



Maritime Law Association of Australia and New Zealand

Sea Change – Navigating the Future
17-18 September 2019

Challenges and Digital Transformation

Brodie Stevens

China Navigation - NZ

Bulk



- Logs
- Fertiliser
- Coal
- Cement

Liner



- Trans-Tasman (2)
- North Asia (4)
- South East Asia (4)
- West Coast USA (2)

Logistics

- Quadrant Pacific Agency 
- Cubic Transport 
- Independent Stevedoring 

Coastal



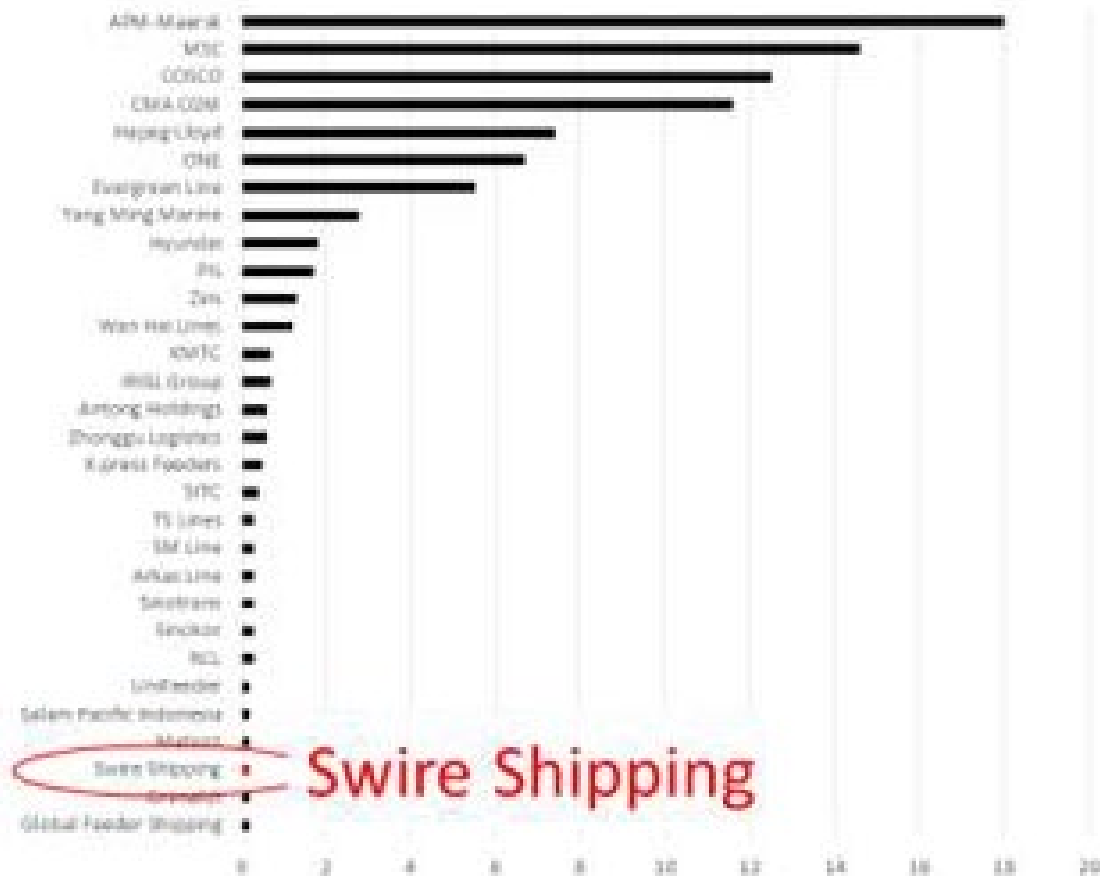
- Aotearoa Chief
- 
- Spirit of Canterbury
- Moana Chief



