

POWERCLUB

A close-up portrait of a woman with dark hair, looking directly at the camera. Overlaid on her face and hair are glowing blue and green digital patterns, including concentric circles and lines, suggesting a high-tech or digital theme.

A MERALCO PUBLICATION | MAY 2018

ADD TO CART, PLEASE

E-commerce reshapes
grocery-shopping habits

CASH UN-DEMAND

The case for transition
to a cash-free local
economy

GREEN GOES GREENER

De La Salle University
gives e-vehicles
a spin

IVIC MUECO

President (Asia Pacific)
Convergys

THE FUTURE CALLS

Waking up the BPO industry

MESSAGES

ECONOMIC
LINCHPINS**ALFREDO S. PANLILIO**

Senior Vice President and Head,
Customer Retail Services and
Corporate Communications

The BPO industry is, undoubtedly, a vital component of our economy. It helped keep us afloat during the Asian currency crisis of the late 1990s, and continues to contribute to growth and employment. It also fuels other industries, like real estate, food and beverage, transportation, healthcare, retail, and construction.

Meralco remains deeply committed to the continuing growth and success for all members of this industry, even for BPOs that are not our direct customers (as some of them are tenants of the buildings and property developers we service). Our subsidiaries like MSERV provide regular consultancy and managed services to ensure that buildings hosting BPOs have reliable, quality power 24/7.

In addition, we maintain constant dialogue with the BPO association IBPAP. This keeps us abreast of BPO industry developments, and lets us share energy sector information and

trends even with BPOs outside our franchise areas.

Yet no matter how successful an industry is, there will always be challenges. Changes in technology are just one; government policies are another. Indeed, the government's decisions and actions are key in ensuring the country's continued growth, and can strongly affect the influx of FDIs that bolster our economy.

Meralco is keenly conscious of the need to stay several steps ahead of change – technological, social, and environmental – for the benefit of all our customers. This means moving from being an energy provider to becoming an end-to-end energy solutions partner.

By remaining pro-active with all our customers, Meralco seeks to strengthen every industry's role in our economy. If one industry kept the economy going despite a crisis, imagine what an accumulation of strong industries could do for our country and our people.

UNFAMILIAR
TERRITORY**VICTOR S. GENUINO**

Vice President and Head,
Corporate Business Group

Before there were department stores and supermarkets, shoppers asked grocery-store clerks to bring out goods from behind the counter. Customers didn't handle the merchandise until after these were bagged and paid for.

Thanks to e-commerce, we've come full circle. You visit an online store like Honestbee, choose your groceries, and pay for them. Everything is then delivered afterward.

Online transactions are all the more expedient with digital payment systems like PayMaya, created by Voyager Innovations. PayMaya allows customers to shop cash-free, and enable entrepreneurs to do business without a brick-and-mortar store.

As digital technology eases the retail experience, it poses challenges for a key job creator: the BPO industry. Companies like Convergy must adapt to

new artificial intelligence systems that automate functions previously handled by people.

Clearly, we need to up our game if we are to stay competitive, not just in the BPO industry, but across all sectors. The next generation must be better educated in subjects such as cloud, IT infrastructure, digitization, and automation. We must increase investment in research and development. And we must have strong government support for all of the above.

It's not a challenge unique to our country, or even our generation. But just as no one in the 1960s foresaw the global impact computers would have, no one today can predict exactly where disruptive technologies will take us. We can only try to steer ourselves in the right direction.

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POWERCLUB

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POWER IDEAS



*'The Laguna campus
can be a center of
renewable-energy
research.'*

Br. Raymundo B. Suplido, FSC
DLSU President

Making A Green Move

De La Salle University goes
electric for its Laguna campus

BY CONI TEJADA

It's not easy being green, goes the song. Unless you're a Lasallian with the right tools and the perfect partner to steer you in the right direction.

For its Biñan, Laguna campus, De La Salle University (DLSU) signed a memorandum of agreement (MOA) with MSERV, the energy-solutions subsidiary of the Manila Electric Co. (Meralco), for an electric-vehicle (EV) project.

The MOA was signed on Nov. 14, 2017 at the DLSU Laguna Campus, formerly known as the De La Salle University Science and Technology Complex.

The DLSU EV fleet will be managed for three years by MSERV through its Operations and Maintenance service. The scope of the MSERV EV Program ranges from procurement, operation and maintenance and, soon, the construction of charging stations.

"As the student population grew, we needed to provide more efficient transportation," recounts DLSU President Br. Raymundo B. Suplido, FSC. "Our costs were going up. Then, our Director for Campus Services, Katherene G. Arboleda, attended a seminar about electric jeepneys. We did a study, and were convinced to invest."

'E' for economical...

The university ferries people by diesel-fueled vans, which Suplido notes may be more comfortable than jeepneys but are neither economical nor sustainable.

In contrast, apart from generating zero carbon emissions, EVs are cheaper to maintain than fuel-powered vehicles. Electricity is also cheaper than diesel, especially after this year's revised tax rates.

For its 50-hectare complex, DLSU agreed to acquire three lease-to-own EVs, which can be boarded from the rear like a regular jeepney. Each runs on lithium-ion batteries that can go for 13 hours on a two-hour charge.

While the diesel shuttles circle the campus and ply the Pavilion, Carmona, and Balibago routes, the newly acquired EVs will service the Paseo Line and will ply part of the Santa Rosa-Tagaytay Road, a major thoroughfare.

EVs are already gaining popularity in Metro Manila, with eJeeps in Quezon City and the Makati City Loop, and eTrikes in Bonifacio Global City (BGC), Mandaluyong City, and Pasig City.

...and eco-friendly

The EV system for DLSU is another step towards MSERV's goal of making e-vehicles a mainstream form of transportation. MSERV helped set up EV fleets and charging stations at the Ateneo de Manila University campus in Quezon

City in October 2014, and at the Net Lima building in BGC a month later. (See "Going Green for Bluer Skies" in the Power Club Q2 2015 issue.)

The Net Group later opened a coin-operated EV charging station at the mixed-use Net Park tower, also in BGC, built in 2015. (See "Personalized Buildings" in the Power Club Q3 2017 issue.)

Meanwhile, the Laguna Campus EV system is part of the university's long-term plan to pursue zero-emissions transportation. DLSU Dasmariñas rolled out its first eJeepney in 2009 to move people around its campus. The De La Salle College of Saint Benilde likewise purchased e-Jeepneys to ferry people across its campuses along Taft Avenue, Arellano Avenue, and Pablo Ocampo Street in Malate.

The shift to a green transport system is part of DLSU's mission as a Research University. It also further cements the position of the Laguna campus as a cutting-edge Science and Technology complex.

Suplido envisions the Laguna Campus as a "center of renewable-energy research." He adds: "We're studying the possibilities of biofuel derived from algae. We can also explore other potential power sources, like solar and wind, and find out how efficiently it can be done."

He believes renewable-energy technologies are also a response to Pope Francis's challenge to manage the earth sustainably. "Our one home is in danger," Suplido warns, "so we must raise the community's consciousness towards a way of living that is truly green."

To learn more about electric-vehicle systems, email corporatepartners@meralco.com.ph. 



EVs run on lithium-ion batteries that can go for hours on a two-hour charge

ANALYSIS



FAST CASHLESS

BY BABE PAÑARES

Voyager marches steadily towards a digital economy

The role of cash in our society would diminish, if Orlando Vea could have his way. He believes it limits economic activity in the Philippines, where seven in 10 citizens do not have a bank account, and 95 percent do not have credit cards.

Cash-only spenders may settle accounts with bank deposits or on cash-on-delivery terms. However, they are restricted in what they can afford outside their budget, and in the goods and services they can buy or sell online, in both local and overseas markets.

It all boils down to inclusion, declares the soft-spoken, media-shy tech visionary. Vea is a co-founder of Smart

Communications Inc. and the direct-to-home digital cable channel Signal.

He is the current president of Voyager Innovations Inc., the digital-solutions arm of the PLDT Group. Voyager is bent on providing online platforms for everyone, from poor and marginalized consumers to the biggest of businesses.

Digital is equitable

Banks mainly avoid doing business with marginalized customers due to the low profitability of processing small, all-cash transactions. Digital payments leap over this, as low-income households typically have high transaction



Orlando Vea
President
Voyager Innovations Inc.

financial inclusion could boost the GDP by 2 to 3 percent in markets such as the Philippines. Those who earn less than US\$2 (P104) a day could see a 10-percent increase in their income.

