Internship Report
On
Freight Forwarding Business of UTi Pership Pvt. Ltd.
(Focused on only Air Export)

BRAC UNIVERSITY
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Freight Forwarding Business of UTi Pership Pvt. Ltd.
(Focused on only Air Export)

Submitted To:
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LETTER OF TRANSMITTAL

DEC 14, 2015

Mr. Suntu Kumar Ghosh
Assistant Professor
BRAC Business School
BRAC UNIVERSITY

Subject: Submission of Internship report.

Dear Sir,

I am pleased to submit the report titled “Freight Forwarding Business of UTi Pership Pvt. Ltd. focused on only Air Export” to fulfill the partial requirement of MBA Program.

Despite of many limitations, I have tried my best to prepare a sound report with necessary information. As of your suggestions guidance, I have closely studied the issues concerned.

Hope you will find the study interesting, informative and enlightening. I will be glad to deliver you with further explanations and clarifications that you may feel necessary in this regard.

Thanking You,

Sincerely Yours,

Mohammed Mehedi Hasan
MBA Program
ID # 12264056
BRAC Business School
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ACKNOWLEDGEMENT

I am immensely thankful to the management of UTi Pership for their support, encouragement and motivation. With heartiest gratefulness, I would like to acknowledge a few individuals for their immense support and guidance in the completion of my report. First, I would like to thank Mr. Suntu Kumar Ghosh, my university supervisor for guiding me in planning and composing the report. He was always available to provide me with his supervision and guidance during the entire course.

Then I would like to acknowledge the encouragement and assistance given by a number of people from UTi. Besides, I was well-guided by the in-charge of air freight department, Mr. Liton Rodrigues. His contribution boosted my confidence and helped me to finish my study on time.

This report would not have been possible without the contribution of Mr. Danusha Gunawardena, General Manager, Bangladesh. His supervision and guidance was invaluable in creating this report. Lastly, I want to show my gratefulness to all the employees & respondents who spared their precious time in answering my questions.
Executive Summary

Internship is a partial requirement of post graduation. As a student of Master of business administration analyzing today’s business world is very crucial. It is necessary to go through all fields of knowledge, both theoretical and practical. After completing two years MBA program, I was sent out to have practical knowledge in business life as a part of my academic program. In this report I had tried to focus my both theoretical and practical knowledge regarding freight practices. My internship topic is ‘Freight Forwarding business of UTi Pership’.

Freight Forwarder is a firm specializing in arranging storage and shipping of merchandise on behalf of its shippers. It usually provides a full range of services including: tracking inland transportation, preparation of shipping and export documents, warehousing, booking cargo space, negotiating freight charges, freight consolidation, cargo insurance, and filing of insurance claims. Freight forwarders usually ship under their own bills of lading or air waybills (called house bill of lading or house air waybill) and their agents or associates at the destination (overseas freight forwarders) provide document delivery, deconsolidation, and freight collection services. The International Federation of Freight Forwarders Associations (FIATA) shorthand description of the freight forwarder as the 'Architect of Transport' illustrates the commercial position of the forwarder relative to its client.

Freight forwarding services negotiate the best possible price to move the product along the most economical route by working out various bids and choosing the one that best balances speed, cost and reliability. Freight forwarding service then undertakes the responsibility of arranging the transport from point of origin to destination.

The history of Freight Forwarding is not too old. One of the earliest freight forwarders was Thomas Meadows and Company Limited of London, England, established in 1836. According to "Understanding the Freight Business," written and published by the executive staff of Thomas Meadows and Company in 1972, the advent of reliable rail transport and steamships created demand for the fledgling freight forwarding industry. Trade developed between Europe and North America, creating additional demand. The first international freight forwarders were innkeepers in London who held and re-forwarded the personal effects of their hotel guests.

Forwarder responsibilities include advice on documentation and customs requirements in the country of destination. And the correspondent agent in overseas look after customers' goods and keep informed about matters that would affect movement of goods. In a single transaction, the forwarder may be acting as a carrier (principal) or as an agent for his customer or both.
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1.0 Introduction

Freight forwarding is a company that deals in international import and exports shipments. While it doesn’t physically involve itself in the production of goods, it acts as an intermediary between the client and various transportation services. Very simply, Freight forwarding is a service industry that involves moving goods around the world on behalf of importers and exporters. Freight forwarders specialize in moving cargo. They also arrange customs clearance of goods, and maintain all documentation. It takes the responsibility of sending goods/cargoes from one international destination to another and involves a whole host of carriers, requirements and legalities. A freight forwarding service handles the considerable logistics of this task for the client, relieving what would otherwise be a formidable burden. It takes the liability that products will reach its specific destination by an agreed upon date, and in good condition. It uses different kinds of transportation services such as- air freighters, trucking companies, rail freighters and most importantly ocean liners. Freight forwarding services negotiate the best possible prices for the transfer of goods using the most economical route by working out various bids and choosing the one that best balances speed, cost and reliability.

General services provided by Freight Forwarders include Air & Ocean services, Import & Export, Custom Clearance; Air & Sea freight charters, Storage and warehouse, Distribution and Transportation.

1.2 Origin Of the study

Internship program is a prerequisite for completion of the MBA program. It is an opportunity for the students to know about the practical environment of the real business world. This report is prepared as a mandatory requirement of the internship program under the MBA program of BRAC University. The organization which this report represents is UTiPership Pvt. Ltd. I am a permanent employee of UTi Pership. Therefore I have prepared this report under supervision of my manager and my university supervisor.
1.3 Methodology of the Study:

For achieving the specific objectives of this study information were gathering from both primary and secondary sources.

1.3.1 Primary Source:

- Direct work experience.
- Face to face interviews with the officials.
- Consumer survey using structured questioner.

1.3.2 Secondary Sources:

- Website of UTi Worldwide.
- Different newsletters of UTi.
- Annual Report Of UTi Worldwide.
- Different websites, books, magazines etc.

1.4 Overall Scenario of Freight Forwarding Industry:

Freight forwarding and contract logistics continues to be a growth industry. Though such growth is expected to slow somewhat (from a high of 3 percent over the past five years to about 1.5 percent in the near term), that rate will still likely outpace that of global GDP—a good situation to be in, considering current economic circumstances.

Even so, freight and logistics companies will need to deal with numerous issues in the years ahead. For example, as trade routes become more competitive and as freight rates fall, the industry’s traditional bargaining power with its shippers—volume—will be challenged. One important strategy to counter this challenge is to use balance sheet strength to acquire niche players in important trade routes and geographies, especially in emerging markets.

Another key to growth and profitability will be the ability to analyze customers’ needs and then respond quickly with differentiated and advanced logistics solutions. That will require better IT tools to improve internal process efficiency and to generate analyses that result in deeper understanding of customers’ industries and business processes.

As customers enter new markets, especially in emerging economies, they are demanding much more than traditional transportation and warehousing services from their freight forwarding and contract logistics providers. The ability to offer new, value-added services such as warranty processing, returns management and light manufacturing is now a differentiator, as is providing services such as customs and insurance brokerage, and trade and transportation management.

