

LOG.Letter

BVL⁷ INFORMATION FOR INTERNATIONAL MEMBERS OF BVL

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Chancen nutzen – Adapt to Lead



OUTLOOK At the end of November, the BVL Board came together for its 2020 strategy meeting chaired by Prof. Thomas Wimmer, Chairman of the Board. Deliberations focused on the changes in the activities of the association, the modified services provided by BVL in the year of corona and the challenges for the future. Exploiting the opportunities created by change and adapting to the new circumstances rapidly and creatively – this is the strategy for the future outlined by the Board. The overriding and conference theme of BVL for 2021 is “Chancen nutzen – Adapt to Lead”. This motto applies both to the association itself as well as the logistics sector as a whole, and BVL plans to provide the sector with platforms for interaction, information and solution-focused ideas in a time of challenging framework conditions, new business models and great uncertainty.

At the same time, however, it is hard to see any return to pure face-to-face events during the course of 2021. The Board assumes that services and events will generally be of a digital nature for at least the first half of the year. And although the initial plans for the International Supply Chain Conference 2021 are based on the central idea of an on-site event, the conference programme will comprise numerous integrated virtual formats. The digital pre-events that were part of the programme in 2020 will once again be part of the overall concept for 2021, for example. At the on-site event in Berlin in October, there are plans to create a broader range of opportunities than was previously the case for attendees to talk with each other as well as with exhibitors.

more ...

BVL International – Selected Events in 2021

Forum Automotive Logistics
February 9-10, 2021
online

International Supply Chain Day
April, 15, 2021
international

EDITORIAL

Dear BVL Members,

At the start of the year, nobody could have foreseen the disruption that the Covid-19 outbreak would eventually go on to have on the global economy and the impact that the pandemic has had on our way of life as we are currently experiencing it. As the second quarter of 2020 got underway, it started to become easy to identify new trends with proven and innovative solutions being put into place across all sectors. Just like most organizations across the world, BVL had to adapt quickly and face its biggest challenge: bringing the logistics community together without holding face-to-face events. Supply Chain Day and the 42nd Ordinary Members' Meeting in April both took place for the first time in an online format only. As with live sporting events and concerts currently taking place behind closed doors, it came to no real surprise that BVL finally had to host its annual International Supply Chain Conference in October for the first time solely in digital format with participants taking part via live stream. Despite the many successful online events which brought the network together throughout the year, BVL's platform still endeavors to thrive from the personal contact and experiences gained at its face-to-face events. For now, we will continue to make use of the online exchange amongst the BVL community. A heartfelt thank you goes out to all BVL members for their continuous support and understanding in what are truly challenging times. As the year ends, one can only remain positive and optimistic going into 2021. Therefore, we look forward to being able to welcome you and see you again in person at future events. Stay healthy. Stay safe.



Curtis Domberg
BVL Member Service,
International Relations

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The International Supply Chain Conference 2020 – Diverse Content, Lively Debate and Clockwork-Like Organisation

DIGITAL FORMAT The challenge faced by BVL was to transform the concept for this year's International Supply Chain Conference from a blend of analogue, hybrid and digital to purely digital within the space of just one week. And the association came through this challenge with flying colours! Endless metres of cable, nearly 20 monitors, three cameras and a huge amount of manpower and effort was needed to ensure that the conference was professionally streamed. And the atmosphere was understandably tense during the final countdown to the official opening of the conference by BVL Board Chairman Prof. Thomas Wimmer. But it didn't take long for the first positive feedback to arrive via the chat sidebar: "Professional format, stable stream. Well done!"; "Great to see the digital event running so smoothly!". This year's conference was moderated by Christina Thurner, member of the Executive Board at Loxxess AG in Unterföhring near Munich and a member of the BVL Board. She performed this task in such a confident and relaxed manner that Wimmer said she made an excellent case for playing the same role next year.

