

LOGO

THE FIEGE MAGAZINE

NO. 80 | 2013

**SUCCESS IN THE YEAR OF THE DRAGON
FIEGE EXPANDS IN CHINA**



FIEGE

The World of Logistics

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About us:

A strong board combines tradition with progress

The transformation towards something new, venturing into other regions and segments, the development of new ideas within logistics and advancing aspects that have been tried and tested form the foundation of the success of the 140-year old history of the Fiege Group.

It is a commonly known fact that China is a country that has enormous economic potential and that India is growing to become a further world power. The Fiege Group has been advancing its expansion in Asia with great success over the past years. And now, Fiege is gaining a first foothold in the Indian market: The joint venture with Apollo Fiege Integrated Logistics Pvt. Ltd., which is headquartered in Gurgaon, will be offering a comprehensive range of services as an integrated logistics operator in the future. With this step, Fiege wants to meet the demands from many of its customers seeking solutions to supply the growing market in India with their products, but also increasingly for concepts that focus on procurement logistics from India.

As a pioneer of contract logistics, Fiege targets the future and to-date has never stopped at contenting itself with what has been achieved. For this to continue in the decades to come, the new generation at the helm of the company has been preparing for quite some time. The end of the past year witnessed the appointment of Dr. Stefan Kurrle, an experienced logistics manager, as chairman of the board who will support the transition from the fourth to the fifth generation with great professionalism and unity.



The new board of the Fiege Group: Jens Fiege, Peter Scherbel, Dr. Stefan Kurrle, Alfred Messink and Felix Fiege (from left)

Dr. Stefan Kurrle is now at the head of the company, jointly with a strong board which includes Jens Fiege and Felix Fiege as well as the CFO, Alfred Messink and Peter Scherbel. Dr. Hugo Fiege and Heinz Fiege maintain their position as partners and support the board with strategic projects. This approach allows for the continued culti-

vation of tradition within, and a family-run management of, the company, reinforced by the external know-how of experienced managers: a leadership combination which is perfectly suited for the duties presenting themselves in the years to come.

Your LOGO editorial team



恭喜发财！*

Success in the Year of the Dragon



*May you be happy and prosperous!

Enthusiastic ideas and great visions characterise the Year of the Dragon in Chinese mythology. On February 9 this year comes to an end in China and Fiege Far East indeed looks back at an innovative and successful year.

China is the land of major change. An economy of stable growth that withstands the global crisis; skyscrapers shooting up everywhere in the megalopolises and a young generation of Chinese that has discovered the Internet for themselves, who strive for a confident lifestyle. China is evolving from the world's workbench into the largest consumerism temple on this planet.

Change requires effort, from the government, but also entrepreneurs. Over the past two decades over 70,000 kilometres of motorway have been built; the logistical market has largely been deregulated. Still, the relative share of supply chain costs in the GDP compared to other industrial nations remains high. Especially innovative logistics providers are called for here, to create jointly with their customers

more efficient value chains and to optimise process flows.

Last year, Fiege Far East set the decisive course to meet the challenges of the Chinese market and to deliver to its customers transparent and cost-efficient services.

In the Shanghai-Lingang Free Trade Zone, connected directly to Pudong Airport and Yangshan port, is where Fiege opened a consolidation centre for one of its fashion customers last summer. A Web-based Vendor Management System merges retailers and their suppliers. "As the control unit for this system we co-ordinate all major process flows, can respond to bottlenecks and book cargo space in good time at favourable terms. Quality controls even prior to customs clearance in the country of origin



Even in China, Fiege and its highly-motivated staff provide a large range of value added services.



In Wuxi, Fiege services a high-grade warehouse for spare parts logistics.



Last year witnessed the consolidation centre for fashion logistics located in the Shanghai-Lingang free trade zone open its door.

paired with the consolidation of several orders into FCL reduce transport and co-ordination expenses significantly”, so the summary of Hannes Streeck, CEO Fiege Far East, about the new services portfolio for fashion logistics. The rise in transparency gives customers certainty and Fiege the possibility to plan international transport routes with far-sightedness and efficiency.

Shenzhen

To China’s south, in Shenzhen, another fashion location was created by Fiege at the end of 2012. For its customer, Liebeskind, the merchandise procured here in China is checked in terms of quality and completeness, individual items are picked and packed and then consolidated for export. The parcels are already prepared for the express dispatch to the point of sale and are labelled accordingly so that, once shipped, they can be introduced without any further delays into European and American CEP networks. Fiege is even prepared for what the future of the Chinese consumer market has in store: “Our supply chain and transport network is able to accommodate even a booming Chinese fashion market. We want to

support our customers in entering this market and promise the usual Fiege quality”, so the future outlook of Streeck.

Wuxi

It is not only the fashion market that is booming. The excellent infrastructure with convenient motorway connections and an airport has lured many production facilities of international industrial enterprises that produce primarily for the Chinese market, to Wuxi. With the opening of a new distribution centre of roughly 10,000 square metres in size, Fiege offers to its customers a quality warehouse directly at their doorstep. Whether locally produced or imported goods, end products or spare parts: for its long-standing customer, Vailant, Fiege assumes all supply chain processes and co-ordinates the China-wide distribution of the merchandise. The dustproof epoxy base, maximum safety standards and a trained logistical team ensure that the high demands which the industry calls for are fulfilled. With its new facility Fiege offers by far the most supreme quality for supply chain services in the greater Wuxi region, which even covers a possible later expansion.

In the mid-run China will remain the production site of the world’s economy. Six of the ten largest container ports today are in China (incl. Hong Kong). The Yangshan deep sea port has evolved within six years to become the world’s largest container hub. A success factor for global supply chains remains has offered a reliable and swift transport route from China to the rest of the world. Fiege Far East has offered dependable sea and air cargo services for Chinese trading routes – Europe and China – Middle East – since 1981 and is now expanding its portfolio to include China – India in co-operation with the newly formed Indian joint venture, Apollo Fiege.

Imminent challenges include the relocation of Chinese production sites to Central China and their connection to the world-wide transport network as well as the supply of a fast-growing Chinese consumer market. Even today the Chinese Internet community is already the largest in the world, while Internet trading will multiply manifold over the years to come.

Chinese mythology has it that the Year of the Snake is also called the “Year of Moulting”, which brings with it major rejuvenation. The pioneer of contract logistics is looking forward to it!

