



## Which investors to target?

An Analysis of Marketing Data & First Results of the Port-Net study „EDI and cargo transport flows in the Baltic Sea Region“

Dipl.-Geograph Jan Herzberg

15. June 2006



## Overview

1. Objectives of the Port-Net Study
2. Level 1: Cargo Flows on Country Level
3. Level 2: Cargo Flows on Regional Level
4. Lines of Logistical Developments in the Baltic Sea Region
5. Conclusion: Which investors to target?



# Objectives of Study

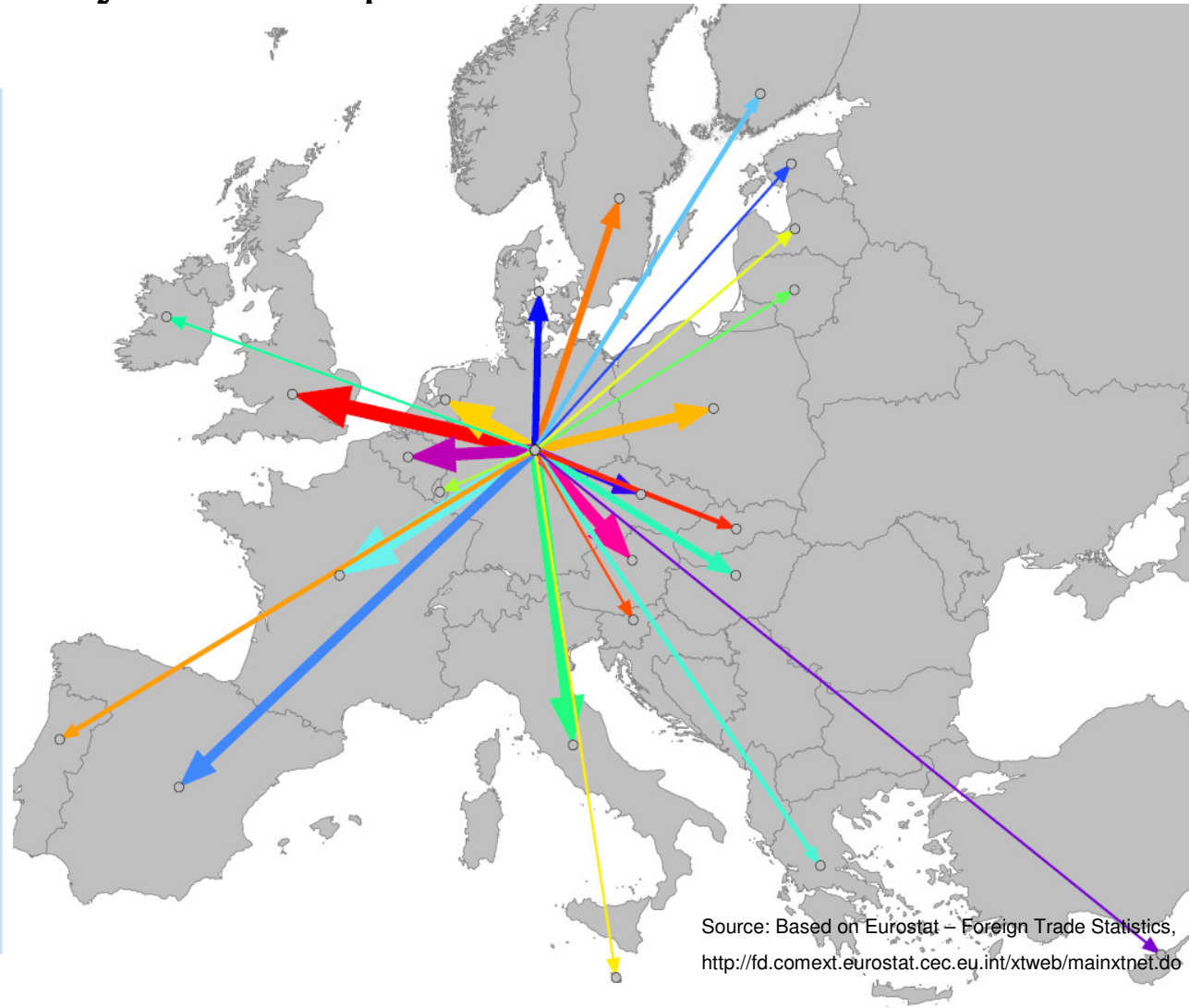
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Definition and Identification of Goods Flows
  - NUTS Regions
  - NACE Industry Code, Foreign Trade Statistics Code on the basis of the Combined Nomenclature
- Definition and Identification of Main Players
  - Shippers
  - Logistic Service Companies
  - Real Estate Investors
- Identification of Potential for Value Added Services
  - Within Industry Segments
  - Geographic Targets
  - Value-Added Services (VAS) for Ports
  - Major Shippers and Logistic Providers



