



## The Association of European Vehicle Logistics

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### PRESS RELEASE

#### **Vehicle logistics industry says it is time to prepare for an era of solid growth starting in 2015**

#### **ECG elects new Board**

Newly re-elected ECG President Costantino Baldissara forecasts that 2014 will see the end of the economic crisis, and that it is now time to prepare for an era of solid and sustainable growth of the automotive industry. Baldissara is encouraging all parties involved in the industry to make investments in capacity to accommodate growing demand. ECG also elected a new Board, from 18 candidates who put themselves forward, at its annual General Assembly and Spring Congress.

#### **Automotive sales and economic outlook**

The level of new car registrations has been growing in almost all European markets for seven consecutive months now. In the first four months of 2014, automotive sales increased by 7.1%\* on average within Europe. Compared to the same period seven years ago, however, car sales in Europe are still on average 18.8% behind pre-crisis levels. In some countries that were hit hardest by the crisis, such as Spain and Greece, car sales are still between 47% and 78% down compared to pre-crisis levels. It will be some years before these countries catch up again with pre-crisis economic activity, but the outlook is favourable. In 2010, 36%\*\* of passenger cars, or more than 85 million vehicles, were over 10 years old, and these will have to be replaced.

"We would like to invite the OEMs represented by ACEA, the European Automobile Manufacturer's Association, to continue to work with us through their Automotive Logistics Working Group and to prepare for the consequences of these positive forecasts for our sector." said re-elected ECG Vice-President Wolfgang Göbel.

The European automotive industry is still the second largest in the world, having only lost its leading position in the production of cars and commercial vehicles to China in 2013. Last year, over 17 million new cars were produced in Europe (including Russia and Turkey), compared to

just over 20 million produced in China. The automotive industry generates turnover of €839 billion in Europe, which corresponds to approximately 7% of EU GDP. The sector employs 12.9 million people in Europe, which is about 5.3% of the EU's workforce. European workers are increasingly valued by car manufacturers. ECG believes that, as world production grows, car makers will use European factories to achieve the necessary export volumes.

In the EMEA region (Europe, Middle East and Africa), 18% growth is expected over the next four years. Passenger car density levels around the world, including many European countries, are still low, and the booming BRIC countries represent an additional opportunity for ECG members as logistics service providers to the automotive industry.

"For the first time in years, there really is a fresh wind blowing," said Costantino Baldissara. "Aside from the excellent economic outlook for the automotive industry, whose logistics partners we are, the relocation of car production to European countries will provide us with more work in terms of getting finished vehicles to end users. We are expecting 1.5 million more vehicles to be exported from or within Europe. Our industry needs billions of euros in investments to prepare for the new era if we are to avoid bottlenecks caused by a shortage of capacity versus demand. For instance, investments in new trucks have been at an all-time low in recent years, and this could trigger a capacity crunch."

"I am also calling upon European institutions to give our industry the breathing space we need," Baldissara continued. "The loaded length of the trucks we typically use to transport vehicles is at risk of being reduced to less than the lengths permitted under national legislation in many European countries. This could mean that the number of journeys made by transporters will have to increase by 20% in order for the same number of vehicles to reach their final destination as they do today, not to mention the growth in numbers that is ahead of us. I also want to warn our lawmakers of the risk that EU emissions legislation on low sulphur fuels, which will come into effect in 2015, will force operators to transport vehicles over land rather than by sea. This goes against the EU's stated goal of getting freight off the road."

## **ECG Board election**

At the General Assembly, ECG elected a new Board from 18 candidates who put themselves forward. The following 15 candidates were elected or re-elected for a term of one year:

- Maximilian Altmann, ARS Altmann AG (Germany);
- Costantino Baldissara, Grimaldi Group (Italy) – Board member and President;
- Peter Borrmann, STVA (Germany);
- Michael Bünning, BLG Automobile Logistics GmbH & C° KG (Germany);
- Krzysztof Dakowicz, Adampol S.A. (Poland);
- Marcos Duato, Flota Suardiaz (Spain);
- Mats Eriksson, AB Skandiatransport (Sweden);
- Wolfgang Göbel, Horst Mosolf GmbH & C° KG (Germany) – Board member and Vice-President;
- Ömer Gürsoy, Me-Par (Turkey);
- Christian Lang, DB Schenker Rail Automotive GmbH (Germany);
- Ray Mac Dowall, ECM (Vehicle Delivery Services) Ltd (UK);
- Kirill Petrunkin, FTC Autotechnoimport LLC. (Russia);
- Antoine Redier, GEFCO (France);
- Roberto Volpato, Eliambrosetti SpA (Italy);
- Konrad Zwirner, Hödlmayr International A.G. (Austria).

#### Background for the Editors

ECG, the Association of European Vehicle Logistics, has been the voice of the Finished Vehicle Logistics industry in Europe since 1997. ECG represents the interests of almost 100 member companies, from family owned SMEs to multi-nationals, and is the major champion of the European vehicle logistics sector. We represent all transport modes at EU level.

ECG Members provide transport, distribution, storage, preparation and post-production services to manufacturers, importers, car rental companies and vehicle leasing operators in 25 Member States, Turkey and Russia. They own or operate more than 420 car-carrying ships, 18,100 purpose built railway wagons, 85 river barges and 18,500 road transporters. As a major employer, the industry plays an important role in contributing to the economic success of the European Union. Today, ECG members have an aggregate turnover of €22 billion and their economic impact on companies associated with the sector is estimated at €55 billion. More than 70,000 people are employed directly by the vehicle logistics industry and an additional 170,000 are indirectly employed in this sector.

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\* Source: ACEA

\*\* Source ACEA, for available countries: Austria, Belgium, Estonia, Finland, France, Germany, Greece, Ireland, Portugal, Slovakia, Sweden, UK