Customers appreciate vital advantages

● Since the middle of last year Fiege has been a partner of TCU-Transcontainer Universal, a specialist for intermodal containerised transports. In addition to classic world-wide LCL and FCL transports, Fiege's air & ocean freight division also has major know-how regarding complex projects or demanding refrigerated and pharmaceutical transports for all types of transport. Especially customers within pharmaceutical logistics appreciate the many years of experience Fiege has acquired in healthcare logistics, which constitutes one of the group's eight core industries. "Our strategic advancement within merchant haulage can be achieved to excellence via our co-operation with TCU", is how Jens Tschentscher, head of Air & Ocean Germany at Fiege, explains the strategic reasons. Intelligent IT solutions, EDI interconnections as well as access to all vital railway transport services for containerised shipments constitute the vital advantages which partners of TCU benefit from in the future.

New task for Media Logistics

● "Freie Presse", the daily newspaper for Chemnitz and its surrounding areas, has commissioned a new partner with the organisation of its media logistics. As of March 2013 the Fiege Group will organise all transports of the Saxony-based daily newspaper, from the print shop to their trading partners. The regional newspaper co-operated in the past with the logistics provider M. Sander Transporte. The "Freie Presse" is published by Medien Union and last sold around 270,000 copies per issue, the majority of which are destined for subscribers.



One of the top students in her class is Maren Drauschke – seen here at the awards ceremony in the company of Prof. Bayer and Prof. Trump from the Co-operative State University Lörrach, as well as the spokesman of the board of the Fiege Group. Dr. Stefan Kurrle (from left).

One of the best amongst the best

● Because logistics companies are always looking for the best, the Bundesvereinigung Logistik (BVL), Germany's logistics association, organised the BVL Thesis Award for the third time already. This award honours outstanding Bachelor, Master and diploma dissertations. The Thesis Award 2012 was presented during the 29th German Logistics Congress to a total of 84 laureates, also including Maren Drauschke, who completed a Bachelor course of studies titled BWL – Spedition, Transport und Logistik at the Co-operative State University Lörrach. In her thesis, Maren Drauschke examined the employee communication of a contract logistics provider at a major site. She took into account the perspectives of the various addressees: employees, works council, executives and management. The author developed solutions for the organisation of the structure as well as for the improved use of verbal, written and electronic communication tools.

NEWS

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Around 190 exhibitors, amongst them also Fiege, were present at the logistics congress with their own stand.

Excellent networking between logistics experts

“Networks of Excellence” was the motto of the 29th German Logistics Congress which dominated many lectures, workshops and especially talks amongst the participating visitors. The logistics congress – called to life and organised by Germany’s logistics association, the Bundesvereinigung Logistik e.V. (BVL) – is and remains an indispensable platform for creating contacts and initiating business between logistics experts from around the world.

Some 3,300 experts and interested visitors had come to Berlin between 17th and 19th October, to discuss current and fundamental questions about the economic segment of logistics and supply chain management. Around 190 exhibitors showcased their products at the accompanying trade exhibitions staged at the Hotel Intercontinental, where the Fiege Group was also present with its booth.

“Today, the German Logistics Congress is the most important annual logistics event organised in Europe. It has evolved into a central meeting point of the economy in Germany. Year for year it has been recording a rise in the number of visitors from abroad wishing to benefit from an exchange of knowledge and the highly potent communication possibilities”, emphasised Prof. Raimund Klinkner, chairman of the board of BVL.

The German Logistics Award 2012 by the Bundesvereinigung Logistik went to Merck KGaA. The panel honoured the company for its “Logistics for packaging material at its best – innovative packaging material processes at the Darmstadt facility”-project. The award ceremony was held during the gala on the evening of the first day of the congress. ●

THE ROARING TWENTIES

The Fiege Gala 2012 this time took its invitees into the roaring twenties – and what an exclusive event it was!

The gala held in the extraordinary atmosphere of the Spiegelpalast, as promised on the invitation, left nothing to be desired for. For the 17th time already Fiege had invited friends and partners as well as future and current customers to join them at the Bar jeder Vernunft for an evening gala held during the logistics congress in Berlin – and this year, the venue looked like a scene taken directly from the roaring twenties.

The singer Henry de Winter from Berlin managed to playfully captivate the audience with his wonderful art, his inimitable style and his elegant performances. Beautifully authentic, charming and witty is how he enchanted his audience with evergreens, popular tunes, couplets and hits, with melodies and lyrics from that age which to-date has lost nothing of its charm and originality.

The evening gala event of the Fiege Group was thus once again an – internal – highlight of the three days of the congress in Berlin! ●







Felix Fiege, Christiaan Vogel, Jens Fiege.



Christoph Beumer, Alfred Messink,
Dr. Peter Güllmann.



Lilly Möhring, Winfried Rübesam.



Guido Jaenisch, Hans-Ulrich Wolf.



Gregor Suwelack, Benedikt Müller, Karsten Broska, Andrea Broska.



Andreas Franke.



Jasmin Rudolph, Fritz Rudolph, Diethild Baumgarten, Henry de Winter, Sabine Schenk.



Kurt Döhmel.



Dr. Stefan Kurrle, Margit Flechsenberger, Dr. Dieter Flechsenberger.



Guido Jaenisch, Lilli Schiebur, Annika Fiege, Kai Schiebur, Eric Berben, Dayna Steinebach, Jens Fiege.



Peter Scherbel, Alexandra Breitenfelner, Roman Breitenfelner, Jan Fiege, Burkhard Fülles.



Marcos T. Peirera.

Stable structures prerequisite further growth

To issue economic predictions for the upcoming twelve months during volatile times poses a special challenge. The indicators alone are already ambiguous.