## Level 1: Cargo Flows between Countries Germany/EU – Dispatch 2005

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion





# Level 1: Cargo Flows between Countries

## Product Groups

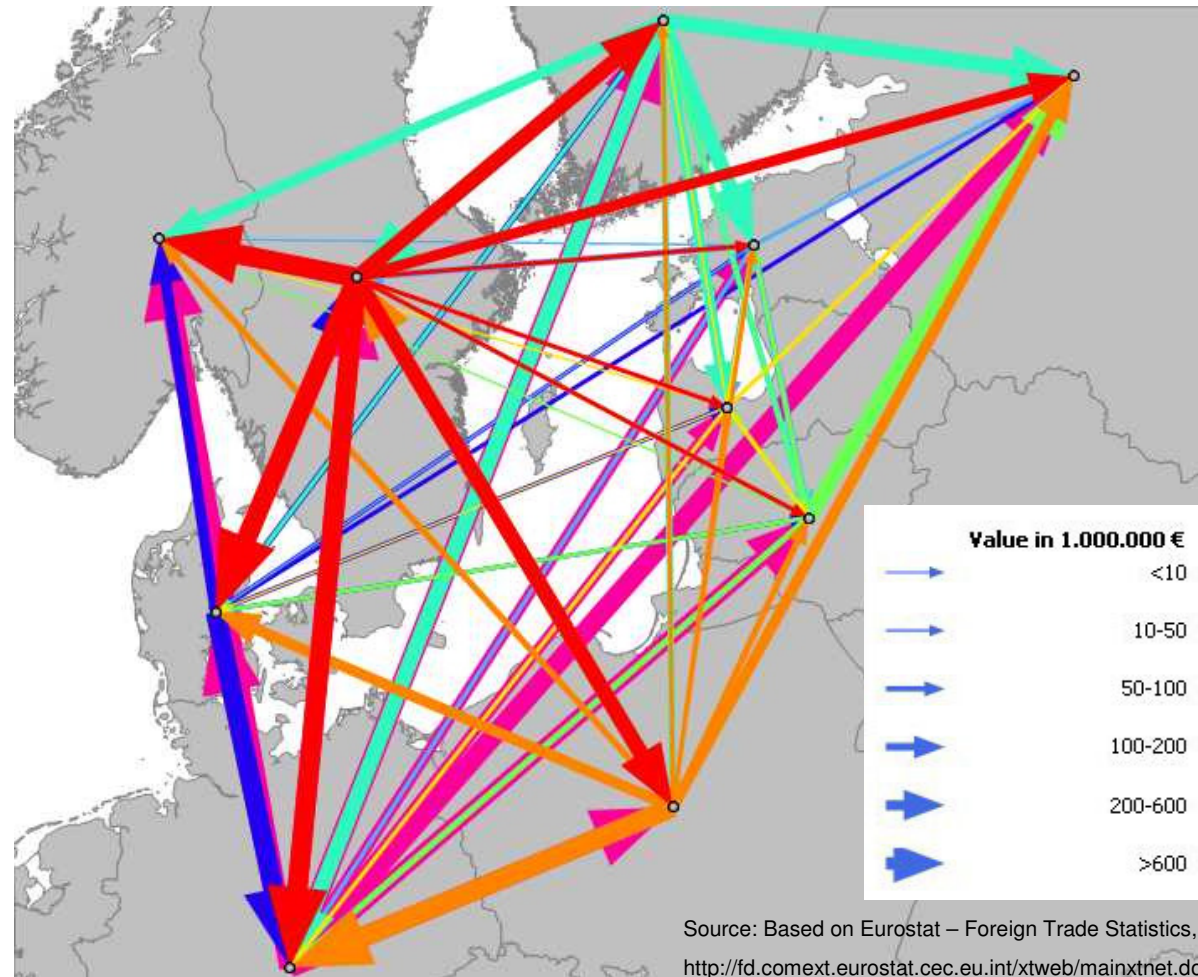
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Product Group Differentiation within EU-Statistic
  - 98 Product Groups
  - 3 Sublevels
  - ~ 15.000 Product Categories
- Foreign Trade Statistic and NACE
  - NACE-Code of certain company can be attributed one or more product categories.
  - But:  
Relations of certain Product Group Codes with NACE-Codes of companies **DO NOT** necessarily lead to definit figures concerning the goods flow of a company!



