

BHD

STORAGE SOLUTIONS

"We've got Storage Solutions that fit"

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Megatrans Expo 2022

Meet Our Team

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DIRECTORS DIALOGUE

Dear Valued Clients,

Despite turbulent disruptions in the supply chain since 2020, which continued into 2021 and caused even greater difficulties for companies of all sizes, global supply chains have returned to some degree of normality.

Through the implementation of lean measures, the sale of inventory, and focus on working capital, BHD has been able to survive the volatility of the past year. Not only has it survived, but its growth rate has tripled. Therefore, I am happy to share some good news with you.

The acquisition of land expands the success of our Group. Our parent company successfully acquired 62,200 square meters (37.77 hectares) of land located in Yi'an Economic Development Zone, Tongling City, Anhui Province. It is an expansion that reflects the company's persistence in the racking industry and its confidence and determination to meet the era of "smart" manufacturing in the warehousing and logistics industry.

This is the first time the Group has acquired land in Anhui Province. As the third-largest production base in the world, the project will cost \$44.8 million and begin construction in 2023. This new industrial location marks the Group's expansion to a new level following its existing industrial facilities in Nanjing, China; Da Nang, Vietnam; Melbourne, Australia; and Atlanta, USA. Founded in 2004, the Group specialises in the research and development, design, production, and sales of intelligent racking, storage equipment, steel structures, and automated storage equipment. Our Group is committed to promoting the development of smart storage racking equipment worldwide.

As part of our expansion plans, BHD Storage Solutions is setting up a distribution centre in Atlanta, Georgia USA. We are currently in the process of signing a lease for a 25,000-square-foot building in order to service the USA market and create new jobs. It's a testament to our team's diligent work as well as our ability to provide our clients with a comprehensive end-to-end storage solution that sets us apart from the rest. Our excitement over this development is beyond words. Thank you to all of our customers for making this possible. In this edition, John Harrison, our National Sales Director, discusses our plans to expand to the United States in the Australian Financial Review's eEdition link.

Last but not least, I am delighted to announce that BHD's Cantilever Racking now conforms to FEM 10.2.09. The European Materials Handling Federation, or FEM for short, is an association that represents the material handling, lifting, and storage equipment manufacturers in Europe. This standard facilitates cooperation among materials handling manufacturers and provides the industry with a technical recommendation on the use of material handling equipment. Internationally, the standard is widely recognised. Cantilever Racking does not have any other standards that can be referred to outside of FEM 10.2.09, which is a requirement for certification and sign-off within our industry. The Australian Standard refers to FEM 10.2.09 as a guideline for Cantilever Racking. However, BHD has taken the initiative to adhere to the highest international standards.

To conclude, I would like to thank the team at BHD for contributing to making this financial year a memorable one. The road to achieving these goals wasn't easy. And most importantly, we would not be here without our dear clients, so we are very grateful for your continued support.

Sincerely,

Jessica Zhu
Managing Director



Land acquisition expands our Group's success!

Our parent company has acquired 62,200 square meters (37.77 hectares) of land in Yi'an Economic Development Zone, Tongling City, Anhui Province. With its expansion, the company shows its commitment to the racking industry and its confidence and determination to meet the era of "smart" manufacturing in the warehousing and logistics industry. This is the Group's first acquisition of land in Anhui Province. It is scheduled to begin construction in 2023 as the world's third-largest production base at a cost of \$44.8 million. Having established industrial facilities in Nanjing, Da Nang, Melbourne, Australia, and Atlanta, USA, the Group is expanding to a new level with its upcoming industrial facility in Tongling. Among the Group's specialties are intelligent racking, storage equipment, steel structures, and automated storage equipment research, design and production. As a company, our Group is committed to promoting the development of smart storage racking equipment worldwide.



AFR interviews BHD about USA expansion

FINANCIAL REVIEW

Shared from the 6/23/2022 Financial Review eEdition

Racking group eyes growth potential



BHD Storage Solutions sales director John Harrison says business is booming, with the company set to open a US branch this year.

The acceleration of the trend towards home delivery of goods has prompted a thorough revision of the supply chain systems retailers and manufacturers have relied on for decades.

The convenience of online purchasing combined with the constraints that accompanied the COVID-19 pandemic has prompted a scramble among delivery and logistics companies to transform their networks to suit the new home delivery model.