AUTHOR: Prof. Dr.-Ing. Raimund Klinkner



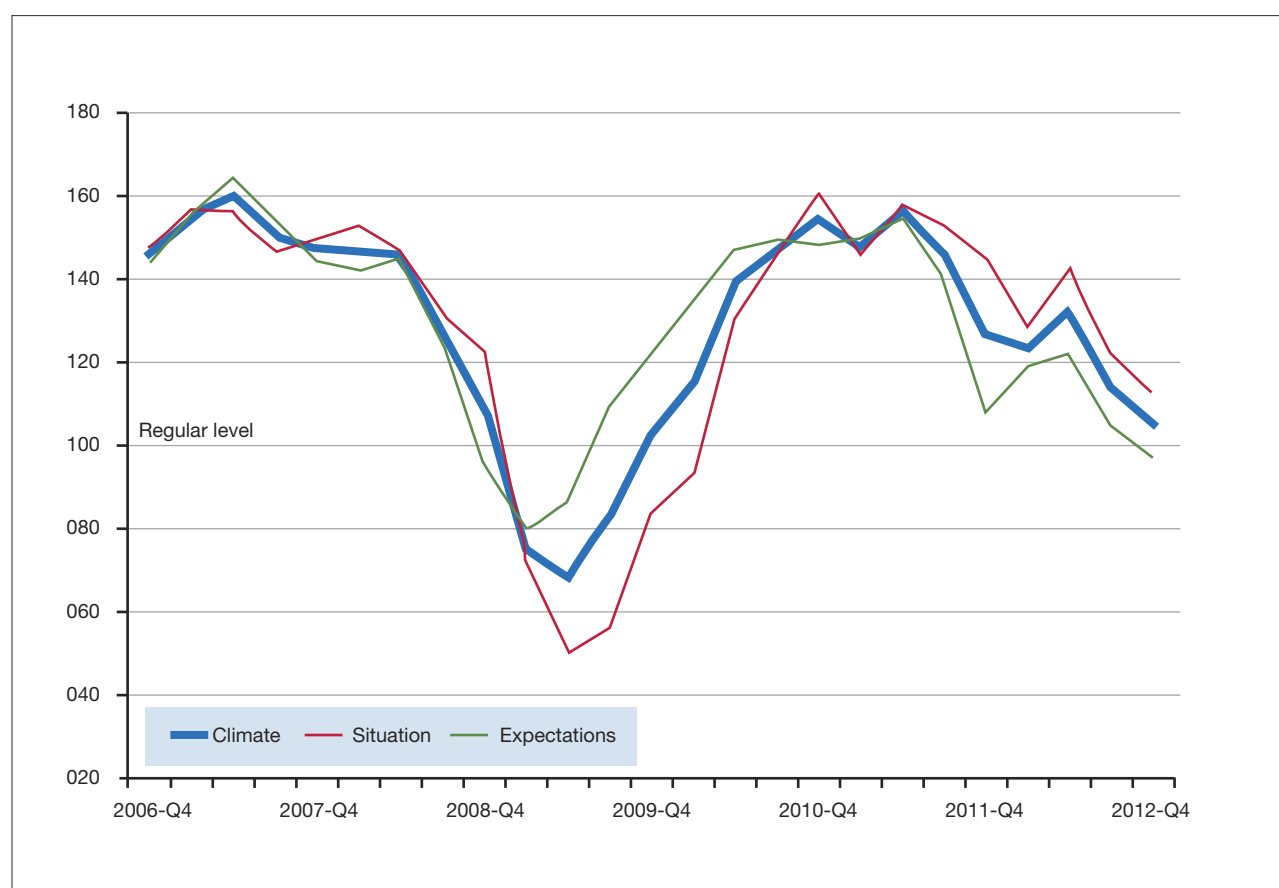
The cautious future expectations of companies paired with what largely is still a stable business outlook differed substantially from one another in 2012. This is where the uncertainties dominating the capital markets and politics showed themselves. The fact is, however, that global trading continues to grow – and here of particular importance to Germany as an exporting nation, the economies of the important BRIC nations Brazil, Russia, India and China are sending out impulses to procurement as well as sales markets.

The German logistics market recorded a positive turning point during the last quarter of 2012 and for Q1 2013 the economic downturn could indeed be halted. The February poll for the logistics indicator of the BVL sees the assessment of the situation and expectations of logistics operators clearly pointing upwards. The economy is stabilising.

The forecast economic growth for Germany for 2013 of around 0.8 per cent is – so experience teaches us – neither an economic nor a managerial comfort zone. The IMF expects global trade to grow between three and four per cent in the years to come. For German exports, important markets such as USA and Europe are far away from having reached a solid level in demand. Further important trading partners to the German economy, such as Brazil, Russia, India and Turkey, on the other hand, expect lasting growth at a high level. Consumerism at home

has remained stable, but the additional costs of the energy policy are bound to have an impact. Deficits regarding the quality and further expansion of the infrastructure are an obstacle to efficient logistics – and thus to the development of the economy. The positive thing is that logistics companies operating within commerce, trade and services in Germany are much better prepared for business fluctuations than four years ago. For this reason, an intensive observation of the market and careful actions remain relevant for success.

In view of cyclical fluctuations it becomes even more important to ensure that structural framework conditions are aligned. The findings of a survey conducted by Germany's logistics association, the BVL, amongst 200 German companies rooted within the industry, trade and services sector that have a major logistical affinity, showed: For a good 90 per cent of the companies the future business development depends directly on investments into the infrastructure. For some 45 per cent of those asked, the road network constitutes one of the two most impor- >



Overall indicator – index points

Particulars

Prof. Dr.-Ing. Raimund Klinkner, following his studies in machine engineering at Munich TU, has been in charge of the logistical planning, procurement and industrial control system at, amongst others, Porsche AG, since 1991. He wrote his thesis in 1994 through an extra-occupational course at Dresden TU. In 1998 Klinkner joined Gildemeister AG as a director for production, logistics, procurement and IT and in 2003 was appointed deputy chairman. Between 2007 and 2011 Klinkner was chairman of the board at Knorr-Bremse AG. In 2012 he formed in addition to his long-standing voluntary commitment within the topic of Manufacturing Excellence (MX) the Institute for Manufacturing Excellence. Klinkner chairs the MX board, is a managing partner of the institute and holds various functions within the industrial and academic sector. He is an honorary professor for production logistics at Berlin TU and since 2001 has been actively involved in the committees of Germany's logistics association, the Bundesvereinigung Logistik (BVL): between 2003 and 2006 as chairman of the advisory committee and since 2007 as chairman of the board.



tant factors for their business development. The second largest impacting factor is the expansion of information and telecommunication networks. This means: a lack of investments into the infrastructure halts the growth in logistics and has a negative effect on the overall economic development. The facts are as such: the transport performance, according to Germany's Ministry of Transport, will grow for goods by 75 per cent by the year 2025, and for passenger traffic by around 18 per cent. According to BITKOM more data was generated between the years 2000 and 2002 than ever before in human history. Between 2003 and 2005 this data volume has quadrupled. And this past year in particular saw the global volume of digital data multiply tenfold compared to 2006. The data volume will grow faster in the years to come than the capacities available to process such data, which currently are doubled about every 18 months. These are distinctive and perceptible signs.

