ECG News

Truck Ship Compound Train Barge

ECG – The Association of European Vehicle Logistics

Issue 16.03, 18th –22nd January 2016

CONTENTS

ECG & other industry events

►**ECG Land Transport Working Group**, **18th February 2016**, Frankfurt, Germany

►**ECG Quality Working Group**, **23rd February**, Brussels, Belgium

►**ECG UK & Ireland Meeting**, **25th February**, Birmingham, UK

►**Automotive Logistics Conference**, **15-17th March**, Bonn, Germany

►**ECG Eastern Regional Meeting**, **14st April**, Gdansk, Poland

►**ECG Dinner Debate**, **19th April**, Brussels, Belgium

►**CSR Europe's Sustainable Supply Chain Logistics Forum**, **20th April**, Brussels, Belgium

►**ECG Spring Congress & General Assembly**, **26-27th May**, Lago Maggiore, Italy

►**ECG UK & Ireland Meeting**, **15th June**, Liverpool, UK

►**Automotive Supply Chain Congress**, **15-16h June**, Liverpool, UK

►**ECG Conference**, **20-21st October**, Hamburg, Germany

►**ECG UK & Ireland Meeting**, **9th November**, London, UK

NEWS FROM BRUSSELS

MEPs discuss vetoing plan to relax diesel car emission limits

(Source: European Parliament, 19th January 2016) As part of a package to introduce the long-awaited RDE test procedure, endorsed by EU Member States in the Technical Committee for Motor Vehicles (TCMV) on 28th October, the European Commission proposed to raise car NO_x emission limits by up to 110%. MEPs and internal market Commissioner Elżbieta Bieńkowska on 18th January discussed to veto this proposal when it will be voted on next month in the EP Plenary. The European Parliament's Environment Committee argues that MEPs should veto plans to relax the limits because this would undermine the enforcement of existing EU standards. Some Members called on the European Commission to put forward a revised proposal, as well as plans for a stronger type-approval system for vehicles in the EU. Others stressed the need to put the Real Drive Emissions test procedure into effect quickly, in order to bring down emission levels. In her concluding remarks, Commissionner Bieńkowska said that vetoing the proposed measures would only prolong today's unsatisfactory car testing regime.

You can watch a video recording of the debate on the EP Plenary webpage.
Press releases of political groups in the European Parliament: EPP Group, Socialists & Democrats.

Car emissions inquiry committee members and remit approved

(Source: European Parliament, 21st January 2016) Parliament appointed the 45 members of a Committee of Inquiry into car makers' breaches of EU rules on car emission tests in a vote on 21st January. The Committee will also investigate alleged failures by EU Member States and the European Commission to enforce EU standards. It will present an interim report within 6 months, and a final one within 12 months, of starting its work. MEPs approved the composition of the Committee of Inquiry into Emission Measurements in the Automotive Sector (EMIS), which will hold its first meeting in February to name its Chairman and Co-Chairs. The committee will investigate:

- the Commission's alleged failure to keep test cycles under review,
- the alleged failure of the Commission and Member States' authorities to take proper and effective action to enforce and oversee enforcement of the explicit ban on "defeat devices",
- the Commission's alleged failure to introduce tests reflecting the real-world driving conditions,
- the Member States' alleged failure to lay down provisions on effective, proportionate and dissuasive penalties applicable to manufacturers for infringements, and
- whether the Commission and the Member States had evidence of the use of "defeat mechanisms" before the scandal emerged on 18 September 2015.

The composition of the Committee and all related information can be found on the European Parliament's webpage.
Reactions of political groups in the European Parliament: EPP Group, ALDE.

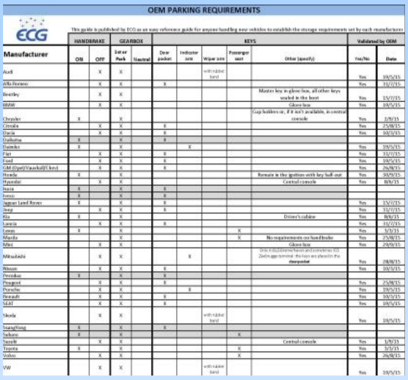
EU port services regulation a betrayal of Parliament's mission

(Source: The Parliament Magazine, 13th January 2016) An opinion piece by MEP Bogusław Liberadzki, a Polish Member of the European Parliament's Transport and Tourism Committee, who is a long-standing supporter of ECG:

On 25th January, the European Parliament's transport committee will vote on controversial plans to regulate Europe's ports. This vote, on the EU Port Services

ECG Parking requirements table published

A comprehensive table has been published on the ECG website which summarises the parking requirements as specified by the majority of OEMs!



