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ECO4LOG - Development of an East border COrridor 4th party LOGistics service approach along the axis Brandenburg-Saxony-Austria with neighbouring accession countries

Preface

During the first term of 2006 most of the tasks in our ECO4LOG project have been completed. The adjustment of the software tool "Logistic Chain Generator" to practicable needs was widely closed in cooperation with the test users.

In this actual release we want to accentuate the importance of indentified Best Practices as one of

the results of research and analyses, which will also have influence on the practical experience of the partners and the intermodal actors involved. Experts as well as partners seized the chance to speak about their experiences in collecting sufficient information, benchmarking action fields and the identification of Best Practice examples. The full reports of this topics are available for download here: www.eco4log.de

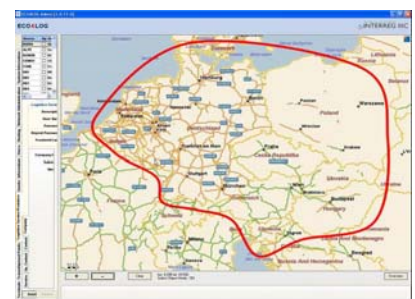
IT-Solutions for Intermodal Goods Transport



Prof. Vladimír Modrák, Technical University Košice

The IT-tool developed under the ECO4LOG project is a new term in intermodal transport management. Cooperation of broad international team of experts, regional authorities, intermodal terminal owners, Ministries, research institutions and Universities from six European countries provided an opportunity to accommodate specific regional aspects and common international features inside one IT-tool. Such combination assured that logistic companies could receive correct, reliable information on possible supply chain structure in timely fashion. Comparative case study conducted by our University proved that developed IT-tool provide greater accuracy in supply chain design.

Forty destination places in Europe were uploaded to analyze the impact of IT-tool on supply chain structuring for individual company in Slovakia. Not only the IT-tool abilities were tested but they were also compared to conventional routing tool results. Higher efficiency was achieved in transportation time and distance reduction with ECO4LOG IT-tool.



The enlarged ECO4LOG Area

In individual cases transportation time was reduced from 2 to 43 hours and overall distance by up to 250 km in average. Higher abilities also expanded an objective client group. From our point of view not only 4PL but also 3PL companies could find a use of such a tool to increase their competitiveness on nowadays market of transportation services.



Market Developments of 3rd and 4th Party Logistics Providers (3PL/4PL) in the Last Years and Identified Best Practice

Dr. Oliver Podevins,
TO-Consulting

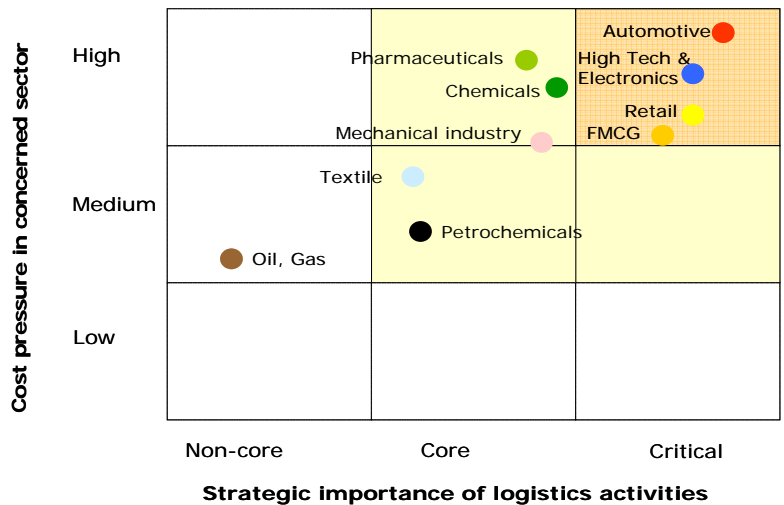


A small group of Third Party Logistics Providers is increasingly dominating logistics outsourcing in Europe. The development of 3PLs and 4PLs business in the ECO4LOG regions is essentially powered by their ability to leverage their management of global supply chains, and their competency to increase the level of supply chain visibility via the control of complex multi-country and multi-contract logistics requirements. This development essentially takes place in the Automotive, Hi-Tech Electronics, followed by Pharmaceuticals/ medical, Retail/ FMCG (Fast Moving customer Goods) and Mechanical sectors that currently profit from a strong demand in the ECO4LOG corridor.