A key element in the new model is the switch to third-party logistics – where delivery is handled by a contractor, not the manufacturer or the retailer – and this in turn has led to major investments in new distribution or fulfilment centres. And all these centres need racking – cantilever racking, pallet racking, shuttle racking, vertical racking, even automated racking.

BHD Storage Solutions sales director John Harrison says: “We have just had the most productive two years we have ever experienced. We have grown significantly during this period. The growth has been quite astounding.

“To be able to supply and deliver goods directly to customers’ homes, all suppliers and delivery companies should have warehouse and storage solutions in place, in order to store their products.

“The number of warehouses is growing at pace, and each of them requires some form of storage rack,” he adds. “It’s continuing to grow and the industry is booming. The look ahead is extremely positive showing huge growth potential.

“In order to provide our customers with a seamless service, the group manufactures in various offshore manufacturing plants. This allows us to have complete control over the supply chain, from manufacturing to delivery and installation to the customer. It is a significant competitive advantage.”

Harrison points out that BHD has made significant progress in the past eight years and is now firmly within the top five racking companies in Australia.

Customers include two national hardware chains, a Japanese earth-moving equipment importer and a prominent national timber wholesaler.

But things are about to get even bigger.

“We are preparing to launch a branch of our business in the United States,” Harrison says. “It is our intention to commence in a few months. We are currently in the process of finalising our site and our USA team.”

Harrison will take on the additional role as director of the US branch and will make sure that BHD offers the same end-to-end service in the US covering every aspect of maximising warehouse and storage fit-outs.

“One of our greatest advantages is ensuring the solutions we provide are tailored to the individual needs of each customer,” he says. “Using our engineering and design expertise, we create a solution for the warehouse that matches each customer’s requirements and provide ongoing support and service.”

There are many choices available to clients with regards to colour, indoor/outdoor use and other elements.

BHD’s products are shipped from overseas and are tested to meet local standards. They all come with a 20-year warranty.

The entire procedure is conducted in accordance with the safety guidelines of Cm3 contractor safe practice that comply with WHS legislation. In addition, BHD is a member of SEDEX, which is a leading ethical trade membership organisation dedicated to improving working conditions in global supply chains.

In recent years, automated racking systems have become increasingly popular, using robotic units to store and retrieve items at the touch of a button.

In the current situation, Harrison says, it represents only a small portion of the business. However, a combination of a shortage of labour and high Australian labour rates makes automated systems more attractive to major organisations.

The rapidly expanding third-party logistics industry and the major postal organisations are leading the way.

Using automated systems reduces the number of injuries, as well as the risks related to occupational health and safety in general. It has a significant impact.

Harrison says if the cost of regular racking is simply compared to the cost of automated racking, there’s no contest.

If you compare a like-for-like standard pallet racking with an automated storage system that has the same capacity, the comparison in cost is significant.

“However, when you take into account the overall ongoing warehouse and operational costs, the difference between the two systems is minimal,” he says.

Clients should take a holistic view of the situation, not just make a simple comparison based on installation costs. The difference is slight when all factors are considered and this is why the industry is moving towards automation.

Rising costs of international freight and shipping have led BHD management to consider onshore (Australian) manufacturing of the company’s racking systems.

Although labour rates in Australia are higher, the gap between the cost of imported products and Australian-made products has narrowed considerably over the past two years as shipping costs have risen, Harrison says.

The BHD International group is extremely positive and focused on leading the way in partnership with their customers to support future growth within the industry.

A new development to BHD's Cantilever Racking

BHD'S Cantilever Racking now conforms to FEM 10.2.09

What is FEM 10.2.09?

The European Materials Handling Federation, or FEM for short, is an association that represents the material handling, lifting, and storage equipment manufacturers in Europe. This standard facilitates cooperation among materials handling manufacturers and provides the industry with a technical recommendation on the use of material handling equipment. Internationally, the standard is widely recognised.

What is the reason for the change?

Cantilever Racking does not have any other standards that can be referred to outside of FEM 10.2.09, which is a requirement for certification and sign-off within our industry. For Cantilever Racking, the Australian Standard refers to FEM 10.2.09 as a guideline. However, BHD has taken the initiative to adhere to the most stringent standards in the world.

What has changed?

Cantilever bases will have thicker mounting plates, and the arms will be marginally thicker.