The assembly of the parking requirements regarding the position of the gearbox, handbrake and the placement of the keys was initiated by the ECG Quality Working Group.

The table:

- is useful for FVL operators so that no outdated requirements are in place;
- points towards standardisation in the industry as far as the position of the gearbox and the handbrake is concerned;
- highlights a trend regarding the key placement but standardisation still has to take place on this field;
- is freely available on the ECG website!

If you spot any inaccuracies or have any additional information or comments, please contact ECG at info@ecgassociation.eu

Regulation, has been delayed on numerous occasions since it was presented to MEPs in 2014.

Last year, Rapporteur Knut Fleckenstein, an MEP for Hamburg, received over 700 amendments from colleagues of all parties to his proposed text. Since then, he has wrestled admirably to reach a satisfactory compromise text.

Sadly, this compromise text does not address the very real concerns of a number of ports across Europe. It is immaterial of whether or not the new regulation best serves the interests of European ports and the wider economy.

The fact remains that fatigued MEPs will be voting on a proposal which the various contortions of political expediency have rendered incoherent and, in places, worryingly ambiguous.

How has it come to this? Firstly, there has been strong pressure from the Commission, which is desperate to avoid the embarrassment of a third failure in attempts regulate Europe's ports.

Fleckenstein has, in turn, sought to exploit this potential weakness by making his support for the regulation contingent on agreeing a deal with the Commission's DG Competition on state aid for ports.

Given that the Port of Hamburg is heavily reliant on state aid, this is perhaps understandable. There are of course others that support the pursuit of such an agreement, and these may serve to deflect accusations that Fleckenstein is not acting entirely in the wider European interest.

The Dutch provide a case in point, although their motives for pressing for a deal on state aid may be rather different to those of Hamburg.

Unfortunately, in the midst of all this, proper consideration of the Regulation appears to have been lost: There are core issues that need to be addressed.

What is its purpose? Is it capable of achieving its objectives or not? Will it add value? Will it improve the performance of European ports? Will it help attract investment?

My personal view is that a Regulation is not the best way forward. The absence of effective scrutiny, we are where we are. The case for the Regulation is now largely tied to a separate debate over state aid.

Therefore, we have finished up with a proposal that is divorced from the core principles that should determine the approval of any legislation by Parliament.

A vote in favour of a proposed piece of legislation should not be decided by the pursuit of a bargain with the Commission on a separate issue; it should not result from a damage limitation exercise predicated upon acquiescence to the Commission's desire to regulate for its own sake; it should not be swayed by a latent fear of what the Commission may do if it does not get its way.

Perhaps most importantly, we need to recognise that diversity between Member States can give rise to real and profound difficulties with a one-size-fits-all approach (as is the case with the proposed Port Services Regulation).

Therefore we must respect this diversity, irrespective of the results that may arise from simple plurality.

Europe faces many serious challenges. By focusing on building genuine consensus to tackle genuine EU-wide problems, Parliament can make a powerful contribution to meeting those challenges.

The proposed Port Services Regulation betrays this mission. For this reason, the Transport Committee should vote against it.

AUTOMOTIVE INDUSTRY

Automobile industry calls for urgent clarity on emissions test

(Source: ACEA, 19th January 2016) Following the debate on real-driving emissions (RDE) during the plenary session of the European Parliament in Strasbourg on 18th January, the European Automobile Manufacturers' Association (ACEA) reiterates that it fully agrees with the need for emissions to more closely reflect real-world conditions. "We urgently need to have a new test method to