The BVL therefore formulated the following five recommendations for action for politicians, in order to make up for the backlog in securing the infrastructure and creating the requirements for a growth of data flows and goods movements. A prompt implementation, in spite of the 2013 election year, is more than advisable:

- Double investments into infrastructure.
- Refer to infrastructure financing in a specific and purposeful manner.
- Create planning certainty, secure long-term infrastructure financing, maintain affordable mobility for citizens and the economy.
- Improve inter-modal systems and connections, remove bottlenecks within supply chains.
- Shared fact-based efforts at persuasion for projects. ●



Facts and figures about the Candy Group

The Candy Group is a private company owned by the Fumagalli family and is a European leader for domestic appliances: washing machines, dishwashers, dryers, fridges, freezers, cookers and ovens – built-in or free-standing – which are highly ecological while providing great performance. The Group operates through its two international brands – Candy and Hoover – and various national brands, including IBERNA, Jinling, Hoover-Otsein, Rosières, Süssler, Vyatka, Zerowatt, Hoover-Helkama and Hoover-Grepa. Hoover is the European leader in floor care. The Candy Hoover Group has 5,800 employees, nine factories in Europe, Turkey and China, and 48 branches world-wide. The central offices, the industrial centre and the R&D installations are in Brugherio (Monza Brianza).

Fiege assumes logistics for Candy in Portugal

Fiege Iberia, Fiege's subsidiary in Spain and Portugal, recently reached an agreement with Candy, an Italian manufacturer of domestic appliances, by which Fiege Iberia is in charge of the integrated logistics management of Candy products in Portugal.

The logistics company is responsible for incoming goods from Candy's production sites in Poland, Italy and China, the preparation of orders, day-to-day inventory management and the supply of goods throughout the country to the end user – stores or direct customers – as well as the delivery to trade fairs. The start of activities for this manufacturer has meant Fiege becoming responsible for managing all of the Group's references, including Candy's white goods line and Hoover vacuum cleaners, the market leader in Portugal. Jorge Franco, Country Managing Di-

rector of Fiege Portugal, emphasises: "For us, it is hugely satisfying to have begun work with such a prestigious brand as Candy. We are going to provide them, from Fiege Iberia, with the right combination of flexibility, knowledge and service, to meet each of their needs. Simultaneously, our knowledge of the Portuguese market together with our human team and technical development make us the ideal partner to offer to Candy flexible and effective services", assures Franco.

Ignacio de Juana, Iberian Logistics Director for Candy, expects "a continuous improvement regarding customer

services as a result of the huge flexibility that Fiege can offer in its logistics operations, which is why we hope to have a lasting and long-term relationship with this logistics operator".

To develop the activities for Candy, Fiege has a modern multi-customer platform in Azambuja, Portugal, about 35 kilometres north of Lisbon, with an area of 22,000 square metres, 25 docks and manned by about fifty workers. The Azambuja premises also have the most cutting-edge technological systems for monitoring the goods: passive monitoring equipment and a fire detection system. ●

The Fiege Clan



Jens and Felix Fiege are to take over the helm of the Greven-based family-run company in the years to come. They are already on the board and have been preparing for their top managerial position for quite some time. Both are to acquire experience in all major core functions of the business. Dr. Stefan Kurrle, recently appointed as chairman of the board for a period of four years, plays an important role. As chairman of the advisory board, Hugo Fiege, in close co-ordination with his brother, Heinz, will assume an advisory function regarding strategic issues. They have both withdrawn from daily operations.

SOURCE: DVZ no. 131 of November 23, 2012, p. 14, 15

AUTHOR: Robert Kümmerlen

Dr. Hugo Fiege sits back and relaxes. And for a good reason: He need not worry about his company which he built up and managed jointly with his brother, Heinz, for over 35 years. Now the time has come for a change and the sons are ready waiting at the top. In four years from now, they could take over the company. That is when the agreement with Dr. Stefan Kurrle expires, who at the time will

have reached the age of 60 and who currently holds the position as Chairman of the Board.

Heinz and Hugo Fiege are convinced to have found the right ones for the next generation in the company's history in their sons, Jens and Felix. The two are already board members and have assumed various central functions at the company. Jens Fiege, for example (son of Heinz), who has been with the company for eight

years now, initially managed the international division partially, and shortly after in its entirety.

No reason to rush

Currently he is in charge of Sales and Business Development as well as Engineering, meaning large-scale project development. Felix (son of Hugo) handled this before, and has been with the company since 2008. He is



Start
Joan Joseph Fiege
founded the company

1873



The 1st truck
is purchased by
Josef Fiege jun.

1924



Contract logistics
The first concept in Germany is implemented for the tyre maker, Bridgestone

1979

currently responsible for the regions in northern Germany, Benelux and France. "Each of the two should have held positions with operational responsibilities, sales responsibilities and central functions", says Hugo Fiege, adding: "Only then can one rightfully say that one is capable of managing the entire organisation." Whether this is really the case in four years from now, or possibly later, currently cannot be answered. Neither is there a reason to rush. And a certain measure of Westphalian relaxedness is part of the company's philosophy. The idea that the two designated successors have to prove themselves in all core areas within management and change their area of responsibilities every other year, came from Kurrle. This is how they intensively acquaint themselves with every single unit and it is obvious that the two complement each other well – just like Heinz and Hugo Fiege complemented one another when they were still actively involved in business operations. Kurrle is convinced that Jens and Felix, in the long run, will not be pinned down to specific managerial functions. "The two will surely at a later point in time change responsibilities, which is extremely positive for the company." However, to-date it is certainly not set in stone how the cousins will share

the responsibilities later down the line and whether they will indeed, swap. The rotation principle within management did not exist at the Westphalian company before Kurrle's arrival. "Today I would say that that was wrong", admits Hugo Fiege. "We should have even done that with our managers." It would have meant not having to learn the odd lesson the hard way.