An example is DHL Solutions in the Slovak Republic that is monitoring the inbound logistics, inventory management, out-bound transportation, and reverse logistics for Samsung Electronics Co. Ltd for the EMEA markets (Europe, Middle East and Africa).

Even if Fourth Party Logistics can not be considered as a standard model for the logistics industry, it is expected that it is likely to expand across Central Europe. In any case the 4th Party Logistics Providers will not replace the traditional 3rd Party Logistics Providers, because without these providers the 4PL 'Best-in-Class' approach is not applicable. Best 4PL practices are based on

an accurate forecast, collaborative DSP (Demand and Supply Planning) and seamless order fulfilment, a high flexibility of the supply chain including new technologies such as RFID and related wireless technologies as well as a holistic view on supply chain and logistics costs through integration of upstream processes (sales, order management, manufacturing, etc.).



Intermodal Action Plan for the Countries in Middle Europe



Interview with Mr. Udo Sauerbrey,
General Manager, RAILISTICS GmbH



Is such a border crossing Intermodal Action Plan an unique result or do you know comparable approaches from other European regions?

Mr. Sauerbrey, your company Railistics developed together with the project partners in ECO4LOG an Intermodal Action Plan for the countries in Middle Europe. Why is such a wide approach necessary in the field of intermodal goods transport?

First of all it is necessary to understand that intermodal transport is mainly operated internationally, often targeted to ports.

Especially the countries in Middle Europe are too small to generate national intermodal volumes. Therefore it is absolutely essential to analyse intermodal transport in a broad geographical context in order to define an action plan able to promote and increase intermodal transport.

The scope of this project is indeed unique. There are projects like for example SPIN (Scanning the Potential of INtermodal Transport), but none of these projects has produced such clear guidelines for all kind of stake holders in combination with a sophisticated IT tool. The Action Plan focuses on global objectives by taking into account the various local technical, political and legal characteristics of the participating countries.



What kind of best practices did you identify in the evaluated action fields?

The Action plan is based on best practice example within the ECO4LOG area and on examples from the rest of Europe. The main areas for action were identified in policy making (e.g. opening the rail market, subsidisation), fixed and rolling assets, B2B marketing, IT and Communications, and Education and Training. In many of these areas best practice was identified within the ECO4LOG area, for example the EU

compliant subsidisation of private sidings (Gleisanschlussförderung) or the comparatively open rail market in Germany.

Which next steps are recommended to animate the Intermodal Action Plan?

The Action Plan needs to be communicated to the various target groups, like local, national and EU decision and policy makers and authorities, to the private and public inland navigation and rail operators, to infrastructure managers and to forwarding and logistic companies. The Action Plan

gives clear advice and suggestions to them how to further proceed in order to increase intermodal transport. Furthermore it is essential to fully exploit the potential of the ECO4LOG online tool. The tool has now reached and in some areas exceeded the performance according to the project outline.

However, the Action Plan has identified supplementary features which can either be added by another EU project or by contribution of private companies.

Methods and Approaches to Identify „Best Practice“-Examples in the ECO4LOG Project

Gerhardt Schilk, via donau

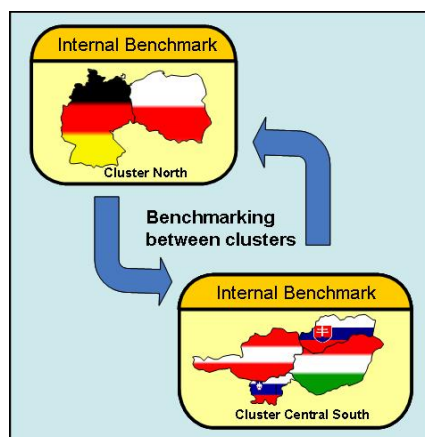


Benchmarking:

Before a benchmarking process can take place sufficient information are needed to be collected in advance. In the ECO4LOG project plenty of data have been gathered in Germany, Poland, Austria, Hungary, Slovakia and Slovenia related to: a) terminal development, b) intermodal services and c) IT-integration. The non-existence of a critical mass of data, especially related to intermodality, is hereby the most crucial issue what occurs not only in South-Eastern European Countries (SEEC). Besides quantity aspects, the quality of the data sets varies significantly according to the used methodology for the data collection process.

