

SHIP2SHORE



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CEO COMMENT

The UK is heavily reliant on sea borne trade. 95% of the country's trade moves by sea but the topic of the safety and welfare of seafarers is something that receives scant attention. Seafaring may not be as hazardous an occupation as it once was, but the dangers faced by those that ply the world's oceans bringing us everything from tea to television sets are still very real.

Recent years have seen a number of high profile casualties including the Hoegh Osaka, MOL Comfort and the MSC Napoli. In the latter two cases, and although they were not the main cause of either accident, the difference between the declared and actual weight of containers was an aggravating factor.

The significant number of containers that have their weights mis-declared was an important factor in the amendment of the Safety of Life at Sea (SOLAS) convention that came into force on 1 July and which requires the verified gross mass (VGM) of every export container to be established before it is loaded on board a ship. The new rules have been the cause of a great deal of debate within the industry and it is still too early to know whether their imposition could disrupt international supply chains.

The amendments to the SOLAS regulations place few direct obligations on ports other than not to load containers without a VGM. However, their potential to cause problems for shippers was recognised early on by HPUK. We were the first major port operator in the UK to announce that we would provide a container weighing service for shippers to obtain a VGM certificate, allowing their cargo to be loaded uninterrupted.

The other two developments attracting a lot of attention at the moment are the realignment of container shipping alliances and, of course, the possible impact of Brexit on the industry and the economy.

The final make-up of the major alliances is now becoming clearer. The Ocean Alliance of China COSCO, CMA CGM, Evergreen and OOCL was confirmed some weeks ago and shortly afterwards THE Alliance was announced. Standing for 'Transport High Efficiency', THE Alliance consists of Hanjin, Hapag-Lloyd, K Line, MOL, NYK and Yang Ming. If the announced merger discussions between Hapag-Lloyd and UASC are successful, THE Alliance will also include UASC. There are rumours that Hyundai Merchant Marine (HMM) is in discussion to join the 2M alliance of Maersk and MSC. This, if successful, will complete the final piece in the jigsaw. We look in more detail at the new alliance landscape in the feature article on page 8.

If the clarification of the new alliances offers the prospect of more stability in the industry, the decision of the UK electorate to leave the EU has the opposite effect. The short term reaction of the markets to Brexit has been as turbulent as expected. What the impact in the longer term will be is less clear. The fall in the value of the pound could reduce the volume of imports if it does not correct itself and, longer term, the UK will need to negotiate new trading arrangements not only with the EU itself, but also with non-EU countries that have trade deals with the EU and from which the UK has benefitted.

There are however opportunities too. The UK may be able to negotiate better trade deals with major partners on a stand-alone basis. These include major markets for the UK such as China, India and the United States.

If nothing else, no one can deny that we are living in interesting times!

CLEMENCE CHENG
Chief Executive Officer

NEWS UPDATES

2016 CRUISE SEASON SETS SAIL FROM HARWICH

The 2016 cruise season kicked off at Harwich International Port on 1 May with a transit call by Costa Cruises' 2,260 passenger capacity, *Costa Luminosa*.

In addition, 2016 will see regular calls by Viking Ocean Cruises, Voyages of Discovery, Transocean Tours, Pheonix Reisen and Fred Olsen Cruise Line at Harwich's Cruise Terminal.

Commenting on the start of the season, Mark Seaman, Finance Director of Hutchison Ports (UK) Limited, owners of Harwich International Port, said:

"Harwich International Port is firmly established as one of the UK's leading cruise ports. With a railway station on site, convenient parking adjacent to the terminal and within easy reach of millions of travellers, it has numerous attractions for both passengers and vessel operators. Although many operators choose to

start and finish cruises at Harwich, the proximity to London, Cambridge and Constable Country has also made it attractive as a transit port for cruises beginning elsewhere."

Harwich International Port has invested heavily in its cruise facilities. As well as a modern cruise building, the port is able to berth ships over 300 metres long and has a state-of-the-art air-conditioned passenger boarding bridge.



NEW STEEL FACILITY FOR LONDON THAMESPORT

An agreement to build a 120,000 ft² multimodal terminal at London Thamesport has been signed with the Liverpool-based Armitt Group. Freight could start moving through the new facility as early as autumn this year.

Armitt Multimodal Terminal South, as it will be known, is the first in a three stage investment by the Armitt Group to develop similar facilities in the Midlands and North of the UK within the next three years. London Thamesport was chosen by Armitt because of its excellent road and rail communication links to high population areas in the South East and unrivalled access along the corridor to the North West.

Commenting on the agreement, Simon Mullett, Hutchison Ports UK Executive member responsible for London Thamesport, said:

“The new facility will benefit from its own dedicated rail connection with the track running into the warehouse. This will allow the handling of steel products in all weather conditions and provide sustainable links between the deep-water facility at London Thamesport and key UK markets.”

Nicholas Marshall, Commercial Director at Armitt, added: “We see the deal as a great opportunity to open up a new supply chain corridor to service European and Far Eastern markets, and it is a crucial link in our plans to develop a fully integrated supply chain across the UK. The investment also ensures we have access to an excellent deep water, rail-connected and un-congested facility that is important to the needs of our clients.”