bridge the gap between the current laboratory testing of pollutant emissions, as defined by law, and the very different conditions experienced on the road," said Erik Jonnaert, ACEA Secretary General. Alongside other stakeholders, ACEA has therefore been contributing constructively to the efforts of the European Commission and Member States to develop a robust RDE test. During the October meeting of the Commission's regulatory committee (TCMV) a tough compromise was agreed on RDE with testing standards that will be extremely difficult for automobile manufacturers to reach in a short space of time, and highly challenging targets in a second step. The TCMV also agreed that the RDE conformity factor should be reviewed in the future. "Despite the challenges in the latest proposals, the industry urgently needs clarity now so manufacturers can plan the development and design of vehicles in line with the new RDE requirements. Any delay to this legislation would leave little time to make the necessary changes and ultimately would just push back the benefits for the environment," stated Jonnaert. "Our industry needs the RDE test to restore the confidence of consumers and legislators in the environmental performance of new vehicles."

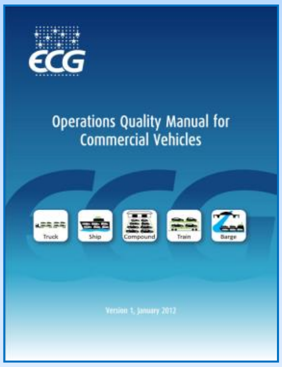
Industry Commissioner tells VW to compensate European drivers

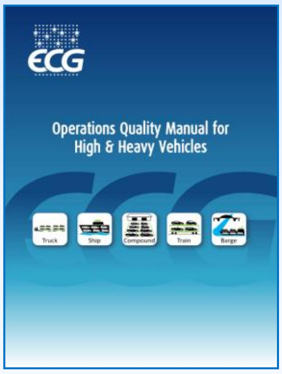
(Source: EurActiv, 20th January 2016) European Commissioner for Industry Elżbieta Bieńkowska increased the pressure on Volkswagen to compensate European consumers, as it has done for US drivers. Volkswagen has been mired in scandal since September when it admitted it had cheated US tests by using software known as "defeat devices" to mask NO_x emissions. In the United States, Volkswagen Group of America has promised goodwill compensation worth $1,000 (€917) each to tens of thousands of vehicle owners. But in Europe, VW officials have said they will repair vehicles to remove illegal software, but have no plans to pay consumers compensation, arguing they have suffered no loss. Europe's Industry Commissioner Elżbieta Bieńkowska, who has had a series of meetings with VW and met Chief Executive Matthias Müller in Brussels on 21st January, wrote to him last week a list of demands. High on the list is that the estimated 8.5 million European owners of VW cars fitted with defeat devices, out of 11 million worldwide, should be compensated. "I would like to ask you to reconsider your stance regarding compensation and reflect on the ways to offer compensation also to the European consumers," Bieńkowska, Poland's representative in the Juncker Commission, said in the letter seen by *Reuters*. The EU executive can apply only moral and political pressure in a very different legal framework from the United States. "The issue of compensation goes beyond the difference in the legal set-up between the US and the EU and plays a fundamental role in viewing VW as a responsible and trustworthy company," Bieńkowska writes.

Audi will build electric SUV in Belgium, shift A1 output to Spain and Q3 to Hungary

(Source: Automotive News Europe, 20th January 2016) Audi will build its new electric SUV at its plant in Belgium in a production reshuffle that will see A1 output go to Spain and Q3 production shift to Hungary. "The new model distribution will enhance our production efficiency and strengthen all of the sites involved," Audi CEO Rupert Stadler said in a statement on 20th January. Audi will move production of the A1 subcompact hatchback to fellow Volkswagen Group brand Seat's factory in Martorell, Spain, to make way for the battery powered SUV at its Brussels, Belgium, plant. The factory will also produce batteries that will be used in other VW group electric models. Production of the Q3 compact SUV will be transferred to Audi's plant in Győr, Hungary, from Martorell. The changes will take place in 2018. Audi said the reorganization would make Brussels, one of its smallest factories employing about 2,500 workers, a "key factory for electric mobility within the Volkswagen group." Peter Mosch, Audi's top

Version 6 of the ECG Operations Quality Manual for PCs and LCVs is available online!





- Written by the Quality Working Group and the H&H Working Group composed of OEMs and LSPs.
- The manuals can be downloaded here.