ON THE FRINGES And even during the conference breaks, the participants were not left to their own devices but were kept up to speed by Dr. Christian Grotemeier, Managing Director of BVL.digital, and Boris Felgendreher, founder and host of the BVL.digital podcast, who provided support on using the platform, motivated participants for the next session and briefly reviewed some of the previous items on the programme. One podcast episode was even recorded live on stage: Dr. Peter Gebhard, Head of the Logistics

In spite of everything, Christina Thurner and Prof. Thomas Wimmer cheerfully moderated the rather different conference format



Division at Hipp GmbH & Co. Vertrieb KG in Pfaffenhofen and a member of the BVL Advisory Board, reported on his experiences at the start of the pandemic under the heading "Consumer Goods Logistics in Times of Corona – a Return Trip from Normality to Madness in 12 Weeks".

ON STAGE The conference programme was, as usual, extremely varied. Numerous speakers were on site in Berlin, while others joined the conference on a live feed – and everything ran smoothly. The presentations were kicked off by Karl Gernandt from Kühne Holding AG, Christoph Bornschein from the TLGG Group, Hildegard Müller from the German Association of the Automotive Industry, Dr. Sigrid Nikutta from Deutsche Bahn AG and Federal Minister of Transport and Digital Infrastructure Andreas Scheuer. In his presentation on the adaptability of logistics managers, Gernandt called on his audience to underline the significance of logistics for society as a whole. "We are about much more than transport", he said and emphasised that logistics has impressively demonstrated its "licence to operate" in the current

crisis. Bornschein said that this exogenous shock had perhaps been necessary in order to tackle the process of change and implement new concepts. He added that it was now time to change the narrative about the issue of digitalization and that it is not a case of "humans versus machines". He underlined his belief that digitalization supports the efforts of humans rather than undermining them. In view of the threat of renewed lockdowns, Müller also defended open borders, saying that "we need international cooperation not trade conflicts". Cooperation is also a topic that is close to Sigrid Nikutta's heart. She believes that we can only succeed in protecting the environment by working together. She said that we need to find ways of cooperating effectively and that increasing mobility is the reason CO₂ emissions from traffic and transport are growing. She stressed that freight volumes will have to be re-distributed among different modes of transport and underlined the need to expand combined transport concepts. There was a lively panel discussion entitled "Sustainability in Action – Winning the Next Decade" featuring Frank Dreeke from the



A different kind of setting: this year, the rooms Potsdam I-III were not full of attendees but of all manner of technical equipment

BLG Logistics Group, Simone Menne, member of multiple supervisory boards, and Dr.-Ing. Claas Helmke from the German Zero e.V. Despite the fact that the panellists were streamed remotely, they enjoyed a frank and open debate, not least thanks to the breezy moderation by Ursula Weidenfeld.

ON THE FINAL DAY On the Friday of the conference, Frank Thelen from Freigeist Capital and

Béatrice Guillaume-Grabisch from Nestlé S.A. held their presentations on a live feed, while Robert Habeck, Chair of the Bündnis 90/Die Grünen Green Party, spoke live on stage. Thelen called on participants to speed up the introduction of innovations. He said that the process of change in society was exponential and that even 5G was fast becoming yesterday's news. Robert Habeck emphasised that any future government must implement an appropriate level of

carbon pricing and that state subsidies should in future be conditional on sustainability. DLK 2020 Replay is a paid service, which offers all conference contents as a whole or in thematic individual packages like e.g. „Plenary Session on Supply Chains International” with keynotes in English. The package can be booked at www.dlk-online.net. Those who already booked DLK Live Premium can directly log in [here](#). [more ...](#)

Not a Closed-Door Event Commentary by Ulrike Grünrock-Kern



Two of the ten BVL colleagues on site in Berlin: Ulrike Grünrock-Kern and Lars Eggers in the almost empty conference hotel