Creating an 'e-cosystem'

"Silicon Valley may have a lot of First World technologies," Vea notes, "but these do not address the needs of emerging markets," while Voyager creates platforms and products for Filipinos who are unbanked and have no credit cards. "Our market consists of people who primarily use prepaid services," he explains, "and pay in cash."

The company's innovations include Smart Padala (from the Filipino term that means "to send"). This service

Close to 20 million Filipinos already use its services, but Voyager wants to bring in 30 million into the formal financial system by 2020 through its digital platforms.

volumes.

Scaling these transactions across a large population means digital products can be both cheap and profitable, particularly for telecommunications companies. This why developing economies such as those of Bangladesh, Kenya, and the Philippines lead the world in digital payments solutions.

Vea insists a digitized society will reduce the cost of doing business and give its members access to previously unavailable financial services.

The World Bank's 2016 World Development Report shows a 10-percentage-point increase in fixed broadband penetration will increase gross domestic product (GDP) growth by 1.21 percent in developed economies and 1.38 percent in developing ones.

Similarly, Asian Development Bank's 2017 report, "Accelerating Financial Inclusion in South-East Asia with Digital Finance," notes that a digitally driven acceleration in



enables domestic and overseas users to access digital remittance services with a mobile handset. The platform also provides business opportunities to small store owners, who can visit more than 15,000 Padala Centers across the country.

“We have partnerships with companies, such as Western Union, to accept remittances from overseas Filipinos,” notes Vea. “We then distribute and fulfill the transactions here. In a sense, we are present anywhere in the world there is a Western Union.”

Another key Voyager platform is PayMaya, to provide non-bank payment services through a quick response (QR) code. Its growing partner establishments include McDonald’s, The SM Store, Robinsons Retail Holdings Inc., the Manila Electric Co. (Meralco) and Mercury Drug.

“Downloading the PayMaya mobile app,” explains Vea, “allows you to make purchases online and benefit from exclusive promotions, such as a 10-percent rebate on PayMaya QR purchases.” Customers can also use the service to pay bills online through Facebook Messenger, although not yet for online purchases.

“Businesses know that they have to participate in the digital economy and create new channels where their consumers are,” he underscores. “They cannot let their competitors get ahead with mobile wallet and QR code transactions. Everybody wants these things, because this is the future” (see “From Bytes To Bites” on page 12).

Building an economy online

Voyager services both consumers and enterprises, and aims to close the gap between the two sectors. For example, says Vea, “For prepaid customers who always want to conserve their data, we created Freenet,” a service that offers consumers free mobile access

to online shops, where data access is paid for by the site owner.

To address the needs of about 1.1 million micro, small and medium-sized enterprises (MSMEs) and would-be merchants, the company also created a suite of platforms: Hatch provides mobile marketing technologies such as analytics, mobile advertisements, and payment apps; TackThis! and Tackatak allow merchants to build an online retail presence.

Voyager’s digital lending platform, Lendr, claims to have cornered about 15 percent, close to P27 billion, of salary loans across the country. Its partners include the Land Bank of the Philippines, China Bank Savings, RCBC Savings Bank, PNB Savings Bank, Maybank Philippines, EastWest Bank, and the Rural Bankers Association of the



Philippines. Working with CoopHub, Lendr also offers its services to over 26,000 cooperatives nationwide.

The company will reignite the sachet banking model, which it views as a “last-mile solution” to turn mobile phones into a “digital bank.” This lets unbanked and underserved Filipinos open a savings account, apply for a loan, find affordable insurance, and make an investment without having to visit a bank branch.

“Borrowers can take out bank loans more quickly at lower rates, wherever they are and whenever they choose,” proposes Vea. “Banks that offer their services in the same

platform can broaden their customer base and access a market segment that is otherwise beyond their reach.”

Spreading convenience

Digital payment options are part of a broader e-commerce ecosystem where goods are purchased by anyone from anywhere with cashless payments. A key benefit for consumers is convenience. With no need to stand in line at a payment center, bills are settled digitally through a mobile phone or an automated payment system.

Meralco allows its customers to settle bills through auto-payment

arrangements, which enable faster, secure, and worry-free payments through credit card, debit card or bank accounts. Auto-payment arrangements are part of a broader Meralco strategy to improve collection and reduce unpaid billings that can result in disconnections and service disruptions. (Read “The Future in the Cards” in the Power Club Q4 2017 issue.)

This year, Meralco Online will facilitate auto-payment transactions to eliminate the need for enrollees to visit a bank or Meralco Business Center to settle their accounts. Customers can also enjoy the convenience of receiving billing and payment notifications through mobile-phone alerts.

A template for success

For technology companies like Voyager, growing the ecosystem is vital at the early stages. Vea is happy with the steady increase in users, given the expanding digital market in the country.

“Filipinos who use our services are now close to 20 million,” he recounts. “We have 70 bank and non-bank partners for our FINTQ services, and about 330 enterprises across the Voyager platform.”

The company aims to include 30 million Filipinos in the formal financial system by 2020 through its digital platforms, in line with the government’s National Strategy for Financial Inclusion.

Vea believes this strategy could succeed sooner with the passage of a National ID law. National IDs with a bio-data database will facilitate customer servicing, ease credit scoring, and democratize access to digital platforms.

“The pace of digitization may be uneven,” he concedes, “but in the end, it will all be digital. We are not only riding that wave, but accelerating it, because it is good for society and the economy.” 🌀

About
15 percent or nearly

P27b

of Philippine salary
loans are held
by Lendr.

Vea sees a digitized society that benefits from the reduced cost of doing business and taps newly available financial services.

BIZ SPOTLIGHT

Trust someone who lives by the adage “there’s no use crying over spilled milk,” especially one who grew a business with high-quality, farm-to-table meat products.

“Whenever there is a crisis, I always try to find solutions,” explains Dr. Roberto Lo, president and chief executive officer of RDF Feed, Livestock & Foods Inc.

Denied a visa to pursue further studies overseas, he started a meat business with his first venture in contract growing, an outsourced service for large-scale poultry integrators. But competition from the influx of smuggled poultry proved to be a hurdle in 1997.



Dr. Roberto Lo
President and Chief Executive Officer
RDF Feed, Livestock & Foods Inc.

TURNING CHALLENGES INTO OPPORTUNITIES FOR INNOVATION



“We racked up tremendous debt,” Lo recounts. “I thought we were going to close shop, but thankfully, we were able to recover our losses.”

No setback too great

Firm in his belief that challenges are opportunities for improvement, he set out to protect the growing business from external threats.

Lo established a piggery, opened Pampanga-based meat shops, and developed value-added products and restaurant concepts to optimize his farms’ meat output. Before long, he had



Meralco BiZ Partners serves the energy needs of customers with a contracted capacity of 5 to 499 kW.

built RDF into a vertically integrated business that meets high standards of quality, safety, and efficiency.

"We set up Fresh Options Meatshop" to heighten public awareness of RDF's selections, offer affordable price points, and "bring Filipino consumers products that meet global safety and quality standards," sums up Lo.

The Fresh Options Meatshop venture started expanding its business within Metro Manila, then on to outlying areas in Cavite and Laguna.

A fresh start in a new market

The Manila Electric Co. (Meralco) proves to be a valuable partner in this endeavor. "The Meralco BiZ Partners helped us right-size our contracted capacity," Lo discloses, "to ensure that our actual consumption matched our applied load requirements. After the right-sizing, we were able to save 30

Partners," he notes. "They're seeking out real partnerships with entrepreneurs like me, and helping make doing business lighter."

And one good turn deserves another, according to Meralco Senior Assistant Vice President and Head of BiZ Partners Group Cecille M. Domingo. "Dr. Lo's smart, rational way of dealing with business challenges inspires Filipino entrepreneurs to turn problems into opportunities," she says.

"Our partnership with his company, which yielded impressive results for both RDF and Meralco BiZ Partners, inspired us to honor him as a Meralco BiZ Luminary for 2016." 

A commitment to quality guides this vertically integrated business to new heights

BY FLORIAN GARCIA

percent from our bills."

With the Fresh Options venture, the process of settling utility bills physically also posed an unexpected challenge. "Sometimes we forgot to pay the bills because everyone was busy," Lo clarifies, "and Meralco's auto-debit system really contributed to our efficiency."

