ECG News

Truck Ship Compound Train Barge

ECG – The Association of European Vehicle Logistics

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NEWS FROM BRUSSELS

Europe in car industry crisis talks on 10th December

(Source: EUbusiness.com, 09th November 2012) As Europe's once powerful auto sector struggles against falling sales, EU industry Commissioner Antonio Tajani said on Thursday 08th November that ministers will draw up plans by 10th December to save their car makers. "It is the European Commission's duty to prevent carmakers from leaving the Union," said Tajani after the loss of thousands of jobs in recent weeks at Ford plants and France's Peugeot Citroën. "Each closure of a plant is like an injury," he added. "If we don't act, we risk facing a plant closure a month." Tajani said he would gather car producers, trade unionists and government officials by the end of the month to draw up a co-ordinated response to the crisis, looking at over-capacity, investment and state-aid measures. Among measures are plans to build greener and safer cars, strike trade deals to improve access to emerging markets and harmonise rules and regulations. One of the biggest industries in Europe, the auto sector accounts for over 12m jobs, directly and indirectly, with some 180 vehicle plants and more than €700bn in turnover. It is also the top private R&D investor, at around €30bn in 2010. "Because of the multiplier effect it has in the economy, the car industry should provide a strong impetus to maintain a strong industrial base in Europe," Tajani said, adding that he hoped to draw up a co-ordinated plan before the talks. Car sales have been on the decline for five years and are expected to fall by almost 8% this year, with no hope of a return to pre-crisis levels for up to a decade on some markets. "We are not just talking about Fiat, Volvo or Daimler, but thousands and thousands of small and medium-sized businesses," Tajani added. European manufacturers welcomed the EU's so-called CARS 2020 plan for action but called for urgent measures to cope with the social and economic consequences of current restructuring and cautioned against "unbalanced" trade agreements. "We cannot afford to open up our markets in times of crisis unless there is a level playing field," European Automobile Manufacturers' Association (ACEA) head Ivan Hodac said. But it backed proposals to make 'clean vehicles' an investment priority and to improve competitiveness in trade, transport, energy and climate policy. "Smarter, more co-ordinated and streamlined regulation is needed to reinforce the automotive industry's competitiveness and benefit the European economy as a whole," the association said.

CARS 2020: 7% of EU car sales will be electric vehicles (EVs) in 2020

(Source: Cars21.com, 12th November 2012) To maintain a world-class car industry and produce the most energy efficient and safe vehicles globally, the European Commission tabled on 8th November 2012 the CARS 2020 Action Plan aimed at reinforcing this industry's competitiveness and sustainability heading towards 2020. The Commission proposes a massive innovative push by streamlining research and innovation under the European Green Vehicle Initiative. Co-operation with the European Investment Bank will be reinforced to finance an innovation boost and facilitate SME access to credit. An EU standard recharging interface will provide the regulatory certainty needed to facilitate a breakthrough for large scale electric car production. Innovation in the automotive industry will also be stimulated through a comprehensive package of measures to reduce CO_2, pollutant and noise emissions, to drive improvements in road safety and develop technologically-advanced Intelligent Transport Systems (ITS). European Commission Vice-President Antonio Tajani, Commissioner for Industry and Entrepreneurship, said: "Europe produces the best cars in the world. The Commission wants this leadership to be maintained, moving even further ahead in safety and environmental performance. The Commission therefore presented a strategy for the EU automotive industry and will also take urgent action to address

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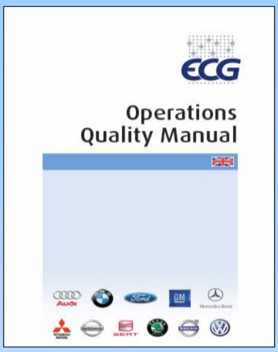

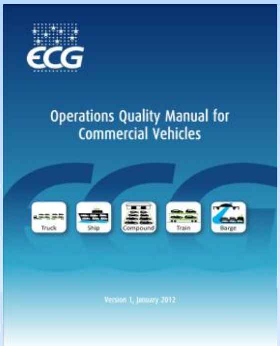

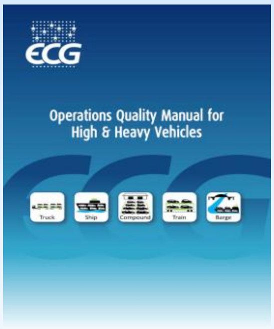

- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
- The manuals can be downloaded from: http://www.ecgassociation.eu/PublicationsReports/ECGOperationsQualityManuals.aspx

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this sector's current difficulties and restructuring in a co-ordinated way. The 8th November 2012 Plan will give the car industry all possible political support."
The Action Plan comprises concrete proposals for policy initiatives under four main themes:

- Investing in advanced technologies and financing innovation.
- Stronger internal market and smart regulation.
- Global markets and the international harmonisation of vehicle regulations.
- Anticipating adaptation and softening the social impacts of industrial adjustments.