Jens and Felix have different business personalities, as is also the case for their fathers, Heinz and Hugo. Just what these differences are, Hugo Fiege remains tight-lipped about. That concurs very much with his Westphalian character. "Differences of opinion are discussed in a family circle and to the outside, we represent a joint force" – this is the motto to which the Fiege family adheres.

"They must not waste their energy on the outside if there are the two of them", is how Hugo Fiege outlines the formula of success. He and his brother positioned the company from initially an entity generating 2.5 million deutsche mark, into an internationally-positioned logistical services operator. "We always directed our efforts towards the market. And I think this can be continued." The prerequisite for this is a very close relationship of trust within the family. And with Stefan Kurrle.

And he, also, sits back and relaxes. In response to the question whether he feels comfortable within this family structure, he answers: "Otherwise I would not have taken on the job." He has imported his expertise, he says with confidence, but he also learned a lot and insofar it is a symbiosis. In the four years to come he has quite a few things he wants to achieve – for example, to focus increasingly on the future markets in Asia. And eCommerce constitutes an important area with tremendous potential which especially the juniors are pushing. "Felix developed the business field and jointly with Jens this topic is now being advanced", explains Kurrle who before joining Fiege acquired much of his managerial experience with Deutsche Post DHL.

The structures found at the publicly listed group, however, are completely different to those at the Greven-based organisation. Kurrle is enjoying the "very broad degree of freedom", as he says. Moreover, team work is crucial for him. They carefully approached each other. "We had set ourselves a timeframe within which we wanted to see whether the chemistry is right between Dr. Kurrle and us", Hugo Fiege openly admits. And it was. Kurrle is convinced to be able to implement with the board team what he has planned. For this reason he >



Mega Center is built in Ibbenbüren. The company receives the German Logistics Award.

1992



Award as Eco Manager of the Year by WWF and Capital

1996



System Headquarters at the Münster/Osnabrück airport.

1999

gladly accepted the position as chairman of the board.

Heinz and Hugo Fiege indeed, both have a strong entrepreneurial personality and there are some within the industry who doubt that the two brothers, after moving into the advisory board, will really stay out of overall operations. But the fact of the matter is: Hugo Fiege has already been behaving throughout the last year as if he is a member of the advisory board and Kurrle assumed the actual management. The clear separation between advisory board and operations is essential for both sides. "This is not a theory but practice", emphasises Fiege. "We here in Westphalia shake hands and stick to agreements that we make. The agreement between Kurrle and us for this four-year tenure is that we steer clear of business operations."

The juniors are regular board members. Kurrle is the one who leads the Fiege Group. The advisory board takes on a consulting nature. It is comprised of prominent managers, such as Hartmut Mehdorn (Air Berlin), Kurt Döhmle (formerly Shell) or Dr. Jens-Jürgen Böckel (Tengelmann). The Executive Board and the Advisory Board discuss strategies and future developments. "We pass our experience and knowledge of the market on if major decisions are on the agenda", ex-

plains Fiege, and emphasises: "But not within business operations." Major decisions, for example, refers to the board changing the industry focus or wanting to expand into new geographic regions. Just fundamental decisions.

Enjoying entrepreneurship

One question does not even present itself: the sale of the Fiege Group. This was also the subject of speculations when it became known that Hugo Fiege will withdraw from the board. "We enjoy entrepreneurship and this is equally the case for Jens and Felix", says the 63-year old. And to express this in no uncertain terms to companies and institutions voicing their buying interest every now and then again: "We will not sell." They want to draw a clear line before obstinacy associated with old age takes a hold, says the chairman of the advisory board. Thus he does not intend to still be holding this function until he reaches the age of 80. But for now, he feels good and still has zest. Hugo Fiege has a positive assessment of the economic environment for the logistical market. If this were not the case the youngsters would naturally think twice about wanting to assume corporate management. "Fiege is a

strong brand name and to advance a company like this is a fabulous opportunity", says the father. That his son and his nephew are at all interested in management has something to do with setting an example. Heinz and Hugo took the joy that they experienced from building the company, home with them in the evening. Also, the Fiege siblings did not spoil their offspring. "Our children had to earn their pocket money for themselves, that is how we promoted entrepreneurial aspects at an early age."

Motivation, so it seems, can be very simple. But that need not be the case. Many small and mid-sized family-run companies in particular are not in the fortunate position to have the next generation waiting to take over. More often than not, the children have other interests and strengths and the company is sold or managed by non-family members. At Fiege, however, Kurrle is the bridge for the next generation. The face of Hugo Fiege shows a touch of strain – when the subject moves to his favourite football club, Borussia Dortmund. The team gave a meagre performance at the start of the Bundesliga season. But in the Champions' League, the black and yellow jerseys cut a surprisingly good figure. Reaching the round of the last 16 is likely to have reconciled Fiege again. ●



1st concept
for integrated
hospital logistics

2001



Start
of the personnel
services agency
for logistics,
Fiege uni/serv

2002



Opening
of the Esprit
Distribution
Center Europe
(DCE) in
Mönchengladbach

2012



At its facility in Münster is where Fiege takes charge of Ambu's European logistics.



Stronger as a team: Bo Nielsen and Susanne Langhorn, Ambu, Johannes Wattendorff, Carina Haverstreng and Aydin Demir, Fiege, Kim Holger Larsen, Bente Ejrup and Carsten Karholt, Ambu, Michael Hammel, Marco Balz and Frank Bäcker, Fiege (from left).

From the acceptance of the goods, to order picking and the transport of parcels all the way to end customers in selected markets, Ambu trusts in Fiege's know-how. Fiege has known Ambu for some time now, as Fiege has been supplying hospitals with, amongst others, the resuscitator bags by the Danish market leader from the Medical Order Center in Ahlen. In emergency care services, the resuscitator bag is simply known as the "Ambu bag".

