

# Freight Connections



THE CUSTOMER MAGAZINE OF DHL FREIGHT

DHL STUDY  
**Netherlands is  
worldchampion!**

EVONIK  
**Reduced risk  
thanks to DHL**

ALTERNATIVE FUELS  
**Rapid development**

CONCERT LOGISTICS

## TRANSPORTATION WITH A SPECIAL TOUCH

The Leipzig Gewandhaus Orchestra on tour with DHL



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Issue 1/2017

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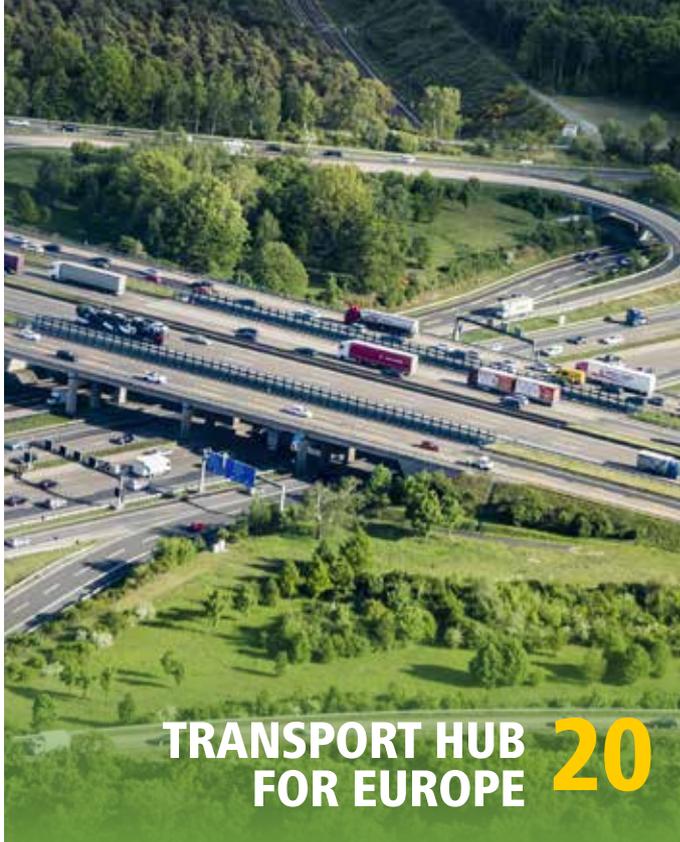
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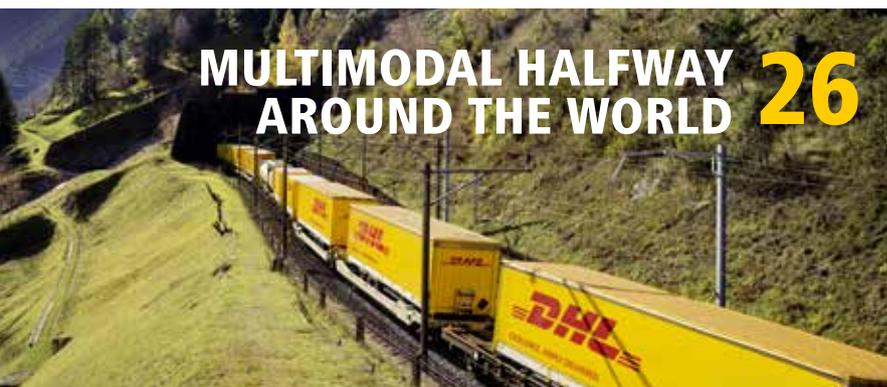
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**Responsible for the contents according to § 55 section 2 RStV:** Rainer Schmid, SVP Head of Sales & Marketing, Godesberger Allee 102-104, D-53175 Bonn ■ **Editorial board:** Rainer Schmid, Torsten Arnold, Birgit Kupas ■ **Board of Management:** Uwe Brinks, Martin Leopold ■ **E-mail address:** freight-ho-marketing@dhl.com ■ **Realisation:** Goergen Kommunikation GmbH, Lungengasse 48-50, D-50676 Cologne, Anne Goergen, Michael Wayand, Kai Ortmann, Jürgen Eschmeier, Design: Necmettin Atialp ■ **Picture credits:**

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# „DHL FREIGHT IS THE HEART OF LOGISTICS“

An interview with Uwe Brinks, who has been the new Chief Executive Officer (CEO) of DHL Freight since January.

## **Mr. Brinks, what are your first impressions of DHL Freight?**

I have seen many dedicated and great employees in the first few weeks and have managed to get a good impression of how things are on location. Although, of course DHL Freight is not unknown to me. As Chief Production Officer (CPO) of the PeP (Post – eCommerce – Parcel) division, I was given a customer perspective: After all, DHL Freight transports more than a billion parcels for PeP between the 30-odd sorting centers.

## **What are the challenges that DHL Freight is currently facing?**

Freight transport is one of the most important economic factors. Without efficient transport chains, nothing works in a globalized world. Whether we're talking about the supply of fresh food or just-in-time processes in the industrial field – finely tuned logistics chains are an absolute prerequisite. That is why we at DHL Freight have to keep on addressing and fulfilling the specific requirements of our customers. This particularly includes quality: Transporting goods reliably and safely to the desired destination in the given time frame. The speed of delivery is also becoming increasingly important.

## **How do you plan to keep such customer promises?**

For me, this requires operational excellence through efficient standardized processes and continuous transparency. With regard to speed, we will offer the Pan-European premium service DHL Freight Eurapid with its own product code and label for small consignments from 1 July 2017. This provides daily connections between 94 terminals in 23 countries and a prioritized handling of shipments. In selected postcode areas, we will offer our customers an additional service, namely delivery before 12 noon.

## **Does sustainability also play a role?**

Of course. As in the PeP business area, where we pushed ahead the issue of electric mobility with the StreetScooter, I also see vast potential for DHL Freight to make an important contribution to environmental protection. A key issue here is the level of pollution in city centers. The first few cities have already imposed bans on old trucks, and more have been announced. Our customers are increasingly asking us about that – because only those who provide sustainable logistics solutions in the long run will remain first choice as a logistics provider. We have set ourselves the goal of increasing our CO<sub>2</sub> efficiency by another 30 percent by 2025 and providing 50 percent 'green services'.

## **Where will DHL Freight be under your leadership in three years?**

At the end of the day, despite all the digital development, something physical has to be transported from A to B, and DHL Freight is the heart of logistics. What I specifically want is a clearly defined network with top services, an even level of capacity utilization — which includes the reduction of unpaired traffic – and a focus on the customer promise. We've got a powerful structure and thus ideal conditions in which to develop ourselves. In short: The goal is to make DHL Freight the best-in-class company in the market.

## **Experienced in the postal and logistics business**

Uwe Brinks was previously Chief Production Officer (CPO) of the Post – eCommerce – Parcel (PeP) division of Deutsche Post DHL Group. The new head of DHL Freight has been working for the Group since 1983. He became the head of the mail and parcel unit in 2004.

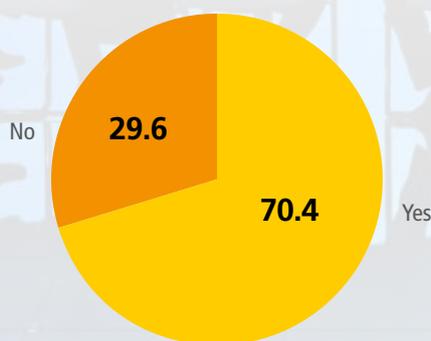
# A TOUGH CHALLENGE

## Results of the Freight Connections survey on the current state of global trade relations.

There are many challenges to the future of global trade. A whole slew of projected or already signed international free trade agreements are coming under scrutiny. During the time span of our survey, the freshly inaugurated US-President Donald Trump rejected the Transpacific Partnership Agreement (TPP) in no uncertain terms. The significance of our topic is further enhanced by the very high turn-out: Nearly 1,500 votes were cast. The results are very clear.

A heartfelt thank you to all participants! The winners of grandstand tickets for a Bundesliga home match of FC Bayern Munich have been informed by us per e-mail.

### RESULT OF SHORT SURVEY



Will the global trade suffer due to the growing repudiation of free trade agreements?

(in %)

Source: DHL Freight Connections



Source: Arwin Stewhouer, Port of Rotterdam, quoted from [www.railexpress.com.au](http://www.railexpress.com.au); calculated with average container handling numbers in Rotterdam

# SPLITTING A GIANT

Modern ultra-large container ships carry gigantic loads, but once unloaded the freight has to be transported to its destination. To get it there, the unloading of such a giant triggers on average the departure of:



19

**Tains**

(loaded with 74 Twenty Foot Equivalent Units - TEU)

32

**River barges**

(97 TEU)

1.506

**HGV's**

(1,6 TEU)

The MSC Maya is about the largest container ship worldwide: 395 meters overall length, loading capacity 19.224 TEU. But presumably this year already the first ships capable of hauling more than 20.000 TEU will be entering regular service.

DHL GLOBAL CONNECTEDNESS INDEX

# NETHERLANDS IS WORLDCHAMPION!

DHL Global Connectedness Index shows: global connectedness increases continually and Netherlands is the world's most connected country.