## Level 1: Cargo Flows within the BSR Product Group 87-Vehicles

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

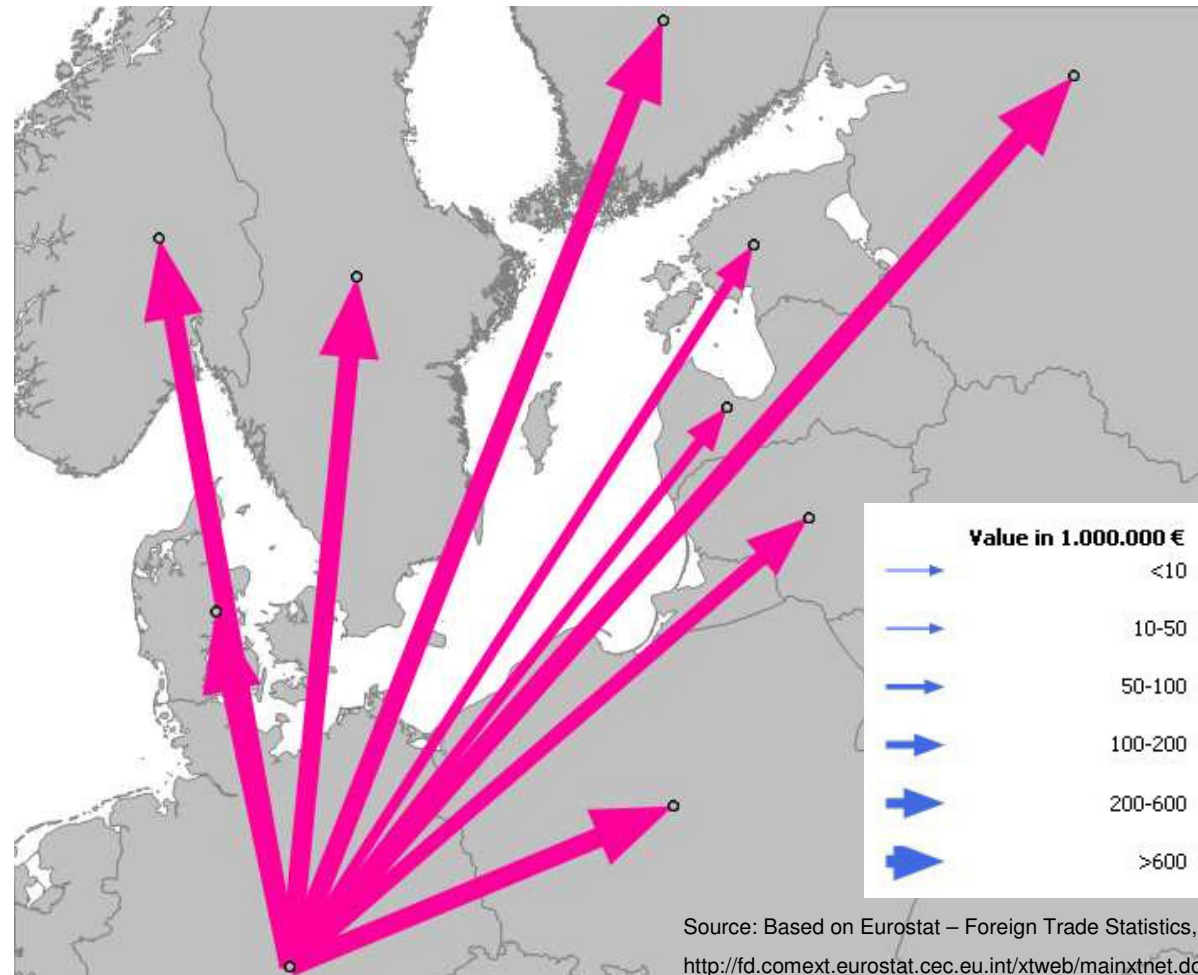




## Level 1: Cargo Flows within the BSR

### Product Group 87-Vehicles: Exports Germany

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion



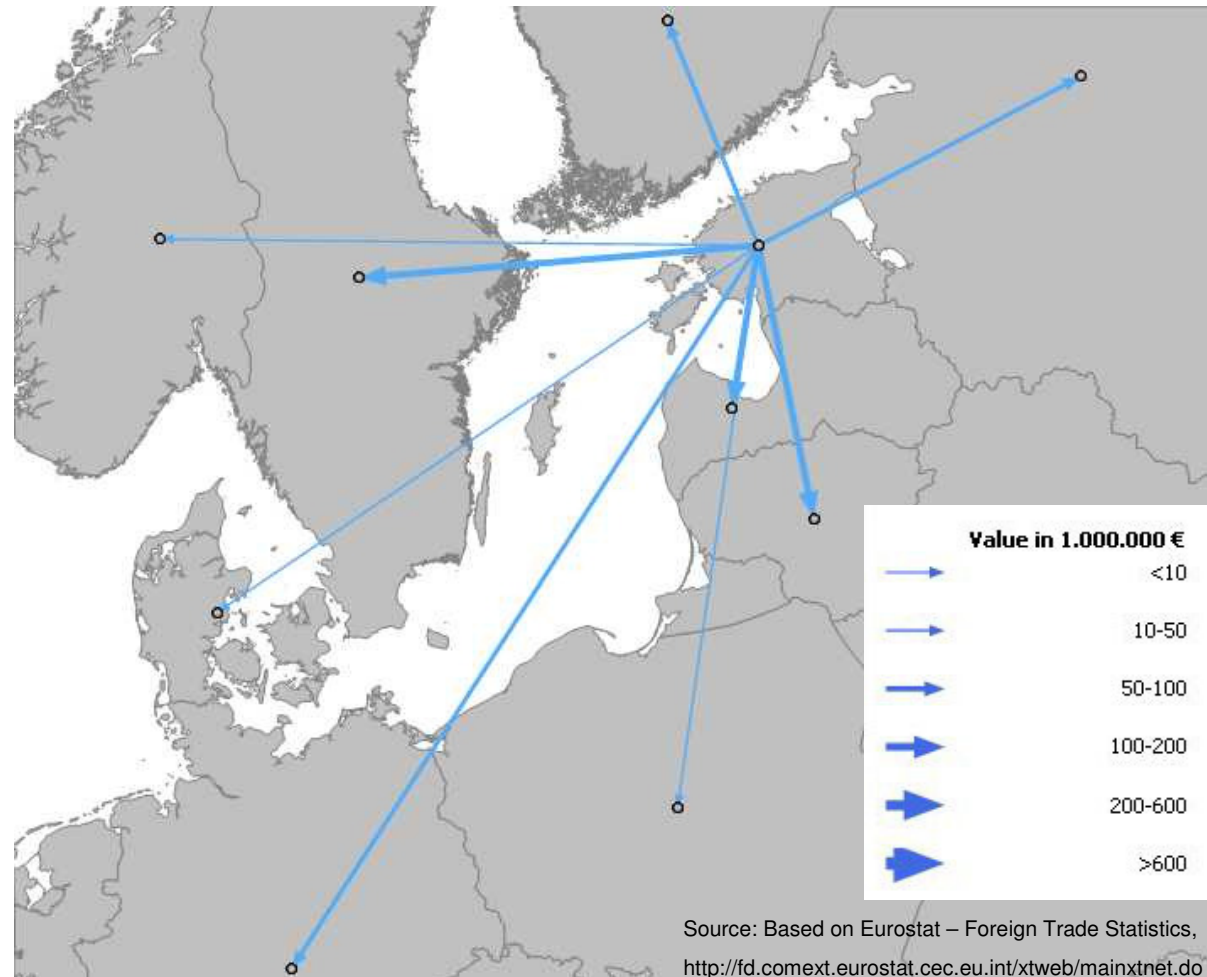




## Level 1: Cargo Flows within the BSR

### Product Group 87-Vehicles: Exports Estonia

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion



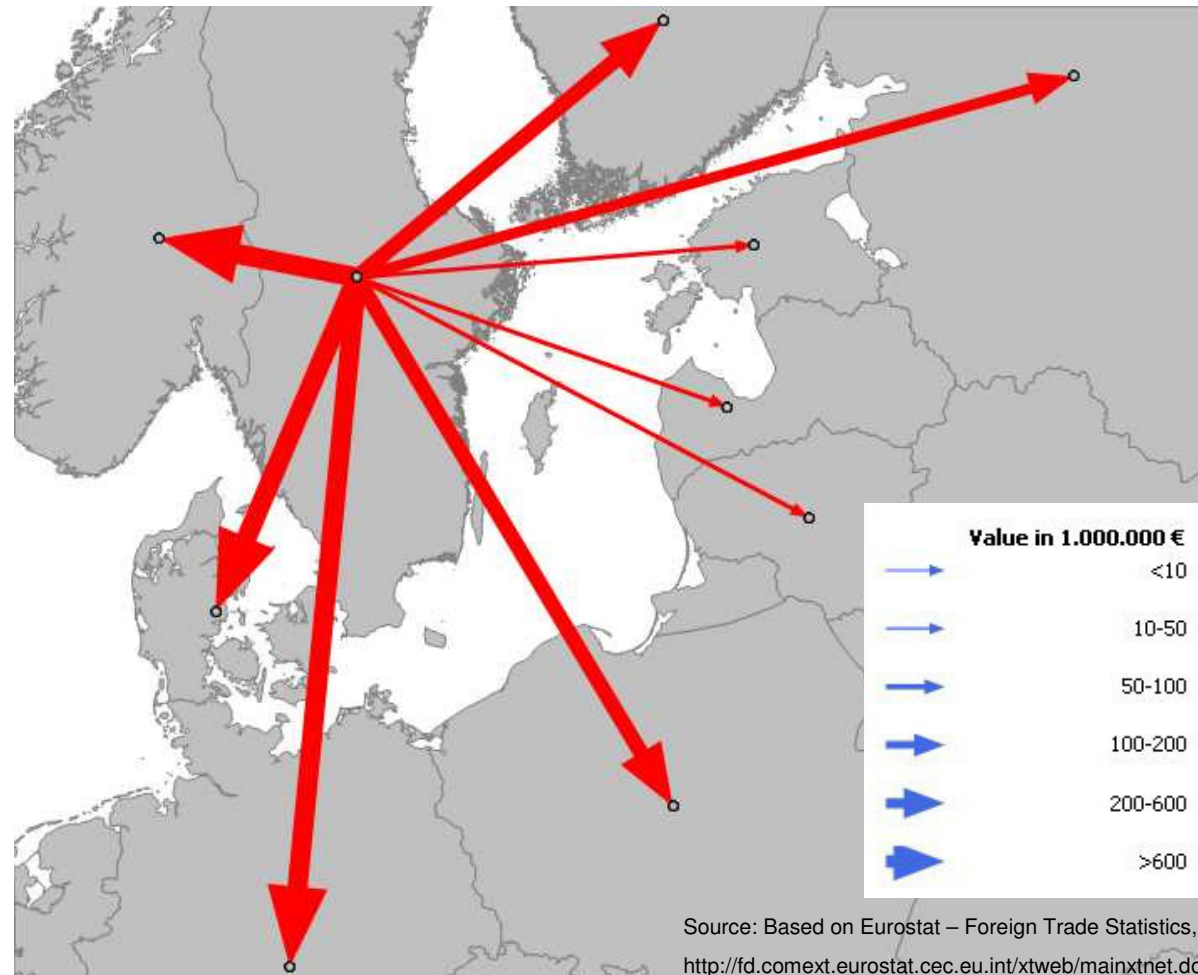




## Level 1: Cargo Flows within the BSR

### Product Group 87-Vehicles: Exports Sweden

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion





