

Proven and validated

by Andrzej Urbaś

Around 200 participants gathered in southern Italy for this year's edition of the European Vehicle Logistics Association's (ECG) Spring Congress and General Assembly. Topics discussed ranged from a detailed market outlook to ever important matters such as environmental issues, health, and education.



Stepping out onto the tarmac at the Naples International Airport I had mixed feelings about the event. On the one hand, it was a great opportunity to learn a lot about an industry with which, up to this point, I was not particularly familiar. On the other hand, I was a little worried that I might miss a lot of context due to my inexperience. Admittedly, it was a little hard to ponder over these concerns, as the picturesque view sliding by the bus window was very successful in distracting me as we made our way towards the more than breathtaking town of Sorrento, comfortably nestled between rocky cliffs and the Bay of Naples.

In the end my worries proved to be unfounded. The event turned out to be a perfect entry point for every professional interested in the broad range of activities and ventures pursued by our host, as well as the inner workings of this industry in general.

Variety is the spice of life

The session part kicked off with action reports from the Association's regional representatives and numerous working groups, highlighting the vast plethora of topics currently of significant importance to the finished vehicle logistics industry. Indeed, the number of working groups run by the ECG is certainly a testament to its strength, reflected in high involvement in all issues relevant to its members, including maritime, digitalisation, capacity, health & safety, quality assurance, management,

education, and policymaking affairs. As such, the topics discussed during the opening day included scrutinising the associated costs and overall industry impact of the upcoming 0.5% sulphur cap; the advantages and challenges posed by the so-called digital revolution; the consequences of a gradual/rapid and overall inevitable shift towards alternative fuels; an analysis of inspection procedures; response to members' rising interest in additional ISO standards; or the multiple education initiatives offered by the Association.

The second half of the Spring Congress saw the speakers dive into other specifics. During his opening remarks, Wolfgang Göbel, President of ECG's Board, underscored the industry's need to increase its efforts to become greener and more efficient. Digitalisation was also mentioned, especially the fact that there has to be a business case made for the process; it must generate clear value instead of being just a catchy buzzword. He concluded with a shout-out, a motto of his, "Stay with us and send us your best people."

An in-depth European market outlook followed, delivered by Justin Cox, Director at LMCA Automotive, focusing on health issues, risks faced by the auto industry in 2019, as well as the current market trends. The rather weak results of 2018 carried on into the start of this year, with the global light vehicle (LV) output stalling. That said, Pan-European LV production should continue to grow up to 2020, with a yearly rate of 1.6%. The maturing European

market is being undermined by the difficulties faced by Turkey and the UK, but the recovery of the Russian market and the still untapped potential of the Central and East European region should help secure a modest overall growth. Speaking more globally, Cox went on, the increase in sales can only come from emerging markets as the mature ones, it seems, have already hit a plateau.

The European Commission (EC) was also present, represented by Gzim Ocakoglu, Deputy Head of Unit for Maritime Transport & Logistics at DG MOVE, discussing multimodality in the EU transport policy and highlighting the focus points of the Connecting Europe Facility 2019 Call. Current obstacles and challenges to multimodality include, among other things, the relative weakness of individual modes of transport, the burden posed by bureaucracy and paperwork, as well as misaligned economic incentives (e.g., taxes, charges, or externalities), all of which the EC wishes to address. Environmental issues have also been touched upon – in context of the customers' choices, as the cheapest transport solution of today does not necessarily equal the least expensive one for the society in the long run.

Altogether, the day was packed with presentations. Some expanded on the reports delivered by the working groups (i.e., digitalisation, health & safety), while others tackled issues such as secure truck parking (Bosch) or the ISO 45001 occupational health & safety standard (Bureau Veritas).



Ave Caesar

Poor forecasting is a serious risk for the industry, having a negative impact on the limited capacity within the sector, especially in the light of the persistent and gnawing shortage of truck drivers. Therefore, without a doubt, one of the most important themes that cropped up throughout the duration of the Congress was Project Caesar, an ambitious initiative culminating in the publication of the ECG Standard For Vehicle Logistics Forecasting.

Project Caesar was conducted in two phases. The first consisted of an interview-based survey aimed at analysing the current practice in delivery forecasting within the industry and identifying the already existing good practices. The result was a four-step toolbox, comprising the initial planning and review of sales; building of the forecasting plan; approval thereof; and finally and perhaps most importantly, continual improvement. Phase II of Project Caesar was a practical test of the

toolbox in action, carried out on a one-to-one basis between logistics service providers and original equipment manufacturers, altogether allowing for the ECG Standard to be grounded in proven and validated solutions.

The value is clear, thus it should come as no surprise that Project Caesar is a definitive priority for the ECG. The initiative is an example of best practices coming together thanks to cooperation between the industry members. In the end, it can only be attributed to common sense that such an important piece of the business puzzle has a clean step-by-step process to fall back on. The Association will continue to develop the project, possibly updating its methodology on a yearly basis, putting great emphasis on user feedback in this regard.

"An investment in education pays the best interest"

It is only fair to end with this quote by Benjamin Franklin, as it also highlights another

important part of the ECG's scope of activities, one that has been a key point on the agenda of this year's Spring Congress. This year will see the 14th course of the ECG Academy, the initiative developed as a direct answer to the industry's need for specialist training targeted at junior and middle managers. As of this moment, it is the only formal qualification in vehicle logistics available worldwide. The event saw the latest graduates handed their diplomas during the Academy Graduation Ceremony. Given the response of the crowd gathered for the gala dinner, it was clear that education is not something taken lightly by the representatives of the vehicle logistics industry and the Academy can be described as one of the cornerstones of the ECG.

The next meeting in the Association's calendar will be its annual conference, this time held in Berlin. The event will focus on the shape of tomorrow's industry and will be held under the motto "Fly me to the Moon." They certainly seem to be equipped to aim high. ■