However, companies in the industry face multiple risks, particularly in light of continued global economic instability. Rising OIL PRICES are a persistent threat. Industrial production slowed
during 2011. Economic challenges in the European Union, political instability and unrest across multiple areas of the globe, and a series of natural disasters have highlighted the often fragile nature of the freight forwarding and logistics business and the industry’s customer environment.

1.5 Freight Forwarding In Bangladesh:

There is noticeably growth in the forwarding industry of Bangladesh. According to one report prepared and published by World Bank’s international trade department, logistics performance index (LPI) of Bangladesh in 2010 accelerated to 2.74 from 2.45 back in 2007. Bangladesh is ranked 79 in LPI rank list of 2010 amongst all countries, previously it was ranked 87th in 2007 (Appendix 2). Bangladesh is a developing country but still it contributes small chunk of international trade volume. Bangladesh’s export volume in 2010 are reported to be $16.20 billion (Bangladesh export promotion bureau), while its imports are $19.76 billion (CIA).

Freight Forwarding and logistics business started in Bangladesh from the late seventies with the momentum of growth in the export sectors particularly the export of readymade garments to USA and European markets and import of capital machineries and industrial raw materials.

1.5.1 Exports:

The growth rate of annual volumes of air and sea exports from Bangladesh during past five years are roughly 10% per annum. In 2013, air export was little over 100,000 tons and about 300,000 TEUs by sea. In case of ocean export, extra capacity is available to meet the increasing demand. In air export, the scheduled carriers have more or less fixed capacity and the increasing demand for space is met through operation of extra sections and freighters by scheduled carriers and chartering of aircrafts by individual freight forwarders during peak seasons. On the other hand during lean periods, regular flights often operate below full load.

1.5.2 Imports:

In addition to exports, as a result of fast growth of industrialization, particularly in Textile & Wearing Apparels and assembly of Electronic goods, great potential lies in meeting the increasing demand for transportation needs of inbound (import into Bangladesh) business.

1.5.3 Major Imports:

1.5.4 Major Exports:

Readymade Garments, Raw Jute and Jute Products, Tea, Frozen Food, Fruits and Vegetables, Frozen Fish and Shrimps, Leather and Leather Products, Chemical Fertilizer, Ceramics, Table wares, Handicrafts.

1.5.5 Major Trading Partners:

USA, UK, EU countries, Japan, China, India, Pakistan, Sri Lanka, Singapore, Hongkong.

1.5.5 Major Ocean Carriers : APL, P&O Nedlloyd, Mearsk Line, Hanjin, Hapag Lloyd, Hyundai, K Line, NYK Line, Mitsui, Yang Ming. Most shipments ex-Chittagong sea port are transported by feeder vessels to mother vessels via Singapore, Colombo and Dubai.

1.5.6 Major freight forwarders in Bangladesh in Air Export

Bangladesh is not a big market but very potential for air. The items that have been exported from Bangladesh is mostly RMG, Medicine, Perishables & Handicraft. According to survey report 71 % respondents said that they are exporting garments. And, the mode of transport is mostly ocean but in case of emergency we got chances to forward with air. That is why the forwarder who has a good number of professionals available in the market with best services is able to grave that opportunity. I did not find any data related to market size that’s why I have drawn market share based upon the survey feedback. According to that Transmarine Logistics is the market leader in Bangladesh for air export. Most of the respondents said that Transmarine Logistics & Expolanka have almost similar operations with a good number of sister concern. That is why their total volume in air freight is high compare to others. UTi is in third position according to survey but we would be in first position if we would have operations like Expolanka or Transmarine.

![Market Share based on Sample data](image-url)
1.5.7 Major Airlines:

National Carrier Biman Bangladesh Airlines, Emirates, Singapore Airlines, Saudi Airlines, British Airways, Thai Airways, Qatar Airways, KLM, Malaysian Airlines, Etihad Airways, Air France, Lufthansa, Turkish Air, Srilankan Air and so on.

1.5.8 Payment methods

The freight charges of shipment are of two types - collect (CC) and prepaid (PP). Collect (CC) is paid at destination port after the goods are safely delivered to their respective end. Prepaid means the final shipper pays freight at load port to a freight forwarder. Once after arrival of cargo at destination, the counterpart office of the said freight forwarder pays freight to main carrier of goods. It totally depends on the inco term or the agreement made between buyer & shipper.
1.5.9 Some important docs & terms in air freight

**Cargo Manifest:** A cargo manifest is a document & used for shipments will generally show the shipment’s cosigner and consignee, as well as listing product details such as number, value, origin and destination.

**Inco terms:** International Commercial Terms. They are a set of rules which define the responsibilities of sellers and buyers for the delivery of goods under sales contracts for domestic and international trade. The payment mode depends on this.

**Cubic Meter:** The cubic meter is the unit of volume in the International System of Units.

**House Air Way Bill:** House airway bill issued by a freight forwarder on receipt of goods from shipper agreeing to deliver goods at destination.

**Master Way Bill:** Master Airway bill is issued by air carrier of goods on receipt of goods after completion of export customs formalities of the country. Shipper obtains airway bill once after handing over cargo to them.

**Commercial Invoice** is prepared by seller based on the purchase order issued by buyer. Normally Commercial invoice is issued at the time of effecting shipment.

**Pro forma Invoice** is nothing but a commitment of sale by seller as binding agreement with buyer with the terms and conditions of sale agreement.

**Consignee** is the buyer of goods.

**Shipper** is the seller of goods.

**Notify Party** is the party or the person who generally be notified on cargo arrival. Notify Party receives the Arrival Notification from the shipping line and take further steps such as arranging customs clearance etc.

The **Chargeable Weight** is the Actual Gross Weight or the Volumetric Weight of the shipment – whichever is the greater. Measure your shipment, then work out Volumetric Weight using the formula:-

\[
\text{Volumetric Weight in kgs} = \frac{(\text{Length} \times \text{Width} \times \text{Height in centimeters})}{6000}
\]

1. Actual Gross Weight = 3 boxes x 15kgs each = total 45kgs
2. Volumetric Weight in kgs = \((48 \times 34 \times 34)\) cm x 3 boxes / 6000 = 27.74kgs
3. 45kgs is greater than 27.74kgs so the Chargeable Weight will be 45kgs
2.0 UTi Worldwide Company History

From its inception in 1926, the history of UTi over the past 85+ years has been about growth created by delivering client value. The company started as a freight forwarder in Germany and grew into a global supply chain provider with 21,000 employees and company-owned offices in 59 countries. UTi now offers complete supply chain services and solutions, including air, ocean, distribution, customs brokerage, and contract logistics, capable of providing demand chain services globally.