In its fourth edition of its Global Connectedness Index (GCI) DHL shows, that global connectedness, measured by cross-border flows of trade, capital, information and people, surpassed its 2007 pre-crisis peak during 2014. In 2015, globalization's post-crisis expansion slowed, but the data indicate that it did not go into reverse. Currently available evidence – still preliminary in some areas – suggests that the world was about 8% more connected in 2015 than in 2005. The information pillar – measured by international internet traffic, telephone call minutes and trade in printed publications – showed the strongest growth over the reporting period (2013-2015). The gains in capital and people flows have been more modest, while the decline in the proportion of goods traded across borders – which began in 2012 – accelerated in 2015.

“The GCI documents that globalization has finally recovered from the financial crisis, but faces an uncertain future”, commented Deutsche Post DHL Group CEO Frank Appel. „It is imperative that policymakers and business leaders support an environment in which globalization can continue to flourish and improve the lives of citizens around the world.”



### The 2016 country and regional index results

In addition to a comprehensive overview on the state of globalization, the 2016 report also provides detailed insights into the connectedness of individual countries and regions. The Netherlands retained its top rank as the world's most connected country and Europe is once again the world's most connected region. All but two of the

top 10 most globalized countries in the world are located in Europe, with Singapore and the United Arab Emirates as the standouts. North America had the largest gain in overall global connectedness during the past two years, followed by South & Central America & the Caribbean. Countries in South & Central Asia and Sub-Saharan Africa suffered a drop in their average levels of global connectedness.

### New York and London only average

The twin trends of globalization and urbanization have prompted rising interest in global cities. The 2016 edition of the DHL Global Connectedness Index introduces

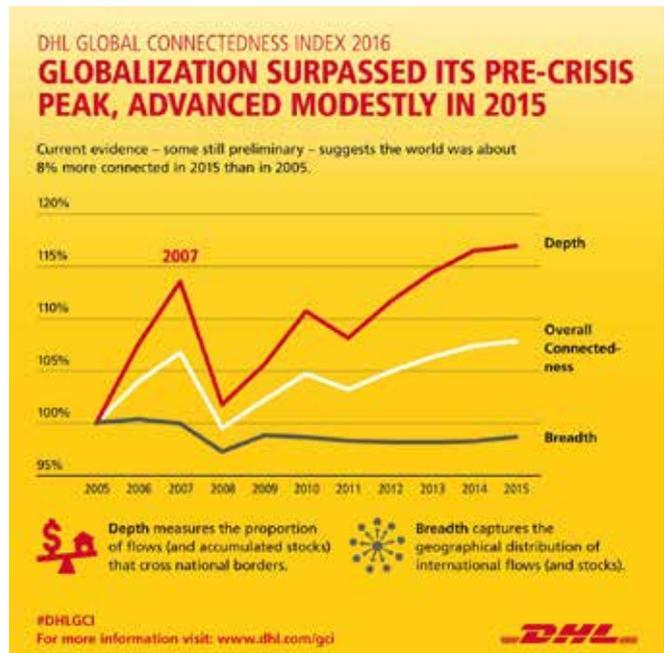
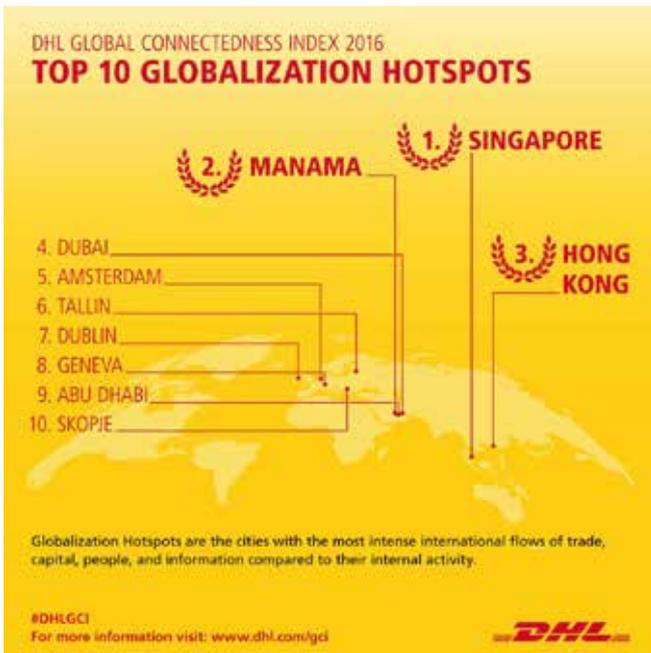
level globalization indices.

London and New York, perennial leaders on rankings of global cities, place 3rd and 4th on the Globalization Giants index, but only 47th and 76th on the Globalization Hotspots index. Many smaller cities are far more intensively focused on international activity than these two megacities, according to the report. Unexpected high performers in the Hotspots index include Bahrain's capital Manama (2nd), Tallinn (6th) and Mumbai (13th).



Frank Appel, Vorstandsvorsitzender von Deutsche Post DHL Group

MICHAEL WAYAND



two new city indices. The “Globalization Giants” index compares the size of cities’ international interactions. The “Globalization Hotspots” index parallels the depth dimension of the country-level GCI and ranks the cities with the most intense international flows of trade, capital, people, and information compared to their internal activity. Singapore leads both of the new city-

### Additional

Details on the DHL Global Connectedness Index





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SUSTAINABILITY

# SMARTER TRANSPORT

**The United Nations High Level Advisory Group on Sustainable Transport has presented its results. The experts call for a well-thought-out future strategy with environmentally friendly engines, a reduction of unnecessary routes and better infrastructure.**

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Logistics connects people and places with the rest of the world, making it one of the main drivers of economic and social development. However, it is never an end in itself, but only an important tool. Under these premises, a 16-member United Nations commission of experts

developed proposals for a sustainable transport industry. At the end of 2016 it presented the first "Global Sustainable Transport Outlook Report" by the title of "Mobilizing Sustainable Transport for Development". It contains a series of targeted recommendations explaining how

## The expert group

In 2014, within the scope of the UN Climate Change Conference, the Secretary General of the United Nations appointed various expert groups to develop future strategies for a sustainable economy. One of them is the UN Secretary-General's High-Level Advisory Group on

Sustainable Transport. The expert group consists of 16 executives from the private and public sectors, representing both industrial countries and developing countries as well as representatives of a large number of different modes of transport and industries. The German representative is the chairman of Deutsche Post DHL Group, Frank Appel.

the transport industry can forge ahead with sustainable development with a particular emphasis on the reduction of poverty, while promoting economic growth and combating climate change. It is thus that the commission proposes the future principle of "Avoid – Shift – Improve" for all infrastructural and technical developments in the transport sector. So, what's it all about?

### Avoid

"Avoid" means the avoidance of long transport routes and unnecessary travel. Therefore, the experts recommend city planners to focus in future on highly compact dimensions and short routes, while supply chain managers should pay attention to lean supply chains, and modern means of communication should be used for the interaction between business partners. In concrete terms: more tele or video-conferencing, use of local products and a lot of space for public transport, to name just a few examples.

### Shift

"Shift" is focused primarily on users. These are to use environmentally friendly means of transport whenever possible, or generally change their usage in such a way as to make better use of existing resources. Examples include intelligently combining rail and air transport, or travelling and transporting goods outside of peak hours, which reduces congestion and emissions.

### Improve

"Improve" is the technical aspect of the strategy. The aim is to make all modes of transport more environmentally friendly through a whole series of measures. These range from better infrastructure (i.e. short distances and measures to avoid congestion) to financial incentives for

environmental protection and the conversion of entire vehicle fleets to zero emission engines.

### Big impact

The effects of a sustainable transport industry are enormous, according to the UN commission. It estimates a reduction of seven gigatons of CO<sub>2</sub> emissions, and a decline in road deaths of several hundred thousand per year if all states rigorously implement the strategy. This would require additional annual investments worldwide in the range of two trillion dollars. For comparison: Between 1.4 and 2.1 trillion dollars are invested into the transport sector every year already today. But the additional expenditure pays off, as a sustainable transport industry would generate public savings of up to 70 trillion dollars by 2050 at the same time.

CHRISTOPH SCHÖNWANDT

### Additional

The report of the UN High-Level Advisory Group on Sustainable Transport



Frank Appel blogging about the UN report



Press release by Deutsche Post DHL Group about the UN report



## ELECTRICITY, GAS, HYDROGEN

# ALTERNATIVES FROM THE FILLING PUMP

To really push ahead with electricity, gas and hydrogen – that's the goal of the German national strategic framework (NSR) for the construction of infrastructure for alternative fuels. Subsidies for heavy goods transport are also included. The Federal Cabinet adopted the NSR on 9 November 2016.

Paper is patient, the NSR is not. It specifies concrete goals and measures with which Germany is planning to promote the infrastructure development of alternative fuels, electricity, hydrogen and natural gas. For the Federal Republic this is in fact not a trial, but adherence to one of the fundamental requirements of the EU Directive 2014/94/EU. But a lot of things still have to be sorted out. It is thus that the proportion of alternative fuels based on renewable energy was merely 5.3 percent in 2015, which is not much, and even a decline of 0.3 percent compared to 2014. That is why the goals formulated by Transport Minister Alexander Dobrindt are all the more ambitious: "We support the ramp-up of alternative drive systems. We want to play a vital part in this development." The key to achieve this is to build a nationwide charging and fuelling infrastructure – for all modes of transport and essential technologies: electromobility, fuel cell and natural gas. "We have therefore begun an infrastructure initiative for a transition within the national strategic framework – and have taken the lead in Europe with an investment volume of one billion Euros," explains Dobrindt. "Thus Germany continues to be a pioneer of Mobility 4.0 and remains on course for our target of more mobility with less emissions."