By working with the Meralco BiZ Partners, Fresh Options racked up savings of P1.2 million. RDF promptly invested a portion of those savings in electric bikes, used in zero-emission deliveries to customers. After all, innovation improves not just products but also services, and e-vehicles are the wave of the future.

Lo is pleased with the outcome of this business partnership. "We're very thankful for the Meralco BiZ

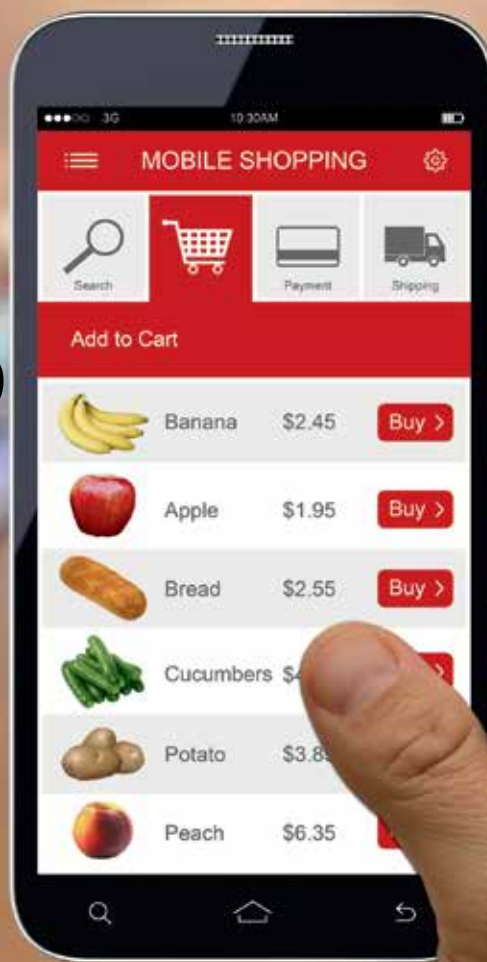


RDF took some of its P1.2-million savings from working with Meralco BiZ Partners and bought electric delivery bikes.

INDUSTRY TRENDS

FROM
BYTES

BY CATHY PILLAS

TO
BITES

Philippine e-commerce sees a growing appetite for hassle-free online shopping

Perhaps it's the abysmal state of Metro Manila's traffic. Or the rising levels of disposable income. Or the growing legion of digital natives.

Or, all of the above.

Whatever the reason, a growing number of Filipinos are starting to shop online, instead of at malls and stores. This trend is bolstered as mobile devices become more affordable, internet connections more widespread, and online payment systems more available.

Indeed, the Department of Trade and Industry's (DTI) "Philippines E-Commerce Roadmap 2016 to 2020" projects e-commerce will rise by 101.4 percent annually, within that period. This is driven by an internet population that is the fastest-growing in the world, increasing by 530 percent over the last five years.

According to the agency's "Digital in 2017" survey, 38 percent of Filipino respondents made an online purchase in the past 30 days, up from 29 percent the year before. E-commerce revenues for 2017 were projected to reach about P61.4 billion. As smartphone ownership increases to a projected 38.4 million by 2020, the DTI's e-commerce roadmap sees the value of e-commerce trade hitting P200 billion by then.

Given that 70 percent Filipinos remain unbanked, most retail transactions will continue to happen over the counter (see

PHILIPPINE
INTERNET
PENETRATION

ACTIVE SOCIAL
MEDIA USERS
42 MILLION
44% PENETRATION

ACTIVE
INTERNET
USERS
44.2 MILLION
44%
PENETRATION

ELECTRONIC DEVICE OWNERSHIP

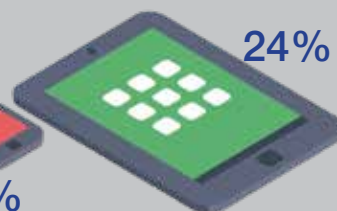
87%



55%



24%



"Fast Cashless" on page 6). However, the surge in online shopping is prompting brick-and-mortar retailers such as Robinsons and SM to get into e-commerce for the long haul. Also, in September 2017, the Ayala Group completed its acquisition of 49 percent of Zalora Philippines, to carve out a niche in the high-end fashion and lifestyle segment.

E-commerce activity isn't limited to consumer goods and services. The Manila Electric Co. (Meralco) pursues various e-solutions to deliver power more efficiently, and provide customers with greater convenience and improved energy-use management.

Chief among these is the Smart Grid, which uses a digitally enhanced energy network that allows for two-way communication between Meralco and its customers in real-time (see *"Curating the Future" in the Power Club Q3 2015 issue*). The conventional distribution model merely provides a one-way flow of electricity from supplier to distributor to consumer; the Smart Grid will provide much more information on the status of the network. This means Meralco can get instant outage alerts without customers having to call in the problem or report their location.

Another Smart Grid capability, already in use since 2013, is Meralco's Prepaid Retail Electricity Service (Pres) option. This

lets consumers buy electricity in electronic loads, just like mobile-phone services, and receive account-balance updates and usage alerts via text messages.

Available in selected residential areas in Metro Manila, Meralco also offers Pres to real-estate developers constructing high-rise buildings.

Meralco Online is another digital platform that will soon be rolled out. It will allow residential customers to apply for a new service, monitor the development of their applications, and pay their bills. The online facility will even enable users to view their real-time energy consumption, to help manage and control electricity usage.

Fast and fresh

As competition in e-commerce spaces heats up, established e-retail brands as well as traditional brick-and-mortar stores are venturing into relatively untapped areas. One of these is in fresh food.

After all, there are only so many fashion accessories, gadgets, or pet toys one can go through every month, but everyone needs to replenish groceries every week.

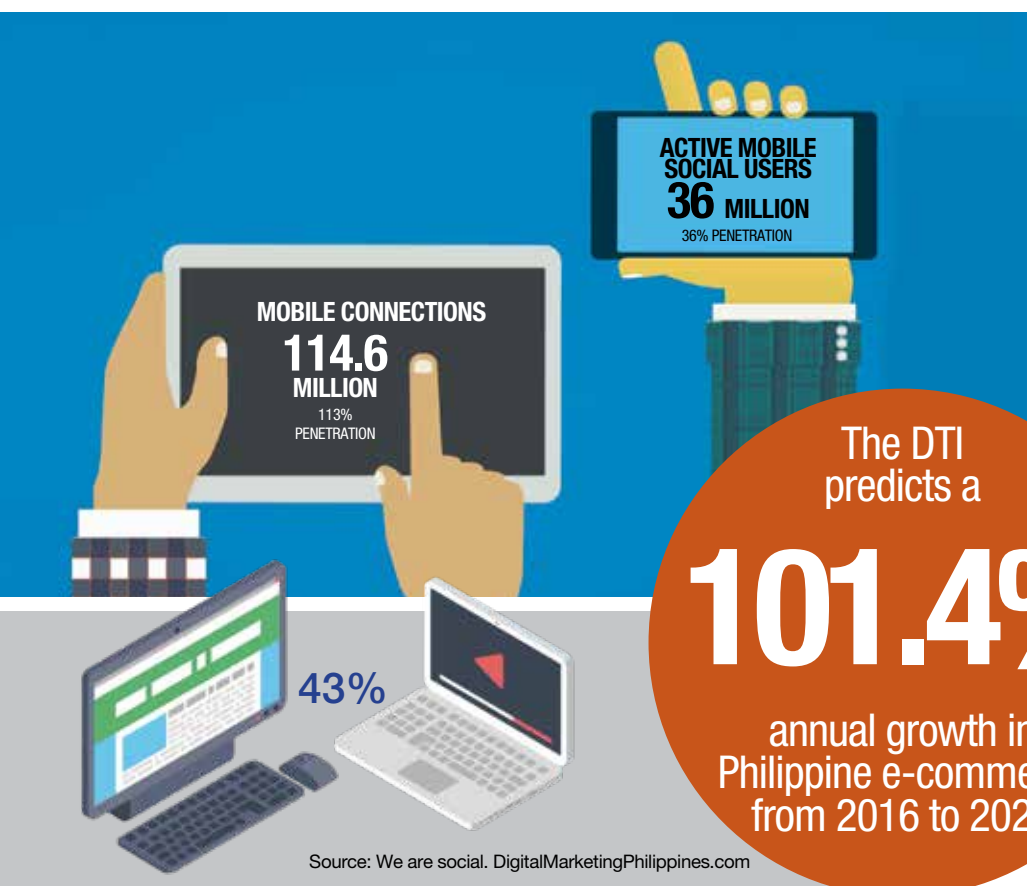
In June 2017, Robinsons Supermarket partnered with

Singapore-based online-marketplace, honestbee, to make its groceries and fresh items available to virtually anyone with a geographic address.