In 1993, Union-Transport was acquired by a group led by Roger MacFarlane, Peter Thorrington and Tiger Wessels. Previously, these managers owned WTC Airfreight, which they sold to Pittston, the holding company for Burlington Air Express. MacFarlane and Thorrington served as joint CEOs of Burlington Air Express prior to the acquisition of Union-Transport.

By 1994, Union-Transport would have facilities on six of the world's seven continents, generating revenues of over $300 million annually. Over the next seven years the company grew to $1 billion in annual revenues; launched one of the first truly global end-to-end information systems, eMpower, that provided clients with supply chain control and visibility; won a number of industry excellence awards; and acquired several freight forwarding customs brokerage companies to create a global network of transportation offices. The resulting network covered 98%-plus of the global GNP.

In 2000, the company was listed on NASDAQ under UTIW and changed its name to UTi Worldwide, Inc. Since that time, revenues have grown to approximately $5 billion annually through a combination of innovative client solutions that deliver quantified value, end-to-end visibility and control down to the SKU level, and the addition of supply chain capabilities in transportation management contract logistics and distribution.

**UTi in Bangladesh**: UTi signed an agreement with Pership in 2003 under joint venture & started business in Bangladesh. Pership is one of the leading providers of freight solutions in Sri Lanka. They started business in Bangladesh as Pership Logistics in 1997. And, after signing an agreement with UTi they become UTiPership Pvt. Ltd.

2.1 Company Overview

UTi is an industry-leading, non-asset-based supply chain management company that delivers competitive advantage to our clients' supply chains. With innovative, integrated solutions configured to your specific requirements within any major vertical market, we can design, manage and service your supply chain efficiently and cost-effectively. UTi's global footprint of
310 offices and 230 logistics centers in 59 countries enables us to develop and implement client-centric, global solutions with primary services that include:

- Air and ocean freight forwarding
- Contract logistics
- Distribution
- Customs brokerage
- Managed transportation services
- Supply chain analysis and consulting

### 2.2 Corporate Social Responsibility: A UTi Commitment

UTi is committed to Corporate Social Responsibility (CSR) and firmly believes that there are three main areas that help us to achieve our goal with ensuring that we leave the planet a better place for future generations.

Our efforts are focused on these specific areas:

1. **People** - community involvement through our Delivering Better Lives charitable organization
2. **Planet** - environmental action through our UTi think green initiatives
3. **Strategy** - growth through strong client relationships that deliver value to our shareholders

The merger of these three activities forms the basis for UTi’s Corporate Social Responsibility program.

### 2.3 Employees

A breakdown of our employees by major country as of January 31, 2015 is as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>No. of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>6,837</td>
</tr>
<tr>
<td>United States</td>
<td>4,962</td>
</tr>
<tr>
<td>Israel</td>
<td>912</td>
</tr>
<tr>
<td>China</td>
<td>623</td>
</tr>
<tr>
<td>Spain</td>
<td>453</td>
</tr>
<tr>
<td>Germany</td>
<td>457</td>
</tr>
<tr>
<td>All Others</td>
<td>7,062</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21,306</strong></td>
</tr>
</tbody>
</table>
2.4A Wonderful feeling:

UTi and Delivering Better Lives (DBL) recently build a new school in Shadupur, Mymingsing. The communities in Shadupara emigrated from Mongolia centuries ago but have never been accepted into the larger society and receive little government support. Children were schooled by a local church in a rundown building unsuitable for education. A new school building recently was constructed by UTi charitable foundation, Delivering Better Lives, and the UTi Bangladesh. Their previous school was in disrepair and dangerous for the children.

Previously classes were held in rundown old buildings where it is absolutely impossible to provide an adequate and a good education. It is such a wonderful feeling to be able to give these friendly, humble people a chance to improve themselves and their community. The smile on their faces when they saw the new school was very rewarding for us. UTi feels proud to be a part of this wonderful work and I am proud to be the part of UTi family.
3.0 Services we offer (Focused on only Air Export)

At UTi, we look to optimize your supply chain first and foremost. We work with our teams around the world to develop planning and implementation methods that will deliver the quality you need at the cost you require. We utilize our extensive network of transportation carriers and modes to manage and streamline your goods through each step in the process, including customs, documentation, and compliance. If UTi manages your freight, you will be better positioned to manage your supply chain through reduced cost, improved and consistent service levels, and appropriate and predictable speed of delivery.

UTi optimizes the freight management process, delivering an efficient flow of goods from origin to destination.

3.1 Air freight services anywhere, any time, on time

With more than 85 years of experience as a global forwarder, UTi’s airfreight solutions offer you the flexibility to meet a variety of transit time requirements from "yesterday to next week" while allowing you to manage your transportation costs effectively. Through our extensive network around the world you have access to all your markets through a single source--UTi.

Our Preferred Carriers Program leverages our strategic partnerships with airlines to provide access to whatever capacity you need at rates you can afford and transit times that meet your shipment requirements.

UTi's dedicated team ensures your freight is handled with the utmost security while complying with all customs and regulatory provisions.

We have the resources and experience to plan and execute the right air transportation solution for you every time.

As long as it fits in a plane, we can handle your shipment.
Our air freight services include:

- UTi Air NFO
- UTi Air Express
- UTi Air Standard
- UTi Air Economy
- UTi Air Charter
- UTi Sea-Air
- Value-Added Services

3.1.1 UTi Air NFO (Next Flight Out) for the fastest delivery of your unplanned shipments

When tomorrow isn't fast enough, use our Air NFO, Next Flight Out, service for your emergency shipments. We will make sure they reach their destination with the shortest possible transit time. Our service includes shipment pickup and delivery direct to your consignee’s door. We also can provide hand carry services for emergency shipments requiring special handling.

You can follow your shipment’s status with our online track and trace system, eMpower, allowing you end-to-end visibility on your in-transit goods.
We also provide a large suite of customs brokerages services to ensure your goods get to destination smoothly and in compliance with all regulatory standards.

3.1.2 UTi Air Express for fast, scheduled delivery

When you know you need fast delivery for your critical shipments, use our Air Express service. You’ll receive reliable delivery within a defined schedule, based on origin and destination.

UTi Air Express uses the most direct routing to destination and typically provides a 1 to 3 days transit time Airport to Airport. You can choose following service levels –

- Airport to Airport (ATA),
- Door to Door (DTD),
- Airport to Door (ATD) or
- Door to Airport (DTA) delivery options.

3.1.3 UTi Air Standard for less urgent, but still time-sensitive shipments

When your shipment needs to get there soon, but can wait for consolidation, use our Air Standard service. You’ll receive reliable delivery within a defined schedule, based on origin and destination.

UTi Air Standard offers typically a 3 to 5 days transit time Airport to Airport.

You can choose Airport to Airport (ATA), Door to Door (DTD), Airport to Door (ATD) or Door to Airport (DTA) delivery options.

3.1.4 UTi Air Economy for more flexible transit times at lower cost

When clients need airfreight, but they can handle more flexible delivery schedules, we usually offer our Air Economy service. So that client receives reliable delivery at reduced cost.

