

José F. Oramas - Caribbean GEO Country Manager, UPS Puerto Rico (2019)



For UPS, Puerto Rico is a main hub due to its proximity to North and South America and its central location in the Caribbean Sea

04.07.2019

Tags: [Puerto Rico](#), [Logistics](#), [UPS](#)

José F. Oramas, country manager of UPS Puerto Rico, highlights Puerto Rico's position as a frontrunner in healthcare logistics innovation due to the island's strong pharmaceutical manufacturing footprint. He emphasizes UPS' commitment to the island providing tailor-made solutions to its clients in the industry.

You have been working at UPS Puerto Rico for more than 30 years. Considering the size of the pharma and healthcare industry in Puerto Rico, how has this sector impacted logistics operations on the island?

When looking at the economic landscape on the island, we have seen a shift from the textile industry towards pharmaceuticals. Puerto Rico is one of the top three countries with the highest density of pharmaceutical manufacturers per square mile. This brings great challenges but also opportunities for logistics providers, as a high percentage of medicines and medical devices used in the US and globally come from Puerto Rico. The island is very attractive for the pharmaceutical industry, as we meet FDA regulations and have a great strategic location in the heart of the Caribbean. We are experts in receiving raw materials from Latin America and Europe, producing final goods and then shipping them to the USA and other global destinations. Pharma products are moved through air and ocean, depending on the customer needs.

With the pharmaceutical output of Puerto Rico likely to increase due to new companies setting up manufacturing plants on the island, what investments in infrastructure in Puerto Rico is needed to cope with these changes?

The government has invested heavily in expanding the San Juan and Ponce ports to ensure bigger ships can access the facilities. The new airport operator Aerostar has made significant investments in the cargo facilities and the ramp at Luis Muñoz Marín International Airport to receive more volume and have contingency plans in place, which are necessary, after he have seen the impact of Hurricane Maria. Improving inland infrastructure is another priority of the government as the restructuring of the island's main highway between San Juan and Ponce shows. This has been crucial for logistics companies like UPS to keep up our high standards and fulfill the promises we make to our clients.

In Singapore, one of the key factors of making it a global logistics hub was the involvement of the private sector in decision making regarding transport and logistics. Is this something that also exists in Puerto Rico?

We, as part of the private sector, are working hand-in-hand with associations like the Puerto Rico Manufacturers Association (PRMA) and the government to improve services and the country's infrastructure. We are sharing our best practices in frequent meetings at the transport committee of the Puerto Rico Manufacturing Association (PRMA), as we are convinced that this helps the whole island of Puerto Rico.

In what ways can the Puerto Rico affiliate act as a bridge between North and South America, especially considering the growth of business interaction between the two continents?

For UPS, Puerto Rico is a main hub due to its proximity to North and South America and its central location in the Caribbean Sea. UPS operates regular flights between mainland US and San Juan and moves volume direct from Puerto Rico to South America and Europe. This highlights the global strategic importance of the island, while it is naturally one of the main hubs for the Caribbean.

Looking at healthcare logistics in particular, can you introduce UPS' overall capabilities in healthcare logistics and how you deliver a high-touch service to pharmaceutical manufacturers?

We are creating solutions for volume that needs special temperature control requirements, while also consolidating volume in this field, for example by receiving shipments by air and send it to its next destinations by ocean freight. We offer four different versions of our temperature-controlled solutions, such as UPS Temperature True ideal for healthcare customers with a need for cold chain. It is ideal for high-value products requiring the strictest of temperature ranges in transit and includes built-in redundancy and contingency planning. UPS is well aware of the growing demand for transporting and distributing pharmaceutical products and our solutions offer high visibility throughout the supply. Through proactive monitoring and intervention services we can provide very personalized solutions developed with the customer.

Puerto Rico is playing in an important role in terms of rolling out logistics and storage tools and strategies in healthcare, simply because it is a hub for pharmaceutical production. We have special services like UPS proactive response, which monitors packages throughout the supply chain ensuring the safe delivery. UPS has more than 20 years of experience in healthcare logistics and we are constantly innovating to better meet the requirements of our customers. Our dedicated team is currently working on implementing solutions for the three big trends we currently see in healthcare, namely the ageing population, the growing middle class and the rise of chronic diseases.

You have mentioned your tailor-made solutions approach. Can you give our international readers an example of how this looks in practice?

We have a customer which is producing medical devices which faced an inventory issue, as they raised their output level and required certain parts from the US to be able to continue production. They have put a last-minute order yesterday to get these components delivered the next day. This morning, we unloaded the goods as soon as the aircraft arrived and were able to deliver to the client within one hour. UPS does really offer these solutions based on the needs of the clients on a daily basis to avoid supply chain and manufacturing interruptions.

You have moved into new facilities very recently. What advantages has this move brought to UPS' operations?

Our new facility here at San Juan Airport includes our small package and freight unit, as well as the cold room and the general office. This allowed us to significantly reduce the cargo breakdown and packaging volume sorting time, so we can pass on these savings directly to our customers, meaning we can deliver packages faster and also offer later pick-ups. Consolidating all of our major operations in one location improves our last-minute options as well and makes us more attractive for new clients. UPS continues to invest in innovation and to be close to the customer, so we are a key partner to develop the country's manufacturing industry, which of course includes healthcare and life sciences.

What is your vision for Puerto Rico for the next five years?

We will continue to strengthen Puerto Rico's position as a hub for the Caribbean by expanding our presence on other islands. Puerto Rico will continue to develop its pharma industry and the logistics sector will play an integral part, as we make it possible to ship raw materials to the island and finished products to countries all around the world. Hurricane Maria, which was the strongest weather event to hit Puerto Rico in the last 100 years, has shown our resilience and the ability of the industry and the government to work together to resume normal operations again. Today we are much better prepared for events like this and UPS was and continues to be very dedicated to Puerto Rico.

[See more interviews](#)