REFLECTION Many of the colleagues at BVL head office calculate their time with the association on the basis of the number of conferences they have helped to organise, experienced or “endured”. Working at one of our conferences is all about creativity as well as meticulousness in preparing the programme and staging it on site, concentration, and a sympathetic ear for the needs of exhibitors, speakers and attendees. The reward for all this effort is the unique atmosphere in Berlin, the high satisfaction levels of all those involved, and the feeling of being part of an amazingly collegial team – despite all the stress and hard work. In 2020, a year that was overshadowed by the corona pandemic from mid-March onwards, the teams at head office once again gave their all to put together another outstanding programme for the conference. We kept a constant eye on the infection curve and asked ourselves whether time might be on our side or against us. Ultimately,

however, a decision was made to stage the conference as a purely virtual event. In place of the big BVL team that would normally be present, a small team of ten personnel made the journey to Berlin so that they could coordinate matters at the original venue and organise the content to be streamed on the Internet. The “broadcasting rooms” were full of technical equipment. The foyers were empty, there was quiet in the places where attendees would otherwise be crowding at the coffee bars, celebrating the fact of seeing each other once again or building new contacts. And yet there was a real conference feeling, driven by a kind of defiant “The conference is alive” conviction. Perhaps this also fed through to the screens of participants. The initial feedback certainly suggests that this was the case. The 2020 conference certainly wasn't a typical closed-door event, but it would naturally have been even better if everyone had been there together.

German Award for SCM

Retail drugstore chain “DM” was presented with the German Award for SCM 2020 for its project called “Integrative. Intelligent. Automated.” A strategic network analysis and planning process culminated in a decision in favour of an additional DM distribution location in Germany in order to cope with the ever-growing volume of products. At the same time, the logistics experts also developed an innovative logistics infrastructure. The centrepiece are digital outlet twins for each individual DM outlet. A highly automated intralogistics provisioning process has the job of sequencing the items arriving on original unmixed pallets for the seven picking robots and serving the items to these robots so that the picked items are placed on the mixed pallets for the individual stores in exactly the right order. [more ...](#)



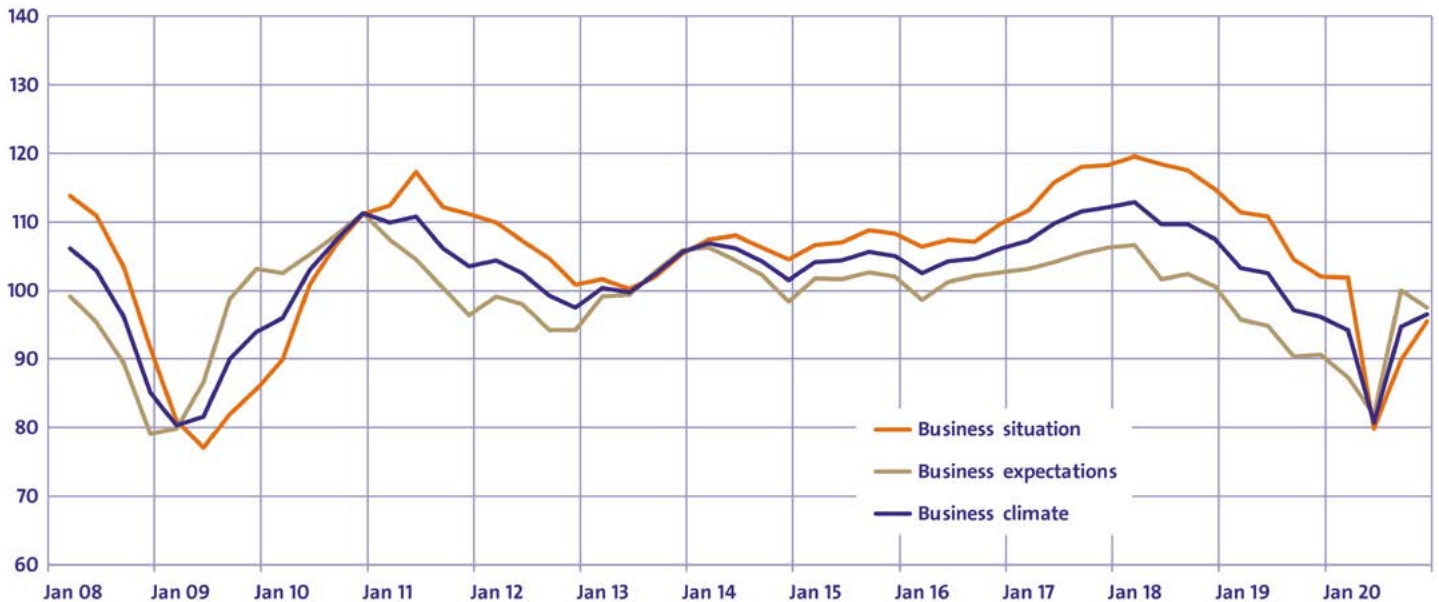
Even the masks cannot conceal the joy: the DM team were over the moon when they were presented with the German Award for SCM.

