VOL. IV No. 8 Official Publication of Subic Bay Gateway Park October-December 2010

SBDMC ANNOUNCES DEVELOPMENTS IN SBGP



Meanwhile in SBGP Phase 1, GrainPro Philippines, Inc. held the inauguration and blessing of its new manufacturing facility on December 6, 2010. The ribbon cutting ceremony was led by GrainPro Inc. President Phillippe Villers who was joined by GrainPro Philippines President/CEO Tom de Bruin, SBMA Administrator Armand Arreza and Subic Bay Freeport Chamber of Commerce (SBFCC) President Danny Piano. Other guests included Olongapo City Mayor James Gordon Jr. and SBDMC President Jeff Lin.

GrainPro is a pioneer in the manufacturing of pesticide—free hermetic storage technology. The company develops and markets post harvest technologies for food grains and other dry food commodities and provides custom enclosures for emergency relief work that are used in over 80 countries. It aims to improve the quality of life particularly in less developed countries by reducing world hunger and improving the environment.

The manufacturing plant and marketing center of GrainPro Philippines was opened in SBGP in 2007. The company's first facility was located at SBDMC's Standard Factory Building. In the span of three years, the company has expanded and now has its own facility. It expects annual sales to increase from \$8M to \$10M or almost P500M this year with the improved business climate.

SBDMC has started the development of SBGP Phase 2 this December. Phase 2 presently has Hitachi Group, composed of Hitachi Air Conditioning (Phils) Inc. and nine of its suppliers, and VAPCO International Corporation as locators.

"With SBGP Phase 1 almost fully leased out, SBDMC has decided to proceed with Phase 2 development to cater to new investors," said SBDMC President Jeff Lin.

Phase 2 has a total available area of 16.16 hectares, which will be divided into two zones—industrial and mixed use (commercial, institutional and residential). The Commercial Area and Industrial Area cover 7.32 hectares and 8.84 hectares, respectively.

The development will also coincide with the start of construction of the manufacturing facility in VAPCO's 5-hectare lot. VAPCO is engaged in the formulation, researching and developing, manufacturing, marketing, selling, importing and exporting and distributing veterinary pharmaceutical and animal health products, crop protection chemicals, public health and environmental science products, disinfectants, crop protection biological and other related products.

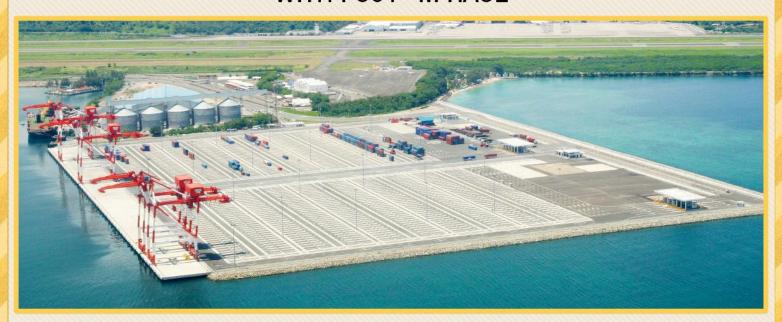


RIBBON CUTTING CEREMONY (left to right): The ceremonial ribbon was cut by GrainPro Philippines President/CEO Tom de Bruin, SBFCC President Danny Piano, GrainPro Inc. President Phillippe Villers and SBMA Administrator Armand Arreza.



Fr. Roque led the blessing of Grainpro's building with Mr. Tom de Bruin and employees.

PORT OF SUBIC DEFIES DECLINING BOC COLLECTION TREND WITH P501—M HAUL



SUBIC BAY FREEPORT – Despite the declining trend in Customs collections all over the country, the Port of Subic posted a whooping collection of P501 million last month, a P59-million excess over its target of P442 million.

The November collection brought the total tally for the last 11 months here to P4.52 billion – an all–time high in terms of actual cash haul in the Subic Bay Freeport, and already 5.33 percent more than the total cash collection of P4.29 billion recorded in 12 months last year.

Subic's outstanding collection performance appeared to defy what officials of the Bureau of Customs (BOC) described as a revenue shortfall for the past five months all over the country, which resulted to total collections of only P18.2 billion, compared to the agency's target of P26.9 billion in November.