"Honestbee covers 20 of Robinsons Supermarkets' 150 stores," shares Jody Gadia, general manager of Robinsons Supermarket. "From zero percent, e-commerce now accounts for 2.8 percent of the sales of those 20 stores. The reception from the general public is very good, and there's a really good market with e-commerce."

Customers can shop for groceries online on www.honestbee.ph, or through honestbee's app on their mobile phones and tablets. Both venues display all of the same items offered at Robinsons Supermarket.

"We're very bullish about honestbee," Gadia enthuses, adding, "we project that we can attain





'By adding online sales, we expect revenue to grow 118 percent in a year.'

Jody Gadia
General Manager
Robinsons Supermarket

Eighteen- to 35-year-olds make up
84%
of honestbee customers.

Lazada currently commands more than 75 percent of the Philippine online consumer market. It ensures this advantage with an extensive logistical support system that includes its own delivery service, Lazada Express, and its own network of warehouses.

"We'll have our own refrigerated warehouses in and around the metros," confides Balci.

Lazada recently launched a fully automated, 30,000-square-meter (sqm) warehouse in Laguna, and plans to double its capacity to 60,000 sqm in 2019. "We're opening a warehouse in Davao as well," Balci adds.

The company will certainly need more real estate, especially after it inked an agreement with SM Investments Corp. in 2016 to sell non-food merchandise. SM is currently among Lazada's biggest partner merchants to date.

SM, on the other hand, is not limiting its e-retail channel to a single player. In October 2017, it also formed a partnership with Lazada rival, e-commerce platform Shopee.

118-percent growth, close to P 260 million worth of additional online sales, within a year."

His confidence hinges on a market segment considered to be the true "digital natives", more at home on the internet than previous generations: millennials.

"Close to 70 percent of our brick-and-mortar customers are ages 31 to 50 years," Gadia explains. "Honestbee's customer demographics show 84 percent consists of 18- to 35-year-olds. Millennials, even teenagers, are ordering online."

The average basket size of that segment is also encouraging. "That's three, even four times the value of our regular store transactions!" the company executive exclaims.

Given honestbee's positive outlook, it's no surprise other players want to get into online grocery retail.

Growing partnerships

The country's largest e-commerce player, Lazada, is keen on potential food and beverage sales, too. It plans to make significant investments in this category, and aims to add fresh food and beverages to its 25 product lines before 2018 is over.

"We're going to bring in groceries soon, and start selling fresh food hopefully by the second half of the year," declares Inanc Balci, chief executive officer of Lazada Philippines. "That's a big move for us. We want to scale up, and if we want 200,000 orders a day, we need some 50,000 people."



'We're going to bring in groceries soon, and start selling fresh food hopefully by the second half of the year.'

Inanc Balci
Chief Executive Officer, Lazada Philippines

An eye on the future

SM Mart Inc. senior vice president Aldwin Co views these partnerships as stepping stones to a more active engagement in an e-commerce presence.

"We started selling online in early 2016 on Lazada's marketplace," he discloses. "Because of the trends we are seeing in mobile, digital and e-commerce, it is critical for us to begin our journey in online retail in some shape or form."

According to Co, the biggest challenge in setting up the SM Group's e-commerce platform is getting up to speed with customer expectations from offline to online. It has partnered with leading vendors across each segment of the fulfillment chain to help manage inventory and orders as they come in. "It's down to a lot of incremental improvement of the system and processes," he stresses, "to deliver better customer experience."

The online buyers of SM products reflect the brand's attraction across all sectors of society, Co asserts. "We see a wide range of customers buying online, and that reflects the appeal of the SM brand across a wide spectrum of consumers." It currently sells select furniture from its SM Home catalogue, hardware equipment from Ace Hardware, and assorted fashion items and accessories from its department store.



'More and more people are getting connected. We're seeing this in every major market.'

Aldwin Co
Senior Vice President
SM Mart Inc.

Although SM's online vending platform is still in its infancy, the retail giant is expected to be one of the e-commerce industry leaders in years to come, according to Co. "Without a doubt, online retail will continue to expand at a rapid pace," he affirms. "More and more people are getting connected, and more channels are appearing. We're seeing this in every major market, and we are laying the groundwork to capitalize on this."

Meanwhile, Robinsons Supermarkets is also optimistic about developing a long-term e-commerce strategy.

"We're very happy with honestbee as our service provider, and we're open to having competing retailers on their online platform," Gadia admits. "We're also focused on maximizing our partnership with them over the next year."

Nevertheless, the supermarket chain is already exploring other options. "We could set up our own platform," he says. "Or, form a joint venture with an existing online company for our exclusive use, or buy it out altogether."

Robinsons is already growing its own beauty and wellness segment. In December 2017, it acquired 20 percent of Taste Central Curators Inc., the e-commerce operator of mobile app BeautyMNL.

E-commerce turning into a lasting consumer habit or a passing fad depends on entrepreneurs, who must exercise their imagination and creativity to find untapped or underserved markets. But with retail giants pouring more products and resources into the mix, the biggest shopping malls in the country might well fit in the palms of the customers' hands. 🙌

ONE MERALCO FOUNDATION



GOING SOLAR IN OFF-GRID NORTH COTABATO

BY ESMI BARRERA



OMF addresses the schooling needs of conflict-weary pupils in Midsayap and Pikit

When it comes to students in need, One Meralco Foundation (OMF), the social-development arm of the Manila Electric Co. (Meralco), responds quickly. Founded in 2011, OMF energizes off-grid Philippine classrooms through its school-electrification program.

In July 2017, OMF donated and installed solar photovoltaic equipment to four public schools in the North Cotabato municipalities of Midsayap and Pikit. In November, these facilities were switched on for the first time at Guntong Elementary School and Kadigasan Elementary School in Midsayap; and at Dagadas Elementary School, and Barungis Elementary School, in Pikit.

Mindanao is a significant part of OMF's efforts to energize off-grid schools, accounting for 10 of the 35 participating schools nationwide in 2017.

"We seek to enable students, in hard-to-reach areas with no electricity, to learn the way grid-connected communities do,"

explains OMF Vice Chairman and Meralco President and CEO Oscar S. Reyes.

Meralco is the Philippines's sole electric-distribution company to implement a solar power-based school electrification program through OMF, which has energized 180 schools.

OMF also partnered with the Coalition for Better Education to develop learning resource materials aligned with the K-12 curriculum regarding energy efficiency, intended for public-school distribution.

The foundation and its partners aim to make the lives of people in underserved communities better and brighter, and helps the company forge strong ties with local governments and electric cooperatives.

Meralco firmly believes that quality education throughout the country is crucial to any hope for lasting prosperity, progress, and peace. 

THE BPO BLUEPRINT

One of the Philippines's biggest industries braces itself for global competition

BY VICKY VIZCARRA

The country tentatively threw its hat into the ring that is Business Process Outsourcing (BPO), when in 1992 the Accenture Global Resource Center became the first BPO company to set up shop in the Philippines.

With inducements for foreign investors, the industry grew within a few years. The enactment of the Special Economic Zone Act in 1995 offered BPOs tax incentives and favorable area requirements for their developments.

In 2003, auspicious conditions prompted the Cincinnati-based Convergys Corp. to expand its call centers in the Philippines. By 2005, the BPO industry accounted for 2.4 percent of the country's gross domestic product (GDP), and over 3 percent of the global BPO market.

By 2010, the Philippines had reinvented itself as the world's BPO capital. The local industry and its combined workforce of about 525,000 generated about US\$8.9 billion (P458.8 billion) in revenue, or slightly more than 22 percent of the country's total GDP of US\$199.6 billion (P10.3 trillion).

Energy for growth

The BPO industry remains the largest job generator in the country, announces Rey Untal, president and chief executive officer of the Information Technology and Business Process Association of the Philippines (IBPAP).

It directly employs about 1.15 million workers, and

indirectly supports 3.67 million other jobs across industries such as retail, transportation, construction, real estate, and energy.