Apart from providing professional logistics services to the steel industry, the Armitt Group also provide shipbroking, chartering and vessel



agency services nationwide. It has grown over the years to become a global supplier of marine fuels and lubricants and is one of the most successful and trusted logistics providers in the UK.



CONTAINER WEIGHING BECOMES LAW

Amendments to the Safety of Life at Sea (SOLAS VI) regulations that require the weight of all containers to be verified before loading to a ship became law on 1 July 2016.

The responsibility for providing the Verified Gross Mass (VGM) rests with the shipper but, recognising that this could cause difficulties for some shippers, the Port of Felixstowe was the first major port in the UK to commit to providing a container weighing service.

The port's container weighing service, which

has been available since the 1 July deadline, gives shippers a number of options as Stephen Abraham, Chief Operating Officer at the port, explains:

“Shippers have a choice of providing a valid VGM prior to delivering the container to the port, submitting a VGM after delivery but at least 24 hours before the declared vessel estimated time of arrival (ETA), or requesting that the port provides a VGM.

“Where they ask us to weigh the container for them we will do so using specialist equipment fitted to existing lifting devices. Integrating the

service into the normal procedures for receiving containers allows us to help shippers comply with the new rules but without adding any delay to important supply chains.”

Over 40% of laden export containers arrive at the port by rail. They will be weighed as they are discharged from the train at the rail terminal. Containers arriving by road will be weighed as they are discharged from the road vehicle into the container yard.

32ND DAILY RAIL SERVICE FROM THE PORT OF FELIXSTOWE

The 32nd daily rail freight service has been introduced at the UK’s largest container port. Operated by Freightliner, the new service runs between the Port of Felixstowe and Rotherham initially, but ultimately will run to Doncaster upon completion of works at the site.

Commenting on the new service, Clemence Cheng, Chief Executive Officer of the Port of Felixstowe and Managing Director of HPH Europe division, said:

“We are delighted to be able to offer an additional rail option with the start of the 32nd daily rail service from the Port of Felixstowe. We have invested heavily in rail infrastructure at the port in recent years which has supported continued strong growth in sustainable transport.

“In 2015 we handled 936,000 TEU by rail which saved well over 100 million road miles by HGVs. Since then we have continued to break rail throughput records and this new service will help us achieve even greater environmental savings.”

Adam Cunliffe, Managing Director of Freightliner, added:

“This new Freightliner service will create much



needed additional rail freight capacity to meet the growing demands of customers who are looking for a faster, greener, safer and more efficient means of transporting freight over land. It is also another milestone in the Port of Felixstowe’s strategy to increase freight on rail, not only by running additional services, but by lengthening the existing trains.”

In the second week of May the port broke

its own record for the number of containers handled by rail in a single day when 2,607 containers (4,185 TEU) were handled at its three rail terminals. The previous record of 2,505 containers was set in October 2015.

The new daily service departs from the port’s Central Rail Terminal at 01:48 hours with inbound service from Rotherham arriving at 20:38 hours.

NEW EQUIPMENT

As part of a long-term investment programme to underpin its drive for continuous improvement, the Port of Felixstowe has taken delivery of 27 new Internal Movement Vehicles (IMVs). The IMVs were manufactured by Terberg Benschop, a specialist equipment provider based in the Netherlands.

The new units will be used in the port’s Container Operations and Rail divisions and are the first units of their type in Europe to be equipped with start/stop engine technology.

Commenting on the latest equipment delivery, Stephen Abraham, Chief Operating Officer at the Port of Felixstowe, said:

“Our primary focus at the Port of Felixstowe is delivering the best possible service to our customers. To do that we need the right people, the right systems and the right equipment. These new IMVs form part of our on-going capital investment programme which ensures we have a modern and efficient equipment fleet to



underpin our operational objectives.” As well as delivering operational benefits, the new IMVs will support the port’s drive to reduce its impact on the environment. The stop/start technology is expected to deliver a 10% cut in emissions compared to conventional tractor

units. Overall, the port has achieved a 26% reduction in carbon emissions since 2009.

The IMVs are fitted with the latest emission compliant Volvo engines.

SVITZER DEBEN NAMED AT FELIXSTOWE

One of the latest additions to the Svitzer fleet has been named in a ceremony at the Port of Felixstowe.

The twin-engine *Svitzer Deben* is an 80-tonne bollard pull escort tug built at Damen Song Cam Shipyard in Vietnam. The new tug joins Svitzer's existing fleet at Felixstowe where they assist berthing of the increasing numbers of mega vessels that call at the UK's busiest container port.

The naming was performed by Mrs Alyson Cheng, wife of Clemence Cheng, Managing Director HPH Europe. Speaking after the ceremony, Mr Cheng said:

"The global fleet of ultra-large container ships continues to grow. In the first half of 2016 we have already had over 180 calls by vessels of more than 13,000 TEU capacity. The ability to berth multiple mega vessels is a key differentiator for the Port of Felixstowe and the investment by Svitzer in a fleet of newer and larger tugs helps us maintain our position as the Port of Britain."



Marc Niederer, Managing Director Svitzer Europe, added:

"Svitzer Deben is a clear sign that we are investing in the future of Felixstowe."