Ambu made the decision to optimise its supply chain services in 2011 already. That prompted the search for an efficient partner. Following a comprehensive analysis of its existing global supply chain processes in 2012, an ideal scenario was designed which eliminated all non-value process

Flexible and scalable solution needed

The Danish maker of emergency care and training equipment, Ambu, is known world-wide as the inventor and developer of the resuscitator bag. At its new healthcare facility in Münster the Fiege Group now handles a major part of Ambu's European logistics.

flows. After signing the agreement with Fiege, all process flows, including IT interfaces, were minutely documented and prepared. Thanks to an

excellent co-operation, the transition was largely without any noteworthy difficulties, not least because of the high degree of flexibility on behalf of all parties involved. Now that the transition is complete, Ambu is able to offer its customers an even better and faster service thanks to the Fiege system. "The new co-operation with Ambu is a major success for us within Healthcare Logistics, and it is a core industry of the Fiege Group", emphasises Felix Fiege, member of the executive board of Fiege Logistik Holding Stiftung & Co. KG. "It is in particular the flexibility and scalability of our solution that convinced Ambu, and in view of Ambu's growth prospects, this was a decisive criterion in opting for Fiege."

Ambu in Germany – facts and figures

For over 75 years, Ambu has been developing diagnostic and life-supporting devices for hospitals and rescue services. The popular Ambu bag, created in the 50s, was a pioneering technological breakthrough. It was a milestone for emergency medical services which was to be followed by numerous other innovative concepts. In

Germany, Ambu is represented with an independent subsidiary which provides full-support for the entire German market. The continued aim for improvement and the close contact with clinics, hospitals, doctors' offices and rescue services form the basis of sophisticated, innovative products.

The logistics property – boon and bane

Companies that perform contract logistics are frequently termed “service providers without boundaries”. This designation expresses the diversity of the services which the operator renders for their clientele.

AUTHOR: Jan Fiege and Kai Alfermann

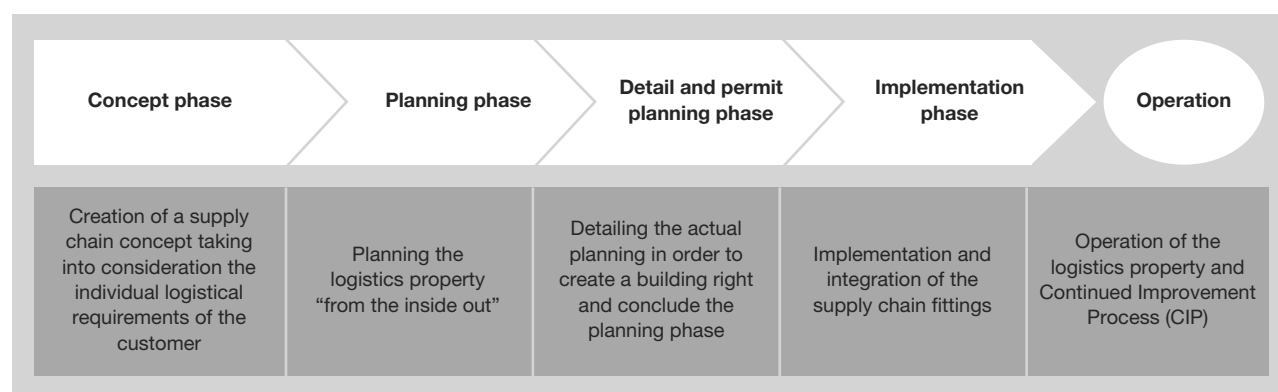


This covers not only classic supply chain services such as transport, transshipment and storage, but also pre- and post-production assignments, after sales services, quality control, debtor management and much more. In the following the challenges are laid out which a contract logistics operator is faced with when developing supply chain systems and tailored supply chain solutions for logistics properties. The following explanations focus on sustainable and flexible concepts.

Project development for a contract logistics property

During all planning phases a co-operation between the various disciplines involved is decisive. Next to genuine real estate-related issues, the logistical planning – which substantially determines the capacity, material flows and technology – as well as the layout of the property, assume a vital role.

As early as possible, operational logistics experts and – for larger projects – an implementation team must be involved. In order to guarantee the timely and smooth commissioning and also to ensure the requirements regarding the building technology, it is crucial that the IT specialists join the project team as early as possible. At the beginning of the logistics property is the logistical need of the customer. The customer must primarily cover this very goal, this demand, while taking into consideration spe-



Development of a property project dedicated to contract logistics, from the perspective of a contract logistics operator.

cific criteria such as productivity, economic efficiency and quality. The logistics operator, as an external or internal service provider, adopts an integrated approach to the logistical requirements of a customer as well as a comprehensive supply chain concept. In addition to ascertaining the required capacities, such as the necessary square metres or the number of pallet spaces, the type of supply chain service which is to be rendered at the individual facility is also defined.

Such an approach, via the type of supply chain service, facilitates a planning "from the inside out". Con-

trary to a logistics property designed by a genuine developer which is frequently built for speculative reasons and without knowledge of the specific requirements, for the logistics operator the requirements the property must meet are known before building or even before sourcing the land. This allows for the property to be realised according to the defined concept.

While developing the logistics concept, the network is defined. This includes, amongst others, considerations such as central warehouse vs. regional warehouse or number and capacity of the respective facilities. A centre-of-gravity analysis then determines the optimal locations by adding all transport relations. This defines the macro location. In this regard, the top logistics regions tend to enjoy an advantage as they favour a high third-party use. A good connection to the infrastructure of such top locations per se represents a further major factor. For a long-term flexible use, the possibility of a multi-modal connection is valuable. Currently, railway services and inland waterways still play a subordinate role for rapid distribution logistics yet against the background of rising raw material prices and sustainability efforts with-

Meso Level Factors	Micro Level Factors
Short distance and congestion-free access to the next motorway access, preferably few traffic lights and no residential area along this route	Share of offices max. 10% of basic area
Interruption-free access to other carriers	Potential expandability
Rental and property prices customary for the market	Height of warehouse 10 – 12 mtr
Service offering in the immediate proximity	Carrying capacity of floor (15,000 kg/m ²)
Available workforce	Support-free design or distance between supports minimum 12.5 mtr (grid should be optimised to meet standard wide-aisle shelves)
Connection with public transport system	Ability to be divided
24-hour operation	Sprinkler system
Security gates	Security gates, complete fencing-in of property
	Sufficient number of parking spaces for cars and trucks
	Single-storey warehouse
	Minimum 35 mtr manoeuvring area
	High number of dock gates (minimum 1 gate per 1,000 m ²)
	Minimum one ground-level gate per 10,000 m ²
	For transshipment warehouses two-sided delivery necessary

Factors influencing the choice of land.
(Source: Logistics Property – Market and Locations, Fraunhofer IIS)

in logistics, changes can be expected here.