CHINA NAVIGATION



Geographically focused, in a world of very big competitors



CHINA NAVIGATION



Key Challenges



**Margin/
Competition**



ROIC

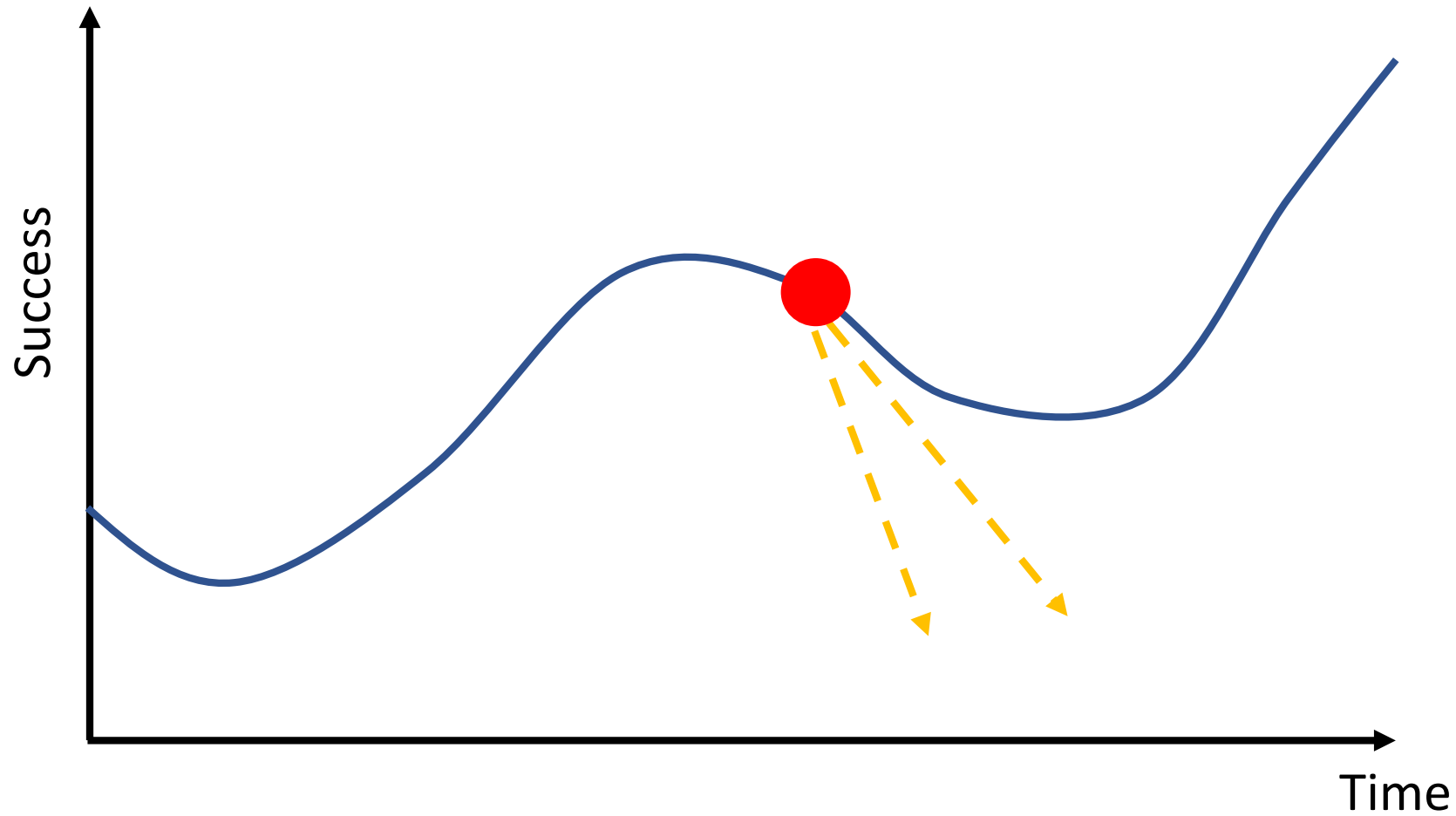


Skills



Technology

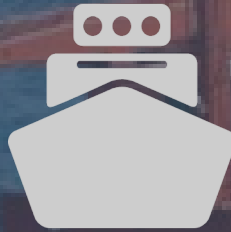
What got us here, won't get us there



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Strengths



**Strong Market
Position**



**Great Customer
Relationship**



**Committed
Shareholders**

| Our Mantra



Saving Our Customers' Time

Our Approach

To Go Digital

A hand holding a smartphone, with the text 'To Go Digital' overlaid. The background is a dark, textured blue.

What does “Digital” means?



Our Approach

Adapting an organisation's strategy and structure to capture opportunities enabled by technology.



Our Approach

Digital technology is no longer a cordoned off domain of IT. **EVERYONE** in the value chain has a part to play.