## Level 2: Cargo Flows between Regions

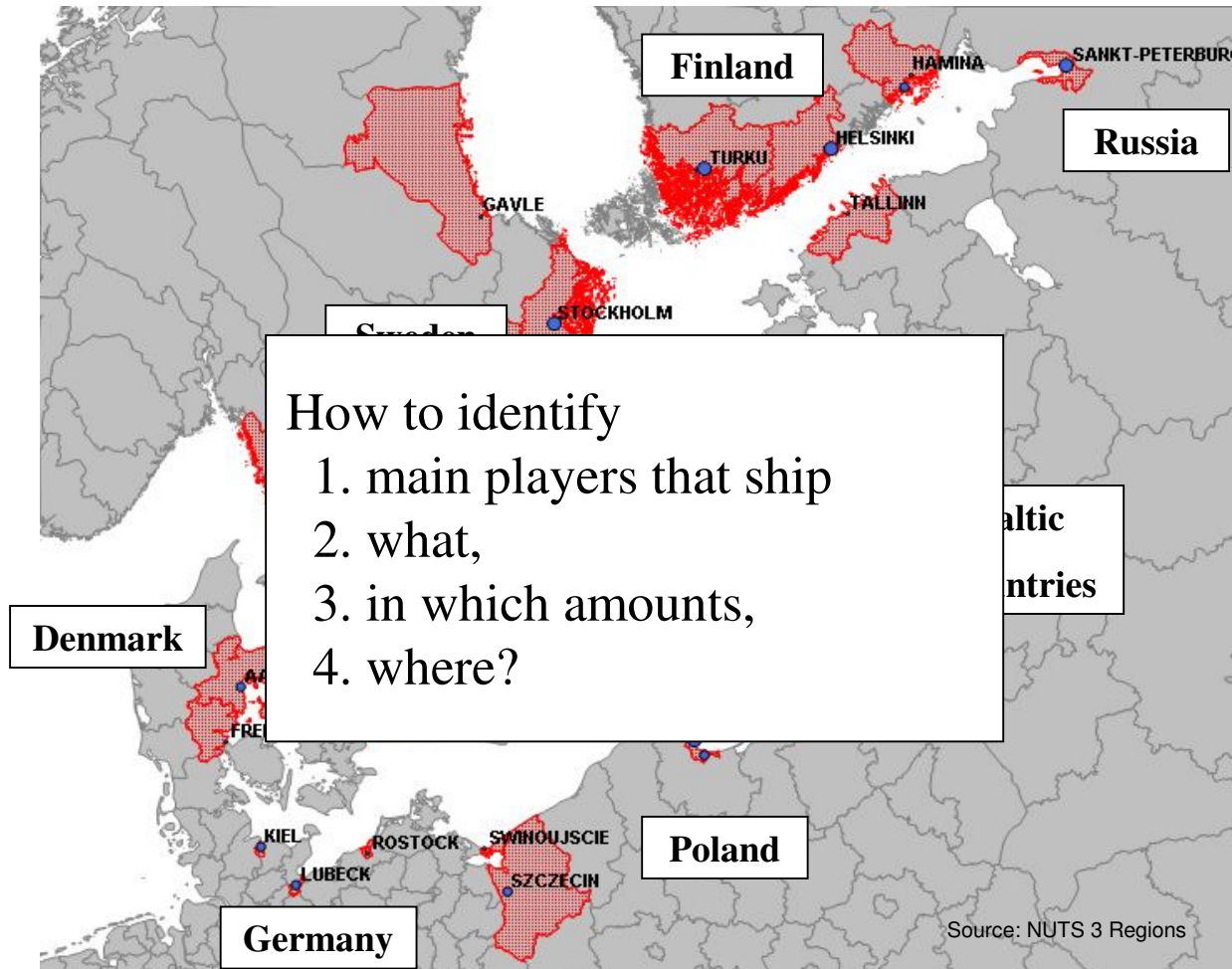
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- NUTS-Level 3
  - Availability of Data
    - Different port statistics
    - Companies do not freely provide goods flow data
  - Dependence on Port-Statistics
    - Statistics vary from region to region
    - Differentiation of products only in aggregated form of broad categories bulk, container, liquid or level 1 product groups
- Challenge of breaking down statistics to identify relevant companies
- Identification of major regional producers/shipper