Mr and Mrs Cheng are pictured at the ceremony with Phil Dulson, Managing Director Svitzer UK (left), Marc Niederer (second right) and Chiel de Leeuw of Damen Shipyards, builders of the new tug (right).

BERTH 6&7 UPGRADE

The Port of Felixstowe has received consent from the Marine Management Organisation (MMO) to deepen Berths 6&7 at the port's Trinity Terminal.

Felixstowe is already firmly established as the port-of-choice for the latest generation of mega vessels and the planned improvements will give it even greater flexibility when it comes to berthing the world's largest container ships.

Lawrence Yam, Commercial Director for Hutchison Ports (UK), said:

"There has been a rapid increase in the size and number of mega ships operating on the main Asia to Europe route. Calls by these giants are now a daily occurrence at the Port of Felixstowe and an even greater number will be delivered from shipyards in the next couple of years.

"Deepening Berths 6&7, which will be preceded by a project to raise the height of 10 ship-to-shore gantry cranes, which will ensure we are ready for this increase and that we can continue to offer the best level of service to our customers."



The Port of Felixstowe was the first in the UK to provide facilities for the latest, 18,000+ TEU class of mega vessels with the opening of Berths 8&9 in 2011. The terminal was lengthened in 2015 and a

further three ship-to-shore gantry cranes added.

Work on the upgrade to Berths 6&7 will start later this year and is scheduled to be completed in 2017.

THE NEW ALLIANCE LANDSCAPE

It's been something like an endless game of musical chairs in the global container line industry in recent times, as mergers, acquisitions and new alliances have moved ahead at a breathtaking pace. When the music does finally stop, we could probably all do with a sit-down.

What's happened, and why? Put simply, container shipping is an intensely competitive business. The search for ever lower costs has led to a huge investment in mega containerships of 18,000 TEU and upwards. However, while the supply of container capacity has grown rapidly, sluggish global economic conditions means demand has not kept pace.

This means record low freight rates for shippers, but also makes it tough for container lines to make a return on their investments. This, in turn, has forced shipping lines to review how they are operating.

The start point for the realignment was the proposal by the three largest container lines – Maersk Line, Mediterranean Shipping Company (MSC) and CMA CGM – to form a new global alliance which was set to last a decade. However, this planned P3 Alliance came unstuck when it was blocked by competition authorities in China in 2014.

Instead, Maersk Line and MSC joined forces and established the 2M Alliance. Then, later in 2014, CMA CGM, China Shipping Container Lines and United Arab Shipping Company unveiled the Ocean Three Alliance.

All quiet? Not for long! This year we have seen CMA CGM take over NOL, owner of the container line APL; the merger of China's two largest shipping conglomerates, China Ocean Shipping (Group) Company (COSCO) and China Shipping (Group) Company, to form China Cosco; and a proposed merger, currently moving ahead, between Hapag-Lloyd and UASC.



A new Ocean Alliance has been announced, bringing together CMA CGM, China Cosco Shipping, Evergreen Line and OOCL and bringing an end to the Ocean 3 Alliance, while also taking members away from the G6 and CKYHE alliances. That left eight lines still to confirm their future plans – and it wasn't long before we had news that Hapag-Lloyd, Hanjin Shipping, NYK, K Line, MOL and Yang Ming were to establish what they have named THE Alliance.

And then there were two. Expectation is that UASC will join THE Alliance once the merger discussions with Hapag Lloyd are clarified and Hyundai Merchant Marine is reportedly in discussions with both the 2M alliance and THE Alliance.

We started 2016 with four global alliances made up of 16 different carriers. Shipping consultant Drewry has predicted that by mid 2017 there will be only three main global alliances comprising 13 carriers at the most, thanks to mergers and takeovers. ▶▶▶

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Janet Porter, Editor-in-Chief, Containers, at Lloyd's List and Containerisation International, says: "The current round of consolidation in the container shipping industry, whether through mergers, acquisitions or the formation of new alliances, represents the biggest shake-up the industry has ever seen.

"The new structure now taking shape will have consequences for just about every industry player, from shipbuilders and tonnage providers to ports and terminals, shippers and forwarders."

However, the full impact of the changes, and whether container lines achieve their ultimate goal of creating a more cost-effective industry, may not be known for several years, she says. "The revised service networks that the new alliances will offer are not due to be launched until next April, at the start of the 2017-18 shipping season. That is to give customers time to prepare and minimise market disruption."

The arrival of the ultra large containerships came at a time of weak conditions in the major markets, with record low freight rates being the result.

What's clear is that these big ships are here to stay. "So shipping lines have to be smarter about managing their fleets, with unwanted chartered ships likely to be returned to their owners where possible, and other surplus vessels laid up or scrapped," says Janet Porter.

The Port of Felixstowe is more than ready to respond to this evolution, or revolution, in the container shipping world. Last year (2015), Felixstowe welcomed calls by 105 ships of 18,000 TEU and above, confirming it as the clear port of choice for mega ships calling in the UK.

Hutchison Ports UK has invested heavily in the infrastructure and equipment to meet the needs of these giants, including in the extension of Berths 8&9 last year, which enables Felixstowe to handle two of the world's largest container ships at the same time.