Winter Blues and Spring Awakening

Commentary by Prof. Thomas Wimmer,
Chairman of the Board, BVL

LOGISTICS INDICATOR IN Q4 2020

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As we approach the end of the year, will the lockdown blues turn into winter blues? Will the economy jump back to life in the spring? Until the end of last month, we were happy to see a V-shaped curve in the economy, and even now both industry and trade still assess the current business situation as positive. Indeed, the sub-indicator score for this parameter on the demand side of the market for logistics services is – surprisingly – even above normal level and almost back to pre-crisis numbers. This is highly impressive.

What is not so surprising is the finding that business expectations for the next six months are back on a downtrend – as was the case at the turn of 2018/2019. Does this trend reflect a certain kind of calculated pessimism, or is it the logical consequence of the political discussions over the tightening of the second lockdown?

This entire situation affects practically all the actors in the logistics sector; coping with the changes we have been faced with since March has been extremely challenging. In view of the reduced level of economic activity that we saw once again in October and the imminent threat of a return to even tighter restrictions, the mood among many appears to be one of futility. This can be clearly seen in the findings

of the November survey for the Logistics Indicator. Although eCommerce is experiencing higher-than-proportional growth, this growth is not sufficient to offset the orders lost by the industry and trading sectors.

Nevertheless, let us look to the coming spring with optimism. While the lockdown will continue into January, perhaps even slightly longer, vaccines will soon be authorised, the vaccination programme itself will soon begin, and preparations for the logistics of vaccine distribution are in full swing. Economic life will not be paralysed in the same way it was in March/April 2020. There is much uncertainty over developments in the first half of 2021, but the growth engine has begun to tick over again – albeit at lower revs than we all might have wished for.

Both economy and society have been thrown seriously off balance in recent months. In Germany, the government has taken the best possible measures to mitigate the financial impact on companies and the workforce. The value added chains have generally shown themselves to be robust, and the level and speed of adaptability have been far greater than could have been expected before the crisis. To retain this hands-on mentality, to remain agile and to push ahead with change

processes creatively and systematically - these are the positives we can take from the crisis.

I would like to take this opportunity to wish you and all of us a good start to the New Year.

[more ...](#)

REPORTS FROM THE INTERNATIONAL CHAPTERS AND REPRESENTATIVES

Renewed Enthusiasm for Sustainable Distribution of Organic Produce at Biogros in Luxembourg

LUXEMBOURG In these difficult times with all the hygiene restrictions due to the corona crisis, it is anything but easy to organise any kind of gathering or activity together with members. As a result, the participants and co-organisers were even more delighted than usual with the invitation and smooth organisation of the visit to the logistics and distribution centre of the Biogros organic cooperative, originally scheduled for the spring of 2020. The new protocol for this event included zero waiting times, contact-free check-in, masks and hand disinfection – and no beverages.

The town of Munsbach in Luxembourg is located in the flight path to Luxembourg's freight airport – which is currently a hive of activity – and has for many years also been home to the biggest operation of the Oikopolis Group specialising in organic produce. Oikopolis has 420 employees in total, 110 of whom work at Biogros, and Chairman and co-founder Änder Schank took part in the tour. The cooperative was founded by organic farmers 25 years ago; it meanwhile sells 3,500 fair trade organic food products and profited greatly from the Covid-19 crisis.