Under these four pillars, the Commission proposes:

- to develop a proposal on the European Green Vehicles Initiative setting a clear thematic priority of energy-efficiency and alternative powertrains.
- to continue working with the European Investment Bank in order to explore with the EIB the possibility of financing projects linked to electro-mobility.
- to implement the 2020 CO_2 targets for cars and vans.
- to start a broad consultation on CO_2 regulatory policy for cars and vans beyond 2020.
- to actively support the development and implementation of a new driving test-cycle and test procedure to measure fuel consumption and emissions from cars and vans in a way that is more representative of real-world driving.
- to define complementary measures controlling vehicle pollutant emissions in use, based on a thorough analysis, with the aim of delivering a timely reduction of real-world pollutant emissions, hence, contributing to improved air quality.
- to continue to implement safety of new vehicle technologies (EVs).
- to set up an Alternative Fuels Strategy supporting the need for a range of alternative fuels, covering electricity, hydrogen, sustainable biofuels, natural gas and LPG and adopt a legislative proposal on alternative fuel infrastructure, concerning the deployment of a minimum refuelling and recharging infrastructure and common standards for certain fuels, including electric vehicles.
- to ensure by a legislative measure that practical and satisfactory solutions for the infrastructure side of the recharging interface for electric vehicles are implemented throughout the EU.
- to put forward guidelines for financial incentives for clean and energy-efficient vehicles established by Member States in order to maximise their environmental effectiveness and limit the fragmentation of the market.
- to steer the work of the two informal working groups on safety and environmental performance of electric vehicles with a view to agreeing a Global Technical Regulation (GTR) on the safety of electric vehicles in 2014 and a common approach in terms of policy on environmental performance of electric vehicles.

The adoption of the Action Plan, following the CARS 21 Report, is not the end of the process. In order to monitor the implementation of the policies announced and continue the dialogue with the stakeholders, a dedicated process will be established called "CARS 2020", to be launched in 2013.

Kallas: Budget cuts threaten EU fundamentals

(Source: Euractiv.com, 12th November 2012) Siim Kallas, the Commission Vice-President responsible for transport, said budget cuts for 2014-2020 proposed for the 22nd and 23rd November summit risked 'cancelling' European policies designed to link Eastern and Western parts of the continent. Speaking at the European Liberal party's congress in Dublin, Kallas, an Estonian Liberal, strongly expressed his concerns about the course that budget negotiations had taken. Addressing a meeting on a "Liberal Roadmap for Energy Transition," Kallas said that he even would not call the ongoing budget discussions a "debate". "It's a real fight about the future of the EU budget," he said. "This is not about money, this is about the fundamentals. Do we need European policies at all or should we cancel

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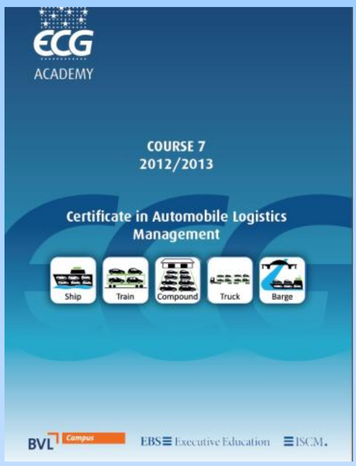

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European policies?” Kallas said that he and his fellow commissioners, including Energy Commissioner Günther Oettinger, agreed [a common negative view] about the proposed cuts, currently under discussion in the wake of the extraordinary EU summit. “We are much afraid that these cuts will hurt seriously our energy and transport network projects,” Kallas said. He singled out two countries for displaying the importance of a common energy policy for Europe. These were its own country Estonia, part of the Soviet-era electric grid which has to yet establish links to Finland or the Baltic states, and Bulgaria, which is still reliant on Russian gas supplies. The philosophy behind Oettinger’s proposal for a Connecting Europe Facility (CEF) a year and a half ago was to develop physical infrastructure for European integration, Kallas said. CEF currently appears the biggest victim of the latest ‘revised negotiating box’, a document containing concrete spending figures for the 2014-2020 period, recently tabled as a compromise proposal by the Cypriot presidency. The new cost of CEF, according to Cypriot figures is €36.3bn, although the European Commission (EC) originally proposed €50bn. Asked to substantiate his strong criticisms, Kallas cited transport projects already adopted at Council level, aimed at connecting the Eastern part of the continent to the West. “This has been one of the most important priorities of this Commission. But if the money is cut to the extent that we cannot realise these projects any more, this is a cancellation of European policy," he said. According to a leaked version of the EC Communication on the internal energy market published on Thursday 15th November, Estonia, Lithuania and Latvia - as well as Malta, Cyprus, Spain and Portugal - are described as “gas islands” because of insufficient infrastructure connections with the rest of the EU. Perhaps more seriously, dependency on a single gas provider also prevails in countries with a better geographical position, such as Slovakia, Bulgaria, Hungary and Romania, the paper says. But the EU executive is also critical of Germany, calling on Berlin to enhance the inter-connectivity of gas flows from the Nord Stream pipeline with Russia, operational since November 2011, and to develop north-south and east-west transport capacity.