Indeed, data from the Manila Electric Co. (Meralco) shows that the BPO industry's power consumption climbed to some 55 gigawatt-hours (GWh) in 2016 from some 41.4 gWh in 2014 and, accordingly, its rank in terms of Meralco's total energy sales also rose.

For the sake of cost-competitiveness, Untal suggests, "It would be advantageous for the Philippine IT-BPM (Information Technology and Business Process Management) industry to work closely with the power sector," since energy costs form a significant part of operating expenses.

For its part, Meralco also helps its BPO customers improve their energy efficiency. It performs regular inspections of their facilities, conducts energy audits to identify areas of concern, and assists with preventive maintenance and repairs. Meralco also promotes a Peak/Off-Peak Program that encourages companies to maximize operations during hours when energy rates are lower.

The investment imperative

This kind of service and infrastructure support helps buoy the BPO sector; yet the country's "sunshine industry" anticipates stormy weather. (See "Disruption Calling" on page 17.)

The country may still not be able to offer lower labor costs, but the Filipino call-center agent's competitive advantage over its regional rivals includes a strong command

Photography by Jun Pinzon Grooming by Fennie Tan

'Our intent is to grow by 100,000 new jobs every year, so we can get to 1.8 million employees by 2022.'

Rey Untal
President and CEO
IT and Business Processing Association of the Philippines



of English, a friendly disposition, and a comfortable familiarity with Western culture.

"These traits make paying Filipinos higher wages worthwhile," declares Untal. "That's why we are still growing." To sustain its edge, he underscores the BPO industry's role—in fact, its duty—to continue investing in and training current and prospective workers.

Through IBPAP's industry talent-development programs and industry-academe connections, the association strives to create a nationwide ecosystem to prepare young Filipinos for changes affecting the jobs of the future.

Meanwhile, the industry still requires government support in key areas such as security, artificial intelligence, automation and, particularly, cost competitiveness.

This 2018, BPOs are apprehensive over the removal of tax incentives in Republic Act No. 10963, the Tax Reform for Acceleration and Inclusion (TRAIN) Act. The president's veto may have removed the special tax rate for employees of multinational firms, but BPOs are staying put.

An antidote to inertia

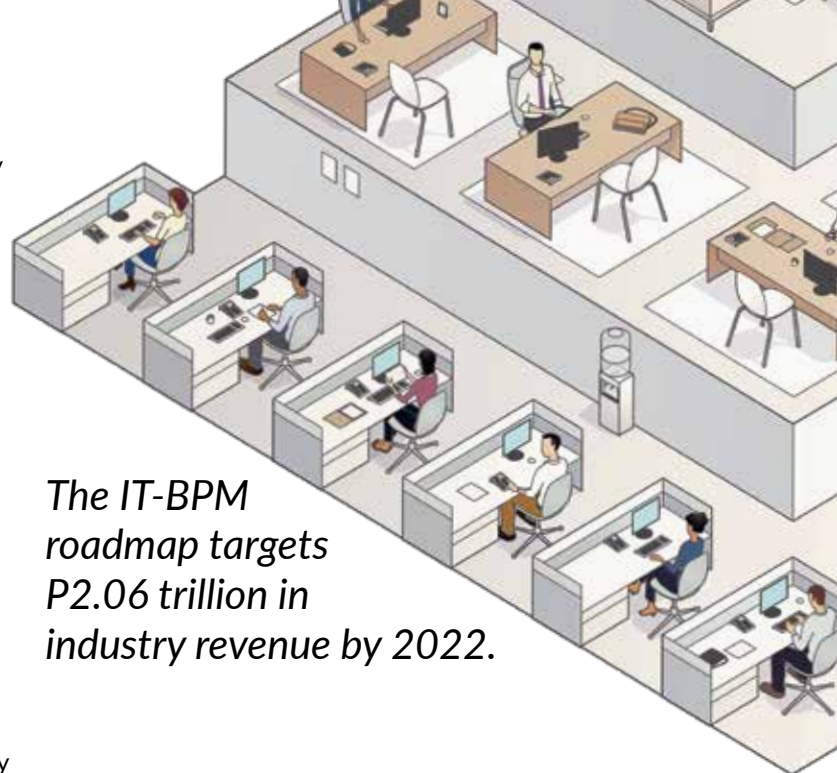
A July 2017 survey among 73 IBPAP member-companies identified investment incentives as a significant contributing factor to their cost competitiveness. It is crucial in keeping current businesses and locators, and bringing in new ones.

"If we succumb to inertia, we can lose our position," Untal warns. "Every country is trying to improve itself; we need to take action before everyone else catches up."

To cement the country's place as a prime contender in the BPO sector, industry leaders convened in 2017 to draw up what it calls the Philippine IT-BPM (Information Technology and Business Processing Management) Roadmap 2022.

"From 1.15 million employees now," Untal elaborates, "our intent is to grow by 100,000 new jobs every year, so we can get to 1.8 million employees by 2022." This will add to a total of 7.6 million direct and indirect employees in the IT-BPM sector.

The plan targets US\$40 billion (P2.06 trillion) in industry revenue, and a further expansion of operations beyond Metro Manila and the provincial capitals.



The IT-BPM roadmap targets P2.06 trillion in industry revenue by 2022.

Success, redefined

This roadmap demonstrates the industry's unity of vision.

"Those who crafted this plan," explains Untal, "sought to align it with the administration's 10-point socioeconomic agenda." The industry aims to increase its global market share, raise inclusive growth, embrace innovation, and make further investments in training.

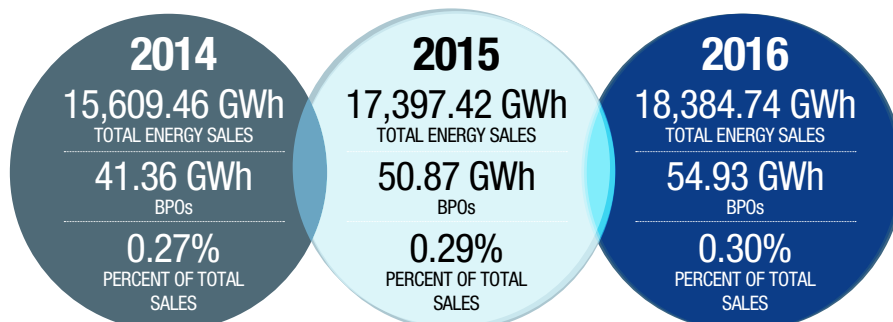
Beyond its economic contributions, Untal believes the BPO industry can play a significant role in reshaping Philippine society. It continues to expand the middle class, and also redefine this market segment.

"Being middle-class used to mean acquiring a home, bringing in a decent income, and owning a car," recalls Untal. "Today's Filipinos have loftier aspirations. They want to be successful without having to work abroad. They want to be financially independent here, while living with their family."

He believes these goals are achievable, and have been achieved, through the BPO industry.

"The Industry has opened up greater possibilities for the Filipino to dream up," he concludes. "To me, that is the greatest part about driving all this." 🚀

Total energy sales to the BPO industry (in GWh)



COVER STORY |

BY BABE PAÑARES

DISRUPTION CALLING

BPOs must remain agile and adaptable to changes sweeping its industry

The misconception portrays business process outsourcing (BPO) work as “*nakakabobo*”; that it lacks creative thought and stunts intellectual growth. The notion is that little skill other than English proficiency is required of call-center agents.

This stereotype is far from the truth, attests Maria Victoria Mueco, president for Asia Pacific of Convergys. Call-center jobs have stringent, dynamic targets, and require problem-solving skills for an ever-growing complexity of customer issues.

Further technological advances sweeping the industry, she explains, result in more complex IT-service calls and broader requirements for call-center agents.

Convergys operates at more than 150 locations in 33 countries, and for almost 15 years in the Philippines, its largest operating geography. Convergys Philippines employs about 60,000 people, 46 percent of the corporation's total workforce.

The shifting technology landscape, says Mueco, means, “We need to focus our attention on getting our agents to embrace and adapt to the changes affecting their jobs.”



Convergys
Philippines
employs
about 60,000
people

The infographic features three call bubbles of different colors (green, pink, and yellow) pointing towards the center. The background is a close-up of a person's face wearing a headset with a microphone.

“Each BPO job
generates at least

2.5
jobs in other
sectors.”