Our Blueprint

“Saving Our Customers’ Time”

1

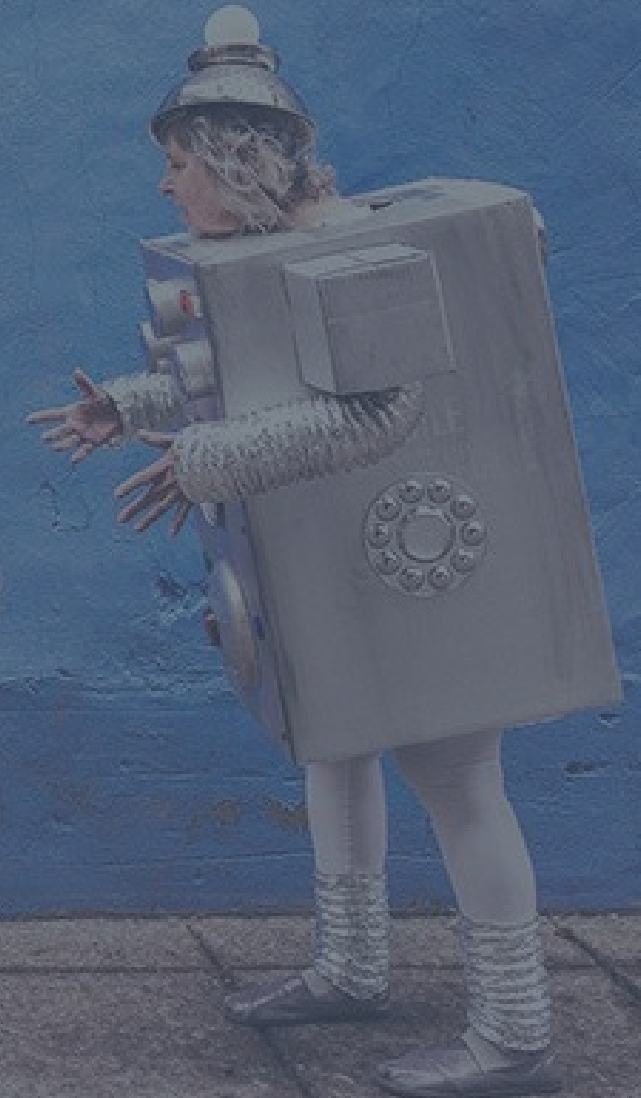
Not Big Bang

2

Not Bounded
to Systems

3

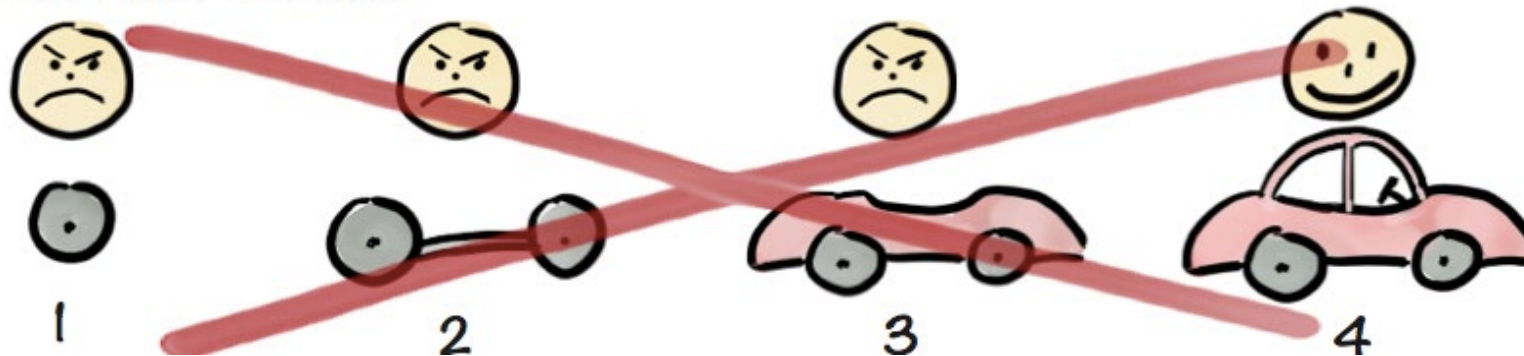
Not about Job
Elimination



1. Not Big Bang

Not like this....