## Development level very heterogeneous

A closer look at the individual fuel types shows that the current starting positions are quite different.

**LNG:** So far there were no filling stations in Germany for liquefied natural gas (LNG), which is a suitable alternative fuel for heavy road transport. The first LNG trucks on German roads were supplied with fuel at filling stations in the Netherlands. The goal is to initiate a filling station network for the LNG supply of heavy duty vehicles along the Trans-European core transport network (TEN-V) by 2025. A project with obstacles. It is thus that the undeveloped fuel demand is delaying the construction of the German LNG filling station network. The reasons are the lacking supply of production trucks powered by LNG, and the favorable price of diesel. In addition, diesel trucks are currently able to meet EURO standards. The situation is different in the maritime sector. This is where stricter environmental legislation – particularly in the SECA areas (Sulphur Emission Control Area) – makes LNG more important. Although there are no terminals in German ports, the supply of LNG ships is nevertheless ensured through truck-to-ship bunkering.

**CNG:** Compressed natural gas (CNG) has positioned itself at the forefront of development. This is where coverage that is largely in line with the EU directive has already been achieved.

**Hydrogen:** The infrastructure for hydrogen, on the other hand, is rather limited. Since the end of 2016, there is now an initial network of 50 filling stations in Germany. The

use of fuel cell technology for trucks is being considered. But demand and fuelling standards are still the subject of research.

**Electricity:** Far more charging points – 5,836 (end of 2015) – are now available for electric vehicles, although so far the charging process takes place predominantly at the vehicle owner’s home. Clear standards have been defined for publicly accessible charging points in the charging station ordinance (LSV), which came into force on March 2016. However – even with the prospective development of 7000 rapid charging points and 36,000 normal charging points by 2020 – the truck sector is not yet “live”: E-trucks are currently still too expensive and too much cargo space has to be reserved for the batteries.

## Promotion of alternative fuels

The national strategic framework envisages an investment of around one billion euros. The national strategic framework is not actually a static initiative. Instead, the federal government sees it more like a learning strategy that is regularly reviewed during the ongoing process of implementation of the EU directive and adjusted if necessary.

JÜRGEN ESCHMEIER

### Additional

National strategic framework on the development of infrastructure for alternative fuels (BMVI, available in German only)



Fuel	Target	Measures by BMVI
Comprehensive mobility and fuel strategy (volume of EUR 268 million)		
Electricity	Construction of a needs-based area-wide network	Development program "Charging Infrastructure for Electric Mobility", market incentive package for 5,000 rapid-charge points and 10,000 normal charging points (volume of EUR 300 million, duration 2017-2020)
	Support of municipalities with the procurement of electric vehicles and development of charging infrastructure	Development program "Electro-mobility on Location" (volume EUR 140 million, EUR 35 million per year)
	Construction of a needs-based area-wide network	Fitting of all highway rest areas with quick-charging stations
Compressed natural gas (CNG)	By 2025, construction of a filling station network along the TEN-T (approx. 150 km distance between stations)	900 filling stations in operation, coverage according to EU Directive 2014/94/EU already largely given
Liquefied natural gas (LNG)	By 2025, construction of a filling station network for heavy road transport along the TEN-V; Expansion of LNG supply of ships in ports in accordance with demand	Promotion of initial demonstration projects (vehicle procurement, LNG power packs for shore-side electricity provision of ships)
	Refitting of ships with LNG power units	Elaboration of a BMVI funding program
Hydrogen	Construction of 100 filling stations by 2020, 400 stations by 2025	Further development and market establishment of hydrogen and fuel cell technology in the context of NIP, National Innovation Program for Hydrogen and Fuel Cell Technology (investment volume EUR 247 million, 2016-2019)
		50 filling stations program (promoted by NIP) Support of H2 Mobility Germany (platform for the development of the nationwide hydrogen filling station network)

## EMISSION-FREE CITIES

# GASPING FOR AIR

Europe's big cities getting serious:  
Will diesels soon be banished from city centers?



Paris



Oslo

Norway has long been considered one of the pioneers when it comes to air pollution control. Plans by the current liberal-conservative government to prohibit the registration of vehicles with combustion engines from 2025 onwards have caused quite a stir at home and abroad. And that is not the only remarkable thing the Scandinavians have done: At the beginning of 2017 the city government of Oslo, under its Mayor Marianne Borgen, for the first time pronounced a ban on private diesel vehicles. This applied only for two days and was supposed to help during acute smog weather conditions, but the general tendency in Europe's large cities is clearly heading toward restrictions, in particular for compression-ignition engines.

## The Netherlands

Holland also has plans for a complete registration stop for all combustion engines. And the city of Rotterdam is threatening with an even tighter schedule. The city administration is planning to accept only completely emission-free delivery vehicles in the city starting from 2020. According to

data from the Dutch Department of the Environment, such a ban could already be implemented in all other cities of the kingdom five years later. Bridging technologies such as natural gas engines have been categorically ruled out.

## France

In the capital of France, vehicles with diesel engines have been declared a dying race, despite the fact that the French long promoted diesel engines through tax breaks. Paris has had a multi-level road tax disc system in place since 2016, which enables a selective prohibition of individual vehicle categories and has also banished all vehicles registered before 1997 from the city center. Diesels generally get a worse tax disc than petrol engines. And whoever operates a truck or a bus built before 2001, has already long had to deal with the fact that these are not allowed within the city limits at daytime.

## Austria

While Vienna has not issued any driving bans yet, one



Emission-free parcel delivery: Deutsche Post Streetscooter



Tirol/Austria



Rotterdam

Federal State has already pushed ahead with a disputed measure. On 1st November 2016 Tirol issued a driving ban for heavy-goods traffic on the Inntalautobahn (A12), thus forcing transit traffic, in particular, to look for rail alternatives or to take longer detours. Although it has not yet been finally clarified whether this measure conforms with EU law, it does make clear that political circles are not prepared to accept high fine dust pollution levels any longer.

### Diesel engines a thing of the past?

The examples could be continued at will, for example with driving bans for certain number plates in Italy or with constant increases in city toll charges in London. The public debate is mostly concerned with private passenger cars, but delivery vehicles for the last mile or trucks that are driving through are affected by the measures almost everywhere as well. And in Germany too, where the cities have so far tried everything in order to get along without restrictions, courts are making life really hard for policy makers. The stipulations imposed by them hardly leave any room for

other solutions than simple bans. It is thus that the transportation industry would be well advised to take a close look at alternative drive concepts and to push the issue on.

There are already first attempts in the right direction. Deutsche Post for example is in many cases using Streetscooters for parcel delivery within German inner city limits. This is a self-developed and produced electrically driven van. But manufacturers of heavy goods vehicles are also in the process of developing battery powered HGVs or funding research about fuel cell technology. KAI ORTMANN

### Additional

A comprehensive overview of future propulsion methods is available on [dhl-freight-connections.com](http://dhl-freight-connections.com)



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**AUTOMATIC LOADING AND UNLOADING SYSTEMS**

# 30 MINUTES LESS

**Automatic loading and unloading systems save valuable time at the loading ramp. And they can do even more.**

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Truckers know that even a time delay of merely 30 minutes cannot be caught up on the road – which makes long waiting and loading times at the ramp even more annoying. One solution is provided by automatic truck loading and unloading systems, or ATLS (Automated Truck Loading Systems). A business that according to a report by market researcher MarketsandMarkets (marketsandmarkets.com) in 2015 had a global volume of 1.67 billion US dollars, and by 2022 is expected to grow to nearly three billion US dollars. There is certainly room for growth: Ancra Systems, for example, estimates that in Germany only one percent of all truck shipments are automated. Forklifts still dominate the business.

## **A bunch of advantages**

ATLS provide a range of advantages. First of all, the time factor: Loading and unloading times can be reduced from between 30 and 45 minutes to between 2 and 3 minutes. And if loading and unloading takes less time, companies will require less loading bays per building. Add to that

the fact that ATLS loading requires considerably less space than the conventional procedure using forklifts. Which provides constructional advantages.

As the procedure is automatic, truck drivers also no longer have to help out on the ramp. In addition, loading and unloading can be carried out outside of normal working hours, as staff are no longer needed. And finally, the automated procedure also reduces the amount of goods damaged and the rate of incorrect deliveries. The system integration of ATLS with the warehouse management makes it possible. The negative aspects of the technology mainly include the initial six-figure investment and the reduced flexibility compared to loading by forklift. In addition, modifications are needed for both the dock as well as the truck trailer.

## **Sophisticated system with several varieties**

An ATLS consists of two components: the trailer system in the truck trailer and the dock system at the loading ramp.