The
BPO industry
accounts for nearly
6% of the
country’s gross
domestic
product.

software and artificial-intelligence (AI) systems: “We now have online self-help and chat bots” (a computer program designed to simulate conversation with human users, especially over the internet).

“We’re adding more channels for people to reach us, significantly impacting the volume of calls we receive, or the voice component of our service. It’s also about reducing the simpler types of calls.”

More from each call

“As the industry undergoes a technological disruption, learning agility becomes a very critical skill among our agents and team members,” she declares.

There were once specialized agents for tech support, sales, customer service, as well as credit and collection. Today, a single person must be able to handle all types of calls, and BPO agents must also up-sell, or offer more services to customers, to generate more revenue.

Mueco also reports a growing trend toward self-service, using increasingly sophisticated computer

Minimizing disruptions

Clients expect sustained and uninterrupted service delivery. This is why Convergys looks to the Manila Electric Co. (Meralco) to provide quality power, with minimal fluctuations and disruptions.

These power interventions are crucial to Convergys, since service reliability is a major factor to attract clients. Service Level Agreements with its clients are also very strict, where each episode of disturbance or interruption incurs penalties.

This requires Meralco to work closely with real-estate developers and building lessors that provide office

space and facilities to BPOs. Meralco is involved with the project management and the construction of power infrastructures. In the planning and design of energy requirements, it ensures that equipment and materials meet applicable code requirements.

It energizes these premises, fast-tracking it by contracting end-to-end engineering, procurement and construction services.

It monitors and evaluates the power system and disturbances for Convergys, conducts regular consultations, and provides power advisories and insights on equipment compatibility.

Taking stock amid jitters

As BPO companies acquire more technology and its employees upgrade their skills, the industry reports slower annual growth.

"The compounded annual growth rate used to be at 50 percent; lately, we don't even see 20 to 25 percent," admits Mueco. "Now it's between 5 and 8 percent."

This confirms a forecast by Information Technology and Business Process Association of the Philippines President and Chief Executive Officer Rey Untal. He reveals that as the BPO industry further matures, annual growth is expected to slide down to 9 percent until 2022 (see *"The BPO Blueprint"* on page 17).

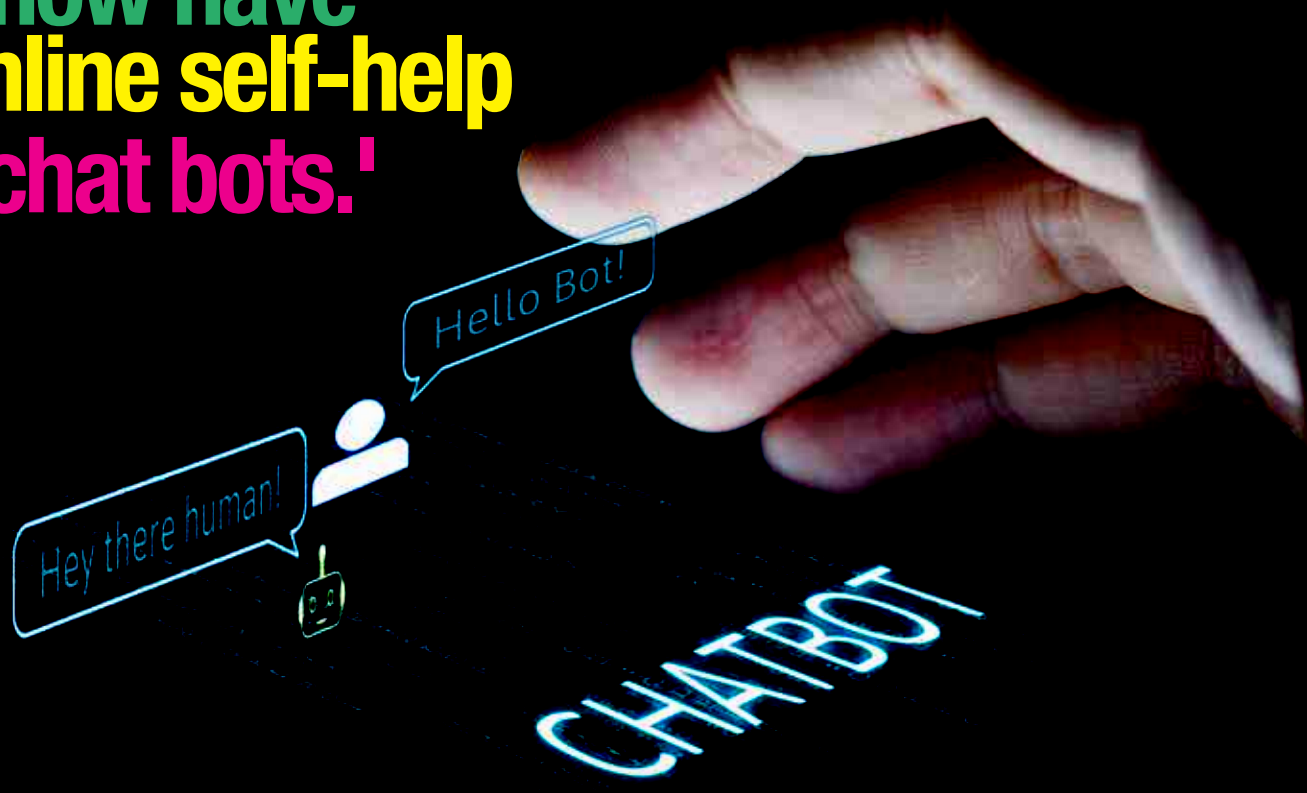
According to the local industry's 2022 roadmap, information technology-business process management (IT-BPM) is seen to generate revenues of US\$38.9 billion (P2.02 trillion) by the end of 2022, a six-year revenue trajectory from US\$23 billion (P1.2 trillion) in 2016, and employ 1.8 million Filipinos.

Mueco estimates the BPO industry accounts for nearly 6 percent of the country's gross domestic product. IT-BPM figures show that in 2016, it directly employed about 1.15 million Filipinos.

"The industry truly drives growth and jobs, and builds up the middle class," she affirms. "It directly impacts other businesses and institutions, including real estate, retail, transportation and the government."

She adds: "Each BPO job generates at least 2.5 jobs in

**'We now have
online self-help
and chat bots.'**





'We operate nationwide, and pay top peso for talent because it's hard to get talent. We could lose our business if we don't deliver on our performance. It's all about how strong our talent management is.'

other sectors."

She believes the BPO sector's economic contribution does not insulate the industry from potential threats. The change in leadership in Malacañang and at the White House may not yet have adversely affected trade policy in the Philippines and the United States, but Mueco says domestic security concerns prompt some Convergys clients to reassess their plans in the Philippines.

Martial Law in Mindanao, declared in May 2017 to quell a siege by local jihadists in Marawi City, was extended through to December 31, 2018.

"Rumors about expanding Martial Law nationwide could scare investors," she says. "We need to explain to our clients that [martial-law declaration] is a three-step process, and that the Constitution is there to protect human rights."

New tax landscape

Another source of industry jitters is the tax-reform legislative package passed in the last month of 2017. For many years, the BPO industry was granted tax exemptions that attracted investors and executive talent. Mueco is certain that an abrupt cut or end to these incentives will erode the country's competitive edge.

Any tax restructuring that raises the costs for large-scale employers "will make it more expensive to operate in the Philippines," she adds, "than in places such as India and Latin America."

In approving Republic Act No. 10963, also known as the Tax Reform for Acceleration and Inclusion

(TRAIN) Act, President Rodrigo Duterte vetoed Section 6 (F), which provides “reduced income tax rates of employees of regional headquarters, regional operating headquarters, offshore banking units and petroleum service contractors and subcontractors.”

This eliminated the 15 percent of gross income tax rate of employees of multinational companies. Duterte told Congress: “the employees of these firms should follow the regular tax rates applicable to other individual taxpayers.” This refers to TRAIN provisions that exempt employees earning P250,000 or less per annum from paying income taxes.

Mueco understands the administration’s position and lauds its focus on micro, small, and medium enterprises, but thinks it does not acknowledge the BPO industry’s role as a vehicle for inclusive growth.

“We operate nationwide, and pay top peso for talent because it’s hard to get talent,” she declares. “We could lose our business if we don’t deliver on our performance. It’s all about how strong our talent management is.

“Our industry also requires cooperation from other sectors, such as the government and the academe, to foster a future workforce equipped to meet the higher levels of skill and quality we already need.”