Bigger ships discharging larger numbers of containers can put a strain on landside connections and in May, the 32nd daily rail freight service was introduced at the port. The new

service adds to Felixstowe's unrivalled capacity to whisk large volumes of containers to and from, by either road or rail. Last year Felixstowe handled a total 936,000 TEU by rail, and the port continues to set new records.

"We have invested heavily to ensure we have the right facilities for these new ships," says Lawrence Yam, Hutchison Ports UK Commercial Director. "In tough trading conditions, container lines are looking for a cost-effective, efficient solution – that means deepwater quays, backed by top-class equipment, reliability and service, all with minimum deviation from the main shipping lanes. Felixstowe provides it all. We take pride in creating and developing excellent working relationships with our customers and delivering the service levels they expect and deserve."

Will there be more changes to come? Janet Porter says: "Carriers are now finally taking action to stabilise the business, but whether they will be successful, or whether there will be more consolidation, is almost impossible to predict at this stage. It's a fast-moving situation and every day there is a new bit of news."



BEST FOR LOGISTICS

How best to define the changing patterns of consumer demand and expectations? With apologies to Status Quo, it's a case of 'whatever you want, whatever you like, whatever you say, you pay your money, you take your choice'. And to that, we should add – 'whenever and wherever you want'.

The fact is that many of today's online shoppers want their orders delivered to their homes, offices or a pick-up point tomorrow, today, or even within the hour. The logistics and supply chain industry is adapting and evolving to meet that demand, along with the demands of more traditional supply chains.

As part of this, the debate continues over the different merits of port-centric and population-centric supply chain models. In reality, effective supply chains often contain elements of both – and that puts the Port of Felixstowe centre stage for the whole range of logistics solutions.

'Port-centric in really simple terms is consolidation or deconsolidation at the port, and delivery from there to an end delivery point; population-centric involves taking the container inland to a distribution centre or warehouse for devanning and storing for onward delivery,' says Mark Taylor, General Manager of Hutchison Logistics.

'Port-centric isn't a one-size-fits-all for most end users or customers – it is one option for part of their supply chain to consider, and it suits certain types of cargo and customers more than others.'

The decisions start with a basic question – can a shipping container be received and unloaded quickly and safely at the end delivery point? If not, the container has to be unloaded elsewhere and that could be either an inland or port-centric distribution centre.

A port-centric model can offer the shipper the earliest possible choice of what to do with their container on arrival at the quay. It can help cut supply chain costs, reduce carbon footprints, improve flexibility, increase speed to market and make better use of shipping containers.

"Where port-centric comes into its own is particularly if the container has been loose-loaded at origin," says Mark Taylor. "For example, containers stuffed with cartons, paper reels, domestic appliances – they can be cross docked and delivered direct from the port to the end delivery address. You don't necessarily want to take the container inland for devanning, because of the cost involved and time taken to unload at the inland warehouse. Whereas devanning and palletising at the port gives the opportunity to get a full or part load delivery of these items using more traditional equipment, like a curtain-sider."

Another good example is particularly heavy cargoes – stone, tinned products, metals or beers, wines and spirits, for example, which are typically shipped in 20-ft containers because a 40-ft container load would exceed the road weight limits. Moving a 20-ft container inland by road is inefficient when compared to a 40 or 45-ft box. "The ideal solution is to keep the container inside the port boundaries – where you can also take advantage of not being restricted by the UK road weight limits," he explains.

Foodstuffs are also well-suited to a port-centric model – rather than an entire container heading inland to the national distribution centre or food production factory, it can be devanned and palletised at the port and the products stored temporarily, ready to be called off in consolidated loads for direct delivery to either store, regional distribution centre or factory as required. The same applies to metals, such as aluminium, or other materials heading into inland manufacturing facilities.





Security is another important bonus – the Port of Felixstowe has its own police force and secure areas for handling and temporarily storing high-value goods.

Importantly, the same principles apply outbound. “UK exporters have the opportunity to bring product into the logistics parks on or near the port on traditional trailers and then offer multi-supplier consolidation close to where the empty container stocks are held,” says Mark Taylor.

Port-centric solutions are currently being provided at Felixstowe for cargoes including frozen and ambient food products, paper, metals, appliances and furniture. There’s the opportunity to devan, cross-dock, use temporary storage and deliver direct to the end destination. Having goods held in short term storage at the port can provide earlier availability of stock and save valuable time – and there is also the opportunity to add value to products whilst handled in and around the port.

“Port-centric logistics will be a key element of many supply chain strategies,” says Mark Taylor. “Shippers may have an inland distribution centre, but use a port-centric facility as a buffer or control, or for certain products, to give them flexibility.”

The key to all of this is one word – choice. “Felixstowe offers supply chain or logistics directors the widest choice of any UK port – of carriers, services, rail links, hauliers and port-centric logistics,” he says.

Not so long ago, there were predictions that port-centric logistics would spell the end of the so-called ‘Golden Triangle’ of warehouses and distribution

centres in the Midlands, which is served so effectively from Felixstowe via rail and the A14 corridor and is at the heart of the traditional population-centric model. But that seems very far from likely.