## Level 2: Cargo Flows between Regions Definable Regions in BSR

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion





## Lines of Development - General

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Intermodal Traffic
- Just-in-time/just-in-sequence concepts
- EDI and RFID
- Reverse logistics (i.e. packaging regulation)
- Outsourcing of logistic related activities
- Integration of production and supply-chain logistics



## Lines of Development - Automotive

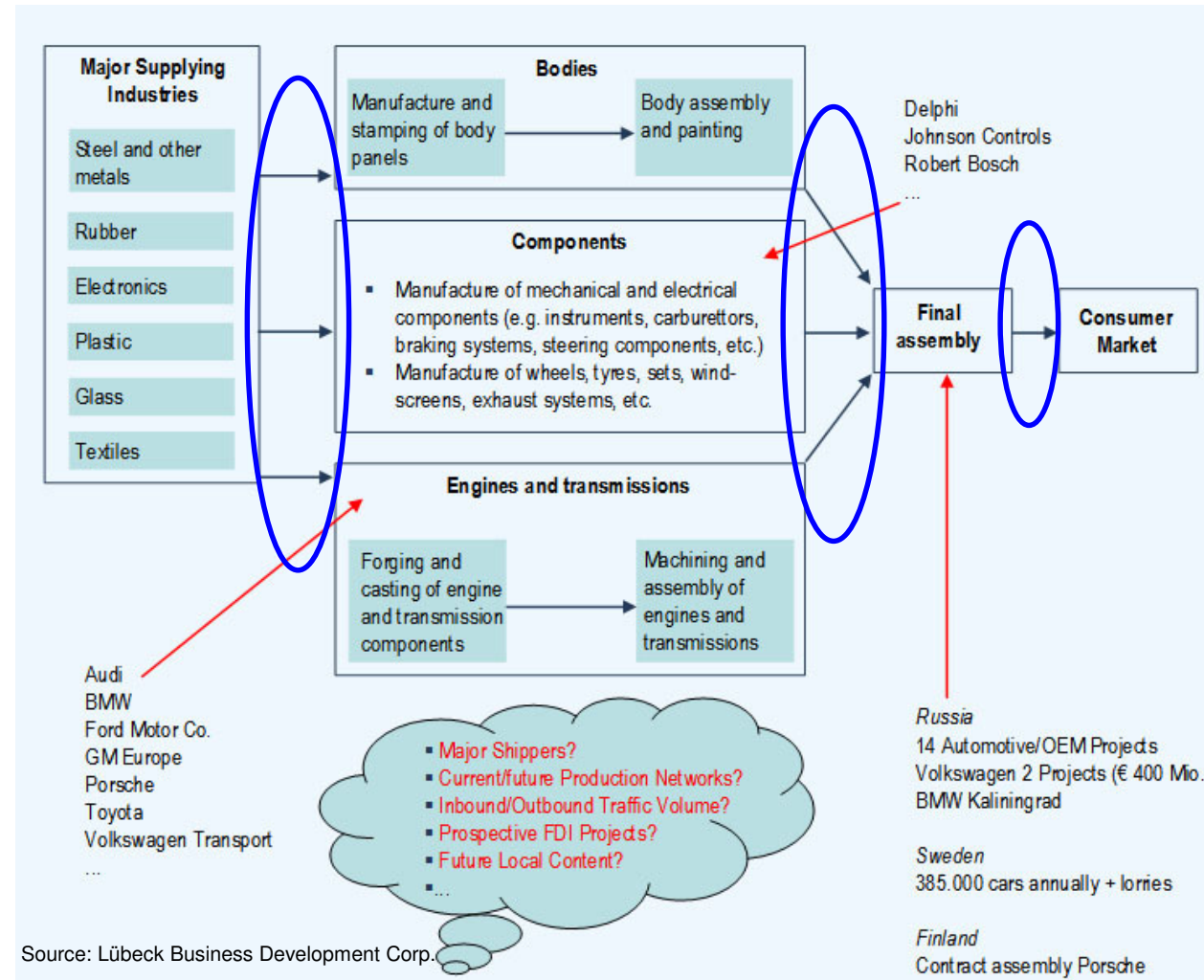
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Specific requirements for just-in-time production
- Potential parts of supply-chain for VAS
  - Inbound:
    - Consolidation of supplier products, Cross-Docking
    - Just-in-time/just-in-sequence  
Consolidation center, sequencing center
    - Vendor managed inventory
    - Waste-Management, Recycling
  - Outbound:
    - Spare parts, distribution center
    - Reverse logistics
    - Packaging, Containerization
    - Workshop services (i.e. washing, paint shop works, pre-delivery inspection, modifications)