For comments or inquiries please contact: info@ecgassociation.eu

labour representative who also sits on the supervisory boards of Audi and parent VW, was critical of the decision. "What's beyond doubt is that our German plants are the strongest pillars of our success," Mosch said. "Our expertise in development is based here [in Germany] and should stay here. The production of electric models must be driven forward here too."

EUROPE

Kia begins moving cars through Paragon's Grimsby facility

(Source: Automotive Logistics News, 20th January 2016) Kia Motors has started processing vehicles through its new UK facility at Stallingborough near the Port of Immingham on the north-east coast, managed by transport and logistics provider **Paragon Automotive**. The start of operations follows the signing of a £115m ($176.5m) 10-year deal last year that will see Paragon receive, store and provide value-added services such as pre-delivery inspection and paint repairs. The facility, which represents a total investment of £20m, will be fully operational by mid-February this year. The 35-hectare facility is exclusively handling all Kia imports for distribution to 185 dealers across the UK from South Korea and from its plant in Žilina, Slovakia, all of which arrive through the nearby Port of Immingham. Currently that amounts to 80,000 vehicles (plus 8,000 remarketed vehicles), but Kia is aiming to raise sales to more than 100,000 by 2020. Immingham port is able to berth both 7,000-unit deep ocean vessels and the **DFDS** short-sea vessels that bring Slovakian made cars, which are first taken by rail to the German Port of Cuxhaven prior to export to the UK. Kia was previously using GBA's processing facility at Killingholme, but the carmaker's goals for expansion were compromised by the available capacity at that site according to its (now outgoing) Commercial Director in the UK, Yaser Shabsogh. "GBA is a great partner and they continue to do our deliveries," said Shabsogh at this week's press launch for the new facility. "[However], GBA's site was constrained and while there was potential for growth in the future it wasn't that clear. [Paragon's Stallingborough] facility is much clearer and certain in terms of growth." More specifically, the site has scope for more than 16 hectares of vehicle storage. Kia has targets to increase volumes by 150% over the full term of the contract. Paragon has been developing the site since it started operations there in 2005. However, it was not just available space that convinced Kia to sign the 10-year contract with Paragon, which includes separate agreements for new vehicles and for remarketing services, the latter area being one that Paragon is growing. "[Paragon] has got a very healthy track record and it has really good people who have shown success operating this kind of thing for bigger operations," noted Shabsogh. "They have also shown success at bringing best-in-class and new technology to operations, including with the RFID tracking, the first time anyone is doing this in the UK." That recommendation refers to the tracking technology that Paragon has developed in-house and is implementing at the site, which uses RFID tags on each vehicle and registers their location and status remotely via a gate reader on entry to the facility. It is a technology that the company will be rolling out to its other sites in the UK. "It will help us have more visibility of vehicles going through the processes, to identify sold vehicles from stock vehicles," explained Mark Hindley, Paragon's group sales and marketing director. "Traditionally, some vehicles get worked and then go into storage without a customer. It would make more sense to work those first that do have a customer." Paragon also offers the latest pre-delivery inspection and paintless repair technology, while also including paint shops in the instance that vehicles do have to be recoated. Paragon is active across a number of ports and facilities in the UK, including an expanded portfolio after it acquired in 2013 the vehicle processing and preparation of what was then Eddie Stobart.

Events in Brussels

ACEA holds the event entitled 'Reducing CO_2 from Road Transport Together' on **16th February**

CER and UNIFE hold together the European Railway Awards on **16th February**

The ERFA Annual Event on Rail Freight Rights will be held on **15th March**

ECG always attends these events whenever possible. If a member is interested in any of them, please contact ECG.

Paragon boss warns rising car sales will 'stress' supply chain

(Source: Motor Trader, 18th January 2016) **Paragon Automotive** is warning that a predicted 3% rise in new registrations in 2016 will "stress" a supply chain that is already operating at capacity. The logistics firm said ports, networks and de-fleet services were already processing record volumes. Ian Carlisle, Chief Executive Officer of Paragon said: "The automotive industry is a real success story for UK and is leading the sector's recovery in Europe. "But as records continue to be beaten, the supply chain is facing real challenges that can only be addressed by changing the way the industry works. "A new partnership led approach is required to create capacity through the supply chain. This will enable new investment and help to smooth volumes. Our recent approach with Kia Motors UK demonstrates this principle well – locking in long-term, strategic relationships to yield the best value and future proofed solutions, for our customer. Paragon's ability to identify new sites in the right locations, with planning permission, to help smooth volumes, is only possible when working in this manner."