ECG Note: The European Commission has furthermore published a video clip in which business leaders express strong support for the Connecting Europe Facility (CEF), less than two weeks ahead of the special European Council of 22-23 November on the future EU budget 2014-2020. To view this clip, as well as a declaration in support of the CEF (which ECG has signed, among more than 1.100 signatories so far), please see:
http://ec.europa.eu/commission_2010-2014/kallas/headlines/news/2012/11/cef-business-leaders_en.htm"

EP TRAN Committee makes recommendations on EMSA and adopts Opinion on attribution of concession contracts:

(Source: TRAN Committee, 09th November 2012) On 5th – 6th November, the European Parliament’s (EP) Transport Committee (TRAN) discussed a proposal to review the European Maritime Safety Agency (EMSA) Regulation. The Committee believed that the powers of the Agency should be extended to prevent and tackle environmental disasters such as oil spills, to take part in the fight against maritime piracy and to play a stronger role in improving training for seafarers. The Agency will also be able to assist in reducing reporting formalities through the Maritime Space without Barriers and the e-Maritime Initiative. In addition, EMSA will have a greater ability to work with neighbouring countries and the possibility to contribute to the achievement of other policy objectives including the reduction of greenhouse gas emissions from shipping and the environmental status of marine waters. The vote in plenary session in December will conclude the legislative process. During its meeting, the TRAN Committee also adopted a draft Opinion in favour of more transparent rules for the attribution of concession contracts to ensure legal certainty as well as effective and equal access for economic operators across the single market. It was agreed that concession contracts should be awarded to the most economically advantageous tender, in

ECG AGENDA

►**ECG Board Meeting** on **27th & 28th November**, in Barcelona, Spain

►**ECG Academy Module II** on **4th - 8th December** (TBC) in Bremen, Germany

►**ECG closed** on **24th December – 1st January 2013** inclusive

►**ECG closed** on **1st April 2013**

►**ECG closed** on **1st – 9th & 20th May 2013**

►**ECG Spring Congress & General Assembly** on **23rd & 24th May 2013** in Dublin, Ireland

►**ECG Conference** on **10th & 11th October 2013** in Berlin, Germany

order to ensure high-quality works and services. The provisions on subcontracting were reinforced to improve control of all parts of the contractors' chain. Economic operators that would violate EU or national laws aimed at protecting public interests, in particular social security, employment, tax or environmental laws would be excluded from participating in a concession award. It was also specified that the Directive would not apply to concessions for the acquisition or leasing of public domains, in particular maritime areas, inland and sea ports, whereby the contracting authority only establishes general conditions for their use without acquiring works or services. The Committee considered that the Directive should not affect public authorities' freedom to provide works and services using their own resources rather than outsourcing them to third parties through concession contracts. The vote in the Internal Market and Consumer Protection Committee, which is leading on this dossier, will be held on 18th December 2012.

AUTOMOTIVE INDUSTRY

GM won't "cut and run," Akerson tells Opel staff

(Source: Automotive News Europe, 15th November 2012) General Motors will neither sell its loss-making European unit Opel nor "simply close up shop and leave," CEO Dan Akerson told more than 5,000 staff in the brand's headquarters in Ruesselsheim on Thursday 15th November. "As a global auto company, GM needs a strong design, engineering, manufacturing and sales presence in Europe. There's room for Chevrolet in Europe but Opel fulfils that role," he said. "Recommendations that we 'cut and run' show you that some people simply do not see how important Opel is to our success," Akerson said. Akerson has come under pressure from investors to divest or unwind Opel, which Morgan Stanley forecasts will post another $1bn in annual operating losses on average through 2021 after $16bn over the past dozen years. While his No. 2, Steve Girsky, has defended Opel in public and called it "vital" to the operations of GM, analysts believed Akerson was open to a more radical approach given his minority view to sell Opel to Magna late in 2009. "The fact is we lack economies of scale in critical areas and if we can achieve scale by partnering with PSA, that's what we are going to do," Akerson told Opel's workers, referring to French carmaker Peugeot. Earlier this week, people familiar with the matter said GM and Peugeot have halted talks on a deeper tie-up amid misgivings about the French carmaker's worsening finances and government-backed bailout.

Renault offers to keep French plants open in return for wage deal

(Source: Automotive News Europe, 13th November 2012) Renault has offered unions a commitment to avoid French plant closures in return for a new deal on pay and conditions, a company spokeswoman said on Tuesday 13th November. "In the framework of a global agreement on all proposed measures, management would be ready to give undertakings not to close any French factories," the spokeswoman said after a meeting with unions. The commitment to avoid closures was offered "in spite of a European market that is unlikely to see any real growth during the current strategic plan running until 2016," she said. The company said in September it was seeking a new nationwide labour deal with French unions to cut costs and align domestic productivity with Renault and Nissan plants in the UK and Spain. Renault's French rival, PSA Peugeot Citroën has announced plans to cut 8,000 French jobs, close its Aulnay plant near Paris and shrink another factory in the country. Ford announced 5,700 job cuts last month as a result of closing a large car assembly plant in Genk, Belgium, along with a smaller British van factory and associated stamping facility. Renault's push for a new labour pact echoes concessions won by PSA at its SevelNord plant in

Events in Brussels

"E-Maritime Annual Conference 2012: Connecting the maritime world - towards 2020" by EC DG MOVE, on 22nd-23rd November 2012 (http://www.emaritime.eu/conference2012/)
ECG will attend

TEN-T Days by EC DG MOVE, on 27th-28th-29th November 2012 (http://ec.europa.eu/transport/media/events/2012-11-save-the-date_en.htm)
ECG will attend

European Transport Business Summit – "Connect to Compete" by EC DG MOVE, on 27th November 2012 (http://ec.europa.eu/transport/media/events/2012-11-27-business-summit_en.htm)
ECG will attend

"Beyond just fossil fuels: future sustainable energy options for road transport." Event by Forum for the Automobile and Society, on 27th November 2012 (http://www.autoandsociety.eu)
ECG will attend

Conference on Fair and Efficient Road Pricing by EC DG MOVE, on 5th December 2012 (http://ec.europa.eu/transport/modes/road/events/2012-12-05-road-pricing_en.htm)
ECG will attend

Transport Policy Event by ACEA, on 6th December 2012 (www.acea.be)
ECG will attend

"Achieving the goals of the White Paper on Transport: how civil society can help with delivery?" by the European Economic and Social Committee on 7th December 2012 (http://www.eesc.europa.eu/?i=portal.en.events-and-activities-achieving-the-goals)
ECG will attend

northern France - including a pay freeze, reduced leave and flexible hours - after threatening to close the site in addition to its Aulnay factory.