(Waterfall)

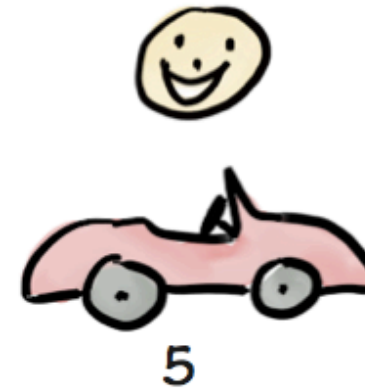


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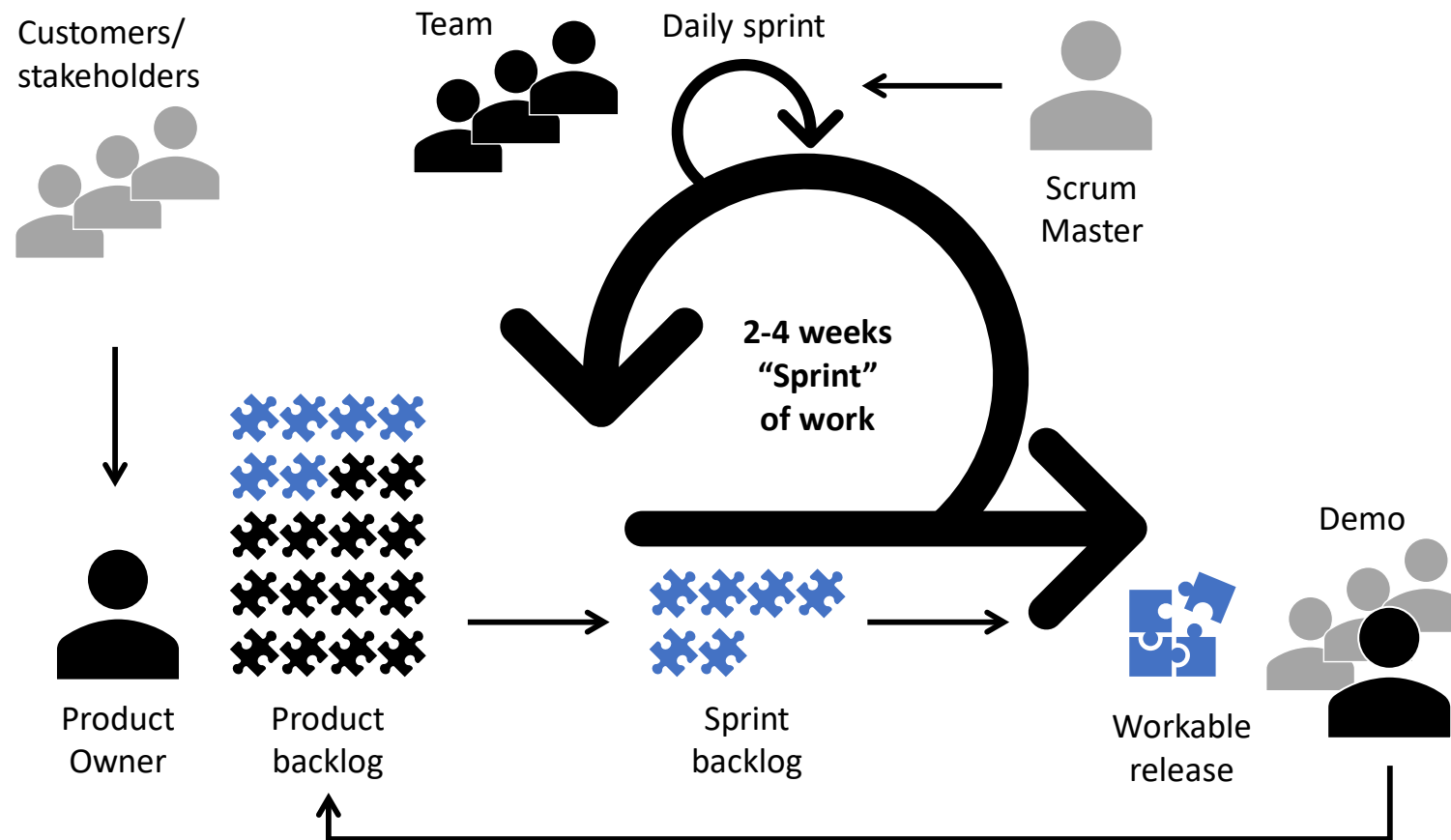
1. Not Big Bang

Like this!