When the truck arrives at the ramp, it couples itself to it. The system can then exchange information about load capacity and payload. The actual loading procedure then follows using any one of several systems:

- Chain system for standard pallets
- Slat system for mixed pallets, non-palletized loads or slip sheets
- Belt system for loose parcels and non-palletized goods
- Load runner for Euro pallets with narrow side forward. Advantage: only minor adjustments in the trailer are required and no trailer system
- Roller track system for air freight pallets and different weights

### Strength in shuttle services

ATLS can best show their efficiency on tours that require a lot of loading and unloading and short journey times. For example with shuttle services (shuttle transportation).

A high load volume and standardized pallets and goods are also criteria that warrant considering the use of ATLS. It is expected that in practice ATLS will supplement manual loading procedures and not replace them. Because each system has its strengths.

JÜRGEN ESCHMEIER

### Additional

Whitepaper "Automated truck loading systems"

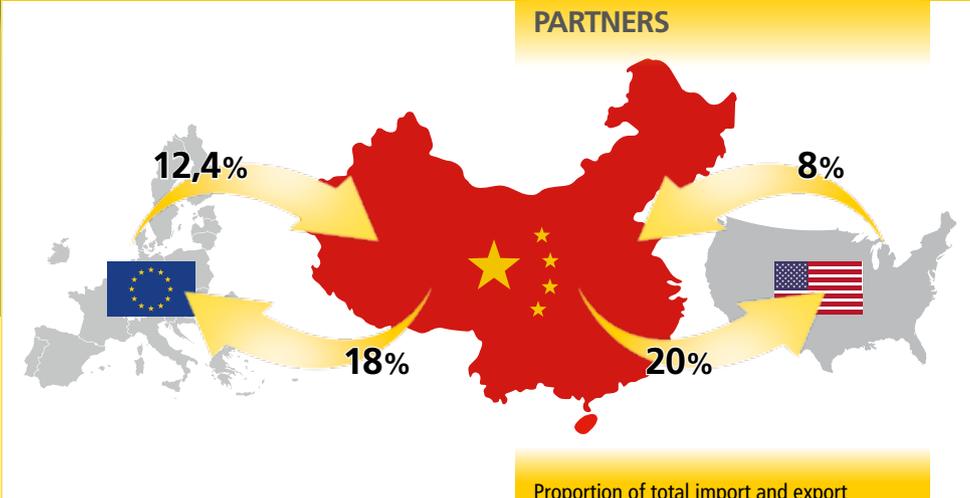


Animation of automated vehicle loading system





### MAJOR TRADE PARTNERS



Source: Foreign Office, Eurostat, Photo: iStock (Stefan\_Alfonso, -ALEKSA-, Bonilla1879, H53RUS, Leontura)

Proportion of total import and export volume in trade with China



# DON'T BREAK THE PORCELAIN

China wants to be recognized by the West as a market economy and hopes that this will lead to import facilitation. But Europe is not cooperating.

The deadline has passed. The European Union should have officially recognized China as a market economy by 11 December 2016. But it didn't. What at first glance looks like legal sophistry, actually has tangible economic consequences. So is a trade war looming?

## What's it all about?

In December 2001, the World Trade Organization accepted the People's Republic of China as a member – despite its structures of a planned economy. A transitional period of 15 years was agreed upon in the accession protocol. China was not to be recognized as a market economy for that period of time. In plain language this means: Other WTO member countries can protect their markets against cheap Chinese products with punitive tariffs and anti-dumping procedures. Following the recognition of a WTO member state as a market economy, that would no longer be that simple.

China's Foreign Minister Wang Yi wishes to take the EU up on its promise. But the EU is not cooperating. "We are not naïve. We will not grant China the status of a market economy," said Jyrki Katainen, Vice-President of the European Commission in December. Criteria for the recognition of the so-called market economy status include free markets and freedom from government influence, for example on pricing. China has indicated that in 2016 it paid approximately EUR 14 billion in trade penalties – 76

percent more than in the previous year. China is repeatedly accused of dumping practices – cheaper steel, which is partially sold far below the cost of production, has flooded the markets. Solar panels or chemical products from China are also subject to high punitive tariffs to protect the EU economy and to preserve jobs.

On the other hand, China is the second largest economy in the world and an economic engine for many countries. For the European automotive, mechanical engineering, cosmetics or luxury products industries, the Land of Smiles is not only a competitor but also an important sales market. After all, 12.4 percent of China's imports come from Europe. And in the other direction, 18 percent of China's export commodities are bound for the EU.

## What happens next?

The EU is trying to do one thing without undoing the other. It wants to abolish the general classification into free and unfree economies. This would then end the controversy regarding the recognition of China as a free market economy. At the same time, however, the EU does not want to do without the "instruments for the protection of trade". Their continued application should also be possible in the future. EU Trade Commissioner Cecilia Malmström: "We will maintain the current level of protection and at the same time comply with the rules of the WTO."

ANNE GOERGEN

## COUNTRY REPORT GERMANY

# TRANSPORT HUB FOR EUROPE

Germany is the largest market in terms of turnover and has DHL Freight's densest network.



Its central location, good infrastructure and high export quotas make Germany a land of logistics and an important hub for both east-west as well as north-south traffic. Most EU countries can be reached particularly quickly from here.

That is why DHL Freight's network in Germany is also by far the largest in the company. Between Neumünster in the north and Unterschleissheim near Munich, DHL Freight has 71 different locations and transports more than 45 million tons annually.

Roughly 4,000 employees ensure that DHL Freight can serve 1,150 domestic and international direct connections every day. The logistics provider provides a 48-hour service (E2E) for many European destinations:

for example, from Nuremberg to Hungary, Sweden and Finland or France. And for some routes in neighboring countries, DHL Freight can even provide a 24-hour service.

## Far more than transport

The spectrum of logistics services goes far beyond mere transportation. It includes Europe-wide general and groupage cargo including express transport, partial and full loads, intermodal transports, procurement and distribution logistics, global trade fair and food logistics, customs services, and special transports of temperature-sensitive or very high-quality products. For example, DHL Trade Fairs & Events (TFE) transported the organ for the Elbe Philharmonic Hall from the Bonn organ builder to Hamburg. 4,812 pipes – the biggest being ten meters



Bernhard Wirth, CEO DHL Freight Germany & Austria

long and the smallest only one centimeter – and a total of 25 tons, consisting of many thousand individual parts, had to be transported to the target destination while being protected from vibration.

### **Focusing on the customer**

“Our customers should receive the best possible service from us. That is achievable only with a strong network”, says Bernhard Wirth, CEO of DHL Freight Germany & Austria. And that is what DHL Freight provides a good platform for – in combination with the activities of the express, parcel and supply chain organizations. “The close cooperation with our partners makes it possible for us to provide quality and service, for example through our Active Tracing Tool and our DHL Freight Eurapid product,

which our competitors can’t match”, explains Wirth. As of July 1st for example, the Europe-wide premium service DHL Freight Eurapid, i.e. the day-definite transport of general cargo, will be offered with its own code and label.

### **For a better climate**

The implementation of the climate protection target (the Group announced in early March that it plans to reduce emissions by logistical services to zero by 2050) is also on the agenda. This applies to own activities as well as those of transport partners. “We will continue working towards saving fuel and energy”, explains Bernhard Wirth. CO<sub>2</sub> efficiency is set to rise roughly by a further 30 percent by 2025, while the proportion of green solutions is set to make up more than 50 percent by then. ANNE GOERGEN




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DHL LAUNCHES SALODOO!

# FREIGHT FAST FORWARD

**With the smart and brand-new marketplace Saloodo!, DHL is further promoting digitalization in the logistics industry and bringing shippers and transport providers together on an online platform. Saloodo! enables a shipping process that is particularly fast, smart and reliable for both sides. But how does it actually work? DHL Freight Connections introduces the new digital freight platform.**

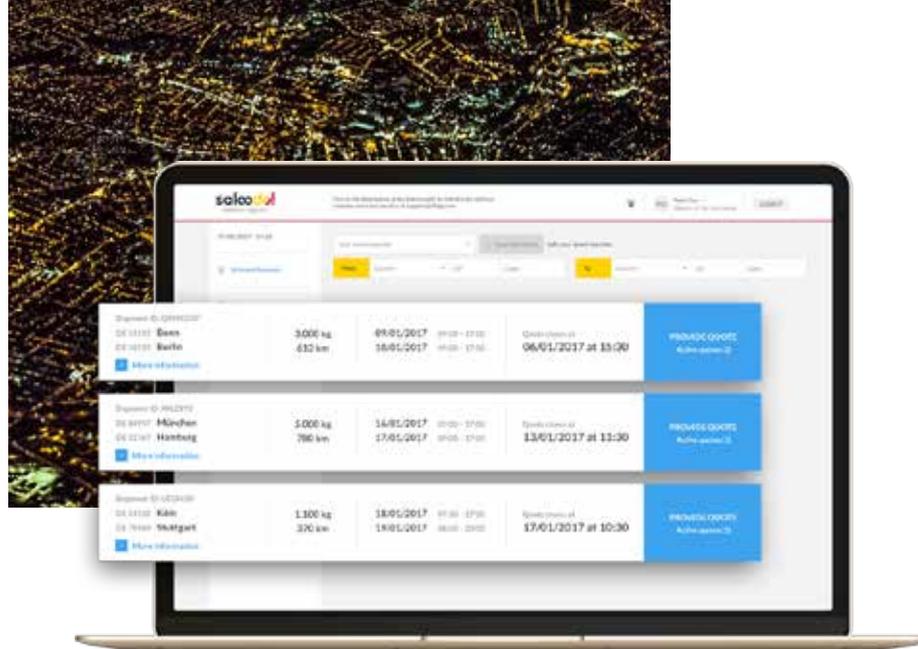
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Upon successful completion of the pilot phase in 2016, Saloodo! has now been available on the market for all shippers and transport providers since early January. The customer feedback from the pilot phase is a core element of further action at Saloodo! and still serves as the basis for the continuous development. In that way Saloodo! is able to meet the requirements of both shippers as well as transport providers exceptionally reliably and efficiently. Important for both sides: Shipper and transport provider do not sign the agreements with each other directly. In all cases Saloodo! remains the contracting party. In addition, Saloodo! is the direct contact for queries, so that both parties can benefit from having a single point of contact.