Subic, along with Clark and Tacloban, registered the only positive record among the 17 ports in the country, with Subic as the best performer, the BOC said.

"At this point, without even reaching the P5-billion projected mark, the November figure is by far the highest since 1998," remarked Subic Bay Metropolitan Authority (SBMA) administrator Armand Arreza.

He also noted that the BOC's P4.52-billion cash collection todate has already exceeded last year's 11-month posting of P 3.85 billion by 17.44 percent.

The current figure also represents a total surplus of P234 million, or 5.5 percent, over the BOC's 11-month target.

BOC records indicate that cash collections in the Port of Subic are derived from duties and taxes paid for ship calls, transshipment operations, and the importation of various inputs, including oil, motor vehicles, and other general merchandise.

Within the past 11 months, the BOC also recorded the highest monthly collection surplus of P145.9 million in March, followed by P140.2 million in June, and P59.5 million in November.

Last month, the BOC also posted the highest monthly collection of P501.6 million in this free port, which is 52.7 percent more than that of last year's P328 million, on a month–on–month comparison.

Aside from its cash collections, the Bureau also posted in Subic non-cash collections of P3.38 billion, an increase of 21.54 percent over last year's

P2.78 billion. These collections are mainly derived from government-to-government transactions.

According to BOC officials, the Subic collection district now utilizes the Enhanced Automated Cargo Transfer System (e–ACTS), which ensures fast, safe, synchronized and secure cargo transit between Subic and the Ninoy Aquino International Airport (NAIA), as well as the Port of Manila and the International Container Port Terminal.

Introduced in mid—September this year as an electronic protocol in lieu of face—to—face transactions, the e—ACTS not only boosted the government's campaign against smuggling and diversion of cargo, but also enhanced the collection of proper Customs duties and other revenues.

TRAINING ON BRIDGING THE CROSS-CULTURAL GAPS

In line with its objective to promote the smooth operations of the more than 100 locators of different nationalities in SBGP, SBDMC organized a Training on Bridging the Cross-Cultural Gaps on October 27, 2010 for the locators' Filipino and foreign employees. The training aimed to provide development and enhancement of organizational management by understanding some basic communication and culture concepts, principles and practices to narrow cross cultural gaps and to harmonize the organization.

Resource speaker for the whole-day seminar is Dr. Cesar M. Mercado, President/CEO of Development Center for Asia Africa Pacific (DCAAP), a Manila-based global training, research, development and consulting firm that specializes in Inner Human Development Management (IHDM). Dr. Mercado discussed "Understanding Communication and Cultural Gap" and "Understanding Communication Styles of Chinese, Filipinos and Americans" to the group who are composed of mostly Filipinos and Taiwanese employees.



10 OUTSTANDING FREEPORT WORKERS FOR 2010



Ms. Elvira Reyes—Mullis, Company Custodian of SBDMC, was adjudged as one of the Ten Outstanding Freeport Workers for 2010. The annual search, which is now on its 9th year, is being held by the Subic Bay Workforce Development Foundation, Inc. (SBWDFI) through the SBMA Labor Department, Workforce Development Division. The nine other awardees were Jesus Vener Mallen and Alfredo Sadora of Philippine Coastal Storage and Pipeline Corporation, Benamor Labadan and Francisco Roberto of Subic Bay Marine Exploratorium Inc., Jean Castro of Nicera Philippines Inc., Mark San Gabriel of Subic Water and Sewerage Company Inc., Marissa Tamayo of NIDEC Subic Philippines Corporation, and Larry Aquino and Nedelyn Catiis of the SBMA.

The SBWDFI, which manages the search for the Ten Outstanding Freeport Workers, was established in 2001 to help promote SBMA's thrust for industrial peace and harmony between employees and employers in the Subic Bay Freeport Zone. The search recognizes and rewards workers of Freeport locators for outstanding employee/worker commitment, innovativeness, service and performance excellence.

This year's awards program was organized in cooperation with the SBMA Labor Department and the Mondriaan Aura College.

4 PHOTO GALLERY



SBDMC and Subic Bay Taiwan Chamber of Commerce distributed mooncakes to Taiwanese locators of SBGP in celebration of Mooncake Festival.

SBTCC was represented by Mr. Louis Kuo, Executive Vice President of Subic Technics.