Another vital factor is the potential workforce at the location. Such a need, due to the competitive situation and the constraints imposed by the logistics industry, must be covered by a level of the wages that reconciles with the logistics business. Moreover, the property initially needs the right size and matching shape. Especially large multi-user facilities need a lot of space.

The implementation phase starts with contracting out the services and ends with the handing over of the facility to take up operations. Hereby it is decisive to integrate the parties previously involved in the planning into the earlier worked-out time schedule. Since details often only arise during

the implementation, a constant co-ordination is necessary and practical. Especially the junction between warehouse technology and building must be taken into account here.

It has proven beneficial to integrate the individuals who are later in charge of managing the location or who are responsible for the facility management as early as possible. During this phase the technical staff can acquire valuable knowledge about the facility. Also, an early integration promotes and strengthens the identification of employees with the facility and raises the motivation and efficiency of their input.

The implementation phase during the start-up phase forms the link between operational and central project management. The implementation >

team on site secures the successful commissioning of the contract logistics property and the start of business operations. The combination of methodological know-how and practical experience within project management as well as technical core

tering the property and after the successful implementation of the supply chain operations at the newly-created or rented logistics property is when the phase dedicated to a business-related and logistically-efficient locational optimisation kicks in. All

lastingly mark logistics and with it the logistics property and the entire supply chain. Once logistics operators and project developers permeate the complexity of these structures in their entirety, closely dovetailing these and aligning them with the requirements

areas forms the basis for process flows and solutions which are customised and which enable substantial and sustainable addedvalue for the success of a business, also in relation to the contract logistics property.

With the successful implementation comes the clearly dominant part of the life of a contract logistics property: running the facility and the inherent logistical process flows. Taking into consideration the entire lifecycle, an average 70 to 80 per cent of the overall cost of properties arises from its management. Potential cost savings targeting the operation of the property must thus be made already through an additional input made during the project development and design. On the very first day after en-

process flows related to the administration and management of the supply chain facility are checked and undergo continuous improvement in order to save costs in the long run and to lastingly design efficient operations. In practice this indicates the extent to which the comprehensive preliminary planning, material flow calculations, simulations and further analyses of the real property underline with supply chain operations.

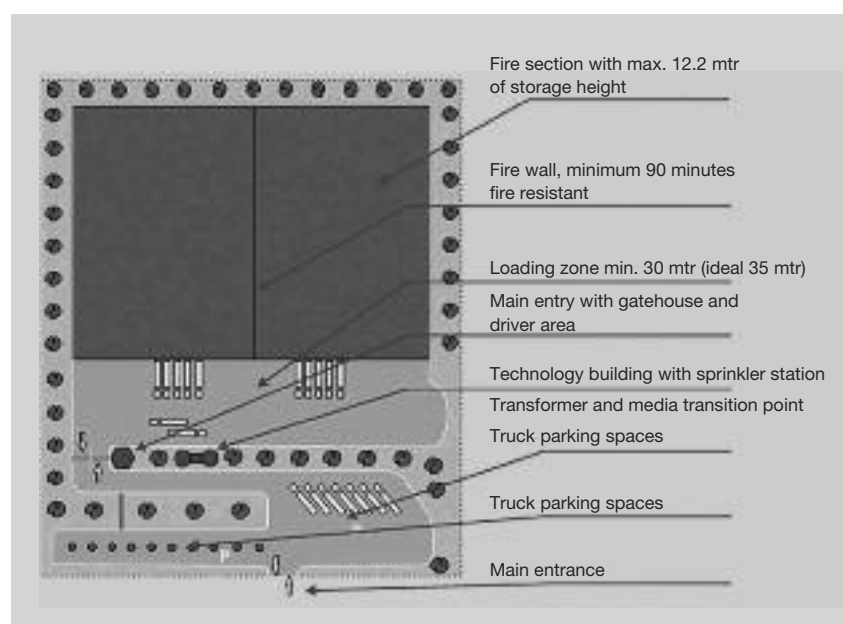
Strategies and trends in logistics

Flexible and quick-response supply chain systems in connection with the available potential workforce will

of the financial markets and the individual investors, the “flexible logistics property of the future for use by third parties” as demanded by the logistics operator, can be created and built.

The question as to the direction in which the logistics industry will evolve in the future can only be a guess or indicated as a cautious trend due to the prevailing complexity and diversity. Such an attempt to indicate the future has a major influence on the design of future supply chain processes and logistics properties. Compared to other asset classes the logistics property has a relatively short life of around 30 years, so that the right interpretation of the trends is particularly important. Especially the impulses of the logistics provider and the drastic development of the entire industry change and sharpen the requirements for logistics properties.

A further mega trend is and remains globalisation. It is one of the main drivers for the logistics industry and a reason for the sustainable growth of the global trade within procurement, production and sales. But the growing volume of material movements and merchandise flows must be planned and controlled in detail by a specialist. The goal as a logistics provider in this situation is to develop flexible and innovative systems. Moreover, the supply and catchment areas are growing which leads to a concentration to a few locations only. In logistics terms this is called central or regional warehousing. In this context processes must be re-aligned with existing supply chain handling and spatial resources.



Sample master layout (outline and 3D view) as a sample plan.



One extremely exciting item will be the advancement of information systems within supply chain processing and the entire area of eCommerce respect. eFulfilment.

These outlined trends follow with regard to their type of implementation a further (mega) trend: sustainability. All innovations at process or system level target a more economical and climate-friendly use of resources.

Outlook and competitive advantages of the future

A genuinely sustainable logistics operator should, in this very own interest, develop methods that use resources sparingly. He thinks, plans and acts jointly and in an integrated manner with the customer or principal and anticipates the future. Sustainable supply chain solutions of tomorrow are thus already implemented today. As a pioneer only those can assert their position who, from a strategic position, invest in the right solutions and do not lose themselves in zealous actionism and an exaggerated presentation to the public. Real sustainable solutions take into consideration the economic, social and ecological aspects within the value chain.