## **Tailor-made for small and medium-sized enterprises**

Saloodo! provides many advantages for small and medium-sized companies based in Germany that have only irregular freight requirements and therefore no permanent logistics partner at their side:

- Faster and clearer price/performance comparison without annoying paperwork or lengthy research by phone
- Direct access to transport providers verified by Saloodo! and bound to DHL's supplier code of conduct
- Track fulfilment progress and receive real-time notifications via their personalised dashboard in case



of delays, ensuring an improved management of their supply chain and customer expectations

- Handling of all shipment details including all documents on a single platform

A special highlight of the service is the direct access to price indications based on the current market situation, shipment details and capacity availability, so that shippers can better compare the received quotes and easily choose the transport provider who best meets their individual needs. Furthermore, in addition to the quotes provided by the transport providers, shippers also get an instant quote from DHL which they can book immediately.

### Strong partner for transport providers

On the other hand, Saloodo! enables particularly efficient freight logistics for transport providers of any size:

- Fast and smart access to shipment loads across various regions
- Presentation of their company's assets and capacities on a single platform to optimise their trucks
- Quick payment, since Saloodo! simplifies the billing and payment processes

### Dynamic transport quote calculator for competitive quotes

Saloodo! also has a completely new function for transport providers: A dynamic transport quote

calculator – derived from analysis of substantial transacted data collected over the years – will assist transport companies to make competitive quotes for each shipment and help them succeed in winning the loads they need.

### Driver app for more transparency and less errors

With the innovative Saloodo! driver app, upcoming tours can be assigned directly to the respective drivers via the app. The app provides the drivers with details of the tour and cargo at all times. Possible delays or other problems can be documented directly in the app. The app also reminds drivers to confirm important status messages during the tour, as soon as they are close to the pickup or delivery address. In addition, with the “in app scanner”, drivers can scan the proof of delivery document (POD), upload it immediately and thus get paid within a matter of days.

SONJA TERBRÜGGEN

#### Additional

Just scan and discover Saloodo!



NORDSON CORPORATION

# STRONG COOPERATION

**DHL Freight is Nordson Corporation's reliable partner for all logistics throughout Europe – and soon even beyond.**



Super thin and ultra precise – that is the way coatings normally have to be applied in industrial production processes. Regardless of whether it concerns the processing of any type of industrial adhesive or liquid medium. One of the world's largest manufacturers of corresponding specialized machinery is the American Nordson Corporation, which also has major operations in Europe. For example, the plant in Lüneburg delivers machines and aggregates for the processing of adhesives around the world.

Such highly specialized equipment requires seamless logistics as a prerequisite for market success. For its European transports Nordson relies on its partner DHL Freight. The freight specialist not only takes care of

the transportation from the individual factories to Nordson's European distribution center in the Dutch city of Maastricht, but also takes on the transport of the equipment from there to customers – and back again if necessary.

## First choice

"In order to ensure a smooth procedure for the customer, we've got a single contact at our control center in Eindhoven who is responsible only for Nordson," explains Marco Matiatos, Global Key Account Manager Engineering & Manufacturing, Aerospace at DHL Freight. This ensures that the roughly 10,000 consignments per year, with a total weight of about 1,300 tons, are delivered safely and on time. "This clearly shows how we handle all our customers, whether small businesses or global hidden champions, with special care and high quality standards, thus making us the freight forwarder of choice," continues Matiatos.

The cooperation with Nordson could soon become even more international. The company is very much interested in the new intermodal route to China, as many components that are prefabricated for local plants come from Europe or are transported from China to Europe. This is where airfreight is too expensive and the sea route, which takes about 35 days, is too long. With the new route, the delivery time would be about 20 days, which would enable significantly faster responses to market fluctuations.

KAI ORTMANN

## Additional

Video by Nordson on adhesive application systems



# SEAMLESS SERVICE

With its various customs activities, DHL Freight provides a vast range of efficient and diverse customs services – now also with its own dedicated customs team in Spain.

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Whenever Beatriz Peinado and her team turn to action, operational skills, a technical knowledge and years of experience are showcased and applied in daily operations. “La Aduana” – which is the name of DHL Freight’s new customs organization in Spain – is a team of highly experienced customs experts. They manage and take care of all customs processes for DHL customers in Spain: Apart from import, export and transit clearances, they also provide special services such as classification of goods and Intrastat services, customs and VAT suspension regimes as well as duty reduction regimes such as processing reliefs. Additionally, La Aduana also operates two own bonded warehouses in Madrid and in Irun on the border to France. “The specialized La Aduana customs team is another supplement of DHL’s global customs network”, complementing our global customs services says Marc Bernitt, VP Global Head of Customs Management. More than 4,800 dedicated customs experts work for the logistics giant around the world. That enables DHL to support its customers in 200 countries in almost all operational and transactional topics within customs. By doing so, they are happy to service all customers and industries leading to more than seven million customs clearances processed by DHL Freight annually. However, the wide range of DHL customs services provides far more than that. In fact, there are three additional value added customs services DHL Freight offers:

## Central customs management

With our global Customs Control Tower “EURaccess” solution, we manage on the basis of a single window – one-stop-shop – web based application all customs activities and trade lanes for our customers across different countries, services and transport modes. Combined with a state-of-the-art IT platform this unique tool enables, full transparency whilst ensuring a high level of compliance for our customers.

## Customs Consultancy

We have a strong network of customs consultants in all major countries and regions, combining a global footprint with local expertise. Their objective is to increase efficiency and compliance, decrease the risk level and deliver solutions which provide value for our customers. In doing so, sustainable optimization in supply chains from a customs perspective is the ultimate goal DHL Freight strives for.

## Customs Brokerage Services

Filing customs declarations to customs authorities on behalf of our customers is one of our key competencies. In depth and extensive experience in day-to-day customs processing leading to fast and efficient customs brokerage operations ensures cost-saving border crossings for our customers with the highest degree of compliance. There are two major advantages for businesses, relying on the services provided by DHL Freight’s customs specialists: They can be sure that their shipments will always comply with all customs regulations whilst simultaneously saving time and money. With a proven track-record, DHL customs experts are always up to date with the latest customs regulations especially in relation to the new European Customs legislation – the “Union Customs Code”. In order to assess potential customs savings in the supply chain, DHL Freight customs consultants also perform a screening of trade lanes by means of their proven “Quick Scan” methodology. Subsequently, processes are analyzed with regard to unlocked opportunities potentially in the area of goods classification, Free Trade Agreements, VAT regimes and customs & VAT processes. As a result, businesses are put in a position to capitalize on duty & VAT saving opportunities based on provided recommendations by DHL Freight Customs.

TORSTEN ARNOLD

## FIAT'S ENGINES

# MULTIMODAL HALFWAY AROUND THE WORLD

On behalf of Fiat, DHL delivers engines from Italy to Japan. The transport is multimodal. The door to door delivery period is just 35 days. How does this work?

Since summer 2016, Deutsche Post DHL has organized the multimodal transport of 100 containers with transporter engines from Italy to Japan for the CNH Industrial corporation. CNH Industrial was created following the merger between CNH Global and Fiat Industrial parallel to Fiat Chrysler Automobiles and currently includes twelve brands – among others, Iveco, Case IH, Steyr, New Holland and Magirus. An innovative route was taken for the transport of the engines: the modes of transport road, rail and sea are used along the “new Silk Road”, a large infrastructure project between Asia and Europe that is supported by the Chinese government. The total duration of the door to door transport amounts to approximately 35 days. “This shortening of the transport duration was the main reason for CNH Industrial to decide on the solution to use the land route towards Japan”, explains Thomas Kowitzki, Head of Multimodal at DHL Freight. “By sea route this transports takes up to 60 to 65 days.”

## Multimodal Transport

The CNH Industrial transport begins in Naples, where DHL initially inserts empty containers into the process flow and passes these into the CNH Industrial engine plant in Foggia. This is where the goods are loaded into the containers, back at the intermodal-hub in Naples, the Italian railway service provider CEMAT takes over the rail transport of engines to Nuremberg. The rail terminal located there is perfectly suited for the connection towards China, numerous rail transports travel via this hub. In Nuremberg the CNH Industrial engines are

transferred to a DHL train that first reaches the Polish terminal Malaszewicze, which is directly on the external EU border to Belarus. This terminal plays a key role for rail transports that are eastbound, from and to China and it is a central hub for many companies. “In Malaszewicze we operate our own office with cargo handling, which coordinates all of our China transport operations and controls them within this entire network”, says Kowitzki. “For the rail transports for CNH Industrial, we use the so-called western corridor via Kazakhstan up to the West Chinese city of Chengdu”. In this case, this proved to be the perfect alternative.