James Nicholls, a Partner at architects and masterplanners Stephen George + Partners, discussed the options during a Multimodal seminar in May. He emphasised that rail links will become even more important for ports serving the increasingly demanding consumer market. “The most successful ports will provide rail connections for swift transport of containers to strategically located rail terminals around the country and also express rail ‘parcel hubs’ from where smaller vehicles can deliver goods directly to businesses or consumers in larger areas of population,” he said.

He added: “The ‘Golden Triangle’ is located within four hours of 80% of the UK’s population, giving good transport links north, south, east and west.”

Like so many things in life, it’s a case of balancing out the options and taking a measured approach. Meanwhile, the new Port of Felixstowe Logistics Park is moving ahead. This will offer 1,452,000 square feet of build-to-suit distribution warehouses on a total 68-acre site inside the port boundaries. Planning permission is in place for the first phase. And just to emphasise that all important word – the choice continues to expand with the recent announcement of a 32nd daily rail service to and from the Port of Felixstowe.

So whichever strategy works best for a particular supply chain, port-centric or population-centric, the Port of Felixstowe has the facilities and connections to deliver the best outcomes.





“UK exporters have the opportunity to bring product into the logistics parks on or near the port on traditional trailers.”

ROLL-ON/ROLL-OFF JUST KEEPS ON ROLLING FORWARD

There's a big success story going on at Felixstowe and its sister port across the water, Harwich International Port – and it's all about freight on ferries. Volumes are soaring and there's high praise for the regular, reliable, daily services on offer.

It's probably fair to say that while giant container ships or glitzy cruise ships attract the attention of media and public alike, people outside the industry rarely think of ferries except in terms of annual holidays, or the well-documented problems and delays encountered on the Dover-Calais route.

But behind the headlines, roll-on, roll-off ferries in and out of Felixstowe and Harwich are turning in a remarkable performance. Last year the two ports handled nearly 600,000 trailers, including accompanied and unaccompanied traffic. That was a 14% increase in 2014, and the strong growth has continued in 2016.

Felixstowe is served by DFDS Seaways' three-vessel service, providing 16 sailings a week to Vlaardingen (Rotterdam), in the Netherlands. Ro-ro operations take place at Berths 3 and 4 of Felixstowe's Dooley Terminal, with lock-free access, rapid mooring/unmooring, 650 trailer parking spaces, high-spec surfacing and sophisticated security.

Harwich, which has two dedicated ro-ro berths, is served by Stena Line's twice-daily Hook of Holland ro-pax service, along with Stena's freight-only service to Rotterdam, which also runs twice per day.

Increasingly, trailer operators are switching volumes to the two Haven ports as a hassle-free, conveniently located alternative to using Dover-Calais or other Channel ports.

"Some of the increases in freight through the Felixstowe and Harwich routes have been to do with the migrants issue on Dover-Calais, which has slowed down operations there," says Jed Payce, Director of the Dutch company International Road Ferry (IRF). "When you go in and out of Dover, it is ▶▶▶





quite painful sometimes and we know people are trying to keep away from Dover-Calais and the Channel ports in general.”

IRF has always shipped through Felixstowe in particular, he says. “Other companies have seen what’s on offer and have jumped on the bandwagon!”

However, it isn’t just about finding an alternative to problems elsewhere, he emphasises – it’s also about service, timing, location and access to markets.

“The main thing for us is the link between Felixstowe and the rest of the country – the A14 is a very good artery, providing dual carriageway all the way to where we want to go.

“Our choice is also about DFDS, their three sailings a day, and the very efficient way they operate. Also, the Port of Felixstowe’s teams have been working with ro-ro vessels for years; they know exactly what they are doing and they turn the ships round in double-quick time. The service level is a major factor with Felixstowe.”

As a result, says Jed Payce, IRF can load a trailer in Dusseldorf at 2pm, despatch it on the 8pm ferry out of Vlaardingen and have it arrive in Birmingham at 10-11am the next morning. “Even if we load a trailer in Hamburg at 5pm on day one, 500 kms from Rotterdam, we can still be in Manchester at 8-9am on the morning of day three. That’s something you can’t do if you ship via Immingham or Hull, and that is where DFDS and Felixstowe win; DFDS has export sailings at 8pm every evening, and at 2.30 and 8am. As a result, we can offer a great service.”

The services through Harwich International Port are no less popular. IRF also uses the Harwich-Hook services, and the same factors apply, says Jed Payce.

Harwich has a greater focus on driver accompanied traffic and, whilst a wide range of goods move through the port, it is particularly attractive for fresh produce from the Netherlands travelling to the main fruit and vegetable markets in London. The arrival of the morning sailing from the Hook in the early hours is specifically timed to ensure product hits the markets a few hours later and as fresh as possible.

Whilst Felixstowe’s Ro/Ro services are freight-only, the Harwich to the Hook of Holland route also remains very popular with passengers. Last year, 700,000 passengers and 140,000 passenger vehicles were carried on Stena’s Superferry service.

Services between Harwich and the Hook of Holland were first established in the late nineteenth century and have been operated by Stena Line since 1988. As you would expect, over that time each party has developed a deep understanding of the other’s business. Rob Mittelmeijer, Freight Commercial Manager for Stena Line, explains:

“For me, working intensively with the people of Harwich International Port for quite some years, the first thing that comes to mind is the human factor. The employees of Harwich International are an excellent part of our organisation and are always striving to fully deliver our service promise.”