GM Korea faces union pressure over speculation Cruze production will move to Europe

(Source: Automotive News Europe, 15th November 2012) Labour leaders at the South Korean unit of General Motors are putting pressure on the carmaker to reverse course and build its next-generation Chevrolet Cruze model in the country, over fears the company plans to build it in other regions, including Europe. Union officials said GM Korea head Sergio Rocha told them on 1st November 2012 that the new Cruze will be produced in Europe and four other regions, sparking speculation that GM may move the output to Europe to help boost efficiency at its money-losing unit there. Rocha has said the automaker has not yet decided which overseas factories will produce the new Cruze. Union leaders also said they met with Rocha and he reiterated that GM cannot retract the production decision. "Should [GM] not withdraw the decision, it will face enormous resistance [from workers]," union leader Min Ki said in a statement, adding the union would do all it could to block the move, which it fears will cost Korean jobs. The current Cruze model accounts for 50-60% of about 260,000 vehicles produced at GM Korea's plant in the southwestern city of Gunsan, which employs about 3,300 workers. The factory also builds the Chevy Orlando SUV and Lacetti small car. GM has two other car plants in South Korea. The fully revamped Cruze model is expected to hit the market in the third quarter of 2014. "The next-generation Cruze is the lifeline of Gunsan factory. The plant is flooded with anger about GM, which is trying to cut its lifeline," Min said. The union has also called for meetings with GM's Tim Lee, the head of international operations and CEO Dan Akerson. Rocha downplayed concerns about any plant shutdown or output cuts at the factory, according to the union. "We will seek ways to maintain utilisation rates at Gunsan plant by continuing to produce the current Cruze model," said Park Hae-ho, a spokesman for GM Korea. A union spokesman, Choi Jong-hak, who previously threatened "a war" should GM Korea move output out of the country, said the union is seeking to garner support from politicians and Korea Development Bank (KDB), GM Korea's second-biggest shareholder. GM has said previously that it wants to increase its stake in its South Korean operations. While it owns close to 77% of GM Korea, KDB's 17% holding gives the state-run bank the right to veto some decisions made by the automaker. In December, GM CEO Dan Akerson floated the idea that more cost-cutting at the company's Germany-based Opel unit could be accompanied by shifting production to the region from Asia to make European plants more efficient. GM's European unit, which includes its Opel and Vauxhall brands, has lost money for 12 consecutive years, and the company is scrambling to cut costs and boost efficiency in that region. It said on 31st October 2012 that it expected a loss of as much as $1.8bn in Europe this year and was targeting a return to breakeven in the region by mid-decade.

EUROPE

Mosolf's good singing at the OPRA

(Source: Ship2Shore, 12th November 2012) It has been already quite successful, the implementation of the "OPRA Operational Possibilities for Rail in the Automotive Industry", one of the projects awarded funds within the framework of the European Program's Marco Polo II Call 2010 by **Horst Mosolf Gmbh & Co. KG** through its dedicated division MAR Mosolf Automotive Railway GmbH. The German company, specialised in automotive logistics, has been able to switch cargo (i.e. mainly cars) from road to rail in an extensive measure, almost fulfilling its announced duty: along the two (plus one on a spot basis) regular railway services implemented, a total of 323,319,104 km out of a target of 380,689,641