# Lines of Development – Automotive Goods Flow

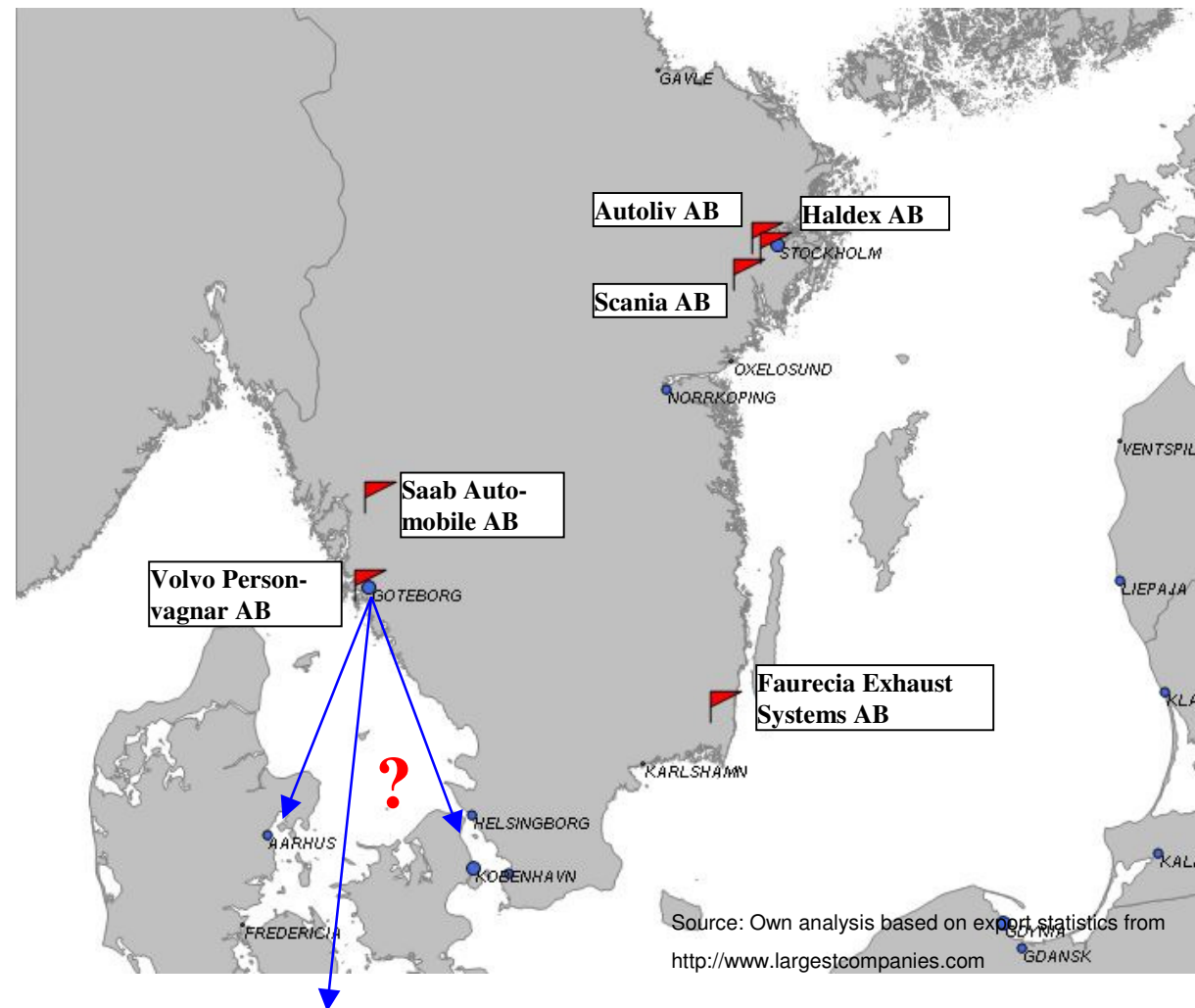
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion





