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Warehousing industry projected to expand this year



A forklift storing frozen food at Iglo's temperature-controlled room in Port Klang.

THE temperature-controlled warehousing and logistics industry is projected to expand between 10% and 15% this year due to increasing health consciousness and higher demand for better quality products and foods.

With the increasing demand for quality in products and delivery services by both consumers and retailers, the industry is expected to undergo tremendous transformation with the integration of innovation and technology, especially in the area of ICT, warehousing management and logistics solutions, and other value-added services.

According to Iglo (M) Sdn Bhd, a subsidiary of public-listed Haisan Resources Bhd, the third-party cold chain logistics sector in Malaysia is worth more than RM1bil annually.

The industries that employ third-party service providers of temperature-controlled warehousing and logistics such as Iglo range from fast food chains and ice cream and dairy products manufacturers to marine products, meat and poultry processors, vegetable and fruit processors, hypermarkets, tobacco and electronic goods producers.

Iglo vice-president Lee Bee Ling said the prospects for the industry to expand further in the coming years would remain bright, especially with the growing need for industry players to continuously keep abreast of the latest innovations and state-of-the-art technology to maintain and sustain their businesses.

Lee said Iglo had an established record and was known for its “no break in cold chain” expertise where customers’ goods are stored and handled at the right temperature throughout the logistics process in order to retain the quality of the goods and to reduce wastage due to spoilage.

“This is all attributable to the strong beliefs of our founders in providing excellent services that combine expertise with innovation and the latest cold chain technology infrastructure to meet customers’ changing needs,” she said.

Iglo is the first cold chain logistics company to obtain *halal* and HACCP certifications in Malaysia.

It has a storage capacity of 18,000 pallets and its factory building occupies an approximate area of 22,000 sq m on a 35,000 sq m plot of land in Port Klang, Selangor.

Commanding a market share of about 20% of the local temperature-controlled warehousing industry, the company and its sister companies that are involved in the temperature-controlled logistics segment in Malaysia registered an annual turnover of about RM27mil last year.

Meanwhile, Ng Teng Yong, vice-president of Xtreme Software Sdn Bhd, Iglo’s sister company which specialises in software engineering, said the incorporation of the latest technology such as IT solutions and radio frequency identification (RFID) technology in warehousing management systems would provide greater accuracy and transparency in reporting.

“Being an industry pioneer since 1998, we have consistently updated our expertise and are now able to offer advisory and management services to those who are keen to develop their cold chain management operations and infrastructure,” said Ng.

Iglo will be among the 200 exhibitors at the inaugural Asean Logistics and Transport Show 2013 (ALTS 2013).

The company will be showcasing its temperature-controlled logistics expertise and know-how while establishing networks and looking for potential partners for the building and setting up of cold rooms.

The three-day event is organised by Fairs & Events Management Sdn Bhd (FEMSB) and will be held at the Malaysia International Exhibition & Convention Centre (MINES) from Sept 25 to 27.

The show is endorsed by the Transport Ministry, European Union-Malaysia Chamber of Commerce & Industry (EUMCCI), Higher Education Ministry, Sirim, Asia Logistics Council and several other leading trade and industry organisations.