Russia pumps billions into subsidising export logistics

(Source: Automotive Logistics News, 20th January 2016) The Russian government has announced that it will provide grants of 5bn roubles ($62.6m) to support the export of cars from assembly plants in the country. Denis Manturov, Russia's Minister of Industry and Trade, said last week that the money would cover the costs incurred by OEMs when transporting vehicles within internal borders for subsequent deliveries abroad. The distribution of funds and the implementation of the programme is likely to be managed by the Russian Export Centre (REC). A spokesperson for the REC confirmed that it will conduct analyses of OEMs' logistics plans. The state budget might not cover excessively expensive schemes, and the amount of money available may vary slightly over the coming weeks. "Five billion roubles is the proposal of the Industry and Trade Ministry with respect to compensation costs for the transportation of vehicles destined for export in 2016," said Manturov. "But we have instructed [government agencies] to finalise the amount so we can decide on the allocation of these funds. In principle we say yes to the idea, but with regard to the amount, it will be close to five billion." The initiative has gained support from market analysts and OEMs. The Ministry of Industry suggests that the measure will allow automotive plants in the country to maintain the volume of production at the rate of last year: around 1.3 million units. "The devaluation of the rouble is making exports economically attractive, but to expand overseas deliveries is hard due to expensive logistics," Vladimir Bespalov, analyst at VTB Capital said. "Now the average loading of the capacity of car plants in Russia is only 40%, according to the Industry and Trade Ministry, and it will be impossible to increase it just for the Russian market." Elena Matveeva, Vice-President of GAZ, agreed that the initiative would be beneficial. "This is a very important measure. GAZ Group is consistently increasing export numbers, but the high cost of transport logistics limits our abilities." "We also hope that transport subsidies will cover not only the territory of Russia, but the delivery of cars abroad too," added Matveeva. "For example, shipping to Cuba from the Russia border is 10 times more expensive than transportation within the country. Yet it is important that the support is extended to all types of shipping, including rail or road." Representatives from Hyundai, Kia and Volkswagen have already given their support for the initiative. However, a number of OEMs say that despite the significant amount of funding, the programme will not radically affect export numbers. "The main costs fall on the external logistics, especially when it comes to sea freight," said one representative of the Russian division of a foreign OEM who wished to remain anonymous. "The Ministry [of Industry and Trade] discussed [with OEMs] options for broader state support of exports, with the potential to finance all logistics costs. [However], the Ministry rejected the idea because of the lack of additional funds." The volume of logistics subsidies appears to be lower than initially expected. In November 2015, the Deputy Head of the Industry and Trade

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Ministry, Alexandr Morozov, said the support for export subsidies could reach as much as 21bn roubles ($350m, based on the exchange rate in November).