UTi Air Economy offers typically a 5 to 7 days transit time Airport to Airport.

And, customers can choose Airport to Airport (ATA), Door to Door (DTD), Airport to Door (ATD) or Door to Airport (DTA) delivery options.
3.1.5 UTi Air Charter when you require a dedicated lift

When you need dedicated freighter capacity for out-of-gauge, project or emergency shipments, use our Air Charter service. We work with you to create a specific solution for each of your charter requirements.

Our dedicated 24/7/365 service desk will deal with all your charter needs within a 30-minute response time to your request.

You will benefit from our preferential global access to charter capacity at competitive rates through our global buying network. We also provide global insurance coverage.

3.1.6 UTi Sea-Air balances the need for speed with the economy of ocean

UTi’s Sea-Air service is an effective trade-off between the speed of air transport and the economic benefits of ocean transport.

You can choose Airport to Airport (ATA), Door to Door (DTD), Airport to Door (ATD) or Door to Airport (DTA) delivery options.

3.2 Value-Added Services

Let UTi complement your air solution with our value-added services.

Let UTi manage the special handling needs of your freight. Some of our specialized services for airfreight include:

- Dangerous goods
- Perishables
- Cold chain
- Garment-on-hanger
- Project cargo
3.3 Services that become solutions

3.3.1 Distribution:

UTi is a single-source distribution provider that delivers ground freight solutions covering all facets of the shipping and distribution process. We create value for clients by providing full transportation and network optimization management services. Combining these resources with logistics expertise and experience to provide efficient fleet management services drives measurable results to your bottom line.

Our objective is to provide shippers with the right ground freight solutions to meet their diverse supply chain requirements. You will benefit from the flexibility of our network as we take care of each and every one of your needs.

UTi offers full shipment level visibility throughout the entire supply chain. Our service ensures that you know where your shipments are every step from origin to destination. We offer:

- Mode and carrier selection
- Shipment Optimization
- Order consolidation
- Track and trace
- Inbound materials management & coordination
- Expertise at securing carrier capacity

3.3.2 Customs Brokerage: how we keep freight moving

UTi draws upon decades of global experience and expertise to manage the complexities of international trade and regulatory compliance. We perform more than one million customs clearance and brokerage transactions each year. With our assistance, anyone can now cross borders seamlessly by utilizing our customs clearance services, import and export security filings and compliance management. Whether you’re importing or exporting, UTi is there to provide you with a wide range of trade services to keep your freight moving forward.
UTi can help with a wide range of expanded trade services to comply with any requirement.

3.3.3 Customs clearances / In-transit declarations

Whether your goods need to clear customs or move in bond, UTi's team of customs clearance and brokerage professionals can prepare and submit your Customs entry or declaration quickly and accurately, ensuring full compliance with all local regulations. Our electronic filing solutions provide efficiency and consistency, moving your freight on to destination. Anywhere, any time, on time.

3.3.4 Export compliance / Export clearances

Export restrictions and regulations can change rapidly in the global marketplace. UTi's team of Export professionals monitor these changes closely, and ensure that your export shipments are in full compliance with any necessary commodity license controls, security filings, and restricted party screening requirements.

3.3.5 Import compliance

Import Compliance is more important than ever before. UTi's team of Import professionals are trained to identify regulations from all government agencies, ministries or bureaus that may apply to the commodity you are importing. We can assist you in obtaining any necessary permits certificates or licenses to keep your freight moving forward.
3.3.6 Post-entry

Sometimes, changes to your Customs entry or declaration are required after the clearance process. UTi’s team of Post Entry specialists can assist you with the preparation and submission of any necessary post entry corrections to ensure accuracy and compliance.

3.3.7 Duty drawback / Reclaim

Around the world, a large percentage of eligible duty drawback and duty reclamation claims are never filed. UTi’s team of Duty Drawback Professionals can help you determine if your goods qualify for a duty refund program, and assist you with the recovery of these funds.

3.4 Consulting

We realize that companies do not always have the time, resources and experience to navigate through the maze of customs brokerage and compliance matters on their own. UTi offers customs consulting services and training seminars that can help you.

3.5 Contract Logistics:

UTi can effectively store, configure and deliver your products while maintaining the visibility and inventory management you require to effectively manage your business. Whether delivering goods globally or managing complex inbound supply chains, our transportation and inventory optimization tools reduce your network costs and improve product availability. UTi provides professional contract logistics services for supply chains that extend beyond the standard receiving, storing and shipping of products. Our value-added services add efficiencies and cost savings, meaning direct value to your supply chain.

3.6 Added value with world-class IT systems

Within UTi, we utilize world-class IT systems tightly integrated to optimize our clients‘ supply chains, build competitive advantage and drive profitable growth. These IT solutions provide a number of key services that are proven to enhance our clients’ business, such as:

- Track and trace portals.
- Warehouse management systems with inbound to plant and outbound to market capabilities.
- Optimization tools including route, container, and inventory.
- Transport management systems and yard management systems.
- Business intelligence reporting and much more.
In addition, we possess sophisticated integration technologies that allow our systems to integrate with each other and with our clients' systems to provide a seamless flow of information to assist them in making critical decisions fast.

UTi's highly skilled global IT workforce has vast experience in deploying our IT solutions around the world in a consistent manner, allowing us to provide predictable service levels to our clients.

3.7 Dedicated Warehousing

Our dedicated warehousing solutions provide you with a flexible facility layout and design to meet the changing needs of your business. A dedicated facility provides the labor and equipment required to manage day-to-day operations, but also something more: a competitive advantage.

3.8 Delivering competitive advantage through supply chain solutions

Today's global marketplace has never been more challenging for companies operating internationally. To help you compete, we develop optimized supply chain integrated solutions that directly contribute to bottom-line results by providing reliability, responsiveness and agility within your organization. UTi has the expertise to optimize your supply chain with tools that can help strengthen supplier relationships, reduce costs, balance inventory, improve customer service, and mitigate risk, thus delivering sustainable competitive advantage wherever you operate worldwide.

3.9 Managing a shipments from P.O. to final delivery

In today's competitive global marketplace, companies can't waste time sourcing suppliers or waiting for information on the status of their shipment orders. You need all your information at the tip of your fingers throughout the entire supply chain, and UTi offers you this capability through our order management supply chain solutions.

Our Order Routing and Vendor Management Services allow you to heighten connectivity with your supplier, ensure compliance and manage your orders without the investment in resources or expensive technology. With our order management supply chain solutions, we provide multiple channels for you to track your orders, not only by P.O. number, but by SKU, product attribute, part number, consignee number, container number, warehouse number or any reference number you choose. This means you'll have increased flexibility to track orders in your extended supply chain before they're completed and shipped. You can follow the progress of the components from any number of vendors to your manufacturing facilities, your distribution warehouses and on to final delivery.
Because our order management services are outsourced integrated solutions that tie together customers, vendors & UTi transportation services, they provide Order Routing, Vendor Management and Order Visibility platforms to manage global sourcing and logistics at a local level. You use our global infrastructure and personnel to source information across geographies and vendors, reducing the need to place resources in each locale.