On benchmarking available information, special attention has to be paid on difficulties arising by comparing different geographical regions (e.g. Germany vs. Hungary) and intermodal themes (infrastructure vs. education).

The identification of best practice-examples is the last step. Hereby, top ranked benchmarking objects will be defined as best practice-examples, when they fulfil all relevant criteria adequately. This might be dedicated transshipment operators, intermodal service operators or IT-applications.



SWOT:

Before an identification process for the elaboration of suitable recommendations on intermodal transport

can be started, a SWOT-analysis needs to be carried out. A SWOT-analysis includes both a Strength-Weakness (SW)-analysis for checking the proper capabilities and an Opportunities-Threats (OT)-analysis for checking the external's ones. Based on the results of the SWOT-analysis recommendations for enhancing intermodality can be derived. Hereby, following themes will be considered and preferred, which do hold the biggest impact and influence to contribute to the realisation of the focussed recommendation.

In the ECO4LOG project recommendation-fields both on intermodal policy (policy, competition), intermodal infrastructure (assets, rolling stock) and intermodal promotion (B2B-Marketing, ECO4LOG-online-tool, cooperation, promotion, IT-requirements and education and training) have been identified.



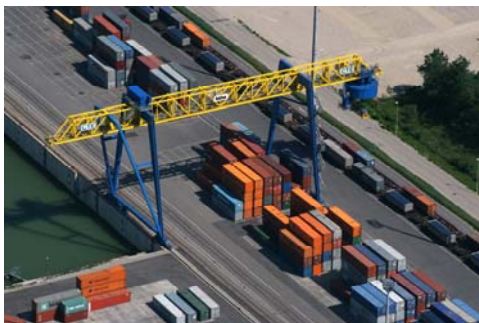
The Automation of all Information Flows is Our Goal

Interview with Mr. Mag. Christian Steindl, General Manager of Marketinggesellschaft EHG Ennshafen GmbH



Mr. Steindl, the Ennshafen was rated as the best in class in the evaluation of intermodal terminals in the ECO4LOG corridor. Which development strategy is behind this very success?

We are a new terminal and orientated ourselves in planning and realisation in the future needs of the shipping industry. The whole infrastructure – container terminal and feeder line - is arranged on efficient and lower-cost trimodal turnover. As well important is our attendance to work with new IT-solutions. We are using for instance for one customer an own supply chain management controlling system but of course the automation of all flow of information is our goal.



What are the driving factors to achieve such a sustained success?

The basic requirement for the successful establishment of our terminal is the optimal position in the area Upper Austria and west Lower Austria. More than one third of the Austrian industrial export is generated in these regions and we are located only 15 minutes from the western rail between Vienna and Linz. Furthermore we are fully operators of the terminal and also of the connected railway. Our highest maxim is neutrality. We are offering

optimal possibilities for access to all railway companies, also to private. Besides we automated the whole rail infrastructure and are able to dispose block trains and we have the largest gantry crane at the upper Danube, which is able to handle the complete terminal.

What is in your view the best practice to develop an intermodal terminal steady?

Very important for the development of an intermodal terminal is the implementation of rails for block trains. Just as important is the construction of an overhead contact line, so that the engine can reach the terminal without a shunting locomotive (of the public rail). The using of the subsequent railway should be organised in that way, that the private railway companies have free access to the terminal. If the terminal operator automates all organisational work flows (ingate, outgate, storing position management...) by IT-solutions, the terminal will have best chances even in hinterland.

Can you tell us something about new plans or prospects of the Ennshafen regarding intermodal transport?

We intend to extend the infrastructure for combined transport and initialise new lines for transport of containers. Middle-term we plan the installation of a second gantry crane which is able to serve also the whole terminal and two beams. Furthermore we will also concentrate on additional services like container repair. The quality of that service is deciding for the winning of depot customers.

Additional we are now able to handle and store dangerous goods. The highest potentials for container lines we see along the Danube corridor in direction South-East Europe. Especially in Romania new production facilities are settled directly alongside the Danube. And of course this is an alternative for the connection to Turkey and the Middle East. That's the reason we want a container liner connection from Constanza into the Ennshafen.