In the Chengdu rail hub, where all trains between Europe and China are consolidated, DHL works together with the Chinese railway service provider CDIRS. The DHL trucks are then used from Chengdu onwards, which transport the CNH Industrial engines to the ports. From there, the journey continues to the ports of Yokohama using the short sea carrier and thus, directly into the main factory of the automotive customer, Kawasaki.

## The new Silk Road

China wants to intensify trade between Asia and Europe with the revival of the old trade route via the Silk Road. The objective of the project is to connect 65 countries and 4.4 billion people through train and road connections as well as through a maritime route with deep sea ports from China to East Africa through to the North Sea. Since June 2013, DHL trains have been operating on this route to some extent.



"In this project, the main challenge for us is the efficient coordination of all modes of transport involved in the transport process" states Thomas Kowitzki. "Since the topic of speed is critical for the success of this process for all those involved, we need turnaround times for the different locations as quickly as possible." To plan and organise this hand in hand, so to speak, is under no circumstances banal. "When one mode of transport reaches its destination, the next must be directly available", states Kowitzki. "Our very big advantage in doing so, is that we are represented in all interfaces and to some extent with our own branch offices and thus, have direct access to the modes of transport used." Due to the global presence, it would be possible to permanently optimise the network and to cover the increasing demand according to more efficient routing as well as multimodal transports.

### **40 foot container non-stop**

Furthermore, with this holistic approach, one of the main requirements on part of CHN Industrial is met: In this case having a large number of service providers involved in the project was explicitly not requested by the customer – personally controlling the transport chain was a clear priority for the Italian automobile manufacturer. This is so that the communication and interface problems are minimised and a responsible system provider is put in place as a central contact person. "As DHL, we obviously have a clear advantage towards the competitors", says Kowitzki.

### **Further expansion planned**

"At the moment, business along the new Silk Road is proving to be very positive for us", says Kowitzki. "The volumes are increasing, we are operating trains in both directions every day". Rail transport from Europe to China is also extremely interesting for many shippers because large shipments can be transported quickly or rather

cost-efficiently on this route as an alternative to sea or air freight. And the more volume that is moved via the relation, the more the shippers and DHL benefit from efficient round trips and achieve economies of scale. Although excess weight in the case of volumes is still on the westward directed route from China to Europe – the share of transport volumes from Europe towards China is said to have continuously increased in the past years. Now this amounts to almost one third.

In general, DHL is aware of the growth potential in the region of Central and Eastern Asia. Therefore, the relation Europe – China was more the focus of interest to date, but in the future even the neighbouring states could benefit from multimodal logistics handling. "We are receiving more requests from Vietnam, Taiwan or South Korea", says Thomas Kowitzki. "Even a possible link with other continents based on the existing core link already stands out today". Thus, DHL currently realised a relation Taiwan – China – Europe – Tunisia. First the trains are tested on the so-called Southern Corridor from China via Turkey to Europe as a possible attractive route for the future. But there are other modes of transport that also play an important role for DHL: with the hub of the "maritime Silk Road" in the Greek Piraeus, the trade between Asia and Europe is also to be accelerated further – as a multimodal sea freight and road transportation solution for shipments between Europe, Asia, North Africa and the Middle East.

THOMAS WÖHRLE

### **Additional**

This article appeared in "Der Bahnmanager – the business magazine for rail transport" (issue 4/2016)



EVONIK



# VIGILANCE IS THE NAME OF THE GAME

**Uncontrollable circumstances like heavy storms or road closures can stretch supply chains to their breaking point. To avert this danger from the outset, Evonik Technology & Infrastructure GmbH will rely on DHL Resilience360.**

Evonik is one of the world's leading specialtychemicals companies and operates in the segments nutrition & care, resource efficiency, and performance materials. In 2015, the company with headquarters in Essen, Germany, generated sales of approximately 13.5 billion Euro.

The risk-management solution Resilience360 provides real-time analysis of problems that vessels, trains or trucks can encounter along their transport routes after setting out from Evonik locations around the world. On this basis, the software proposes countermeasures – such as whether and how the supply chain's resources can be redistributed in order to

minimize or completely avoid damage. For this purpose, the platform connects information regarding natural disasters and socio-political or other risks to Evonik's global production and distribution network.

“Particularly in industries such as the chemicals sector, in which delicate products are transported, the security of the environment, employees and goods plays an important role,” says Tobias Larsson, Head of Resilience360, DHL Customer Solutions & Innovation. “We are delighted to help Evonik with this in the future while reducing the costs and risks along the supply chain by providing our data and expertise.” For Evonik, Resilience360 means a further digitalization of its numerous logistics activities. “In doing so, we are continuing to take account of our responsibility for safely transporting chemical goods,” says Robert Schmidkunz, Head of Logistics Security, Evonik Technology & Infrastructure GmbH. “Through actively monitoring supply chains, Evonik is supporting the transport-risk

analyses that have already been introduced successfully. With this tool, we are also contributing to the digitalization of our supply chain processes.”

BIRGIT KUPAS



Putting ink to the paper on the new partnership: Dr. Martina Fohr, Global Head of Chemicals and Energy DHL Freight, (left) und Dr. Franz Merath, Senior Vice President Logistics, Evonik Technology & Infrastructure GmbH.

## DHL Resilience360

is an end-to-end supply chain risk management platform that alerts customers about global incidents and risks to their global supply chain in almost real time – enabling customers to maintain an advantage over their competitors by immediately responding to incidents and pre-empting or minimizing business interruption. Resilience360 is used by customers across Asia, Europe and the Americas. The largest uptake has been in the automotive industry, followed closely by chemicals, life sciences and the technology sector.



AUTOMOTIVE SECTOR

# VERITAS – LAYING DOWN RUBBER ON THE ROAD

Veritas, a market leader in innovative system solutions for rubber-metal components in the automotive sector, has been using DHL Freight's logistical know-how since September 2016.

"Achieving greatness through small parts" is one of the slogans at Veritas. For more than 160 years the company, headquartered in the Hessian town of Gelnhäusen, Germany, has been developing automotive industry components such as charged air systems and pressure lines, as well as tank recesses and AdBlue tank systems. Thus, Veritas has increasingly grown into a global player and now has production plants in North America, Central America, Europe and Asia.

## Veritas AG – facts & figures:

- Approximately 680 million Euros of revenue in 2015
- More than 4,500 employees
- Eleven locations in Europe, Asia and the Americas

The progressive international expansion of the company has put steadily growing demands on logistics. In the areas of compliance and customs clearance, DHL Freight was persuasive and won the contract this past autumn. Andre Radzey, Head of Supply Chain Management at Veritas AG stated: "In the course of transforming from medium-sized company to global supplier, we have chosen DHL as our partner in order to meet the high demands of premium German automotive manufacturers. Given the extremely successful conversion, our decision to do this was absolutely correct."

## From Maintal to the World

Since September, the DHL Freight Control Towers team in Maintal, near Frankfurt am Main, Germany, has been diligent on a daily basis so that all the shipments of the 160 European-wide suppliers are consolidated, and most importantly, that the supplies for the plants in Hungary and Bosnia are guaranteed. Lorries leave three times per day to go to Hungary and two times per week to go to Bosnia from Maintal. Transports are using the European-wide freight network.

"A special feature is that shipping data is entered into the Freight Chain Manager (FCM) daily by all Veritas suppliers, in a customer portal and a supplier portal. It is then checked, processed and loaded in the Control Tower," explains Stefan Brunner, Vice President, Global Sector Head Automotive at DHL Freight. The response after the first few months has been positive, and thus the foundation for cooperation and on-going collaboration has been laid.

SONJA TERBRÜGGEN

## Additional

Veritas website



## CONCERT LOGISTICS

# TRANSPORTATION WITH A SPECIAL TOUCH

Top quality transportation while on tour is a must to ensure the sound is just right for the Leipzig Gewandhaus Orchestra. It is the duty of DHL, the official logistics partner, to ensure just that.

People frequently talk about the cold chain, but the warm chain is important too. To avoid damaging the valuable instruments the musicians of the German Leipzig Gewandhaus Orchestra play when they're touring around the world, these have to be shipped at guaranteed

## Travels with plenty of luggage

The items transported range from 500 gram tympani mallets to a 270 kilogram celesta. Overall, a single tour requires more than

- 60 m<sup>3</sup> cargo
- 6 tons of freight
- 100 individual packages
- 2 million euros total freight value

temperatures between 18 and 20 degrees Celsius. That necessitates temperature-controlled transportation: with air conditioning in the summer and heating in the winter. Severe temperature fluctuations may cause cracks or loosen the glue that holds wooden instruments together. In addition, the orchestra frequently plays concerts in the evening after a long day of travel. If their flutes, violins, trumpets, drums, and other instruments were too hot or too cold the sound would be distorted, and there would be no way to provide a flawless interpretation of the music they play.

The Gewandhaus Orchestra has been collaborating with DHL since 2005, and DHL has been the orchestra's official logistics partner since 2009. The Orchestra has



a unique history as a musical institution and a special culture with roots reaching back to 1479. Today, the orchestra is a leading international ensemble and also one of the world's largest professional orchestras, with 185 musicians currently employed.