(Agile)



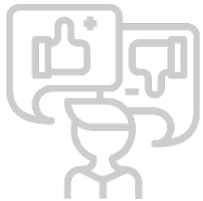
1. Not Big Bang - The Digital Scrum



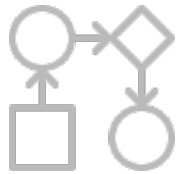
2. Not Bounded to Systems



Mindset



Behaviour



Process

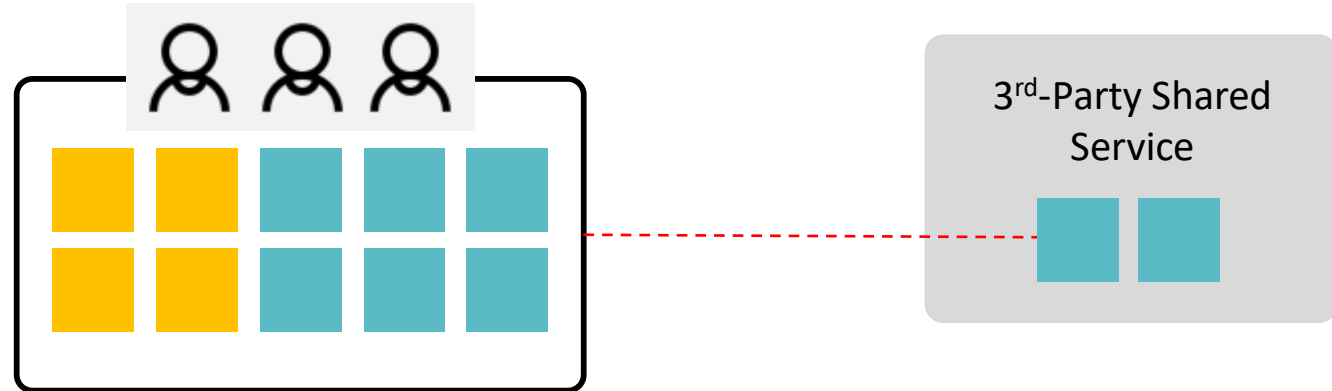


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3. Not about Job Elimination example Customer Service

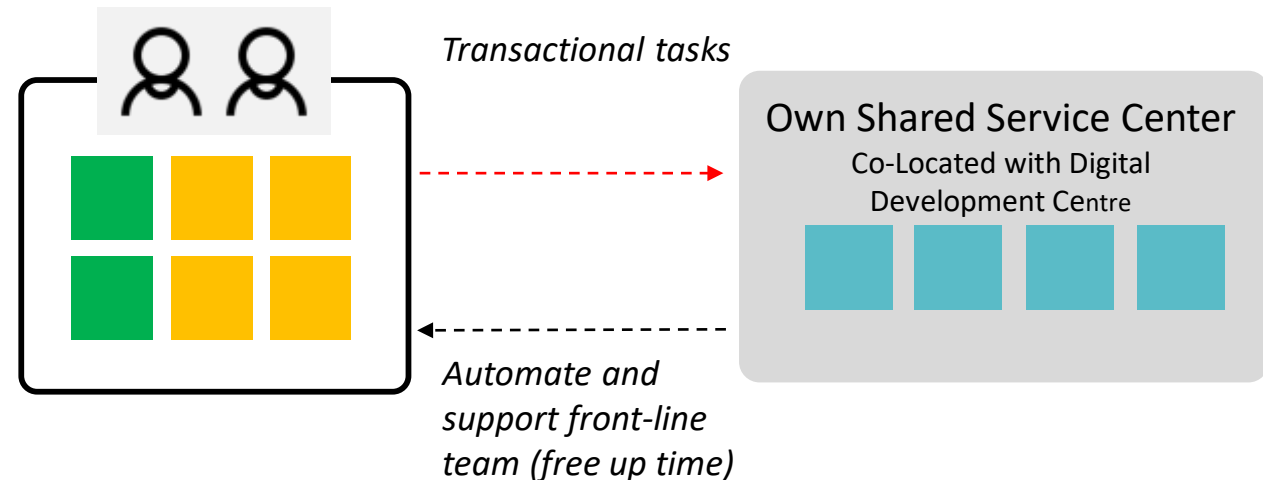
TODAY

The customer-facing CS team cover a lot of transactional tasks



FUTURE

Customer-facing team can focus on relationships, problem solving and new customer acquisition



■ Transactional tasks ■ Relationship tasks ■ New activities



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Looking into the Future



Spotify didn't kill off
the music industry.