Photographs: Ennshafen



The ECO4LOG Handbook Evaluates Effects of Intermodal Terminals - a Best Practice Approach

Piotr Nowak, MBA Institute of Logist and Warehousing Poznan



The ECO4LOG handbook is designed for regional administrations to get information about the kind and strength of regional impacts of intermodal logistics nodes (iLN), especially freight villages, in their own region. With these main criteria and their respectively assigned individual indicator it is shown how the establishment and operation of an intermodal logistics node affects the regional economy and labor market at the location of the iLN on one hand as well as the traffic and environment conditions in the close and distant hinterland of the iLN.

Intermodal logistics nodes are seen as one of the main instruments to strengthen combined (intermodal) transport – a need to have solutions for future goods transport demands.

The following main criteria are taken into consideration for the evaluation:

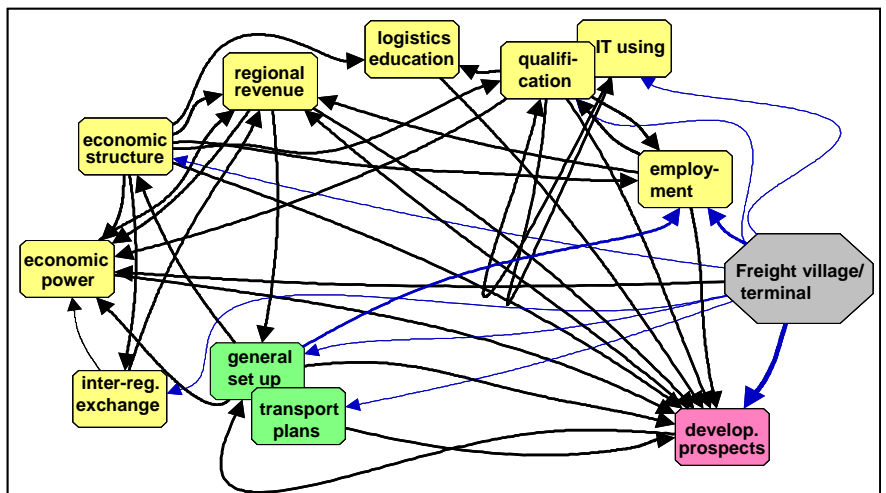
- economy and labor market
- traffic and environment.

Evaluation method is to be developed, that can be transferred to any locations or regions. So it is the intention to make available a tool for the evaluation and selection of potential locations of an iLN to decision making bodies in concrete implementation or planning cases.

Today in many cases as in the case of GVZ the favorable traffic connections are an important

condition for the location development, but the regional importance of iLNs are determined by their regional economical and labor market aspects

It was necessary for the evaluation of an iLN to utilize different methodologies or approaches for economy and labor market on one hand and traffic and environment on the other hand. For the evaluation of effects of an iLN regarding economy and labor market the regional conditions and resources as major influencing factors are to be taken into consideration in a complex way. With the help of this handbook the user will get an overview about impact areas and the indicators representing impacts in these areas. He will be able to identify, effects of intermodal logistics nodes regarding economy & labor market and traffic & environment.



Promotion of Project Results



At an own stand the TFH Wildau presented on 5th of July the actual results of analyses in the so called ECO4LOG-corridor as well as the developed internet-routing-tool "Logistic Chain Generator".

All partners from Berlin and Brandenburg which participate on INTERREG IIIB or IIIC projects, met in the Investment Bank of Brandenburg.

The 120 participants were welcomed by Rolf Schulz-Roloff (Ministry of Economics, head of department) and Volkmar Strauch (State Secretary of the Senate in Berlin, administration for economics)

The University of Applied Sciences was represented by Prof. Dr.-Ing. Herbert Sonntag, project director of the INTERREG IIIC project ECO4LOG, and Mr. Bertram Meimbresse, project manager.

The exchange of ideas and the discussion about the future and the possibilities of interregional and transnational cooperation took the centre of interest during the meeting.