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have been shifted, equal to a 85% score, according to a recent presentation made last summer after the second year of activity was completed. Indeed the 3-years (May 2010 - May 2013) project focused on the creation of new regular rail services through dedicated block trains for the transport of new vehicles (cars and vans) between Poland and Belgium (and Germany eastbound) while the Iberian Peninsula, The Netherlands and the United Kingdom are indirectly served. In the reverse direction, MAR targets vehicles produced in Bochum (Germany) to be shipped to Swarzedz as well as vehicles produced in Genk (Belgium) to Poznan (Poland). “Until the OPRA was implemented, there were no frequent and regular rail services between the above mentioned Polish and Belgium locations for the transport of brand new cars, so the volumes produced in Poland were transported by road because of its flexibility and availability since rail was only used intermittently when road was unable - Mosolf noted - the key idea behind the proposed action was to offer competitive rail services compared to road transport”. The project has duration of 36 months and envisages a total shift of 619,627,890 tkm, generating environmental benefits and external costs savings estimated in €11,651,833, against which EU fund requested are €2,398,962. The traffic volume concerned is about 200,000 cars per year. On 1st August 2009 the new regular rail link for car transport between Tychy and the port of Antwerp actually started with its average frequency of 4 trains per week, and in April 2010 a new weekly service between Gliwice and the port of Zeebrugge started too. The core criterion for the success of this challenging project is to have large volumes enabling trainloads exist in the westbound direction. “As long as 100% of trains have to return empty, rail is at a disadvantage; therefore at least limited volumes of eastbound traffic have to be acquired. Also, round trip time of trains lasting no more than 4 days (laden/empty) and reliability of rolling stock are crucial issues, as well as preventive maintenance for wagons in order to avoid wagon costs for replacement and a guaranteed entry into the Belgian ports 7 days a week”. The company began as a small transport business in 1955 in Kirchheim unter Teck, near Stuttgart (Baden-Wurttemberg), but Horst Mosolf Gmbh & Co. Kg has now developed into Europe’s leading systems operator and service provider in vehicle logistics. With an aggregated turnover of some €400m in 2011, the Mosolf Group is a global automotive logistic provider employing over 2,500 specialists at some 30 technical and logistics centres in Europe and Brazil, a representive office in Shanghai and a joint venture in Pune (India), handling some 2,300,000 vehicles movements as well as 700,000 units technical services per year. Mosolf’s great strength is its modern in-house network of intermodal transport services. “We are a family owned and partly family managed company, since 1955 on the market and basically a land and network operator in Europe, Brasil, India and China” comments Wolfgang Göbel, Director Sales/Marketing & Logistics. “Key and main activity is Europe and there we have a strong network in Germany, France, Czech Republic, Poland (with **STVA** as joint venture partner) and Belgium, co-operating in Spain/Portugal, Austria, Hungary etc with others”. The company currently operates 850 special transporters, including 100 top quality specialised vehicles like flat trucks, truck transporters for loads up to 3 meters wide and low-loaders with or without a telescopic extension; it also has its own inland waterways vessel equipped to transport cars and has a fleet of 350 double-decker car carriers for rail services (100 less as from 2013) and its own railway transport company. Mosolf has long-term permits to transport wide loads in almost every European country. In recognition of it quality service the company has been awarded the Porsche Supplier Award in 2005 and the European Carrier Award from Daimler in 2001, 2003, 2006, 2007 and 2010. MAR Mosolf Automotive Railway GmbH was created for the rail transport of passenger cars and owns its fleet of special wagons, granting coverage of European countries with normal gauge, being able to organise dedicate company trains with traction provided by private railways as well as by incumbents. In mid September PKP Cargo began implementation of a contract for transportation of cars from the FIAT factory that the Italian Group took over (the state-controlled car manufacturer Zastava, now called Fiat Automobili Srbija FAS) in Kragujevac (Serbia), on account of MAR Mosolf Railway Automotive GmbH, to logistics centre Ketzin as distribution site for the German market. Admittedly this the first time in PKP history that carriage service takes place across territories of four countries: Slovakia, Czech Republic, Poland and Germany. As from past August (when the first convoy of 16 wagons loaded with 208 cars started) trains for the Italian market are run twice a week from Kragujevac to the port of Bar (Montenegro) where Fiat 500L carried on Mosolf trains run by the state owned company Railways of Serbia are embarked on **Grimaldi Group** of Naples ro-ro vessels, bound to the port of Salerno.

Hödlmayr goes on green railways

(Source: Ship2Shore, 12th November 2012) It is now a year since the Austrian logistics and transport company **Hödlmayr International AG** adopted a new strategic approach to the business of car conveyance. The new “Go Green” concept is the corporate philosophy as exemplified by the locomotive of Bosporus Sprinter type which has been recently added to the modern vehicle fleet, although this is not all the news; in fact for years Hödlmayr has been committed to freight transport by rail as an environmentally friendly alternative to conventional transport operations, using railways over long distances from the car production plant to the car distribution centres. In November 2011 Hödlmayr implemented a locomotive in the company’s corporate design for international rail transports; the Bosporus Sprinter is provided by the Vienna local railway company and operates between Romania, Hungary, Germany, Belgium and Austria. Now 3 trains per week operate between Dacia plant in Pitesti (Romania) and Hödlmayr subsidiary HN Autotransport in Tongeren (Belgium) over 2,000 kilometres away; this means a CO_2 reduction of 11,400 tons in the next three years. The concept applies also to further regular trains: from Renault plant in Batilly (France) to Antwerp (Belgium), from Daimler plant Graz (Austria) to Bremerhaven (Germany), from BMW compound Bremerhaven (Germany) to Schwertberg (Austria). In addition there’s spot train business; overall the company has planned 10 trains until the end of 2012. But rail is not enough: the company has realised an independent study about a ro-ro barge sailing on inland waterways, although at the moment this seems utopia. “Unfortunately our conclusion is that the market is not ready yet for a break-even utilisation: volume rises slowly and many customers avoid inland water transport because of the still cheap truck capacities on the market” admits the company. To reach these challenging goals, a modern fleet, logistic solutions from a combination of truck, rail and ship, up to date communication systems and strategic partnerships ensure an optimization of the traffic flows. Since 2008 drivers have been specifically trained for an ecologic and economic driving style: 64% of all the fleer trucks comply with Euro 4 or Euro 5, the first EV truck was delivered in 2010 and 10 further trucks have been ordered, finally maximum speed of 85 km/h is allowed. As a result CO_2 emissions were reduced by 3% and globally the company reduced its CO_2 emission by about 15,000 tons per year. “We are among the pioneers of Austrian’s logisticians with regard to anchoring sustainability in the corporate philosophy” argues CEO Johannes Hödlmayr. ”Our corporate philosophy aims at having economic success with ecological and social responsibility, including the values of environment, quality and sustainability”. In fact such approach applies also to compounds, where an extensive use of electric power supply is made while the conversion of a test truck to biogas power has also been successfully tested. In the same days that the latest **ECG Conference** was held in Prague a few weeks ago, the local subsidiary of the Austrian group celebrated its 20th anniversary. In 1992 Hödlmayr Logistics Czech Republic was founded as the fourth foreign company of the Hödlmayr Group after Germany, Belgium and Hungary; today it is an important hub in the international Hödlmayr logistics network. Following the entry in Hungary in 1990 the subsidiary in the Czech Republic meant the next successful step in the direction of East Europe. “At first the young company was located in Kralupy on the Vltava in the North West of Prague. Due to considerable expansion a few years after the foundation the location had to move to Jenec, an area right next to the airport of Prague” reminds Johannes Hödlmayr. Hödlmayr Logistics Czech Republic a.s. employs about 200 employees and owns 113 special trucks for car transport, one PDI Centre inclusive of a paint shop, two railway connections for block trains. Nowadays Hödlmayr International AG is an internationally active family business, whose core service is vehicle logistics, specialised in the preparation and distribution of finished vehicles from production to delivery to the dealer. An extensive logistics network has been created through co-operation with partner firms and effective supply networks. The parent company and its subsidiaries in 14 countries employ over 1,300 staff, have a storage area of 1,500,000m^2 and own 590 special trucks for car transport and run 5 block trains. The Group had a turnover of €175m in 2011 and delivers about 1 million cars each year. Last summer the Austrian Export Prize in the category ‘transport and traffic’ was awarded to Hödlmayr International AG - as the first time when a logistics company won it - at the Vienna Museums quarter by the Federal Chamber of Economy Austria and the Federal Ministry of Economy, Family and Youth. “We have three main objectives. One is cost monitoring, looking for the best cost base in different countries; to maintain efficiency by creating round trips for our transport vehicles, aiming at co-operation models along the supply chain and look for partnerships locally and Europe-wide; our third goal is differentiation from other suppliers by creating a distribution network with our own assets, franchisers, and subcontractors by means of continuing investment in compounds, IT, workshops and truck fleets” says Konrad Zwirner, SVP International Sales & Business Development. Hödlmayr is experiencing the fastest growing demand for its vehicle logistics services in Eastern Europe, Turkey, Ukraine, and Russia. In Western Europe our main challenges are to control costs and to fit capacity to demand. Other challenges