3.10 Inventory Management Solutions (IMS)

UTi's warehouse inventory management solutions create tangible value for our clients by managing the inbound flow of inventory from multiple suppliers and holding that inventory until it is needed. UTi is involved in supplier management and order processing and can hold our clients' inventory for them, making it immediately available only when they actually need it. At that point, our clients pay on consumption. Clients leveraging this solution are averaging 10-30% in savings.

3.11 Technology Solution - uTrac

With UTi's shipment tracking technology, a client has the advantage of knowing where your shipments are at anytime, anywhere in the world. Through six different search functions — by waybill or bill of lading, purchase order number, client reference number, SKU, product or part number — you can choose to see the status and history of all your shipments in real time, from booking to proof of delivery and the multi-modal history on one screen.

Our web-based shipment tracking technology makes it easy to navigate in and out of all tracking screens and tracking information can be exported to several formats, including MS Excel, email, faxes or flat files.

4.0 Why UTi?

UTi delivers value by reducing costs, complexity, and working capital. UTi's clients enjoy reduced material costs, transaction costs, and inventory levels. UTi consolidates the supplier base, improves service levels, and reduces administration. Finally, our clients pay for their goods when they consume them, freeing up important working capital, and reducing their cash to cash cycle.
5.0 List of Major Customers of UTi Pership:

Mainly our clients are garments based but many people are included in this sector like international buyer, local buyer, agent etc. Some clients list which we are regularly handling in air freight is as follows:

5.1 Major Global Customers:

<table>
<thead>
<tr>
<th>Global Buyer</th>
<th>Destination Country</th>
<th>Global Buyer</th>
<th>Destination Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levi's</td>
<td>United Kindom</td>
<td>Koton</td>
<td>Turkey</td>
</tr>
<tr>
<td></td>
<td>United States</td>
<td></td>
<td>Dubai</td>
</tr>
<tr>
<td></td>
<td>Belgium</td>
<td>The Cotton Group</td>
<td>Belgium</td>
</tr>
<tr>
<td></td>
<td>Czech Republic</td>
<td>Vegotex</td>
<td>Belgium</td>
</tr>
<tr>
<td></td>
<td>China</td>
<td>OBS</td>
<td>Itali</td>
</tr>
<tr>
<td></td>
<td>Turkey</td>
<td>Puma</td>
<td>Itali</td>
</tr>
<tr>
<td>VF Asia</td>
<td>United Kindom</td>
<td>GAP</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>United States</td>
<td></td>
<td>China</td>
</tr>
<tr>
<td></td>
<td>Belgium</td>
<td>JC Penny</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>Czech Republic</td>
<td>Addidas</td>
<td>China</td>
</tr>
<tr>
<td></td>
<td>China</td>
<td>Best &amp; Less</td>
<td>Belgium</td>
</tr>
<tr>
<td></td>
<td>Turkey</td>
<td>Brandbase</td>
<td>UK</td>
</tr>
<tr>
<td></td>
<td>Thiland</td>
<td>Kohls</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>Netherland</td>
<td>Kwintet</td>
<td>Czech Republic</td>
</tr>
<tr>
<td></td>
<td>Hong Kong</td>
<td></td>
<td>Ecuador</td>
</tr>
<tr>
<td></td>
<td>India</td>
<td></td>
<td>Africa</td>
</tr>
<tr>
<td></td>
<td>Malaysia</td>
<td></td>
<td>China</td>
</tr>
<tr>
<td></td>
<td>Japan</td>
<td></td>
<td>Combodia</td>
</tr>
<tr>
<td></td>
<td>Mexico</td>
<td></td>
<td>Hongkong</td>
</tr>
<tr>
<td></td>
<td>Canada</td>
<td></td>
<td>Vietnam</td>
</tr>
<tr>
<td></td>
<td>Taiwan</td>
<td></td>
<td>Slovenia</td>
</tr>
<tr>
<td></td>
<td>Pepkor UK</td>
<td>United Kingdom</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Macleod</td>
<td>Australia</td>
<td>Brazil</td>
</tr>
<tr>
<td></td>
<td>Scott Sports</td>
<td>Belgium</td>
<td>Canada</td>
</tr>
<tr>
<td></td>
<td>Comdipunt S.A</td>
<td>Spain</td>
<td>Colombia</td>
</tr>
<tr>
<td></td>
<td>Rainbowdays</td>
<td>Hong Kong</td>
<td>Srilanka</td>
</tr>
<tr>
<td></td>
<td>Smartware</td>
<td>Belgium</td>
<td>Thailand</td>
</tr>
<tr>
<td></td>
<td>Stanley &amp; Stella</td>
<td>Belgium</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>Teidem</td>
<td>Netherland</td>
<td>New yorker</td>
</tr>
<tr>
<td></td>
<td>Vlerick Kids</td>
<td>Belgium</td>
<td>Brandand</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>UK</td>
</tr>
</tbody>
</table>

Table : Major Global Customers
## 5.2 Major Local Customers:

<table>
<thead>
<tr>
<th>Local Customers</th>
<th>Location</th>
<th>Local Customers</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Titas Sportswear Ind. Ltd.</td>
<td>CEPZ</td>
<td>Apex Textile</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Karnaphuli Sportswear Ind. Ltd.</td>
<td>CEPZ</td>
<td>Aswad Composite</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Bangladesh Pou Hung Ind. Ltd.</td>
<td>CEPZ</td>
<td>Balaka Stitch</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Arabi Fashion</td>
<td>Dhaka</td>
<td>Base Textile</td>
<td>Dhaka</td>
</tr>
<tr>
<td>BD Spinners &amp; Knitters</td>
<td>CEPZ</td>
<td>Bonded Fashion</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Dhakareya</td>
<td>DEPZ</td>
<td>Earl Fashion</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Envoy Fashion</td>
<td>Dhaka</td>
<td>Exotic Knit</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Epic Garments</td>
<td>Dhaka</td>
<td>Gemtex Ltd</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Evince Garments</td>
<td>Dhaka</td>
<td>Life Style</td>
<td>Dhaka</td>
</tr>
<tr>
<td>GH Haewae</td>
<td>CEPZ</td>
<td>Lumbini Ltd</td>
<td>Bandorban</td>
</tr>
<tr>
<td>Kenpark Bangladesh</td>
<td>CEPZ</td>
<td>Mars Stitch</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Karnaphuli Shoes Ind</td>
<td>CEPZ</td>
<td>Oishi Fashion</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Medlar Apparels</td>
<td>Dhaka</td>
<td>Peak Apparels</td>
<td>Dhaka</td>
</tr>
<tr>
<td>OpexInd Ltd</td>
<td>Dhaka</td>
<td>PN Composite</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Nassa App Ltd</td>
<td>Dhaka</td>
<td>Zaara Composite</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Newage Apparels</td>
<td>Dhaka</td>
<td>Trouser Line</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Park Bangladesh</td>
<td>Dhaka</td>
<td>Harry Fashion</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Radisson Apparels</td>
<td>Dhaka</td>
<td>Centex Textile</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Smart Jacket Ltd</td>
<td>Dhaka</td>
<td>Green World Fashion</td>
<td>Dhaka</td>
</tr>
<tr>
<td>SQUARE Fashion</td>
<td>Dhaka</td>
<td>Midasias Fashion</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Valiant Fashion</td>
<td>Dhaka</td>
<td>KLD Design</td>
<td>Dhaka</td>
</tr>
<tr>
<td>BayfootwearInd Ltd</td>
<td>Dhaka</td>
<td>Shinest Apparels</td>
<td>Dhaka</td>
</tr>
<tr>
<td>XIN Chang Shoes</td>
<td>Dhaka</td>
<td>JP Garments</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Cosmopolitan Ind Ltd</td>
<td>Dhaka</td>
<td>United Apparels</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Pearl Garments</td>
<td>Dhaka</td>
<td>Barnali Textile</td>
<td>Dhaka</td>
</tr>
<tr>
<td>LalmailInd Ltd</td>
<td>CEPZ</td>
<td>CIDA Tex Apparels</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Sinha Ind</td>
<td>Dhaka</td>
<td>Aplus Industries</td>
<td>Dhaka</td>
</tr>
<tr>
<td>MBM Garments</td>
<td>Dhaka</td>
<td>Fashion Meet</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Denimach Ltd</td>
<td>Dhaka</td>
<td>FGS Knitwear</td>
<td>Dhaka</td>
</tr>
<tr>
<td>Hameem Group</td>
<td>Dhaka</td>
<td>Sonali Aansh</td>
<td>Dhaka</td>
</tr>
</tbody>
</table>