### All-Around Specialist Service

DHL handles equipment transport from door to door on tours leading both across Europe and to overseas locations. DHL also provides other services before, during, and after concerts. The logistic service specialist is not only responsible for the safe transportation and security of more than 100 instruments, but also for the safe conduct of wardrobes and scores, seating, music stands, and the conductor's stand and baton. To provide all these services, DHL uses trucks equipped with GPS and air suspension for temperature-controlled transportation. There are two drivers assigned to every truck so as to ensure non-stop contact at all times. In addition, the company frequently keeps a cargo plane on standby while the Gewandhaus Orchestra is on the road so quick reaction times are assured in case of any issues. DHL's service also includes handling formalities related

to customs and insurance and continuous traffic and weather monitoring. As such, the DHL TFE (Trade Fair & Events) Control Tower is utilized to assure uninterrupted and high quality transportation during concert tours. The orchestra will soon be taking advantage of the all-around service from DHL once again: In May 2017 the venue will be the Vienna Musikverein. Works by Bruckner, Dvořák, and Schubert will be performed in the "Großen" or "Goldenen Saal" (great or golden hall) – stage to the most famous New Year's concert in the world.

JÜRGEN ESCHMEIER

### Additional

Details on DHL sponsorship



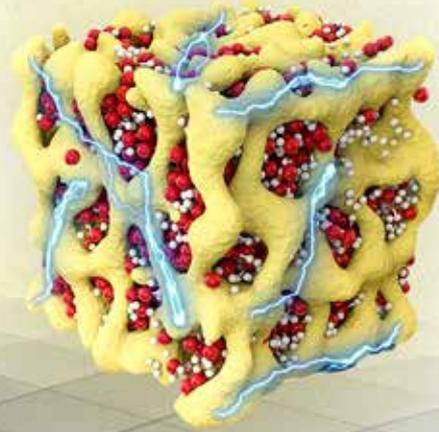
DHL transports all equipment for the Gewandhaus Orchestra on concert tours



## THE FUTURE OF RECHARGEABLE BATTERIES?

# POWERING THE TECH REVOLUTION

Breakthrough in the design of new lithium-oxygen batteries.



The search for long-life batteries to run the new generation of powerful electric cars is going into overdrive. Tesla founder Elon Musk has opened the new \$5 billion “gigafactory” in Nevada to churn out cheap lithium-ion batteries for half a million electric cars a year. Tesla, Jaguar and GM are all launching electric cars with a more than 200-mile (302-kilometer) range.

New research is providing incremental improvements to lithium-ion batteries, with U.S. startups such as Amprius, Enovix and Envia attracting tens of millions of dollars in funding for a silicon-anode battery. There is a ceiling as to how much storage can be wrung out of conventional lithium-ion batteries, however.

### Many projects, but one favorite

Much scientific research is being carried out to find ways of perfecting alternatives, with the hot money on a variant of lithium-air technology. Lithium-air (Li-air) batteries could offer between five and 15 times the energy per kilogram compared with lithium-ion batteries, providing a lightweight solution with the energy density of petrol.

They would keep your mobile phone going for a week on one charge and allow a car to travel 400 miles (644 kilometers), outdoing the 300-mile (483-kilometer) drive per recharge from a lithium-ion battery. Li-air could also prove useful for storing solar energy. Supporters of this technology say it represents the greatest hope

for significant increases in battery life. Engineers have been working on the Li-air battery for 40 years, but the technology faces some huge obstacles. Last summer, however, researchers in the U.S. and China announced they may have found a way around the problems, heralding a new era in superefficient batteries.

### Embedding oxygen

The new approach to Li-air was developed by Ju Li of Massachusetts Institute of Technology, along with researchers from Argonne National Laboratory and Peking University. They outlined the process in the journal *Nature Energy*. The new battery works by embedding the oxygen in the cell but keeping it in solid form rather than changing between gas and solid. The oxygen is never in a gaseous state, so there is no need to use energy to shift it between solid and gas.

The result is faster charging and less heat wastage. This reduces the energy needed to power the battery to just 8 percent of the charge rather than 30 percent. Li says the batteries could also have a longer life than lithium-ion batteries as they are protected from overcharging by the natural process of the chemical reaction. There have been dozens of research projects over the years on ways to improve on the basic Li-air design, but some battery specialists believe Ju Li’s solution holds the best hope for the future – and the team expects to be able to make a practical prototype within a year.

DAVID BENADY

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 INTELLIGENT TRANSPORT SYSTEMS
 

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# TALK IS GOLDEN

**By 2019, the European Union aims to create the conditions for communication between vehicles and traffic infrastructure and thus reduce congestion and accidents.**

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Always green lights, braking in time before the end of traffic jams, or giving road construction a wide berth – all that automatically. Dreams of the future for truck and car drivers? Yes, but perhaps not for much longer. In late 2016, the European Commission adopted the European Strategy for Cooperative Intelligent Transport Systems (C-ITS). Objective: In the future, vehicles should be able to communicate with each other and with the surrounding transport infrastructure. This will make mutual danger warnings, a better overview of traffic delays, and speeds optimized to traffic lights possible – just to name a few examples.

By 2019, the EU wants to be able to commercially introduce C-ITS across a large area. The Commission is of the opinion that the market for such systems is worth several billion euros. This will benefit traffic efficiency and above all safety, because additional information for drivers helps to prevent many a dangerous situation from even occurring in the first place. In addition, such a networked infrastructure is a prerequisite for the integration of fully automated vehicles into the transport system. The strategy has six main components:

## 1. Uniform approach

There are many different projects based on the introduction of C-ITS-enabled vehicles and infrastructures across the EU. The Commission wants to bundle these together, create synergies, and above all ensure interoperability.

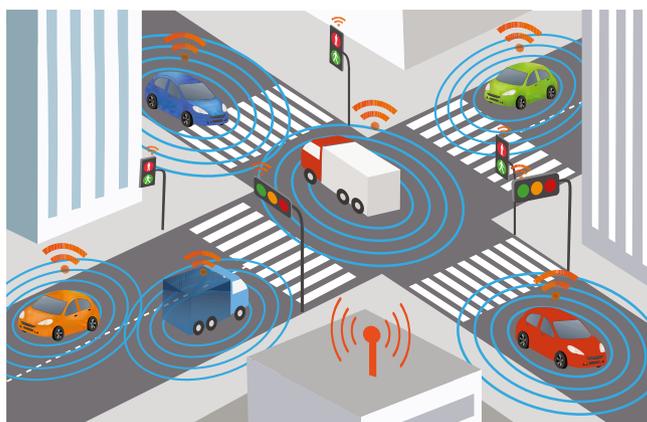
## 2. Common priorities

To avoid duplication of work and effort for systems that

are not promising, a list of sophisticated C-ITS systems that have clear benefits and can be rapidly introduced throughout Europe should be made. The financial support is also bindingly regulated.

## 3. Mix of communication technologies

C-ITS data can be transmitted in various ways. To ensure a seamless connection of services, the strategy is banking on a hybrid technology mix of wifi-based short-range communications and existing cellular networks.



## 4. Security and privacy

Objectives in this area include the development of an EU security policy for the C-ITS-nets to ward off cyber-attacks. A uniform policy for the control and the special protection possibly transmitted personal data is also needed.

## 5. Development of the legal framework

For the protection of public and private investments and broad applicability of the technical rules, a corresponding regulatory catalog will be drawn up in the near future.

## 6. International cooperation

There is already a cooperation in place within the G7 countries, Australia, and Singapore. The exchange with international partners will be continued and intensified in the future.

The immediate next steps are the adoption of the legal framework and the provision of funding for further research and development.

KAI ORTMANN

# ITALY IS CRAVING FOR JUGGERNAUTS

## New Heavy Truck Registration

Compared with the complete year results of 2015, the market for HGVs in 2016 grew by 12 %. And while the accrual was a bit slower during the second half of the year, it remained in the double digits overall. The biggest boosts to the market were:

- Italy (+53 %)
- Poland (+21 %)
- France (+13 %)
- Netherlands (+ 12 %)

Comparing just the figures from December 2016 and the same month in the year before, the heavy truck registrations within the European Union grew by 16.1 percent. The countries with the most gains:

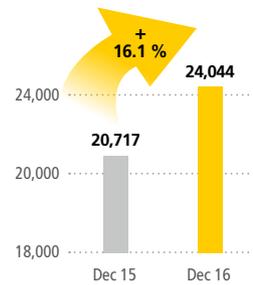
- Italy (+ 200 %)
- Germany (+ 9 %)
- Spain (+ 9 %)
- Poland (+ 9 %)

On the other hand, there were also some worst cases:

- Greece (- 67 %)
- Hungary (- 12 %)
- Great Britain (- 9 %)

### NEW HEAVY TRUCK REGISTRATIONS\*

December (EU-wide)



