bio-industries. **FOCUSM**

→ **WHEN** you think about warehouses and logistics, the image of a dark, musty and industrial-looking facility comes to mind.

But not all warehouses are made the same and for SnT Global Sdn Bhd, some of its warehouses are like huge walk-through wardrobes where racks and racks of clothing are stacked atop one another.

Yes, it may look like a fashionista's dream closet but in fact it is a functioning warehousing and logistics facility that caters to the likes of Robinsons, Marks and Spencer, and Anakku.

The garment-on-hanger (GoH) system that occupies SnT's Subang warehouse is a purpose-built facility that spreads over 37,000 sq ft and comes with well-defined custom-built racks for systematic storage of different types of goods, mainly clothes and footwear.

GoH is a relatively new concept in the region but is widely used in Western countries to store garments before shipping. It is believed this method helps cut cost by reducing handling charges. "We started off by providing conventional logistic services to brands. However, all that changed over the years. We noticed the retail apparel business is very competitive.

"Customers are no longer telling us about delivering their goods from point A to B. They want to know how we can help save cost and improve efficiency," explains SnT group CEO David Wong.

Through this facility, SnT provides seamless execution of supply chain services including warehousing, distribution and value-added services such as goods receipt, storage, and pick and pack, designed specifically to meet



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The 37,000 sq ft custom-built hanger system facility is part of SnT's logistics complex