## Lines of Development – Automotive Main Exporters in Sweden

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion







## Lines of Development - Food

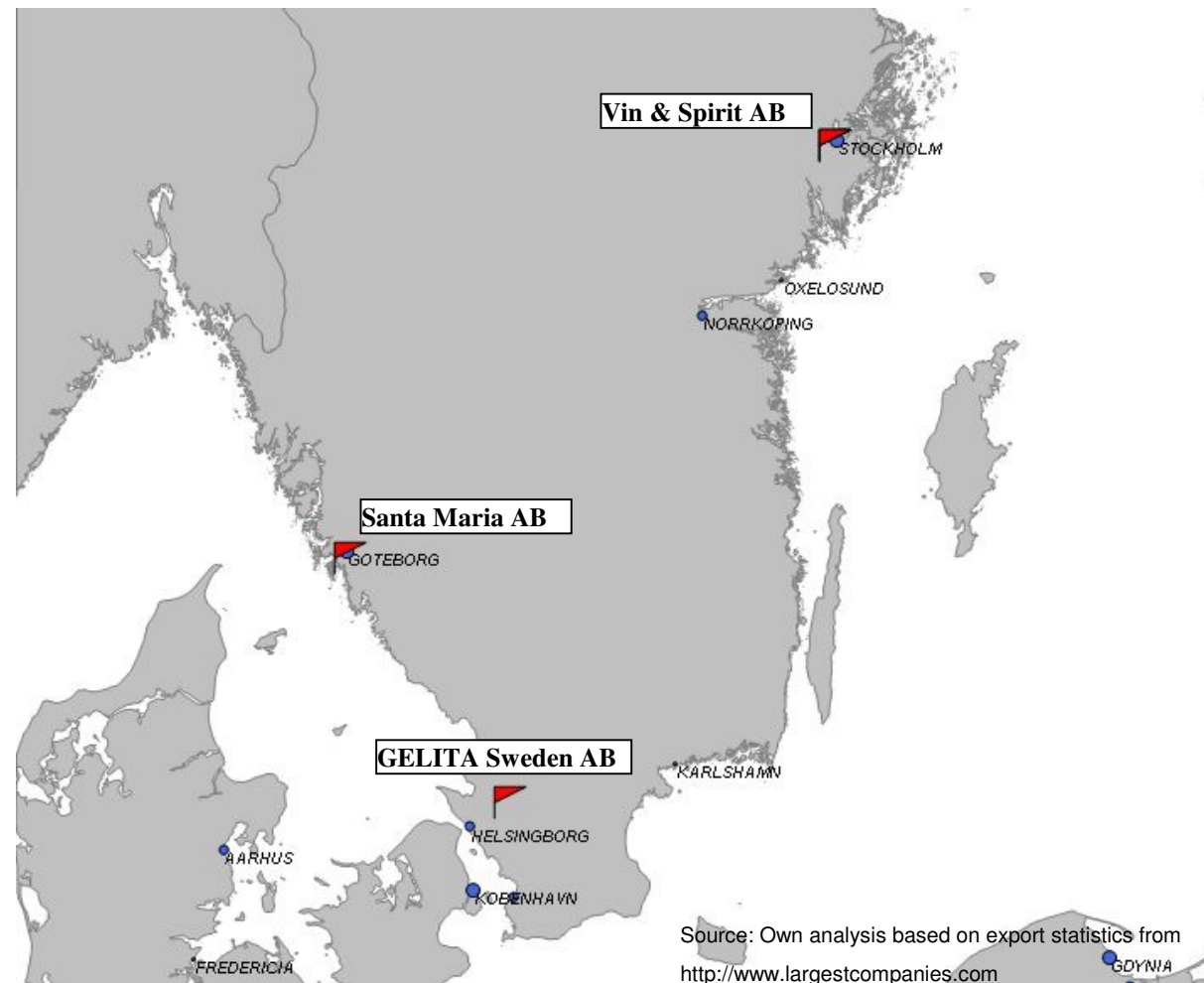
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Availability of the inquired goods
- Reduction of reaction time
- Efficient Consumer Response (ECR)
  - Growing need for EDI-Communication
- Specialized Warehousing
  - differentiated temperatures and surrounding needs
- Potential parts of supply-chain for VAS
  - Handling of promotion material, display production
  - Data exchange in EANCOM formats
  - Customs
  - Warehousing
  - Packaging
  - Labeling
  - Subsequent configuration with RFID transponders



# Lines of Development – Food Main Exporters in Sweden

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion





## Lines of Development – Health Care/Pharma

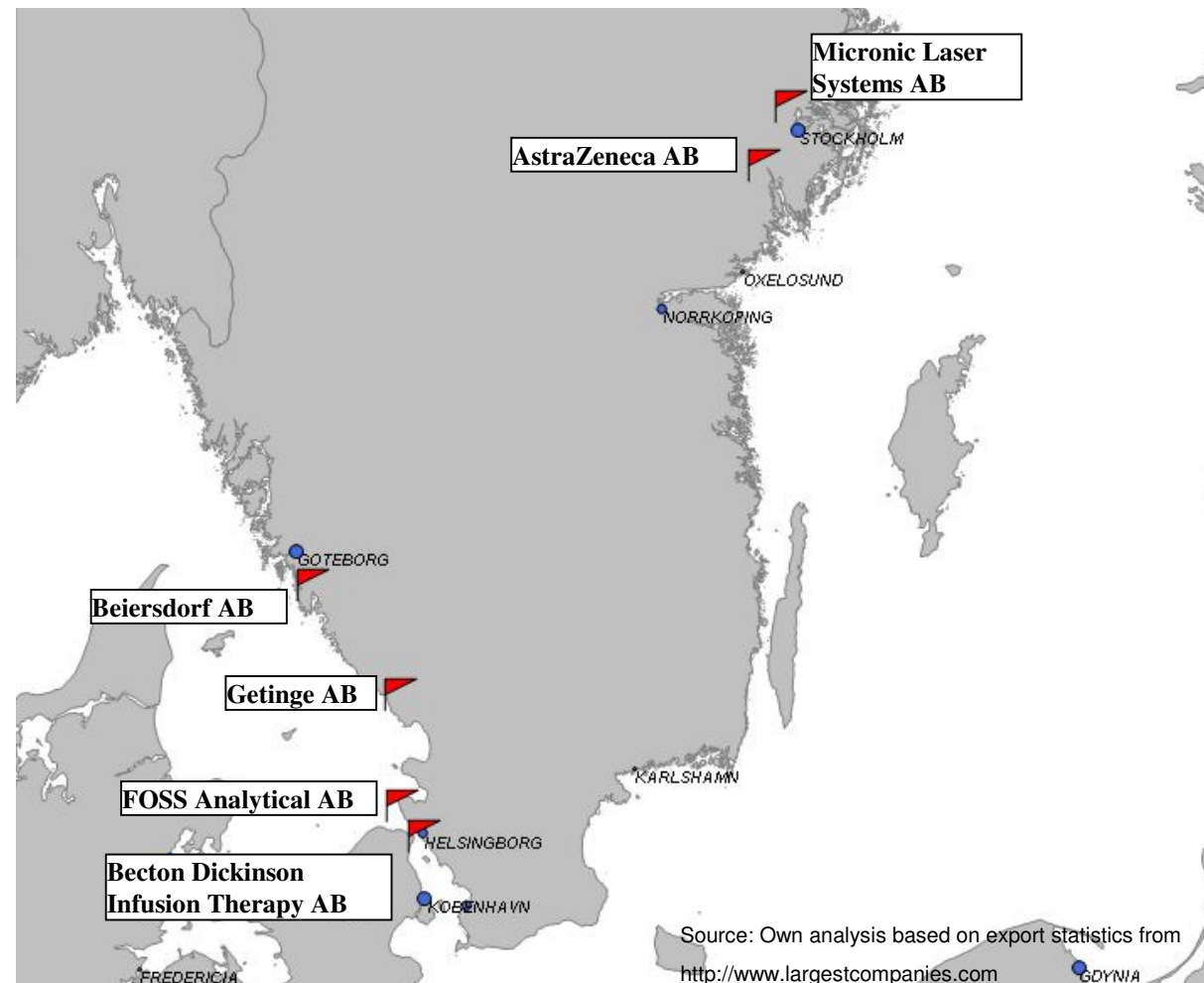
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Legal requirements
- Pharmaceutical and logistic quality assurance
- Potential parts of supply-chain for VAS
  - (Re-) Packaging
  - Labeling (incl. expiration date)
  - Clinical trials/unlicensed product assembly/rework
  - Promotional assembly/rework
  - Shrink wrapping
  - Invoicing and cash on delivery
  - Warehousing (incl. storage of temperature sensitive products)