Last year (2015), Felixstowe celebrated half a century of ro-ro operations. It’s worth remembering that ro-ro services were introduced at the port before it handled containers. Harwich’s traditions as a freight and passenger ferry port go back even further. Between them, they are well set to continue providing essential, reliable links to and from mainland Europe.



ALEXANDRIA INTERNATIONAL CONTAINER TERMINAL (AICT)

Alexandria International Container Terminals (AICT) is a joint venture between Hutchison Port Holdings (HPH), Alexandria Port Authority (APA) and a third, minority, shareholder. HPH has exclusive control and management of AICT.

AICT is a free zone company and operates two fully integrated container terminals at Egypt's main commercial ports of Alexandria and EL Dekheila. Both ports are located on the Mediterranean Sea and, as Egypt expands its industrial base, both have an important role supporting local and international trade in the region.

Darius Teo is Chief Executive Officer at AICT. As he explains:

"Our vision is to become the best container terminal operator and logistics provider of first choice in the region. We aim to provide a service that is second to none to both shippers and carriers.

AICT provides shipping lines with fully integrated end-to-end container handling services, using advanced technology and equipment to handle containers with accuracy as well as efficiency. We offer both standard and customized services. We ship cargo that fills a full container (Full Container Load), less than a container load (LCL), and pallets."

The City of Alexandria is located on the western side of the River Nile and is the country's second largest city. Indeed, it is often referred to as "the second capital". The Port of Alexandria is the major gateway to the Arab Republic of Egypt, and handles approximately 60% of Egypt's foreign trade.

Alexandria Port has long been one of the largest and most important ports in the Mediterranean. Although AICT offers its customers access to the latest technologies and state-of-the-art facilities, Alexandria itself is one of the world's oldest ports with a history that dates back to around 2000 B.C. The time of pharaohs and pyramids.

The Alexandria port harbour is formed by two converging break-waters ►►►

Our vision is to become the best container terminal operator and logistics provider of first choice in the region."



and consists of two separate parts - the Alexandria side and the Dekheila side. AICT operates two separate container terminals, one at Alexandria and the other at El Dekheila. Both terminals are strategically located close to the main shipping routes between Asia and Europe and are equally well located for intra-Mediterranean trade. Reflecting its key location, AICT plays host to an array of top global shipping lines.

High productivity and fast vessel dispatch are two of the key features of the service offered by AICT to its container line customers. It also offers all shippers and consignees a full customs examination service for containers passing through the port or handled at its Container Freight Station (CFS). Both terminals operate around-the-clock on a 24/7 basis to help deliver the customer service for which AICT is renowned. AICT also incorporates the latest technologies and software applications to support an end-to-end automated system encompassing terminal operations and customer support.

AICT systems are integrated with those of the Alexandria Port Authority and the Customs Authority to facilitate seamless handling of containers and cargoes. In addition to its focus on efficient streamlined operations, AICT provides shipping lines/agents with real-time systems access, allowing them to track and report the activity and status of their containers.

The terminals are equipped with the latest post-panamax ship-to-shore gantry cranes. The cranes are capable of reaching 17 rows across on a vessel. The container yard is equipped with Rubber-Tyred Gantry cranes (RTGs) which are capable of stacking containers 6 tiers high.

