

Stay nimble, stay relevant and make the most of every situation

Container liner services company BLPL started with 300 containers and went on to own an extensive fleet of 26,000

By Clement Tan, Alicia Tan, Isdiyana Putri K Bte Dulkifli and Siti Aisyah Bte Aziz Rahman

IN THE face of sluggish economic growth coupled with the cyclical and volatile nature of the shipping industry, BLPL represents one of the few firms that stay atop the waves of change.

As a container liner services company, BLPL facilitates the movements of cargo between the Indian subcontinent, South-east Asia, Far East, Middle East and East Africa, covering 110 ports in 27 countries.

In 2007, Orient Express Line, BLPL's sister company in Transworld Group Singapore, needed new customers and cargo to fill its ships, and BLPL was incorporated to meet these needs.

"BLPL started with modest ambitions and had an initial inventory of just 300 containers, but its success quickly became apparent within a year," says Mahesh Sivaswamy, chairman and managing director of BLPL Singapore.

BLPL Singapore eventually grew to own an extensive fleet of 26,000 containers, of which 3,000 are reefer containers and 1,000 are ISO tanks.

Along its exponential growth in revenue and containers, BLPL had also won multiple awards over the years, including top position in the E50 Awards in 2016, the Best NVOCC of the Year (Special Equipment) at the Gujarat Star Awards 2016 and the NVOCC of the Year at the 8th South East Cargo and Logistics Awards in 2016. (NVOCC stands for non-vessel operating common carrier).

BLPL offers a plethora of services to its customers such as reefer carriages (temperature-controlled containers for transportation of perishables), ISO tank solutions (stainless

steel tanks for safe transportation of chemicals), project handling such as open-top and flat-rack containers for bulky and heavy cargos. With a dependable logistics arms, it provides customers container freight stations and landside logistics services.

From Mr Mahesh's experience, the key to the company's success is to be "hands-on".

In its early operating years, BLPL used third-party agents to connect with customers. However, Mr Mahesh soon learnt that it was important to develop its own core competencies by having the headquarters in Singapore, with its strategic location and strong support from the local port authorities.

Mr Mahesh believes that Asia offers tremendous growth potential with the high economic growth of many countries in the region.

Progressively, the company set up offices in major emerging markets, such as India, China, Malaysia, Vietnam, Myanmar, Thailand and Indonesia, to improve efficiency in its sales and service operations.

Changing landscape

One major challenge of the shipping industry is its cyclical nature.

"The shipping industry is undergoing a detox, and the landscape has changed," quipped Mr Mahesh.

The industry has seen a decline in demand, causing global freight rate to fall, resulting in a rising number of mergers.

"Although there was the problem of the Lehman Brothers bankruptcy, nobody stopped eating. You would delay buying your sofa but you would not delay buying the milk, bread or rice you need at home," said Mr Mahesh. "Furthermore, an expansionary fiscal policy to boost the economy would mean an increased government expenditure on infrastructure, creating more demand for steel and cement shipments."

By focusing on necessities and infrastructural projects, BLPL was able to grow its



Mr Mahesh is confident that BLPL is on track to achieve its 2020 vision – The Leading Regional Carrier with a Global Expertise. THE BUSINESS TIMES FILE PHOTO

business in these challenging times. Also, BLPL has capitalised the opportunities presented in the sluggish economy by acquiring more containers at bargain prices.

BLPL sees improvement of technological capabilities as the way to better identify and serve its customers' needs. It has increased its focus on data mining and analytics to better understand the changing demands in the region.

Moreover, it also constantly enhances its software to ensure it continuously complements and value-adds to its current operations.

Today, BLPL provides online tracking, which allows customers to monitor the location of their containers and be informed of the transportation progress.

BLPL's mantra of making the most of every situation has brought it to where it is today. Mr Mahesh is confident that BLPL is on track to achieve its 2020 vision – The Leading Regional Carrier with a Global Expertise.

■ The writers are students from NUS Business School



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