## Lines of Development – Health Care/Pharma Main Exporters in Sweden

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion





## Lines of Development – Mechanical Engineering

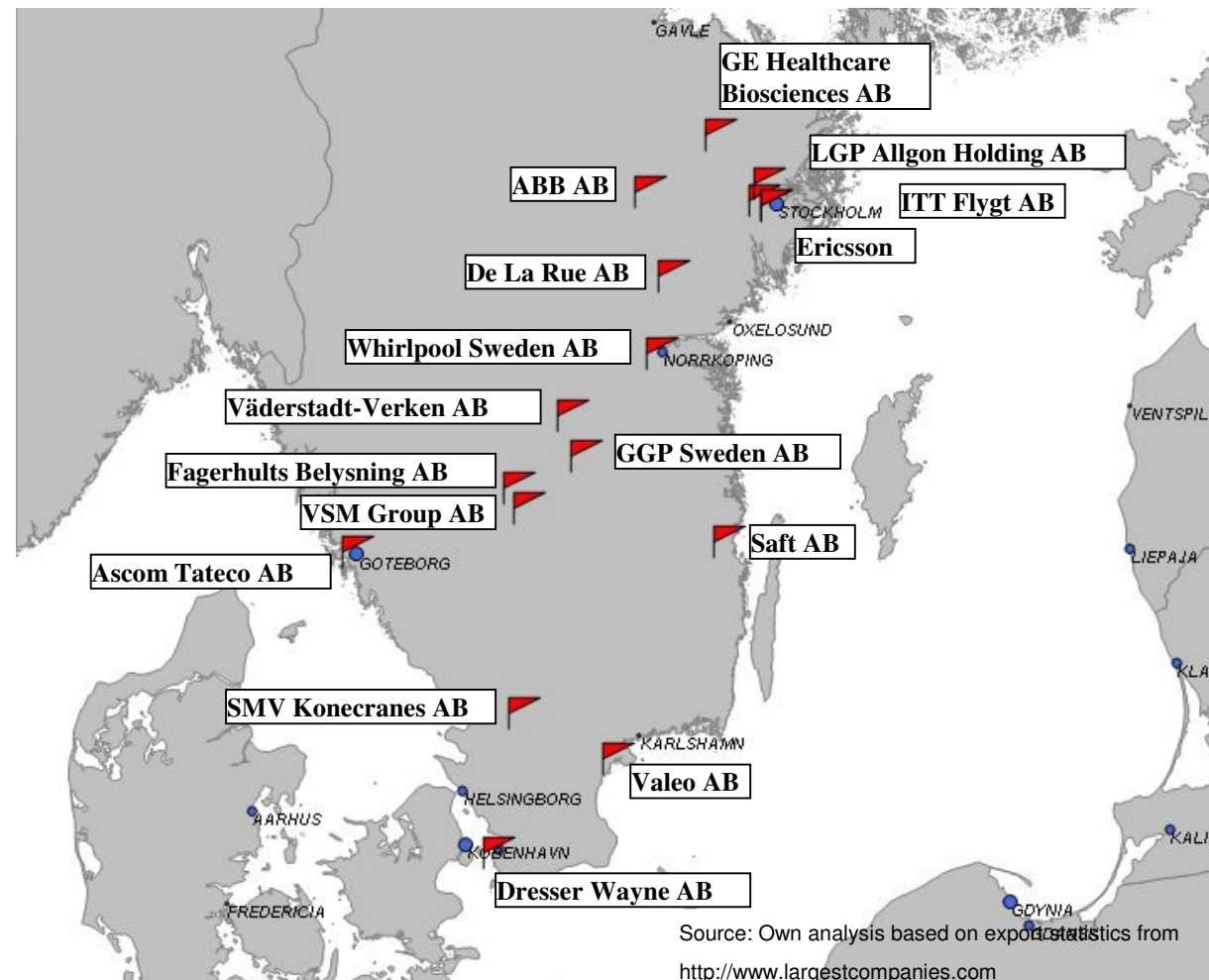
- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Supplier delivery chain
- Potential parts of supply-chain for VAS
  - Cross-docking, consolidation center
  - Supplier management
  - Warehousing (incl. RFID)
  - Contract management
  - Back office management
  - Technical planning and procurement within the supply-chain
  - Reverse logistics



# Lines of Development – Mechanical Engineering Main Exporters in Sweden

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion





## Lines of Development – Spare Parts

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Time-critical services
- Just-in-time/demand based
- Potential parts of supply-chain for VAS
  - Time reducing services
  - Packaging
  - Labeling
  - Forwarding
  - IT-based inventory planning, forecasting, procurement
  - Call center and helpdesk management
  - Reverse logistics and waste disposal





## Lines of Development - Bulk

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Pulp & Paper
- Metal
- Waste
- Liquid
- Potential parts of supply-chain for VAS
  - Inventory management
  - Toll packaging
  - Grinding and blending
  - Cross-docking
  - Multi-customer solutions (i.e. labor sharing)



## Conclusion

- Overview
- Objectives of Study
- Level 1
- Level 2
- Lines of Development
- Conclusion

- Outsourcing of logistical activities
- Integration of production and supply-chain

→ Growing potential for VAS, but they are not easily identified

Study aims:

- Identification of parts of supply-chains with potential for VAS
- Identification of relevant players with potential in supply-chain

Immediate concerns:

- Are there any companies within your area where potentials for VAS can be identified?



Thank you for your attention.

Questions and answers