REST OF THE WORLD

Iran back on the car market map

(Source: Automotive Logistics News, 20th January 2016) Last week's official lifting of many international economic sanctions against Iran could mark a major step forward for both its domestic car producers and those international brands eager to make the most of pent-up demand in the Iranian market. Carmakers and global shipping lines are among those companies who are already planning or exploring entries and business partnerships in Iran. Since an agreement was reached last July to lift the nuclear-related sanctions there have been renewed production and export plans among a number of carmakers with historic links in the country, including PSA Peugeot-Citroën, Renault-Nissan and Daimler Trucks. There has also been interest from new contenders, including Audi. With shipping among the sectors for which sanctions have also been lifting, major container lines are either resuming service or mulling calls to Iran. MSC has already resumed partial service through a third party, while Maersk, the world's largest container shipping line, announced that it was considering a return. Iran is a market of 80m people and has been the most significant automotive production and sales market in the Middle East. Light vehicle sales had reached 1.68m units in 2011 prior to the application of sanctions; light vehicle assembly, meanwhile, surpassed 1.6m units in the same year, according to figures from PwC Autofacts. Sales and assembly had fallen by nearly half by 2013 after the withdrawal in particular of French brands such as France's Peugeot-Citroën and Renault. Volume has since recovered to above 1.3m units per year, with some of the gap filled by Chinese brands that have gained a stronger foothold in Iran since sanctions curtailed European exports. Medium-term expectations are that Iran's market could grow significantly. With a large amount of assembly done by local manufacturers from complete knockdown kits (CKD), the opportunities and volume for logistics is also expected to be large. However, the collapsed price of oil, which attributes for a large part of Iran's economy, as well as other sanctions still in place by the US could limit the country's growth. This week Renault Nissan used the occasion of its 2015 world sales results presentation to reaffirm that Iran was a key market and that its ambitions included plans for a complete line-up. "We are having talks with both our partners in Iran – Iran Khodro and Saipa – in order to do so," confirmed a spokesperson for the carmaker. Before the nuclear-related sanctions were imposed, Renault built Logan and Megane sedans in conjunction with carmakers Iran Khodro and Pars Khodro. It sold 103,000 vehicles there in 2012, but following its withdrawal had to write off the value of its business in Iran, which hit the company's profits in the first half of 2013. A spokesperson for PSA Peugeot-Citroën, meanwhile, reiterated the point that the company was an historic leader in the Iranian car market with the Peugeot brand and that discussions were once again underway. "Negotiations are ongoing with various partners, including Iran Khodro, to create a joint venture to produce and market cars in Iran," said the spokesperson for the company this week. "In addition, the group signed an agreement with a local partner for the distribution of the DS brand in Iran, with the opening of a DS store in Tehran before the end of Q1 2016." Iran was PSA's second biggest market for CKD exports and it was the top carmaker in the country, selling 458,000 vehicles there in 2011. Peugeot stopped supplying kit versions of its 206 and 405 models to Iran Khodro in 2012. Last Autumn, Volkswagen Group said that it was conducting studies about a possible entry for the Volkswagen and Škoda brands to Iran. In the days since the sanctions were officially lifted, its premium Audi brand has also thrown its hat into the ring. While it has yet to make a decision on its intentions for business in the country, Audi has been in discussions about possible exports to Iran. "Audi will be monitoring the further development in Iran very closely," a spokesperson for the

company told *Automotive Logistics*. "Currently our company is in talks with interested potential investors in order to evaluate a possible import business to Iran." Daimler Trucks, meanwhile, has signed letters of intent with its local partners Iran Khodro Diesel (IKD) and the Mammut Group. It has plans to set up an office in Iran in the first quarter of this year. According to Daimler Trucks, areas of co-operation include a joint venture for local production of Mercedes-Benz trucks and powertrain components plus the establishment of a sales company for Mercedes-Benz trucks and components. The company said that the first Mercedes-Benz Actros and Axor trucks could be supplied to the country in the form of CKD kits before the end of the year. It is also aiming to resurrect the engine co-operation it had with Iranian Diesel Engine Manufacturing (IDEM) and to establish a sales joint venture.

General Motors opens Cadillac plant in Shanghai

(Source: Automotive Purchasing, 21st January 2016) General Motors (GM) has opened a new Cadillac plant at its SAIC-GM joint venture in Shanghai, with the start of production of the CT6 luxury sedan. The flexible and intelligent state-of-the-art manufacturing facility will support the growth of the Cadillac luxury brand in China while strengthening GM's overall industry position. "This is another major milestone for Cadillac in its second-largest market," said GM Executive Vice President and President of GM China Matt Tsien. "Local production will enable us to satisfy growing demand for luxury vehicles through the introduction of more Cadillac models built in and for China." The 477,000m^2 Cadillac plant represents investment of RMB 8bn ($1.22bn). It has a planned annual capacity of 160,000 units. The plant includes a body shop, a paint shop, a general assembly shop, a high-speed test track and auxiliary facilities. The Cadillac plant serves as a 'green' benchmark for vehicle manufacturing globally. The paint shop is the only facility of its kind in China without a concrete chimney. The environmentally friendly spray booth exhaust treatment system and dry venture scrubbers make the shop nearly 300% cleaner than conventional paint shops, with significantly reduced volatile organic compound (VOC) emissions and power consumption. The general assembly shop likewise introduced an industry-leading automatic exhaust collection and pumping system that substantially increases exhaust collection.