In cooperation with its partners, Biogros regularly adapts its product range to meet the seasonal requirements of its customers and makes deliveries to retailers, restaurants, canteen kitchens and catering service providers six days a week. The well-known Naturata chain, for example, meanwhile has eleven outlets that are exclusively supplied with certified fresh produce by the logistics and distribution centre with its area of over 3,000 square metres and large cold store. After Managing Director Patrick Kolbusch outlined the history and development of the organic cooperative, the participants were taken on a tour of the logistics and fresh produce centre. Everything is a lot quieter in the late afternoon, as the products are prepared for delivery to customers overnight and then distributed to locations throughout Luxembourg by Euro-6 trucks from the early morning.

Biogros also plays a pioneering role with its "Lean and Green" programme designed to cut carbon dioxide emissions and therefore



Biogros has invested in one of the first available fully electric trucks from MAN

reduce both the number of trucks and the level of operating costs. The cooperative has registered one of the first fully electric MAN trucks in Luxembourg, and it was during our event that the truck was "initiated" together with our local VW partner Losch, with whom Biogros has cooperated for many years. While head of logistics Marco Gasper freely admitted that it was only diesel fuel that used to "course through his veins", he said that he had learned a great deal and now feels very comfortable in his pioneering role in cooperation with the German automotive manufacturer.

The political director of the IRU is on record as saying that batteries are no real replacement for fuel tanks. As a Li-ion battery stores roughly 120 times less energy than gas or diesel, this technology is generally more suitable for distribution over mid-range distances in a radius of approx. 50 km as is the case in Luxembourg. The investment including infrastructure is significant at over 500,000 euros for a refrigerated truck with new cooling unit and a maximum capacity of 26 tonnes, but Biogros is convinced that we need to support the development of this technology with high energy efficiency ratio

and a design based on passenger coaches in order to mitigate the effects of climate change. Marco Gasper said that a new route planning concept has been drawn up that optimises the "stop-and-goes" and that the vehicle configuration has been modified so that the pallet bays are fully utilised. The cooperative does not profit as much from toll exemptions as would be the case in Germany, as the Eurovignette system does not yet include any exemptions for electric trucks. It is particularly pleasing that the residential areas near the supplied retail outlets benefit from the reduced noise levels during overnight deliveries.

Even though the tour was limited to 25 participants, this was by far the best company visit since the lockdown. We were delighted to present the first Lean and Green 2 Star Award to Biogros at a ceremony on October 13 attended by the Minister for Energy and Regional Planning.

[more ...](#)

Report by Malik Zeniti,
Chair of the BVL Luxembourg Chapter

The Effects of Covid-19 on International Freight Rates



A screenshot from the BVL Chapter Singapore webinar on international freight rates

SINGAPORE On 22nd October and in cooperation with Transporeon and Timconsult, BVL Chapter Singapore discussed the effects of Covid-19 on international freight in a webinar. The event focused on ocean and airfreight, and how benchmarking has become ever more important in recent months. Vivien Cheong (Transporeon) and Bjorn Klippel (Timconsult) shed some light on how electronic freight tendering platforms can help streamline entire processes, allowing for more transparency and

efficiency. In this engaging session, some of the best practices in the freight procurement sector were discussed, along with trends that can be identified in the market, as well as more crucial aspects to look out for in 2021.

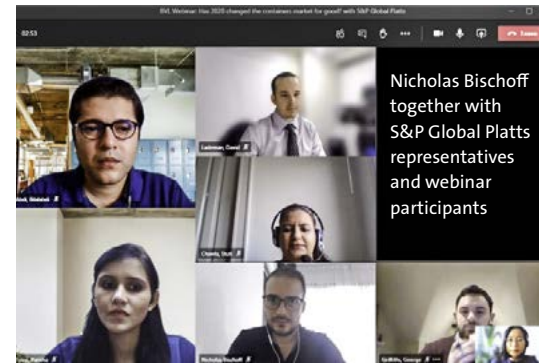
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Global Containers Market Webinar

SINGAPORE BVL Chapter Singapore invited viewers to take part in its webinar titled “Has 2020 changed the containers market for good?” on 17th November. The S&P Global Platts’ team was invited to share their insights and ran guests through a very engaging and comprehensive review of the 2020 container market shifts before going on to give their outlook on if the recent trends seen have changed the market for good. First, the key trans-pacific container freight market was looked into, considering both the demand

and supply side factors and how they will affect the 2021 negotiations. To conclude the event, a discussion on the Asia container market trends took place with the BVL Chapter identifying the steady hold of the intra-Asia resilience, even in the face of this pandemic, coupled by the impact of container shortages on the intra-Asia freight rates. Towards the end of the webinar, participants also discussed other points such as marine fuels and the evolving perspective on fuel cost management in container shipping.