Table: Major Local Suppliers
6.0 Job Responsibilities:

6.1 The way we work:

We provide airfreight forwarding services in two principal forms (i) as an indirect carrier and occasionally (ii) as an authorized agent for airlines. When we act as an indirect carrier with respect to shipments of freight, we typically issue a House Airway Bill (HAWB) upon instruction from our client (the shipper). The HAWB serves as the contract of carriage between us and the shipper. When we tender freight to the airline (the direct carrier), we receive a Master Airway Bill. The Master Airway Bill serves as the contract of carriage between us and the air carrier. Because we provide services across a broad range of clients on commonly traveled trade lanes, when we act as an indirect carrier we typically consolidate individual shipments into larger shipments, optimizing weight and volume combinations for lower-cost shipments on a consolidated basis. We typically act as an indirect carrier with respect to shipments tendered to the company by our clients; however, in certain circumstances, we occasionally act as an authorized agent for airlines. In such circumstances, we are not an indirect carrier and do not issue a HAWB, but rather we arrange for the transportation of individual shipments directly with the airline. In these instances, as compensation for arrangement for these shipments, the carriers pay us a management fee.

6.2 Typical work activities:

- **Receive shipment order from vendor:**
  We generally receive booking from vendor 3 or 4 days prior to cargo received date (CRD) with following information.
  - Shipment ID
  - PO number
  - Style number
  - Quantity in pieces or pairs
  - Number of carton
  - Volume in CBM
  - Gross weight in KGS
  - Cargo Ready Date
  - Ship Term
  - Brands
  - Type of goods
  - Consignee
  - Notify Party
  - Shipper

  ![Commercial Invoice]

  Pls confirm the booking & provide the dummy AWBL at your earliest.

---

From: Md. Jamal <Md_Jamal@Kenpark-Bangladesh.com>
To: Hasans, Mehedi
Cc: Alfred, Joaquin, Rodrigues, Lisa
Subject: New Booking for Air Shipment of VF Ex-Fly Date - 05th December 2015: Ex:2030, 2031, K114585

Dear Mehedi,

Pls find herewith the attached file of Commercial Invoice for new Air Booking.

<table>
<thead>
<tr>
<th>Commercial Invoice#</th>
<th>Destination</th>
<th>Freight Terms</th>
<th>Ex-Fly Date</th>
<th>NGC</th>
</tr>
</thead>
<tbody>
<tr>
<td>KBP/LVF/E-15/2030</td>
<td>UK</td>
<td>Collect</td>
<td>03-12-2015</td>
<td>5010605380</td>
</tr>
<tr>
<td>KBP/LVF/E-15/2031</td>
<td>UK</td>
<td>Collect</td>
<td>03-12-2015</td>
<td>5010605382</td>
</tr>
<tr>
<td>KBAP/LVF/EX-15/4583</td>
<td>CZ</td>
<td>Collect</td>
<td>05-12-2015</td>
<td>5010605386</td>
</tr>
</tbody>
</table>

Pls confirm the booking & provide the dummy AWBL at your earliest.
• **Quoting ship rate:** After having a shipping order from vendor we quote them a rate based upon the following factors - nature of goods, payment term, weight, route & the service they want to avail. The rate is always offered per kilogram.

• **Obtain shipping approval** from buyer directly or with the help of our destination office or agent. We release the approval to shipper on the same business day after receiving the request & then vendor delivers the cargo to us as per approved CRD. If the shipment term is prepaid we do not need approval.

• **Goods receipt & verify:** Upon receipt or pickup of cargo from vendors, we immediately verify the number cartons against packing list, availability of tags on each carton detailing the PO number & ensure the cartons are in good condition.

• **Measurement & Weight of the shipment:** We measure the cartons & take weight of each & ensure there is no more than 10% of deviation from the indicated Gross Weight and no more than 3% of deviation on Chargeable Weight indicated on the packing list. Any discrepancies e.g. wet, damage, shortfall...etc if found are being highlighted to vendor for verification and then vendor so that vendor can revise all their comer papers to ensure a smooth delivery into destination.

• **Documents check:** Collect documents from vendor before shipment and perform document checking to ensure all relevant documents are in place and verify quantity and carton information on shipment documents. Any discrepancies found to be notified to responsible parties for verification.