involve laws and restrictions as well as a shortage of drivers. In Eastern Europe, the challenge is to invest in the right way: establishing distribution centres in the best locations". Zwirner admits that one unfortunate trend is the deteriorating relationship between OEMs and logistics suppliers due to a lack of trust. "During the economic crisis, OEMs pushed suppliers to reduce prices of their existing contracts, for which Hödlmayr obliged. A large part of our fleet was idle in 2009 due to a decline in demand. Now, the fleet is running, but there is no trust that the industry will perform in high volumes. Trust is a big criterion for investment. Furthermore, we are up against unilateral contract conditions and at the same time, changing contract conditions, which is obviously difficult. Another trend has been for OEMs to segment their supply chains. They are looking for single tenders for rail, truck, and short seas. In order for us to integrate our intermodal services successfully, we must be competitive in all areas". The main challenges to optimising Hödlmayr's rail services are the limited number of rail wagons. "We are in discussions about investing in rail, but we would need long-term contracts and volume guarantees from the OEM customers, the latter of which they do not provide". Regarding truck investment, it is the same situation as for rail. "Trucking companies have not been investing for the past few years, and now are dealing with an aging fleet."

Demand still weak in northern Europe, says DFDS

(Source: LloydsLoadingList, 15th November 2012) Ferry operator **DFDS** has warned of continued weakening of demand in northern Europe, creating over-capacity in several markets and pressure on earnings. The Denmark-based company recorded a 2012 third-quarter operating profit of Dkr503m ($86m), in line with expectations, but improved results in most business areas were "overshadowed" by a large decrease on the North Sea sector. Chief Executive Niels Smedegaard said: "The wheels of Europe's economies and thereby the transport sector, turned somewhat more slowly [in the third quarter]. This was foreseen and included in our profit expectation for the full year 2012, which therefore remains unchanged. "We will, however, most likely pass the finishing line at the low end of the expected interval, as halfway through [the fourth quarter] we see continued weakening of demand in northern Europe." DFDS's Q3 revenue was Dkr3.2bn, up from DKr3.1bn in the same period of 2011. Results were as expected in the quarter, which is the high season for DFDS. "The weakening of demand is causing over-capacity on several markets and pressure on earnings," Smedegaard said. "The return on the invested capital is therefore lower than our goal. We continue to strive to improve our competitiveness by adjusting costs to market conditions and strengthening relations with our customers, including an increase in customer focus that involves everybody in the company. Net interest-bearing debt has been reduced substantially, and this enables us to pursue interesting opportunities that may arise to expand our activities."

DB Schenker expands its UK-Italy service

(Source: Automotive Logistics News, 14th November 2012) **DB Schenker** UK has recently added another return service between Hams Hall in the UK Midlands and Domodossola in Northern Italy. The addition means that four return rail freight services are now operating per week between the UK and Italy via the Channel tunnel. The additional service provides customers with a haulage solution four days per week, with trains departing every Monday, Wednesday, Thursday and Friday. The company said the services are used by a wide range of manufacturers and retailers. Alain Thauvette, CEO of DBS UK, said: "By introducing a fourth rail freight service between the UK and Italy, we have strengthened our ability to provide customers with a regular and reliable logistics alternative to road haulage. We look forward to operating a full weekday service in the coming year. Doing so enables customers to switch freight from road to rail, helping to reduce carbon." DB Schenker Rail said that a fifth service will be introduced in early 2013. This will be the first time that a five-day-a-week rail freight service between the UK and Italy has been made available to customers.