UBER

Uber didn't kill off
the taxis.

???

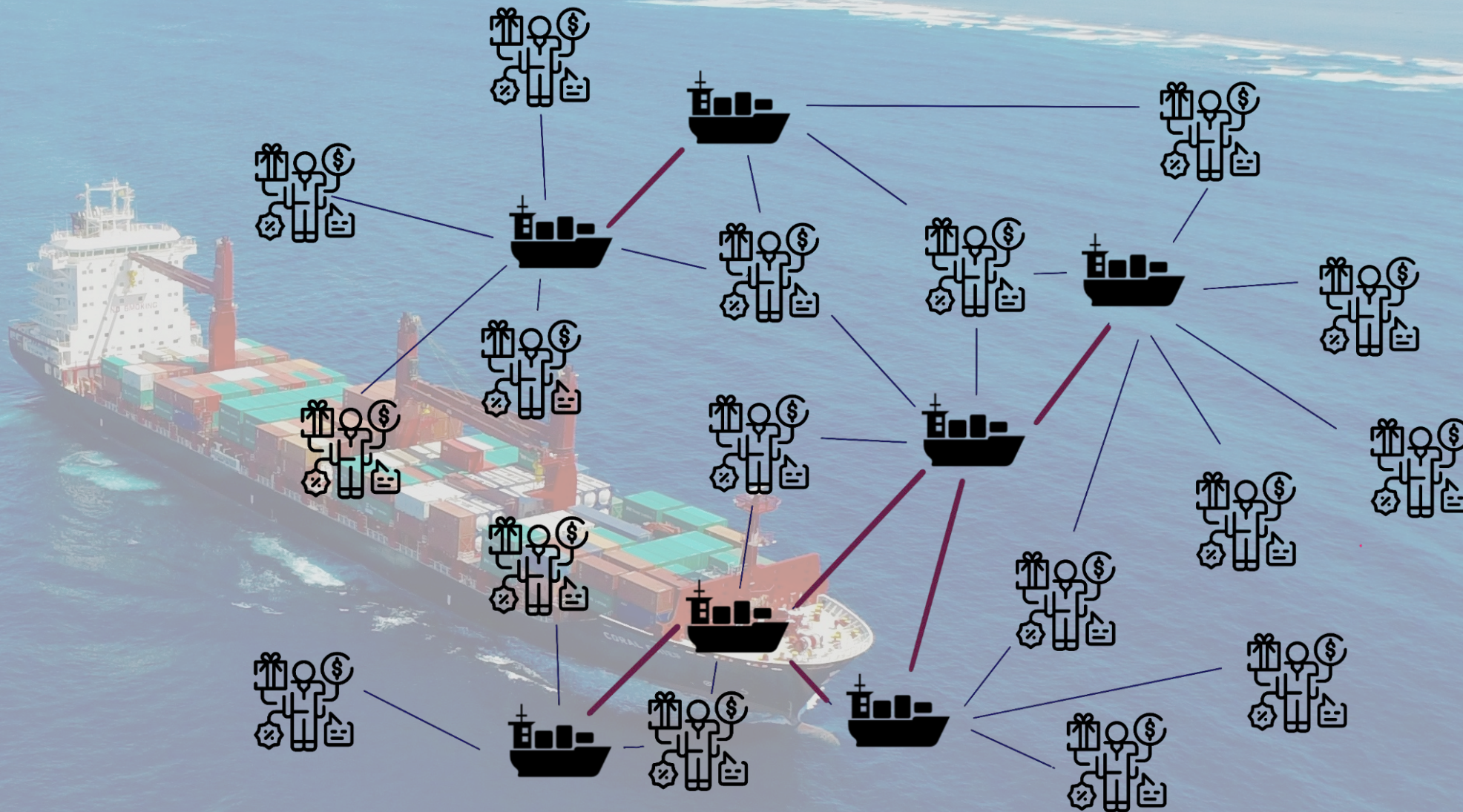
??? didn't kill off the
shipping industry.

They did it to
themselves by forcing
people to buy full
albums.