  **Document Check List:**
  - Commercial Invoice
  - Inventory Shipment Documents
  - Packing List
  - Textile Declaration (If required)
  - Certificate of Origin
  - Wood declaration (if required)
  - TC Invoice
  - DG declaration certificate (in case of DG goods)
  - Test Report (if required)
  - Customs Documents
  - Export permission
  - Other certificates such as Certificate of Eligibility QIZ program, or Certificate of conformity(if required).
- **Investigating and planning the most appropriate route** for a shipment, taking account of the perishable or hazardous nature of the goods, cost, transit time and security.
- Negotiating contracts, transportation and handling costs with related parties.
- Offering consolidation services by air, sea and road, ensuring cost-effective and secure solutions to small shippers who have insufficient cargo to require their own dedicated units.
- **Preparing billing invoices** for the parties we are working for based upon the approved payment term.
- **Compiling air waybills**: A House Air Waybill (HAWB) is an important document in export process. We issue HAWB as the receipt of goods and an evidence of the contract of carriage with full details of a shipment which generally contains PO number, Sales Contact number, EXP number, Commercial invoice number, Style number, Carton & Quantity, Description of goods, Freight term, CMB, Gross & Chargeable Weight, HTS code, Issuing date, Flight number & date, Master Way Bill number (MAWB) and so on.
- **Tracing and expediting shipments**: Monitoring the movement & keep on updated the status to client till it arrives into destination & updated systems accordingly.
- **Ensures compliance**: Some shipments are there like Levi’s, GAP, Adidas, VF for those we have to follow their own Specific Operating Procedure (SOP) in every step. For others we always follow our own operating standards.
- **Make A shipment visible to its client**: As per UTi policy & the agreement with our clients every shipment should be visible to its ultimate customers. UTi has a global, multi-modal shipment tracking system which is named uTrac. Whatever we update into uTrac it will automatically reflect in eMpower. Anyone can see the status of a shipment through eMpower by searching with PO number or UTi air way bill number.
- Oversees interface with Customer Service, Product, and Global Service Centers, if required.
- Collecting payment of freight and other charges.
- Utilizing internet technology and satellite systems to enable real-time tracking of goods;
- Dealing with special arrangements for transporting delicate cargoes as per client’s requirement.
• **Send Shipment Advice or Pre-Alert:** We are responsible to send a pre-alert for every shipment to the client which is going to leave Bangladesh.

• Maintaining communication and control through all phases of the journey, including the production of management reports.

• Taking corrective actions in case of deviations from customer requirements.

• Ensure reliable delivery within a defined schedule.

• Exceptions management, claim handling, immediate decision making align with the Customer SOP.

• Maintaining current knowledge of relevant legislation, political situations and other factors that could affect the movement of freight.

Some Issues or Problems:

Listed are some of the types of issues/problems I noticed my department faced in the normal course of operations:

• Schedule/allocation changes: Huge back log in the airport in peak time or sudden technical problem appears in aircraft causing delays in corresponding arrivals and bookings.

• Sometimes we had to work with claims on damages to containers and to cargo. Personnel must fill out a claims form and after the process of investigation, determine who is responsible and liable for damages and for repair costs. The following questions are raised to aid the inquiry.

1) What, when, where, and under whose custody did the damages occur?

2) What are the financial costs and which insurance coverage is available?

Additionally, all relevant documentation and data reports are examined to further assess liability.

• Maintenance & Repair: If cartons get damaged during movement, it may be repaired.
7.0 Data analysis and Interpretation:

The data has been collected with the help of questionnaire. And it has been analyzed and interpreted with the help of tables along with relevant descriptions. Appropriate treatment has been done to the raw data and logical conclusions are drawn based on the findings.

7.1 Acceptance of UTi: The respondents have been asked on how do they know about UTi and the answer was Buyer. So the data says that we have an acceptance to our customers, they have faith on us, on our services that is why they are suggesting their suppliers to forward their goods with UTi. 70 % respondents said they are being advised by buyer to use UTi. And, with answering question number 12 respondents said they will definitely recommend UTi to others.

![Acceptance of UTi to clients](image)

7.2 Customer Retention rate with UTi:

<table>
<thead>
<tr>
<th>Time</th>
<th>No. of respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one month</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>1 to 6 months</td>
<td>2</td>
<td>4%</td>
</tr>
<tr>
<td>6 months to a year</td>
<td>9</td>
<td>18%</td>
</tr>
<tr>
<td>1 to 3 years</td>
<td>14</td>
<td>28%</td>
</tr>
<tr>
<td>Over 3 years</td>
<td>24</td>
<td>48%</td>
</tr>
</tbody>
</table>
Inferences: With a view to find the retention rate it has been found that people do not want to change the brand within a short time. Around 48% respondents said they have been maintaining relationship with UTi more than 3 years. The data reveals that retention customer rate is very high with UTi.

7.3 Factors that influences customer:

<table>
<thead>
<tr>
<th>Factors</th>
<th>No. of respondents</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability (delivering on promises)</td>
<td>18</td>
<td>36</td>
</tr>
<tr>
<td>Responsiveness (willingness to serve)</td>
<td>25</td>
<td>50</td>
</tr>
<tr>
<td>Assurance (trustworthiness)</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Empathy (How sensitive UTi is to your need)</td>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>
Inferences: The data reveals that responsiveness to customers demand or willingness to serve is the key factor for the UTi to attract customers. 50% people said that we are very responsive to their needs.

7.4 Service Quality:

![Service Quality Graph]

Inferences: The data reveals that the services we are providing is good enough for customers. 48% respondents said that UTi is a good service provider, whereas only 14% said UTi is poor at service quality. And, from another asking (Question # 07) it has been found that UTi responses within 10 minutes in general for a single query. I have asked customers on another service which is Tracking & Tracing Capabilities (Question # 10) & the answer was very positive. Around 58% people said our tracking system is very good & user friendly. And, finally customers responded on our overall service with answering question 08 & they are satisfied with UTi.

7.4 UTi Vales customers’ feedback:

UTi always encourage their customers for their feedback on the service they are availing. We always welcome new ideas. We believe in customer’s satisfaction. That is why every customer has been asked to put their suggestions into our suggestion box.
8.0 Internal & External Environment

SWOT Analysis

Strength

- UTi is global supply chain management experts.
- UTi is a single-source distribution provider that delivers ground freight solutions covering all facets of the shipping and distribution process.
- UTi creates value for clients by providing full transportation and network optimization management services.
- UTi has a wide range of service with best solutions.
- UTi is always looking for qualified people to ensure better delivery.
- UTi delivers end-to-end solutions that meet your unique requirements.
- UTi optimizes the freight management process, delivering an efficient flow of goods from origin to destination.
- UTi configures, stores, and delivers goods with inventory management solutions and full supply chain visibility.
- UTi enables you to see and utilize valuable information when and where you need it.
- UTi and its people have contributed time and money to support causes both in their communities and in disadvantaged communities around the world.

Weakness

- We have a less dominating power over airlines to fix a better rate since we have very limited business in Bangladesh.
- We are heavily depended on readymade garments whereas a lot of products are there.
- The contribution of freehand business is very low.
- The Rate is not enough strong.
- Sales lead information does not work properly. Sometimes we face delay in response from both shipper & our agent in destination.
- We can’t add any margin beyond the agreed rate for compliance buyer.
- We have less capacity in handling perishable goods in Bangladesh.
- Lack of infrastructure and equipment needed to handle the new realities.
Opportunities

- UTi has introduced some new multimodal hubs to tackle the challenges of static air cargo capacity. These hubs will allow UTi to roll out new routes to provide clients with seamless movement of cargo.
- UTi has recently earned a coveted Secure Trade Partnership (STP) certificate from Singapore Customs to enhance the security of global supply chains and prevent disruptions to the smooth flow of goods.
- Based on global networks, strength & expertise in air cargo handling UTi has the opportunity to attract Asian market with continuous service improvement.
- UTi can catch the opportunities by expanding their presence in emerging markets by opening new offices.
- IT and Value added services are two potential areas where Bangladeshi IFFs can focus and invest for the future.