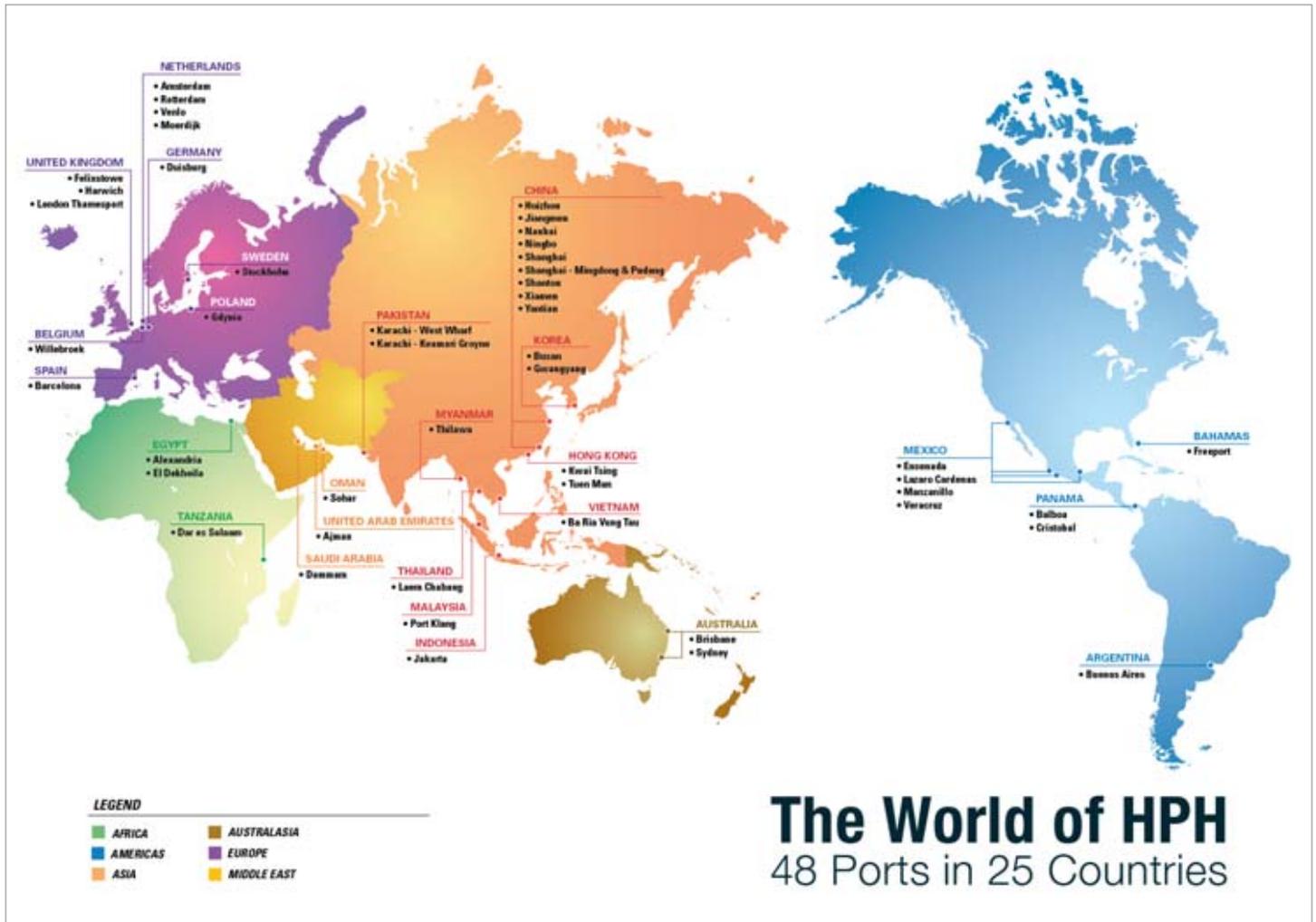
A range of ancillary support equipment, including reach stackers, empty handlers, internal movement trucks and fork-lifts are used to support the fully integrated terminal operations. Operations are planned and implemented through a fully integrated software system (CTMS) which is used for EDI, Baplie exchange, and planning of vessels, yard and gate operations.

The tracking of containers is managed through a wi-fi network using Hand Held Terminals (HHT) and Vehicle Mounted Terminals (VMT) placed on RTGs, reach stackers, empty container handlers and internal trucks. AICT is committed to providing excellence in customer services through the application of leading-edge technology, advanced real-time communication and port management systems.

AICT is the main gateway for Egypt's fresh products exports, meaning there is great emphasis on the efficient movement of temperature-controlled consignments. AICT has a large number of reefer points at its terminals and offers 24 hour reefer monitoring services with instant reporting to its customers. Other related services, such as Pre-Trip Inspection (PTI) and Pre-Cooling, are also available.

The services offered by AICT are not restricted to fully containerised cargoes. AICT is also capable of handling out-of-gauge cargo shipped on top decks with a maximum gross weight of 60 tons. All Dangerous Cargo classes can be handled by AICT through its terminals with the exception of the International Maritime Organization (IMO) classes 1&7.

With a world-class terminal operation, AICT aims to stay ahead of the game when providing services to its customers. A corporate philosophy built on the recognition that customers always come first.





OPINION

The vital links to the Northern Powerhouse

Graeme Undy,

Managing Director, Container Logistics & Rail Freight, Eddie Stobart

Thanks to thousands of ‘Stobart spotters’, the green, red and white trucks of Eddie Stobart are loved by many – and represent something of an iconic brand.

It’s great to have that strong brand awareness, of course, but as a company we are under no illusions. We know that business success is based on delivering a quality service at the right time, at the right price and in the right location!

Historically, Eddie Stobart has been viewed by many as a ‘North West haulier’. To put things in perspective, we operate more than 2,350 trucks across the UK and into mainland Europe. Our transport network is supported by one of the largest domestic rail freight service offerings in the UK, inland container ports and a significant network of contract logistics and warehousing sites which underpin the true network provision Eddie Stobart is able to offer.

We have been in and out of the Port of Felixstowe for more than two decades and this year have demonstrated our commitment to Felixstowe with the opening of our transport depot close to the port. We are also looking at the opportunities that will be presented by the new Port of Felixstowe Logistics Park being developed inside the port’s boundaries.

The wide choice of rail services on offer to and from Felixstowe are also essential in moving containers swiftly inland from the port; we work with cargo owners, shipping lines and rail operators to deliver

containers onwards to consolidation/handling centres and warehousing, with a particular focus on Eddie Stobart’s terminals in Daventry and Widnes underpinning the core areas within the UK logistics corridors.

Felixstowe is an incredibly important, strategic point for our customers and our business network. Its road and rail connections provide an unrivalled link between a wide choice of deepsea shipping services and the Northern Powerhouse.

Logistics is a fast-moving sector. We have seen the development of the portcentric logistics model and the rapid growth in online shopping, with the associated rising tide of doorstep deliveries. Flexibility and a fast response are vital in order to succeed in such a challenging environment.