Putting people first

Entry-level agents earn five-digit monthly basic salaries, night differential, and performance incentives on top of other bonuses. Convergys also pays well above the standard set by government for night differential.

“The government mandates about 10 percent,”

Mueco stresses, “but for BPOs, the minimum for night differential ranges from 15 to 20 percent. Our rates at Convergys are above the standard.”

Despite advances in AI, the workforce remains the industry’s primary resource. Mueco will continue to safeguard her people’s welfare so they can become even more successful. Competitive salaries aside, Convergys also puts a premium on the health of its employees, especially its night-shift workers.

“We invest heavily in their wellness; our health-care benefit package is among the best, and so are our facilities,” Mueco proudly notes.

“The work is difficult, the stress levels are high, so we provide an environment in which our agents can thrive.”

She envisions a corporate culture that values achievement, and fosters the principles of gender equality and diversity.

Convergys Philippines sought international certification on workplace gender equality from the Economic Dividends for Gender Equality, a leading international diagnostic and certification system that helps companies create an optimal workplace. The first in the Philippines to win this certification, Convergys gained recognition for equal gender representation in all levels in the company, and a positive employee perception of equal opportunity and fair treatment.

“A culture change is difficult to implement,” Mueco admits. “We want to be a purposeful company that truly thrives on meritocracy and diversity.”

Disruptions to the BPO industry aside, Mueco strongly believes human connections still lie at the core of customer experience, and that the future of Convergys, and that of the BPO industry, remains in human hands. 🤖

**The
BPO industry must
contend with domestic
security concerns
and the effects of tax
restructuring.**

COMPANY PROFILE

A photograph of Simplicio Umali Jr., President and General Manager of Gardenia Bakers Inc., standing in a bakery. He is wearing a white short-sleeved button-down shirt with a Gardenia logo on the left chest and a 'S. P. UMALI' name tag. He has his arms crossed and is smiling. The background shows multiple racks filled with freshly baked, golden-brown loaves of bread.

Simplicio Umali Jr.
President and General Manager
Gardenia Bakers Inc.

DELIVERING FRESHNESS

Gardenia matches market demand with its own amazing growth

BY JING LEJANO

Hunger is the handmaid of genius, author Mark Twain wrote, even when it's not your own. Supertyphoon Yolanda (international code: Haiyan) struck the Visayas region in 2013, and when disaster-response teams rushed to the scene, among them were trucks of Gardenia Bakeries Inc., loaded with loaves upon loaves of bread.

"In Tacloban, Leyte, at the first port we reached," recalls Simplicio Umali Jr., president and general manager of Gardenia, "we were the first to donate bread and ready-to-eat products."

Gardenia also mobilized quickly during relief operations last year in Marawi City, Lanao del Sur, distributing *pandesal* (Filipino bread rolls) in the war-torn

area. Gardenia trucks had never crossed over to Marawi prior to the conflict, so, "we were surprised that they already knew Gardenia!" Umali reveals.

Giving back to the community is deeply embedded in the DNA of Gardenia, which regularly donates tens of thousands of loaves of bread to charity organizations, orphanages, and public schools.

Starting afresh

Umali also finds fulfillment in providing business opportunities to small and medium-scale enterprises. "When we started making ube-flavored buns," he recalls, "we scoured the public markets to buy up all the *ube* (purple yam) the vendors were selling."

In time, the company secured a stable supply from enterprising farmers. "That's what I like about our business," he continues. "We don't grow by ourselves; we want our partners to grow with us."

Gardenia knows a lot about growth, coming from its humble beginnings as an in-store bakery in Singapore. As the Philippine franchise owner of Gardenia, Umali recalls how the bakery broke ground for its Biñan factory at the Laguna International Industrial Park (LIIP) in 1997. In the next year, it began to operate the Philippines's first state-of-the-art bread manufacturing facility.

In its second year, Gardenia posted sales of P137 million; by its 20th, its annual revenue had skyrocketed to P5.7 billion. Although the advanced technology yields a superior product, Umali vows the company wins on freshness. Gardenia pioneered a unique distribution system to ensure its bread reaches consumers fresh-baked daily.

Not on bread alone

Indeed, the bakery's main challenge these days is in keeping up with the appetites of consumers from across all income sectors. This spurs Gardenia to regularly introduce products such as the High Fiber Wheat Bread Loaf, Flavored Loaf, Pan De Sal, Cream Roll, and its Muffin-tastic line.

Innovation certainly keeps Gardenia's breadlines going. The baked-goods market grew an average yearly rate of 6 percent and the packaged-bread market by 10 percent, but Gardenia sustains a double-digit annual growth. In 2016, it grew by 20 percent; in 2017, 16 percent. Umali projects the growth for 2018 at 20 to 22 percent.

Gardenia plans to open about a thousand Big Smile Bread Stations within five years.





The company hopes to cap the year with two more facilities and sets its sights on a rooftop solar-panel system.

Gardenia eyes further market expansion through its community neighborhood bakery brand, Big Smile Bread Station, and its artisanal specialty bakery business, Bakers Maison. Over five years, it hopes to open about 1,000 Big Smile stores.

"We did not expect the market to grow at such a fast pace," Umali admits.

In 2016, Gardenia opened another facility in Laguna with a capacity to produce 150,000 loaves a day. The management had projected the output to remain sufficient for the next three to five years, yet demand proved so robust that Gardenia had to enlist toll manufacturers in Laguna and Northern Luzon to meet it.

The company will open a facility scheduled to be onstream by the third quarter of this year, while another is set to be operational before the year ends.

Rising power

All this expansion calls for plenty of electricity, and Gardenia works closely with the Manila Electric Co.

(Meralco) to ensure the new factories will be energized in time and ready to keep its ovens hot.

It is also exploring solar energy through Spectrum, a wholly owned Meralco subsidiary that offers renewable-energy solutions (see "The Sun Rises on Solar Power" in the Q2 2017 issue of Power Club).

Gardenia's previous attempts to harness solar energy were frustrating, confesses Umali. With Spectrum's help this time, the company hopes to create a rooftop solar-panel system that will pay for itself and let Gardenia do its share to preserve a finite, non-renewable source of energy.

Another potential partnership with Meralco will enable Gardenia to field e-vehicles as food trucks for marketing campaigns and special events. Through its energy-solutions subsidiary, MSERV (see "A Green Move" on page 4), Meralco helps companies and universities create their own e-vehicle ecosystems.

A hunger to maximize its market opportunities clearly fuels Gardenia's drive to overcome obstacles. The company remains keen to engage in greater innovation, and continue to deliver freshness to its customers all over the country. 🍞

COMPANY PROFILE

LOOKING TO LEED

Landev Corp. takes to the latest tech to stay green

BY RIZAL RAOUL REYES

The term “urban jungle” should be an oxymoron, given the tendency of this concrete and steel environment, Metro Manila in particular, to fail to leave green spaces intact.

It's the result of a mushrooming population that compels property developers to provide more and more homes, offices, and retail spaces.

That's not to say that all development is hostile to life. In fact, a growing number of developers recognize the need to balance urban living with environmental sustainability.

Green spaces

Taking the green path is Landev Corp. (Landev), the property and asset management unit of the Yuchengco Group of Companies (YGC). It was formed in 1995 to manage the corporate real-estate business of the group, and is currently headed by Mario Paguio, its chief operating officer.

With intense competition in the real-estate market, Paguio and his team must ensure their

In its use of energy-efficient HVAC and lighting options, solar power, and a Building Management System, Landev 'remains a strong advocate of sustainable and renewable energy.'

Mario Paguio
Chief Operating Officer
Landev Corp.

buildings deliver more than the usual services and amenities.

"We apply new technologies in design and construction, and in operation and maintenance," Paguio declares, "with an emphasis on energy efficiency, reliability, comfort, sustainability, safety, security, and environmental protection."

To ensure it meets global standards, Landev has sought to make its buildings LEED-compliant. LEED stands for Leadership in Energy and Environmental Design. It is a rating system devised by the United States Green Building Council.

LEED requires buildings to save energy, water, and resources and generate less waste. These must be designed to boost employee productivity and retention, and promote human health. To be more attractive to tenants, office spaces must also cost less to operate.

Paguio outlines Landev's efforts to align YGC-owned buildings with these standards. Some of these properties include RCBC Plaza in Makati City; the RSB Corporate Center in Bonifacio Global City, Taguig; and the ETY Building in Binondo, Manila.