[more ...](#)



Covid-19 and its Effects on the Turkish Economy



BVL Representative Turkey,
Altay Onur

TURKEY Since mid-March, Covid-19 has had drastic impacts on economic activities in Turkey with the foreign trade channels, tourism, and domestic demand showing evident signs of these impacts which were reflected in April’s overall economy. The overall effects of Covid-19 outbreak on the Turkish economy, depending on the duration of the pandemic, will lead to a recession along with a loss of approximately 80 billion USD in GDP.

Lack of income along with unemployment, lead to a decrease in investments and saving deficits, and as in this case, inadequate production capacities go on to create a vicious circle. With the Covid-19 crisis, overtaking the

country’s existing economy crisis, there has been a significant increase of unemployment, which is still expected to increase even further in the upcoming months.

Only 49% of Turkey’s exports can be achieved to EU member countries, which is higher than the rate of trade with non-EU countries. On the other hand, however, if we consider that 32% of the imports that take place from these countries and that, currently, EU countries are most affected by the corona pandemic, the uncertainty is likely to increase even more.

Report by Altay Onur

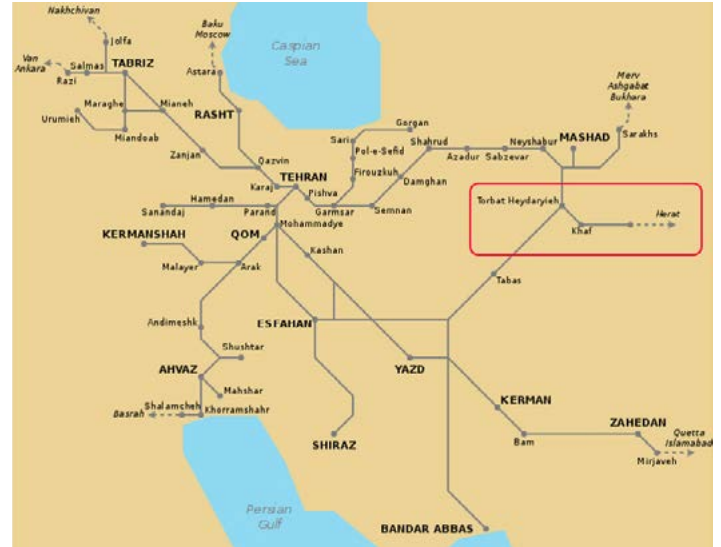
[more ...](#)

Iran and Afghanistan Inaugurate Crucial Rail Project



BVL Representative Iran,
Amir Alizadeh

The 220 km long Khaf-Herat route will Afghanistan to access open waters and to facilitate international trade



The 220 km long Khaf-Herat route – an East-West railway link with regional and international importance – enables Afghanistan to access open waters by rail and to facilitate international trade.

On 10th December, Iran and Afghanistan inaugurated the strategic railway project, Khaf-Herat route, via a video conference held between the two countries' presidents. As part of the large East-West rail corridor that extends to China and Europe, this new rail line connects Iran's eastern city of Khaf with Afghanistan's western city of Ghorian. The 222 km long Khaf-Herat Railway has been part of the Iranian-Afghan rail corridor since the project started in 2007.

The project plays an important role in connecting Afghanistan with Europe and Turkey. It also connects inland Afghanistan through the Iranian rail network with the ports of Bandar Abbas and Chabahar on the Persian Gulf, which are the base for rail access to open waters and international trade. The expansion of the rail network will also encourage the transit of goods from Central Asia to the Indian Ocean.