Technological Day in Teltow

This year's technological day in Teltow on 7th of April started with the device "Telematics connects technologies". It was held under the patronage of the minister of science, research and culture, Dr. Johanna Wanka, and the minister of economics, Ulrich Junghans. The event was presented by Brandenburg's trade association in the Courtyard by Marriott hotel in Teltow like last year.

The University of Applied Sciences Wildau was one of the 26 exhibitors. Software developers of the VIOM GmbH were presenting and demonstrating the "Logistic Chain Generator". The programming of this routing software was main part of the project **ECO4LOG** within the INTERREG IIIC initiative of the EU. The visitors were lively interested in the possibilities of searching alternative routes and service providers in the field of intermodal transport given by this software.



Second Public Workshop in Wildau

The second workshop concerning component 3 of the **ECO4LOG**-project took place on 28th of April in Wildau. The 18 participants came from Austria, Germany, Poland and Slovakia to change thoughts and experiences with the now widely finished software-tool.

Presentations were held about the process of programming the tool and about building the comprehensive databases. An introduction in using the "Logistic Chain Generator" and getting the necessary information for planning intermodal transport chains was given to the very interested audience.



The afterwards discussion about technical questions, user experiences and the general usability of the IT-tool showed that there is a great interest in the further development of this software to support the switching of transport from European streets more and more to the railways and waterways. At the same time the project partners and logistic chain operators regarded the routing and information tool as a very helpful instrument to handle the increasing goods transport in the south-east-direction in the future.



„The Wisest Night of the Year“

On 13th of May the 6th „Long Night Of Sciences“ took place in Berlin and the surrounding area. The University of Applied Sciences Wildau was taking part again this year. Over 300 visitors in Wildau take the opportunity to be informed about the progress in research and teaching.

The research group of transport logistics presented the software tool "Logistic Chain Generator" which was developed in line with the INTERREG III c project **ECO4LOG**. This service and routing tool is dedicated to support logistic chain operators to plan intermodal transport chains in regard to shifting transport activities from streets to waterways and railways. It gives a lot of special information about transshipment points, logistic service providers and also for instance modalities at borders and contact information. To optimise transport procedures the tool suggests alternative routes especially along the south-east direction through the new member states of the EU.





Presentations on the Polish Logistics Congress in Poznan

The University of Applied Sciences Wildau presented itself with speeches and an own stand at the International Logistics Fair in Poznan (Poland). The conference was organised by the Instytut Logistyki i Magazynowania (ILIM) and was held from 10th till 12th of May 2006.



Prof. Dr. habil. Andrzej Korzeniowski, head of the Academy for Logistics in Poznan was visiting the stand of the TFH Wildau and appreciated the President of the TFH, Prof. Dr. László Ungvári.



Mr. Bertram Meimbresse, project manager of the INTERREG project **ECO4LOG** at the University of Applied Sciences in Wildau, gave an overview about the progress of the work on the project. Together with Mr. Pjotr Nowak from ILIM, which is one of the partners in this project, he demonstrated in his presentation the routing functions and further possibilities of the software tool "Logistic Chain Generator" which was developed as a part of the ECO4LOG project.

Intermodal Action Plan Discussed

Two workshops concerning the component 5 of the INTERREG project **ECO4LOG** were held in Enns (Austria) and Frankfurt/ Oder (Germany) under participation of the particular Advisory Boards. Various presentations gave a survey of the work and a reflection of the results achieved in the components 3, 4 and 5.

One of the main points of discussion was the presentation of the recommendations and the "Intermodal Action Plan" approach for the ECO4LOG corridor which consists of 5 main areas: policy, assets, B2B Marketing, IT and education. The participants stressed the importance of the action fields education and funding.

In a lively discussion the participants agreed that there was a very positive development of work since the last meeting in Wildau in the end of April. They evaluated the results of analysis of intermodal terminals and intermodal liner services.



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Mr. Pucher (Marshall Office of Wielkopolska Voivodship), Mr. Dr. Oldewurtel (Saxonian State Ministry of Economy and Labour), Ms. Moebius (Ministry of Economy Brandenburg)

Cluster Central-South:

Ms. Elsinger and Mr. Lung (Ministry of Transport Austria), Mr. Pree (Upper Austria Technologie- und Marketinggesellschaft m.b.H. (TMG))
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www.ECO4LOG.de

North East South West
INTERREG IIC



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