Threats

- Customer demands and increased competition.
- Competitors are offering lower ex work charges. For that reason are losing business in both export & import.
- Fuel charges are going up.
- Exchange rate.
- Political unrest is the biggest threat now in Bangladesh.
- A negative impression on Bangladesh market from investor’s side.
9.0 Findings:

The following represent some of the most serious risks:

- Forwarding industry in Bangladesh is not like as it is in developed countries.
- Most influential drivers of diversification in the Bangladesh market are customer demands and increased competition.
- Shipping rates for all routes continue to decline. Freight rates remain under severe pressure.
- Pessimism about growth opportunities in air freight. In the Asia-Pacific region in particular, the air freight business has suffered more than container shipping recently.
- Space on ships may not be the issue, but the ability of ports, truckers to clear cargo often is equally important.
- On the positive side, demand is rising for advanced logistics capabilities and industry-focused solutions, especially in emerging markets.
- Companies are also responding to market and economic pressure by restructuring their logistics organizations—consolidating service providers and functions, sharing logistics facilities and centralizing management.
- Low fuel prices are likely to boost demand and create a relatively tight airfreight market.
- Challenges of labor problems, natural disasters and supply chain production bottlenecks are some new threats.
- The ability to share real-time information with key customers and partners has become critical in the freight forwarding industry.
- In Bangladesh most of the IFFs are outsourcing warehousing which is not exactly the same in US and UK.
- Some of the value added services are being offered by most of the IFFs in Bangladesh but still there are many other services left to be offered yet.
10.0 Recommendations:

The following are some of the important lessons from which all players in the freight forwarding and contract logistics industry can benefit.

- A strong presence in emerging & untouched markets would be source greater earnings. Moreover, by leveraging dominant positions in domestic freight UTi could be able to manage a better growth without compromising revenues.
- A flexible business can respond with speed and agility to their customers’ need for convenience.
- Industry knowledge should be adequate to handle every step properly.
- Develop more “intelligent” services, more dynamic planning and increased alignment with customers’ operations and processes. It could attract more business.
- Supply chain visibility remains a top operational priority for large customers. Therefore the ability to share real-time information with key customers and partners must be adequate.
- Flexible customs regulations must be there to ensure a smooth movement.
11.0 Conclusion

Forwarding industry in Bangladesh is not like as it is in developed countries because in US and UK forwarding industry consists on small to medium size firms but very small firms are there in Bangladesh. Since diversification is positively correlated with firm size, so the IFFs in Bangladesh do not actively respond rather they are passive whenever diversification is inevitable. Hence there is a major difference between Bangladeshi IFFs and IFFs of developed countries like US and UK.

No matter whatever the challenges are in the area of Foreign Trade, UTi is fully equipped to face any obstacle. For the last 10 Years UTi has been able to hold a remarkable position in the Bangladesh freight forwarding and hopes to be on top next year.

Since sky is the limit, the organization is still evolving every day striving to provide its customer and others with the best possible service. UTi places greater emphasis on process automation and on finding the right balance between volume commitments and spot buying—a strategy that enables them to achieve competitive rates in the most important trade lanes. And they have been enthusiastic adopters of shared services, not just for internal processes but also to improve customer services and supply chain management.

Export, Import is all showing positive trends even after the global challenges that we are facing today. High fuel price all over the world along with the country’s own political instability couldn’t bring down the nation’s economy and 2015 still seems to be another promising year for us.
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A Survey on UTi Pership on Air Export services

Objective of the survey: To determine the service quality that UTi provides to its customers in order to increase the level of customer satisfaction.

Note: This questionnaire has been prepared to serve the purpose of my Internship report at BRAC University. The information you would provide for this survey will be kept confidential and used solely for academic purposes.

Name: ---------------------------------- Company Name: --------------------

Designation: ------------------------- Gender: O Male O Female

1. Your age :
   - under 25
   - 25-35
   - 35-45
   - 45-60
   - over 60

2. What kind of products are you exporting?
   - RMG
   - Handicraft
   - Perishables
   - FMCG
   - Others ............

3. How do you know about UTi? Mark only one oval.
   □ Word of mouth
   □ Buyer
   □ Magazine
   □ Newspaper
   □ Peers
   □ Social Network
   □ The representative of UTi

4. How long have you been using UTi services?
   o Less than one month
   o 1 to 6 months
   o 6 months to a year
   o 1 to 3 years
   o Over 3 years
5. Rank the factors that influenced you most for a long term relationship with UTi?

5=Excellent, 4=Very Good, 3=Good, 2=Average, 1=Poor

<table>
<thead>
<tr>
<th>Factors</th>
<th>5</th>
<th>4</th>
<th>3</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliability (delivering on promises)</td>
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<td>Responsiveness (willingness to serve)</td>
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<td>Assurance (trustworthiness)</td>
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<tr>
<td>Empathy (How sensitive UTi is to your need)</td>
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</tbody>
</table>

6. How do you rate UTi in terms of these criteria’s? Mark only one oval per row.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Excellent</th>
<th>Good</th>
<th>Average</th>
<th>Poor</th>
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<tbody>
<tr>
<td>Variety of products</td>
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<tr>
<td>Environment</td>
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<td>Lower Rate</td>
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<tr>
<td>Quick Service</td>
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</tbody>
</table>

7. What is the response (serving) time in general for a single query? Mark only one oval.

- Within 05 min
- Within 10 min
- Within 15 min
- Within 20 min
- Takes more than 30 min

8. In thinking about your most recent experience with UTi how satisfied are you with the overall service you received:

- [ ] Very satisfied
- [ ] Satisfied
- [ ] Neutral
- [ ] Dissatisfied
- [ ] Very dissatisfied

9. Problem solving capabilities:

- [ ] Excellent
- [ ] Very Good
- [ ] Good
- [ ] Average
- [ ] Poor
10. Tracking & Tracing Capabilities:

O Excellent   O Very Good   O Good   O Average   O Poor

11. How will you rate UTi in comparison to our competitors?
   - Better
   - Competitive
   - Substandard
   - Very high
   - Below standard

12. Would you recommend UTi to others?

□ Definitely
□ Probably
□ Maybe
□ Probably not
□ Definitely not

13. Please advise your most preferable freight forwarder for Air Export?

○ DHL
○ UTi
○ Kuehne and Nagel
○ DAMCO
○ APL
○ Expeditors
○ MGH
○ Agility
○ Expolanka
○ Hellmann
○ RCS Logistics
○ Transmarine Logistics
○ Others........................................................................

14. Has UTi ever asked about your feedback on their service?

   - Yes
   - No

State your Suggestions if any .......................................................... ..........................................................

Thank you for your feedback.