General strike hits carmakers in Europe

(Source: Automotive Logistics News, 14th November 2012) Workers across Southern Europe staged a co-ordinated general strike on Wednesday 14th November 2012 that shut car production plants, halted transport links and grounded flights across the region. The action also hit ports and customs offices. The European Day of Action and Solidarity against government austerity measures was co-ordinated by labour unions including Spain's Comisiones Obrearas, Portugal's CGTP union, CGIL in Italy and the Greek unions including GSEE. In addition, the European Trade Union Confederation (ETUC) urged workers to walk out. In total some 23 countries were involved in the demonstrations, with action which spread to Belgium, Germany, France, the UK and some eastern EU states. In Spain, where 5m workers are unionised but one in four is now unemployed, the majority of auto workers joined the strike during the night shift and activity halted at nearly all metal works, according to Comisiones Obreras. Carmakers responded to the action with part or full closures. GM confirmed that it shut its Figueruelas plant near Zaragoza in the north of the country for 24 hours. Ford also shut its Valencia plant for 24 hours. "There are no plans to reroute anything to or from Valencia since it is a nationwide general and cross-industrial strike action, not a Ford-specific one," said the company in a statement. PSA Peugeot Citroën said that the action did not affect production at its plant

in Madrid because the company had already planned days off into the work agenda prior to the strike. Spanish carmaker Seat said that all activity stopped at its Martorell plant near Barcelona but that it would be strengthening deliveries in the coming days with extra services to make up the shortfall. A spokesman for the company pointed out that with both manufacturing and transport affected by the shortfall, it will be less problematic to remedy as manufacturing is not as radically out of step with deliveries as it would be in the case of an isolated transport strike. The European Automobile Manufacturer's Association (ACEA) said it had no specific information on the situation but, from the transport side, the **Association of European Vehicle Logistics** (**ECG**), said that the action would only worsen the problems being felt in the region. "The turmoil around Europe is the result of the high pressure put on European citizens and workers," said ECG president Costantino Baldissara. "Unfortunately, these protests have a further detrimental impact on our society as they only aggravate the burden on the economic operators that are called on to face further obstacles in this tricky economic period." Baldissara said this was the case for European finished vehicles logistics operators, which were already living through a substantial profitability crunch, with rising costs and poor confidence in a viable future already threatening their ability to remain afloat. "This turmoil comes as a further penalisation at an already bad moment, where outbound logistics operators suffer very much the effects of these general strikes, have few options to ease the situation and totally absorb the negative effects," he said. "All the contingency measures, including alternative routes and additional time, are simply translated into extra costs for the whole industry. This only aggravates the weak economic period our industry is living, by contributing to undermine its profitability and its solidity, with a further consequent negative effect on the stability of the European society." Individual transport and logistics providers confirmed the impact on services. **DB Schenker** said the strike affected services in the countries taking action. "We are in the same situation as our customers, in the end, facing similar problems," said a spokesman for the company. At the ports some services were maintained while others were on standstill. Maritime services provider Inchcape Shipping Services reported that all operations at the Greek ports were stopped for three hours, while in Spain pilots at Algeciras were operating at 50% capacity. Inchcape said sporadic troubles were also reported in different locations including Valencia and Vigo.

REST OF THE WORLD

DB Schenker celebrates 50 years in South Africa

(Source: Automotive Logistics News, 14th November 2012) DB Schenker has recently celebrated 50 years of activity in South Africa, a period that has seen it grow services for a wide range of sectors, with automotive being one it is main business areas, supporting carmakers including BMW and VW as well as their suppliers. According to the company, since it opened a small office for air and ocean freight on 11th October 1962 DB Schenker South Africa has grown to be one of the country's leading providers of logistics services, present in Johannesburg, Durban, East London, Port Elizabeth, Pretoria and Cape Town. And it now offers the full range of freight forwarding, contract logistics services and supply chain management, national distribution as well as customs clearance. On the strength of its growth, the company has announced that it will move into a new corporate office in Joannesburg next October that will include a new shared logistics centre that will expand its storage capacity by more than 50%. The 40,000m^2 facility will include 4,300m^2 of offices for both the regional main office and Johannesburg branch as well as 35,000m^2 of warehouse. The new buildings are being constructed along a new access road for Johannesburg's Oliver Tambo International Airport, speeding deliveries and making employee commutes simple. Construction started earlier this year. "Our success shows that good performance and a high commitment makes it possible to win and keep customers, even in an environment that is not always an easy one," said Dr. Thomas C. Lieb, Chairman of the Management Board and CEO of Schenker AG. South Africa is also the home of the Regional Head Office for the network of DB Schenker in Sub-Saharan Africa, co-ordinating the activities in 19 countries, amongst others, Botswana, Ghana, Malawi, Namibia, Nigeria, Zambia, and Zimbabwe.

Carmakers count the cost of Hurricane Sandy

(Source: Automotive Logistics News, 14th November 2012) As ports along the US East Coast continue to count the cost of the damage caused by Hurricane Sandy two weeks ago the port of New York and New Jersey has reported that around 16,000 passenger cars were damaged. Quoting the New York Shipping the Associated Press has reported that both vehicle processor FAPS and Toyota, based at the Port Newark-Elizabeth marine terminals, were among those that suffered losses. Nissan and Honda are also reported to have lost inventory. The news follows a report last week in which Fisker Automotive lost 338 Karma luxury plug in hybrids worth around $100,000 each. Carmakers have said that the majority of the flooded vehicles were parked at dockside lots along Newark Bay when the storm hit and that electrical and mechanical systems were submerged in corrosive saltwater. The port of New York and New Jersey now reports that it is running "at close to 100% on all fronts" as the recovery process continues.