PRESS RELEASES

BLG takes over parts of the plant logistics management for BMW

*(Source: **BLG Logistics**, 15th January 2016)* BLG Logistics has been managing parts of the logistics for the BMW plant in Leipzig since 1st January 2016. The company performs services along the entire supply chain from receiving to warehouse management, sequencing and order picking as well as line supply all the way to handling empties on approx. 200,000 square metres at its client's plant. BLG manages the supply of the carmaker's conventional models at the Leipzig site. The processing volume encompasses all parts for a daily production.

"We are delighted to have received the contract award from BMW in Leipzig and thus be able to expand business relations with our client. The exceptional challenge of this job is the fact that we became involved in the framework of existing procedures and had to implement our services during the running processes. For this purpose we sent a 16-member project team to Leipzig for several weeks to guarantee a successful rollout," states Robert Bommers, Managing Director of BLG Industrial Logistics. "Our success in these efforts is also due to a great extent to the employees on site, who continued to reliably manage all processes after the changeover of various IT components," adds Bommers.

Since 2012 BLG Industrial Logistics has been handling material supply in Wackersdorf for client BMW's foreign production sites. For the logistics specialist the assumption of parts of the plant logistics management in Leipzig not only means expansion of business relations with BMW, but also the strengthening of BLG's presence in eastern Germany.

Höegh, Horizon Terminal, SC Line and Fast Terminal join forces in the Caribbean

*(Source: **Höegh Autoliners**, 15th January 2016)* Höegh Autoliners and the Sola family, owners of SC Line and Fast Terminal International, have signed a Memorandum of Understanding planning to strengthen the Ro-Ro and breakbulk services between USA, the Caribbean, Mexico, Panama, Colombia and Venezuela.

The intention is that Höegh will acquire the ocean service operated by SC Line out of Port Everglades and Mexico to a wide range of destinations in the area. This service will combine with Höegh's current regional operation via a hub in Kingston, Jamaica. These services will connect with Höegh's deep sea network to and from the region, creating a global reach. The regional service will be managed from the current SC Lines' offices in Panama and Miami, building on their considerable local strength and experience.

At the same time, Höegh, through its wholly owned Horizon Terminal Services, will acquire 100% of Fast Terminal International's Ro-Ro terminal in Port Everglades and 50% of Fast Terminals International, which operates ocean and inland terminals in Colombia. This secures long term co-operation between Höegh and the Sola family.

The two 4,200 CEU capacity PCTCs Höegh Masan and Höegh Inchon are being positioned into the region, with the first vessel commencing to load in Port Everglades 19-20th January, with subsequent voyages every 15 days.

Fast Terminal International is in an expansion phase in Colombia and neighbouring markets, and the ocean services will continue to utilise the services provided by Fast Terminal International.

The new co-operation will create robust services to customers in the region. Höegh and the Sola family are excited about the new opportunities this will offer to the market, in a region both parties have great expectations for.

WWL Acquires Full Ownership of South Africa-based CAT-WWL

*(Source: **Wallenius Wilhelmsen Logistics**, 19th January 2016)* Wallenius Wilhelmsen Logistics (WWL), a leading global provider of Ro-Ro shipping and vehicle logistics services, has entered into an agreement with partner company **Groupe CAT** to acquire its 50% shares in CAT-WWL, a joint venture network of ten vehicle processing facilities based in South Africa.

With full ownership in CAT-WWL, Wallenius Wilhelmsen Logistics becomes one of the top independent providers of vehicle processing services to support automotive manufacturers in South Africa.

Established in 2006 as a joint venture by WWL and Groupe CAT, CAT-WWL South Africa operates ten processing facilities that provide finished vehicles services, storage management and technical solutions. The business employs more than 800 workers.

In 2015, Wallenius Wilhelmsen Logistics serviced more than 6.3 million cars and heavy machinery at its 62 state-of-the-art vehicle and equipment processing facilities around the globe.

"This acquisition is strategically important to WWL," says Kai Kraass, Chief Operating Officer at Wallenius Wilhelmsen Logistics. "As a leading global shipping and logistics provider, WWL will continue to expand its land-based operations to support vehicle manufacturers' value chain and supply chain needs in the South Africa market and around the world."

Completion of the transaction is subject to approval by competition authorities in South Africa.