What does this mean to you?

When you buy a product from BHD, you can be confident that it has been tested to meet or exceed the most stringent testing standard imposed by FEM 10.2.09.

The new versus the old?

Since FEM Certification tests are a little more stringent, we had to make a few small modifications. However, the BHD Cantilever Racking you are currently using is completely safe.

Will I notice the difference?

The only difference you'll notice is the new branding that will be implemented on all BHD Cantilever products. This means there will be a MK9 BHD stamp on the arm, the column and the base. This will make it easier to identify the new product.

Certification

For a small fee, your sales consultant can provide you with a signed certification letter with your purchase. Please ask them for more details.

You can contact us by calling 13000 RACKING (7225464) or sending an email to sales@bhdstorage.com.au if you have any questions or would like additional information about FEM Certification.



BHD™
Storage Solutions

Cantilever Racking
MK9 BHD



European
materials
handling
federation



MEGATRANS 2022 Expo

Don't miss out on the Supply Chain exhibition of the year!

MEGATRANS is the largest integrated conference and exhibition dedicated to the logistics industry in Australia. MEGATRANS will showcase the latest innovations in Artificial Intelligence (AI), robotics, automated racking, telematics and route optimisation, warehouse automation, intelligent fleet management systems, blockchain, the Internet of Things, big data and advanced analytics.

It gives us great pleasure to announce that we will be attending the conference at the Melbourne Convention and Exhibition Centre from 24 - 26 AUG 2022.

We invite you to visit booth #2007 and view our industrial storage range or to discuss your storage requirements with us.



Meet Our Team

'Meet Our Team' provides a brief introduction of our team and tells you a bit about their professional background. What a great way to put a face to a name! We are pleased to introduce:



DAVID SEALE

BUSINESS DEVELOPEMENT MANAGER

David has worked in industrial sales and leasing for global commercial real estate companies. Undertaking large corporate briefs for his clients, including the design and construction of purpose-built warehouses, as well as the sale and leasing of existing distribution facilities. It was crucial for David to thoroughly understand the client's product, its logistics requirements, and its storage requirements.

As a Business Development Manager for BHD, David put a laser focus on the storage needs of his clients. He used the invaluable experiences he gained as a commercial real estate broker. David offers the most effective rack systems available to maximise the amount of product storage per square meter of warehouse floor space. Several options have been employed, including narrow aisle racking, 10000 high racks, and mobile and shuttle racks.

As no two requirements are alike, it is vital to constantly think outside the box to find the right solution for the client.



MARK LAMBERT

LOGISTICS OPERATIONS MANAGER

Mark's career path has led him from owning two small businesses to working for three of Australia's largest hardware companies.

After moving into shopfitting, he acquired additional skills and knowledge by managing large teams and completing large projects. Mark adopted his learned skills and adapted quickly to the demands of the racking industry over the last 3.5 years while also advancing talent at BHD.

Mark has gained valuable knowledge from professionals over his 20 years of warehousing experience. The teams under his management have achieved record-breaking results, and he has observed them accomplish remarkable things wherever he has worked. Mark enjoys building strong teams, something he has been particularly proud of and continues to be. In addition to the passion for excellence, new ideas are still to be explored. The goal for Mark is to ensure that BHD continues to be the preferred provider of racking solutions for many years to come.



CHARLIE GRANT

PROJECT COORDINATOR

Upon graduation from high school, Charlie opened a bike shop selling and repairing bicycles, then pursued a career in a new trade as a panel beater, and spray painter. To expand his experience, he joined Coles as a stock hand and was eventually accepted into a management program that led him to work in stores in Queensland and New South Wales for 15 years. Joined Bunnings in 2001 starting in Store Operations and then in the Support Centre supporting in Admin & Compliance. Charlie worked at Bunnings for 20 years. The longest department he worked in was Store Development as Project Manager for new store setups, close-downs and assorted major and minor builds and Merchandise Projects in Australia & NZ. Charlie joined BHD in November of last year. It is his passion for racking and construction that brings him here. This is since he has dealt with BHD while working for Bunnings and has seen what a great business and team they are. From retail to industrial, racking transforms a space from nothing into something special, and he loves seeing it go up. He offers his customers the delivery of the product they need with the support they need when managing their projects.

Keep an eye out for "Meet Our Team" in our next issue