PRESS RELEASES

Harbour Light: a new professionals' guide on port and transport related EU Policy

(Source: European Sea Ports Organisation - ESPO, 08th November 2012) On Wednesday 7th November 2012, during the ESPO Award Ceremony, the Flemish Port Commission presented Harbour Light, a professionals' guide on port and transport related EU policy and regulations.

The publication provides useful, condensed and accurate information on the most important European policy files. Furthermore, Harbour Light gives a general overview of the content and state of decision-making of 46 selected topics which relate to European ports and transport. In addition to these files, some relevant documents like Directives, Guidelines, Communications or draft texts have been added.

Harbour Light results from a co-operation between the Flemish Port Commission (FPC), the National Ports Council (NPC, the Netherlands) and the European Sea Ports Organisation (ESPO). Although these organisations have different tasks, goals and represent different interests, they do have a common ambition of informing their members on European port and transport policy matters, which is exactly the purpose of Harbour Light.

The digital version of Harbour Light together with the different Directives, Guidelines, Communications and draft texts that were included in the publication can be downloaded from the Flemish Port Commission website and will be updated on a regular basis.

On the occasion of its General Assembly meeting, which was held prior to the Award Ceremony, ESPO also presented its latest annual report. Next to an overview of policy developments and ESPO activities in the past year, the annual report also contains an elaborate statistical section, which was prepared by the Institute of Transport and Maritime Management Antwerp (ITMMA).

To read the guide please click here:
http://www.espo.be/images/stories/Publications/others/harbourlight-final-%20with%20cover.pdf

Sevatas celebrates its 25th anniversary by helping East Anglia's Children's Hospices in UK

(Source: Sevatas, 15th November 2012) Celebrating our 25th year in business, Sevatas - Europe's leading provider of risk management, claims and damage reduction solutions to car manufacturers and their insurers are challenging 25 staff to cycle 25 miles dressed as Santa, with a target of raising over £5,000 for East Anglia's Children's Hospices (EACH).

The event will be held on 9th December, cycling a 25 miles route around Ipswich, Suffolk, stopping at the EACH Treehouse hospice to deliver presents for the children before returning to their UK head office, St Vincent House.

EACH support families and care for children and young people with life-threatening conditions across the East of England. They provide care and support wherever the family wishes – in families' own homes, in the community or at one of their hospices.

Sevatas aim to raise £5,000 through personal and corporate donations which will fund family and bereavement support sessions for over 300 families.

Marketing Manager, Robert Appleton, commented "Every year we participate in a large charitable event, this year we wanted this to align to our 25th Anniversary. We have had a great response from our staff eager to participate in either cycling, fund raising or supporting our riders.

"2013 is all set to be a great year for Sevatas celebrating success over the last 25 years and looking forward to the next 25!"

For more information please see: www.justgiving.com/santa-cycle

Autoport impresses in Turkish trial

(Source: Vehnet, 15th November 2012) Industry software specialist Vehnet is proud to have played a part in the recent success of state-of-the-art Turkish terminal Autoport, which handled an important trial project earlier this month.

The trial involved Autoport in handling over 1,500 vehicles for import, and 475 vehicles for export. The carrier was **UECC**.

Autoport Terminal is the first and currently the only purpose built car handling terminal in Turkey, capable of handling 400,000 vehicles per annum, with storage for 6,000 cars. Although designed and built to world-class standards, incorporating Vehnet's industry leading Advance yard management systems, the facility has so far been largely untested. Therefore, when operators Arkas were approached by Toyota with a proposed trial project, Arkas were quick to seize the opportunity to showcase Autoport's capabilities and demonstrate service excellence, says Ozgur Kalelioglu.

"This project has enabled us to prove beyond doubt that Autoport operates to the high international standards that customers are accustomed to on a global basis," he confirms. "Thanks to the hard work and dedication of everyone involved, we were able to deliver on our promises, both in terms of visibility, operational efficiency and cost. We have received very positive feedback from the various parties, and we hope that this success puts Autoport firmly on the map as the car terminal of choice in Turkey for the future."

Vehnet has worked closely with Arkas to build a system to support the Autoport operation, from routine maintenance, to customs clearance, discharge and storage optimisation, as well as controlling the back office functions. In a show of support for Arkas, a member of the Vehnet team was designated to attend during the trial project to ensure all went smoothly from a system point of view.

"We are delighted for Arkas and congratulate the team on their success," comments Vehnet Managing Director Steve Jones. "Everyone was deeply impressed with the facility and with the operation, and we are very proud to have played our part."

Arkas has ambitious growth plans for the Autoport terminal and is currently looking at further expansion.

"Our vision is to create a full service facility at Autoport, including processing and distribution," says Mr. Kalelioglu. "We wish to provide every possible service our customers may require and we are prepared to invest substantially to ensure we maintain the highest possible standards in every aspect of our operation. The next phase in our development will be to add a processing facility to enable us to provide PDI and other services. Our IT system is already configured to extend into workshop management, so we will continue to look to Vehnet to work in partnership with us going forward."