RCBC Plaza will focus on acquiring LEED certification in six areas: sustainable sites; energy and atmosphere; water efficiency; indoor environment quality; materials and resources; and innovation.

To achieve these, Landev applies green solutions such as LED lighting; energy-efficient heating, ventilation, and air conditioning; inverter technology; and renewable energy systems like solar power. The company ensures its structural designs comply with the latest building codes and standards. It employs a Building Management System that electronically monitors and controls its building systems in an integrated network configuration.

THE CARBON FOOTPRINT



Picking the right partners

It greatly helps to work with the right people. "We have established partnerships with formidable organizations," Paguio asserts, "to ensure we have access to the best technologies and management practices."

RCBC Plaza has the state-owned GIC Singapore as partner and as co-owners, architects WVCoscoluella, and property managers Leechiu Property Consultants, along with JLL and Colliers. For construction, Landev taps Engineering Equipment, Inc.; and to maintain its electrical facilities, it works with MSERV, the energy-solutions



subsidiary of the Manila Electric Co. (Meralco).

Paguio says. “MSERV is a one-stop shop, offering preventive-maintenance services, energy audits, design and value engineering through energy efficiency.”

He credits MSERV for playing a significant role in building Landev’s sustainability programs. The Meralco subsidiary adopts a proactive approach and employs predictive maintenance to ensure Landev’s electrical facilities always operate at optimum efficiency.

Paguio believes MSERV embodies the philosophy that provides customers with the highest quality and most cost-effective solutions to reduce their energy consumption. For this reason, he expects it to be a long-term partner in this undertaking.

The future is in our hands

Meanwhile, Landev also stays ahead by tapping into the potential of millennials as growth drivers. This segment

comprises the bulk of its tenants’ workforce, notably among the information technology-business process management (IT-BPM) customers (see “The BPO Blueprint” on page 24) who occupy spaces in their buildings alongside YGC member companies, multinational companies, and embassies.

The company frequently updates its office spaces and retail outlets to keep pace with this market, and partners with developers of condominiums and residential homes in strategic locations.

More importantly, Landev aims to cater to the youth market at an earlier stage.

“We’re forecasting 20 percent growth this year,” says Paguio confidently. “And we’re looking to make more investments in education.”

For 2018, Landev and YGC’s investment arm House of Investments, Inc. seek to establish a Malayan High School in Davao, as well as redevelop the Mapua property in Makati to maximize its potential once it becomes a high-rise, mixed-use building.

Paguio maintains that the vision of YGC and Landev will continue to remain green, committed to educating their tenants and clients on the environmental and ethical advantages of sustainable designs and products.

“We will remain a strong advocate of sustainable and renewable energy,” he vows, “to reduce our overall carbon footprint.” 🌱

The buildings must save energy and water, reduce waste, and ultimately promote tenant well-being.



External view of the RCBC Savings Bank Corporate Center



Artist's Rendering of the proposed Malayan College in Cavite

EVENTS



BY MIKKEL BOLANTE

A DAY OF GOLF & GIVING BACK

Top bosses take to the greens for fun, prizes, and prestige

The sun was out bright and early, as were devoted golf aficionados who attended the 2017 Meralco Powerclub Invitational last November 20.

It was a perfect day for fun and games and, of course, a little friendly competition. Some 200 officials of The Manila Electric Co.' (Meralco) and their partners from both the public and private sectors traded in their stuffy offices for the sprawling greens of the Sta. Elena Golf and Country Estate in Sta. Rosa, Laguna.

The event was marked by the presence of Executive Secretary Salvador C. Medialdea, who led the ceremonial tee-off, which was also graced by Meralco President and CEO Oscar S. Reyes and Meralco Senior Vice President and Head of Customer Retail Services and Corporate Communications Alfredo S. Panlilio.

Helping make the event possible were Meralco subsidiaries and business partner-sponsors: MSERV,

Turkish Airlines, PGA Cars Inc., Miescor, Radius Telecoms Inc., Peugeot Lipa, Pacsports Phils. Inc., Philippine Airlines, Toyota Motor Phils., Mitsubishi Motors Phils., Integrated Micro-Electronics Inc., Transview Phils., Nissan Phils., Dynamic Sports Corp., Hitachi Asia Ltd (Phils.), Spectrum, Republic Surety and Insurance Co. Inc., Autohub Group-Vespa, Bayad Center, Solaire Resort and Casino, Shangri-La at the Fort, The Peninsula Manila, City of Dreams Manila, and AB Heineken Phils. Inc.

Some of the day's biggest winners were nowhere near the golf course. A highlight of the tournament involved pledges made by the guests to ongoing programs of One Meralco Foundation (OMF) for communities in need, through the event's Mulligan donations.

Working with three Aeta communities in Capas, Tarlac which were displaced by the eruption of Mount Pinatubo in 1991, OMF is implementing a program to set up a solar-powered microgrid that will provide electricity for lighting,

Photography by Vincent Coscoliuella and Maximo Stojo

Facing Page: With Meralco President and CEO Oscar S. Reyes (third from left) at the tee-off are ROHM Electronics Phils. Inc. Director Edgar de Jesus, Unicorn Metal Corp. President Edward Chua, and Meralco Senior Vice President and Head, Networks, Ronnie Aperocho.

At right: Meralco SVP and Head of Customer Retail Services and Corporate Communications Alfredo S. Panlilio (fourth from left) with Flight 2A, which finished second runner-up, and (from left) Meralco VP and Head, Corporate Business Group Victor S. Genuino; party-list Rep. Mark Aeron Sambar; Citadel Holdings President and CEO Ricky Delgado; and Oriental Mindoro Rep. Rey Umali





Taking a breather are Isuzu Autoparts Mfg. Corp. President Masakatsu Ota, Solaire Resort and Casino, Board Director Donato Almeda, Terumo (Phils.) Corp. President Munehiro Takahashi, and Meralco Relationship Manager Arnold de Guzman.

technology, and communications. The tournament raised P300,000 for the OMF advocacy, after an initial P50,000 pledge from FirstPhilippine Electric Corp. (First Philec), the intermediate holding company of First Philippine Holdings Corp. for manufacturing and technology investments.

"This is something I look forward to every year," declares First Philec President Ariel C. Ong. "You can reach out to people at one occasion, at one venue." 🙌



With Meralco's Alfredo S. Panlilio (far left), Oscar S. Reyes (center), and Victor S. Genuino (far right) are Marinduque Rep. Lord Allan Velasco, Supreme Court Associate Justice Presbitero Velasco, Executive Secretary Salvador Medialdea, and Philex Mining Corp. SVP Mike Toledo



Fuji Electric Phils. President Takafumi Koda

Automated Technologies Phils. Inc. Executive VP and General Manager Dingo Bonifacio, Famous Secret Precision Machining Inc. President Dennis Y. Chan, and Metalcast Corp. General Manager Timothy Liong are all smiles before the tournament begins.



Meralco Relationship Manager Darryl Francisco, Quezon Power Phils. Ltd Co. Assistant Managing Director Vichan Sripairoj, Ayala Land Hotels and Resorts Corp. President Al Legaspi, and Lafarge Holcim Aggregates Inc. President Renato Baja

Hayakawa Electronics Phils. Corp. President Takashi Kawano



Deputy Speaker and Marikina
Rep. Miro Quimbo



*A highlight of
the tournament
involved pledges
made by the
guests to ongoing
programs of
One Meralco
Foundation*



Enjoying their time on the fairways are Integrated Microelectronics Inc. Vice Chairman and CEO Arthur Tan, McDonald's Philippines President and CEO Kenneth Yang, 3J Plasticworld and Manufacturing Corp. General Manager Juan Paolo Herrera, and Meralco Private Sector Relationship Management Head Victor Risma.



Executive Secretary Salvador Medialdea



Oscar Reyes with the champions, Flight 3A (from left) Sumometrics Industries Inc. President and CEO Richard Lim, JDBL Delta Links Corp. President James Dichaves, Philex Mining Corp. President and CEO Eulalio Austin, and Ronnie Aperocho.

At the awarding ceremony, Reyes hands the symbolic key to the winner of the 2017 Toyota Camry, Southern Quezon Pacific Oil Mill President Francis Dy, with Meralco's Al Panlilio, Victor Genuino, and SAVP for Marketing Edeliza Lim.



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