In this connection, some have questioned the future of the so-called Golden Triangle of logistics and distribution facilities in the Midlands. But from Eddie Stobart’s point of view, that triangle will continue to shine as a vital part of the logistics network.

The regional and national distribution centres already exist in the Golden Triangle and with the developments planned for DIRFT 3, the network is well established and provides a robust, proven solution. Within the triangle, we have access to a skilled, experienced workforce with the flexibility to move between sites according to the peaks and troughs of demand.

The just-in-time nature of e-fulfilment lends itself to central and regional distribution. In realistic terms,

once you have reached the strategic locations of the north of London, the Midlands and Manchester/Warrington, you are in striking distance of the rest of the country, including Scotland, the North West and the North East. Felixstowe’s connections by rail and by the A14 are vital in this.

From our own point of view, we continue to invest in our fleet of low-emission, efficient vehicles, in order to reduce our carbon footprint and our costs. We operate a full track-and-trace system across our fleet, allowing full visibility for customers providing and ensuring a just-in-time delivery service. We will continue to focus strongly on rail freight services to move containers away from the port.

And on my wish list? Simple – increased capacity on the rail network, please!

 *Felixstowe is an incredibly important, strategic point for our customers and our business network.*



JAMES WYATT

BAP GROUP LTD – OPERATIONS DIRECTOR



- 2014 to date:** (BAP Group Ltd) BAP Transport and Port Centric Services Operations Director.
Responsible for the group company operating performance financially and operationally on a day to day basis. Ownership of company contracts and relationships with customers and suppliers. Working closely with our MD Ronnie Brooks to deliver and develop successful, ethical and legal trading for the BAP Group.
- 2010 to 2014:** BAP Transport and Warehousing Operations Manager.
Developing BAP's strong 'Can do' attitude along with introduction of new processes and a focus on safety to deliver and exceed major retailer standards. Ensuring a close working relationship with the Port of Felixstowe team to enable BAP to provide the most unique 'Port Centric' business possible. Responsible for performance of the warehousing and transport business with focus on management of our customer satisfaction.
- 2004 to 2010:** BAP Transport Ltd – Various roles from newly qualified driver to Transport Manager.
Moving through all aspects of being a driver with BAP to an office based role using my previous experience as a manager on the way. Achieving a national CPC and introducing new processes to the already established BAP Transport Company.
- 1997 to 2004:** Store Manager, Motor Retail sector
Assisting with the management of a small chain of motor retailers in Essex. Development of staff NVQ programme and training programme. Daily focus on customer service and sales.

Q&A

Q Describe your Role at BAP?

A I oversee day to day operations within our warehousing and transport businesses to ensure customer targets are achieved. Development, planning and delivery of our business strategy to enable us to provide an effective, Port Centric focussed service for customers who benefit from working with a flexible port based logistics operation now and into the future. Currently, I am working with our company MD and the Port of Felixstowe on further development of our on port logistics services.

Q What is the Biggest Challenge of your job?

A Keeping operations flexible enough to handle the requirements of our customers which contrast from high volume container throughput, stock management and picking for major retailers such as J Sainsbury's and The Range, to bespoke loading and handling solutions for machinery manufacturers such as JCB, whilst maintaining a personal relationship with our customers however small or large they are.

Q What do you find Most Satisfying about your role?

A Meeting people with a need to introduce something new or different to their operation, identifying where being Port Centric can add value and savings to their business. Especially if we can introduce something to their supply chain (or remove it!) that they had not even considered before coming to see us.

Q Describe your best day at work?

A One where we have achieved our targets and I can pass positive feedback I have received from a customer, to my team.

Q Favourite film?

A Castaway

Q Ideal dinner guest?

A Lewis Hamilton

Q Favourite book?

A Anything I'm reading with my children at the time

Q Favourite meal?

A Sausage and mash

Q Ideal holiday destination?

A Portugal

Q First record bought?

A Now 10!

Q Last CD bought?

A The Who – Hits 50

A DAY IN THE LIFE...

08:00

Catch up calls with Management team, feedback from 0730 warehouse meetings and conference calls with customers.

09:00

Morning meeting. Management team and I check up on issues, planning, the previous day's performance any potential banana skins for the day. At certain times of the year, daily conference call with China to check that project plans are on track.

10:00

Coffee and a meeting. Often a supplier or a customer review. How can we achieve more, or be better and more organised? Often we have our customers based on site – if so, I will meet with them.

11:00

Warehouse walk-round with a Team Manager or Team Leader checking on the day's progress. Possibly a safety audit spot check while I am outside.

13:00

In the office covering emails and on the phone, possibly catching up with finance and our controller.

14:00

Conference call. Weekly customer service review to check if targets met, KPIs achieved and safety targets are on plan.

16:00

Back at the office checking emails making calls, planning work and catching up with our company MD.

18:00

Final Warehouse Manager catch up for the day making sure all on plan for tonight and tomorrow.



LOGISTICS PARK

Build-To-Suit Distribution Warehouses

1.4m sq.ft within the
Port of Felixstowe

For more information contact:
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Port of Felixstowe