On top of the project, which came about as part of a tripartite agreement between Iran, Afghanistan and India, Tehran and Kabul held further talks with China, the Kyrgyz Republic, and Tajikistan, as the members of the East-West Corridor discuss plans to develop a long railway line from China into Europe, which would also run through Iran and Afghanistan.

Report by Amir Alizadeh

[more ...](#)

Federal Cross of Merit for Prof. Raimund Klinkner



DISTINCTION German President Dr. Frank-Walter Steinmeier has awarded the Cross of the Order of Merit of the Federal Republic of Germany to Prof. Raimund Klinkner. This distinction pays tribute to the manager and entrepreneur,

in particular for his wide-ranging achievements and commitment on behalf of the logistics sector. Klinkner was the honorary Chairman of the BVL Board from 2007 to 2017, and during this time he did everything in his power to promote the reputation and the development of logistics. Throughout all this, he never lost sight of the importance of developing up-and-coming new talents. He was an Honorary Professor at the Logistics Faculty of TU Berlin University for 20 years, and in 2008 he called into being BVL Campus with the German Academy for Foreign Trade and Logistics (DAV) and a wide-ranging Seminars unit, all under the umbrella of BVL. When Klinkner withdrew from his position as Chairman of the BVL Board at the end of 2017 having served

the longest term in office admissible under the association statutes, he was able to look back on an extremely successful time at the helm of BVL – and was already eyeing new honorary functions. So it comes as no surprise to learn that today he is Chairman of the Presiding Board of the German Transport Forum (DVF), and he still enjoys close connections with BVL as Honorary Chairman. "For many years, Raimund Klinkner has played a key role in promoting the systemically important logistics sector through his involvement on the platform of BVL. On behalf of the Board and all the association bodies, I would like to congratulate Raimund Klinkner on receiving the Federal Cross of Merit", said Prof. Thomas Wimmer, Chairman of the BVL Board.

The Challenge of Climate Targets and the Pandemic – Which are the Most Pressing Issues in the Automotive Industry?

FORUM AUTOMOTIVE LOGISTICS The Forum Automotive Logistics 2021 staged jointly by BVL and the German Association of the Automotive Industry (VDA) will be a purely digital event. On February 9 and 10, logistics experts and supply chain managers from manufacturing companies and suppliers will be joining automotive experts from logistics, IT, and packaging companies, service providers and consulting firms to talk about pressing issues.

Due to the ongoing corona pandemic, the organisers made an early decision to stage the Forum Automotive Logistics 2021 as a purely digital event. “The corona pandemic creates huge challenges for the organisers of major events”, says VDA President Hildegard Müller, “and the safety of all participants is our highest priority. As it is not yet clear how the situation will develop in the period up to the start of next year, we have already decided to make the 2021 Forum a digital event. Despite the virtual format, the Forum will be of the same high quality we are all accustomed to, and we will deliver an attractive programme that is of interest to all participants. This is certainly something to look forward to!”. You can register for the

Forum Automotive Logistics on the website for the event, and participation is free of charge in 2021. BVL Board Chairman Prof. Thomas Wimmer provides a brief overview of the most pressing problems in the automotive industry: “One of the highest-priority topics are the changes in the value added chains, especially in the field of automotive logistics. Will we see de-globalisation? Will cost-cutting no longer be the primary

objective? Can we achieve a higher level of sustainability through enhanced efficiency? Will we succeed in reducing the obstacles to trade? Where and how can we attract skilled personnel to our sector and further their skills and competence? The Forum Automotive Logistics will provide answers to these questions. The programme is available on the event website. [more ...](#)



The Network Continues to Grow – New International BVL Members

MEMBERSHIP BVL welcomes the following new international corporate members who have joined since the fourth quarter of 2020:

- FourKites BV
- Simacan B.V.

PHOTOS AND GRAPHICS

BVL, BVL/Kai Bublitz, pexels (p.1), NETA Management Consultants GmbH (p.6 bottom), Maleki Corporate Group (p.7), Iran Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA) (p.7 rail map)

WEB AND SOCIAL MEDIA

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