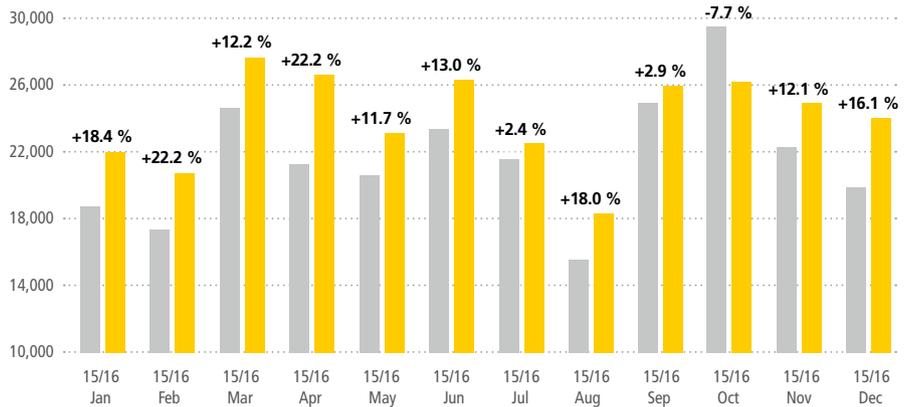
Jan till Dec 2016

	2016	vs. LY
<b>EU</b>	<b>292,170</b>	<b>+12 %</b>
Germany	63,879	+5 %
France	41,600	+13 %
UK	35,859	0 %
Poland	24,431	+21 %
Spain	20,785	+9 %
Italy	18,139	+53 %

Source: European Automobile Manufacturers Association (ACEA), February 2017

\* 16 tons +

### NEW HEAVY TRUCK REGISTRATIONS OVER A PERIOD OF ONE YEAR (16 tons +, EU-wide)



Source: European Automobile Manufacturers Association (ACEA), February 2017

■ From January 2015 to December 2015  
 ■ From January 2016 to December 2016

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GERMAN FREIGHT FORWARDING TERMS  
AND CONDITIONS

# BACK ON COMMON GROUND

The logistics associations in Germany have once again agreed on a common set of rules for the transportation industry.

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The consent between the most important German logistics associations ended at the close of 2015. The four shipping associations (see list) withdrew from negotiations to establish joint terms and conditions with the German Association of Freight Forwarders and Logistics Companies (DSLVL). They recommended that their members apply the German Transportation and Storage Conditions (DTLB), which they developed. The DSLVL published the new edition of the General German Freight Forwarding Terms and Conditions (ADSp 2017), which was recommended by the DSLVL alone, on December 14th. This caused uncertainty within the industry regarding where to best apply which set of regulations. As of January 2017 these doubts will be no more, as the associations have agreed to a joint template for the ADSp 2017. All associations recommend that their members apply these regulations starting at the beginning of the year. In addition, three other associations have joined the catalog of rules for the first time.

## Changes to Key Details

There are a few important changes from the regulations of ADSp 2016. Many of these are due to the fact that shipping agents are once again involved in the process. Freight forwarders are obligated to inspect the order for obvious defects. However, freight companies have no clear right to deny acceptance if defects are found. For the first time, the ADSp 2017 includes specifications regarding the vehicles used, load securing equipment, cargo handling materials, and drivers. There are also a few small updates related to acceptance and delivery. The carrier must confirm the number and types of packages on the receipt confirmation.



In case of doubt they must confirm only this information, and not their content, value, or weight. If the addressee refuses to provide a delivery receipt, the driver may not take the goods away again – a change from ADSp 2016. Loading and unloading times are regulated somewhat more generously, after having been listed in minute detail in the previous version. According to the new rules, a flat total of two hours are provided for each loading process for vehicles with a 40 ton total permitted weight; smaller vehicles are afforded incrementally less time.

## Higher Liability

These are just some of the changes in the ADSp 2017, which now also include significantly higher liability limits. The maximum total for cargo damage has now been increased from a million euros to 1.25 million. Overall, the involvement of the shipping associations seems clear. With the document, they have achieved a balance between their own interests and those of the freight carriers. After negotiations concluded, all sides signaled their satisfaction with the results. Whether the new regulations are practical will have to be proven over time.

KAI ORTMANN

## Additional

Current edition of the General German  
Freight Forwarding Terms and Conditions  
(ADSp 2017)



TOPS AND FLOPS: INFRASTRUCTURE

# IN GOOD SHAPE?

## Quality of trade and transport-related infrastructure

If the surrounding conditions are not right, plannable goods logistics becomes a matter of luck. Decrepit roads and railways as well as poor telephone and data

connections can seriously impede the movement of goods. In its Logistics Performance Index (LPI), the World Bank ranks 160 states according to different logistics criteria – including the “quality of trade and transport-related infrastructure”.

The result: All those who transport goods by rail or road in Germany can do so with the good feeling of being able to use the world’s best infrastructure. All in all, six of the top ten states are located in Europe. But even in Europe, the transportation of goods can quickly turn into an adventure: Albania, which is ranked last of the European countries, has received an evaluation by the World Bank that is not much better than that of Afghanistan.

MICHAEL WAYAND

### TRAFFIC INFRASTRUCTURE WORLDWIDE

#### Tops

1. Germany (4.44)
2. The Netherlands (4.29)
3. Sweden (4.27)
4. Luxembourg (4.24)
5. Great Britain (4.21)
6. Singapore (4.20)
7. Switzerland (4.19)
8. USA (4.15)
9. Canada (4.14)
10. Hong Kong, China (4.10)



#### Flops

1. Syria (1.24)
2. Haiti (1.47)
3. Equatorial Guinea (1.50)
4. Mauretania (1.54)
5. Somalia (1.57)
6. Laos (1.76)
7. Afghanistan (1.84)
8. Iraq (1.87)
9. Guinea-Bissau (1.91)
10. Bhutan (1.96)



Source: World Bank, February 2017

Values ranging from 0 (worst) up to 5 (best)

### TRAFFIC INFRASTRUCTURE EUROPE-WIDE

#### Tops

1. Germany (4.44)
2. The Netherlands (4.29)
3. Sweden (4.27)
4. Luxembourg (4.24)
5. Great Britain (4.21)
6. Switzerland (4.19)
7. Austria (4.08)
8. Belgium (4.05)
9. France (4.01)
10. Finland (4.01)



#### Flops

1. Albania (1.98)
2. Montenegro (2.,07)
3. Belarus (2.10)
4. Bulgaria (2.25)
5. Moldova (2.35)
6. Russian Federation (2.43)
7. Serbia (2.49)
8. Ukraine (2.30)
9. Mazedonia (2.58)
10. Bosnia and Herzegovina (2.61)



Source: World Bank, February 2017

Values ranging from 0 (worst) up to 5 (best)



# MAKE AMERICA (A) GREAT (OIL PRODUCER) AGAIN!

Diesel prices comment by Eugen Weinberg,  
Head of Commodity Analysis at Commerzbank



The price of diesel has increased almost continuously in the past few months. A variety of factors have contributed to this development: the sharply rising oil prices, the weak Euro, and great demand, which has also supported refinery margins.

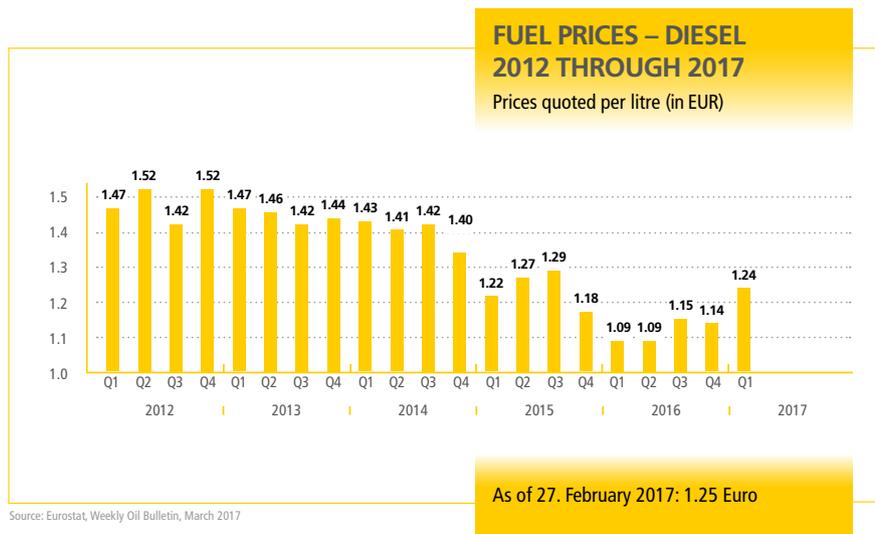
## Speculation on OPEC production cuts

The oil price increase in the past few months, which was decisive for the higher prices of fuels, was due in particular to the expectations of a supply shortage following the OPEC production cuts. Although the OPEC countries committed themselves again and again to keep to the agreement, the export data do actually put their readiness to voluntarily cut production into doubt. Because, OPEC exports have remained stable for months, which has led to a persistent oversupply and a further increase of inventories. Also, the widely praised "implementation of production cuts" has reached its

current levels only because Saudi-Arabia has reduced its production far more than agreed. Without Kuwait and Saudi Arabia, it would be far below 50 percent.

## Outlook for the next few months

Financial investors currently still believe that OPEC will succeed in bringing the oil market back into balance. But we strongly doubt that. For one, US oil production has already been increasing for months, meaning that this year the USA will probably become the world's biggest oil producer. Furthermore, the new US government is likely to support domestic producers, leading to a probably even stronger increase. But what is particularly striking is the fact that as many speculators as never before are betting on rising prices, meaning that disappointment is almost inevitable. We therefore expect the coming months to see a decline in the price of crude oil and oil products.



# CARTOON

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