



UPS Chairman & CEO Jim Kelly Named Chairman of the US-ASEAN Business Council

September 21, 1999

Washington, DC, Sept. 21, 1999 -- James P. Kelly, Chairman and CEO of United Parcel Service (UPS) today was named Chairman of the US-ASEAN Business Council, the leading organization promoting trade and investment in Southeast Asia. The Business Council is comprised of 147 U.S. companies.

"It's no exaggeration to say that Southeast Asia represents the future for U.S. companies," Kelly said upon assuming the chairmanship. "Despite the economic difficulties that have recently plagued Asia, Southeast Asian countries are seeing growing economies," said Kelly. "Most importantly, these nations are putting into place reforms that will allow them to realize the true benefits of economic progress."

The US-ASEAN (Association of Southeast Asian Nations) Business Council is a non-profit membership organization representing U.S. business interests in the ten ASEAN-member nations of Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, and Vietnam. Kelly replaces George David, Chairman and CEO of United Technologies Corp., who chaired the Council since 1995.

Kelly outlined the Council's challenge for the future, saying, "Every day, the gains we have made toward market liberalization and free trade are being threatened by those who are more interested in building walls than tearing them down. While ASEAN nations are moving forward with their plans for further trade liberalization and an improved investment climate, we must redouble our efforts to help. That means increasing U.S. investment in ASEAN nations."

Five months ago, Kelly was also named to the President's Export Council, which advises the President on government policies and programs related to trade. He is also a member of the Business Roundtable, an association of the CEOs of 200 of the nation's largest companies.

As a member of the US-ASEAN Business Council, UPS has worked closely with other business leaders to remove barriers to trade, encourage investment in the region and foster cooperation between nations. Kelly called on the Business Council to increase its advocacy for the region to other U.S. businesses, legislators, and regulators. And he said it was important to leverage "the power of the Internet and e-commerce to increase trade."

Describing UPS as "an enabler of global commerce," Kelly noted that two issues of primary concern to his company - customs procedures and aviation rights - are key to increasing trade. "Our ability to provide just-in-time delivery means the difference between getting your goods to market, or getting beat by your competitors." But that "can't occur when nations impede the flow of goods through onerous customs procedures or restrictive landing rights."

Kelly has served as Chairman and CEO of the Atlanta-based UPS since 1997. UPS is the largest package-delivery business in the world - delivering more than 3 billion parcels and documents annually. Its international operations provide services in more than 200 countries and territories. In 1998 UPS earned revenues of nearly \$25 billion.

The ASEAN nations are part of UPS's Asia Pacific Region, which began operations in 1988. Since then, UPS has expanded its service to include more than 40 countries and territories and committed more than a half-billion dollars to the region. Utilizing over 1500 flights a month within Asia, UPS offers time-definite air delivery to all ASEAN nations. The regional headquarters are located in the ASEAN nation of Singapore.

The main UPS Asia Pacific air hub is in Taipei. Singapore and Hong Kong serve as transshipment hubs. UPS also operates air gateway operations in the ASEAN nations of Kuala Lumpur, Penang, Manila, and Singapore as well as Sydney, Hong Kong, Osaka, Seoul, Taipei, Tokyo and Mumbai. UPS aircraft fly between these cities six times every week.

In recent months the company has added seven flights a day from Asia and will soon launch a Malaysia to Singapore to Hong Kong flight to connect major trading centers in the region. UPS will also be opening a new, 285,000 square-foot logistics center in Singapore in 2001.

Kelly credited the US-ASEAN Business Council with giving US companies and ASEAN-member nations the opportunity to broaden their horizons and prosperity. "The more we can do as a nation to bring other nations into the global tent of free trade and fair competition, the more we will improve the lives - and the hopes and dreams - of people around the world," he said.

Out-going Chairman George David will continue to serve the organization as a Vice Chairman along with M.R. "Hank" Greenberg, Chairman and CEO of American International Group, and Roderick Hills, Chairman of Hills and Company.