SBDMC management and staff participated in a whole-day seminar entitled "Leaders and Managers Training – Its Impact on Strategy Execution" facilitated by Dr. Oscar L. Morado, President of OLM Consultants & Associates. The seminar was intended to enhance productivity and efficiency at the workplace.



Ms. Juliet Tan, OIC of the Investment Services Department, was awarded a plaque in recognition of her 15 years of dedicated service to SBDMC.

Ms. Tan, who started working for SBDMC in 1995, is the first SBDMC employee to reach the 15—year mark.



SBDMC sponsored the venue for PMAP Subic Chapter's General Membership Meeting and Learning Session on October 27, 2010, which was held in Formosa Hall. Ms. Geraldine Panlilio, Assistant Director of DOLE Region III, presented updates on the programs of DOLE Region III to PMAP members and other HR practitioners.



The Engineering Department (ED) was voted as the Best Department for the second semester of 2010. This is the second straight semester that ED has bagged the Best Department award.



Engr. Allan Mendoza, Electrical Engineer, was recognized as SBDMC's Outstanding Employee for the second semester of 2010.

6 COMMUNITY SERVICE

SBDMC ORGANIZES GIFT GIVING ACTIVITY

This year's SBDMC-SBGP Locators' Outreach Program was held in Barangay New Kalalake in coordination with the Office of the Punong Barangay, Mr. Randy C. Sionzon. Through the generous donation of SBGP Locators, SBDMC was able to reach out and share its blessings with its neighboring community through a Gift Giving Activity.

The Gift Giving Activity was held in Kalalake Elementary School on December 18, 2010. It started with a short program prepared by the barangay officials. SBDMC employees, led by Senior Manager Roland Addun, then distributed packages containing rice, sugar, canned goods and noodles to around 300 poor families living in the Perimeter Area. They also gave toys and snacks to the children along with the bags of goodies provided by the Subic Bay Taiwan Chamber of Commerce and Subic Technics.

Thanks to the outpouring of donations from SBGP locators, SBDMC was likewise able to bring gifts to the Missionaries of Charity (Home for the Dying and Destitute Old Lolas and Home for the Sick and Malnourished Children) in Cabalan and the Center for Youth & Center for Women at Barangay Sta. Rita.

Ms. Vangie Lopez of Nakano Tonyeh International Inc. and Ms. Helen Lagarde and Mr. Brix Torres of Biddeford Subic Corporation joined SBDMC employees in the distribution of the donations on December 20, 2010.











LIMECH TAILIN TONG LUNG

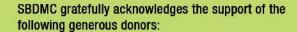


SBDMC President Jeff Lin and employees posed with representatives of SBTCC and Subic Technics

COMMUNITY SERVICE





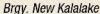


- 1. Subic Bay Taiwan Chamber of Commerce
- 2. Anglo Asia Commodities Corp.
- 3. Biddeford Subic Corporation
- 4. Cresc Incorporated
- 5. Elltong Subic, Inc.
- 6. Hsin Feng Corp.
- 7. Limech Mfg. & Trading Corp.
- 8. Microkinetics Inc.
- 9. Nakano Tonyeh International Inc.
- 10. Network Economic Service Ventures Philippines Inc.
- 11. Paradise Consulting and Development Corporation
- 12. Richway Plastics Subic, Inc.
- 13. RK Hotel
- 14. S-Corp Philippines Inc.
- 15. SAH Platinum
- 16. SMCC Philippines, Inc.
- 17. Subic 999 Corp.
- 18. Subic Technics, Inc.
- 19. Tailin Abrasives Corporation
- 20. Tai Mein Subic Int'l Corp.
- 21. Tong Lung (Phils.) Metal Industry Co., Inc.
- 22. Mr. Ariel Marlon Javier









SEE SECTIONAY

A publication of

Subic Bay Gateway Park

published quarterly by

SBDMC, Inc.

With editorial and

production offices at

Administration Building

Argonaut cor. Rizal Highway

Subic Bay Freeport Zone

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SBDMC, INC., VISION / MISSION Statement

VISION: To make Subic Bay Gateway Park (SBGP) a premier business destination in Asia Pacific

MISSION: To develop a globally—competitive Subic Bay Gateway Park (SBGP) that will meet the needs of the foreign and local investors through excellent service and infrastructure, providing a rewarding work environment for our employees and the best value for our shareholders.