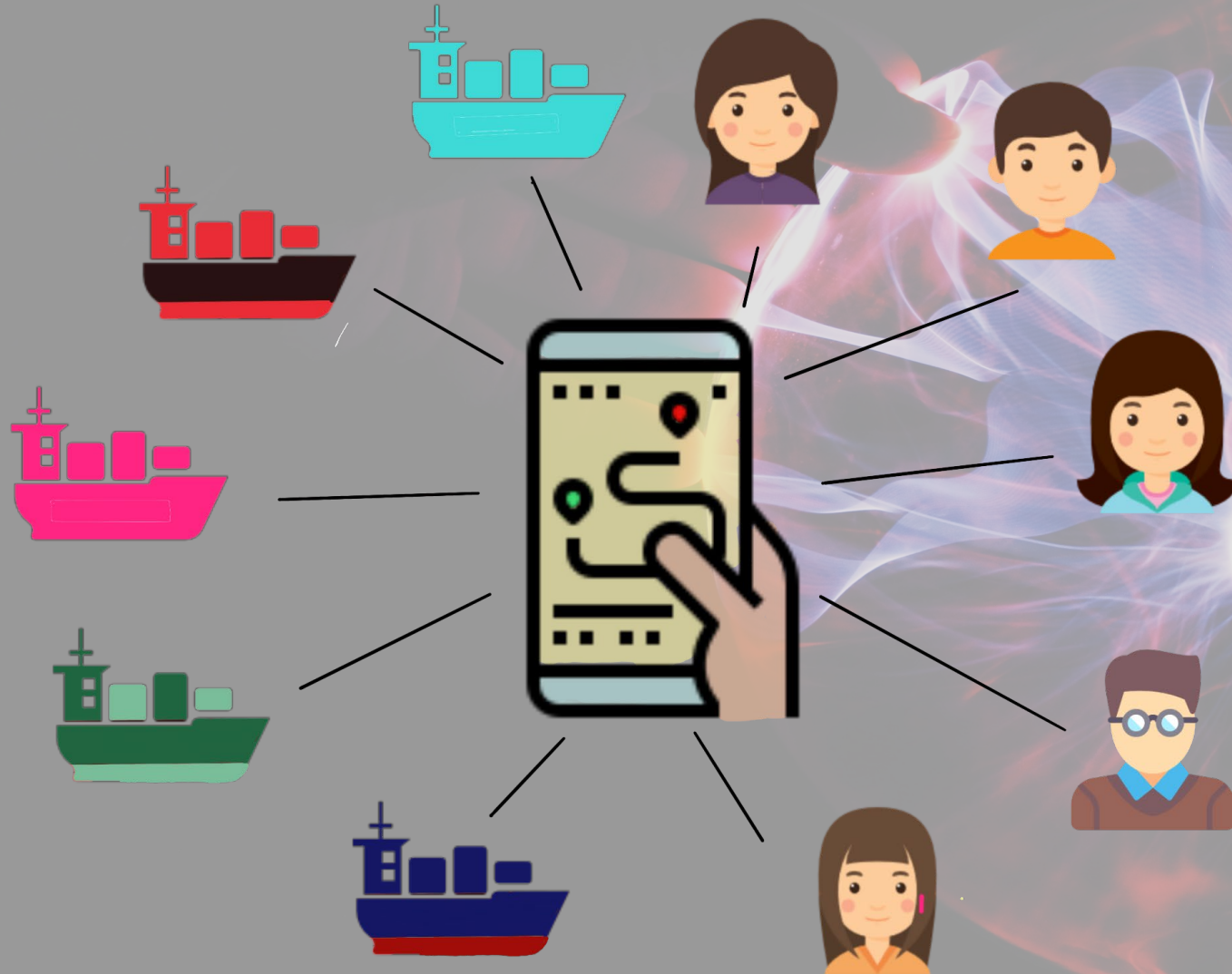
They did it to
themselves by price
controls and single-use
vehicles.

They did it to
themselves by
restricting customers to
specific ships and
containers only.

From a Shipping Business



Transforming into a Platform Business





Swire Shipping at a Glance (China Navigation Co)

159

owned & operated vessels
in
3 operating divisions

2,962

port calls

233

commodities
31 million mt per annum

105

countries serviced

2,498

Employees worldwide

18

Offices in
countries



147 years of growth

John Swire & Sons was established in 1816 and then established The China Navigation Company (CNCo) in 1872 to operate ships on the Yangtze River. Today the Swire family remains intimately involved in managing CNCo's growth and opportunities.



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SWIRE

Hoihow – New Zealand 1883