A competitive advantage of the future not to be underestimated will lie within a partnership-based customer loyalty through flexibility, sustainability or Green Logistics. The stronger demand for solutions that are oriented towards ecological stan-

Particulars

Kai Alfermann (34) has been the head of the Real Estate Management at Fiege Engineering of Fiege Logistik Stiftung & Co. KG headquartered in Greven since 2008. He is also a member of the International Management at the Fiege Group. Next to studying to become a diploma civil engineer and industrial engineer in Münster and Bochum he graduated as a Real Estate Economist from the European Business School in Oestrich-Winkel. Kai Alfermann has been working for the Fiege Group as a real estate specialist since 2002 and has been responsible for various national and international large-scale projects and management tasks with logistics real estate.



Particulars

Jan Fiege (31) actively joined Fiege Logistik Stiftung & Co. KG at the end of 2011 and as managing director is responsible, jointly with Jan Dünzelmann of the Engineering Real Estate division, for the Asset Management and Development Units. Before joining his parents' company he worked, amongst others, in the real estate industry and there in his last position for four years as a project manager at Boston Consulting Group in Berlin on various consulting projects focussing on Industrial Goods, Transport and Logistics. He concluded his academic training in 2005 as a business graduate, with a focus on real estate economics at the ebs Oestrich-Winkel.



dards becomes the innovative motor behind new concepts, products, technologies and services with a major impact on the logistics property. Superficially, a logistics property from the viewpoint of the contract logistics provider can be a boon or a bane. Naturally, the property is a must, but even a poor choice of a logistics property can decidedly interfere with supply chain systems and process flows.

The opportunities and risks involved in the property world have long been recognised by logistics operators so that the logistics property has been added to the supply chain as a fixed element and integrated into the logistical process flows. ●

The basis for this text is a contribution by the author of the book titled "Compendium of the logistics property – development, use and investment".



15 years of Fiege in Poland

With a breath-taking show presented to an audience that included long-standing as well as new customers, Fiege Poland celebrated 15 years of business in the Polish market in Warsaw in November of last year.

been working with Fiege since its first steps on the Polish market.

"The company has evolved tremendously over the years and pursues a professional approach, recruited outstanding employees so as to develop and offer to its customers the best possible service quality. For this reason Fiege can today proudly produce a long list of satisfied customers whom I wish to expressly thank for their support over the past years", said Piotr Kohmann, CEO Fiege Poland.

And even Jens Fiege, member of the board of the Fiege Group and Stefano Vincinelli, CEO Southern & Eastern Europe, who for the first ten years was responsible for the management of the Polish subsidiary, pointed out the positive trend of Fiege in Poland in their speeches and expressed their gratitude to those present. "And we

hope that we can look forward to a continued successful co-operation in the years to come in Poland!". ●



Piotr Kohmann cutting the birthday cake.

A unique presentation filled with acrobatics, gymnastics and a stunning art air show was presented by a group of young artists to the invitees during the evening dinner, who expressed their gratitude with a great round of applause.

Fiege took up its operations in Poland in 1997. Over the past years the company has gained the trust of many customers and was able to strengthen its position in the Polish logistics market. Many of these customers have



Inspiring talks filled the air even before the dinner.



Piotr Kohmann expressly thanked customers for the co-operation.



Jens Fiege also underlined the outstanding co-operation.



Visitors greatly applauded the artists performing at the auditorium of the Warsaw College of Technology.



The festive evening dinner formed the highlight of the birthday celebrations.



Stefano Vincinelli presented a thrilling retrospective of the past years to the invitees.



TOP Quality International Award 2012 in Poland

Fiege's Polish subsidiary, Fiege Sp. z o.o. received the Top Quality Award QI 2012 in the Service category in September last year. The panel rewarded Fiege Poland for quality services rendered in pharmaceutical logistics and for promoting the idea of providing quality logistical services to the pharmaceuticals industry.

The Top Quality International Award – a prestigious international prize which rewards the highest quality standards – was presented for the sixth time already. The goal of the Top

Quality Award is to honour companies as well as institutions who pursue a clear policy of quality and care regarding their products and services. More than 3,000 institutions, companies and local governments took part

in this competition this year. The contest was organised under the patronage of the Ministry of Regional Development, the Polish Forum Club of ISO 9000 and the Polish Agency for Enterprise Development.

Fiege received the award for services rendered within pharmaceutical logistics which are part of the services offered at the two branches in Mszczonów and Darbowa. This portfolio of services includes, for example, ambient warehousing at temperatures ranging between 2 to 8 °C and 15 to 25 °C for prescription medicines and products that are available across the counter, FTL transports from the production site to the warehouse and other fulfilment services.

“We are very proud to receive this prestigious award. The requirements for logistics services dedicated to the pharmaceutical products are extremely restrictive and are governed by a number of strict regulations which ensure the safety of pharmaceutical products. Receiving this award reaffirms our strategy to offer genuine added values at an attractive price and top quality for our customers. We wish to extend our congratulations and our gratitude for this achievement to our colleagues in Poland”, so the positive statement of Jens Fiege, board member of the Fiege Group, about the award. ●

Major distinctions for Fiege Poland

A further major distinction was bestowed upon Fiege Poland by the editors of the “Dziennik Gazeta Prawna”: the Symbol of Logistics 2012. Fiege received this award for the high quality of its supply chain services, for its flexible customer approach, and for its innovative solutions. Fiege was also a “Highest Quality IQ 2012”-laureate and was awarded the Certificate of Business Credibility by Dun & Bradstreet, the leading business information provider. “These awards have crowned the fifteen-year-long period of the company’s successful market activity. We are proud that our effort, our professionalism, and our innovativeness have been recognised with the awards”, said Piotr Kohmann, CEO of FIEGE Poland.





Integrated logistics for India

After signing a joint venture agreement with Apollo LogiSolutions Ltd., a division of India's Apollo Group, Fiege has expanded its market focus to include India starting November 05, 2012.

In the capacity of an integrated logistics operator, the joint venture named Apollo Fiege Integrated Logistics Pvt. Ltd., which is headquartered in Gurgaon, India, will be providing a comprehensive range of services which include air and sea cargo, customs clearance, transport services plus warehousing and added value services.

With this step, Fiege accommodates the needs of many of its existing clients seeking market-supply solutions for their products in the growth market of India, in addition to supplying stronger concepts that cater to procurement logistics from India. Especially the low level of outsourcing within the complex realm of contract logistics leads Fiege to see a vast potential here. The new accounts acquired at the start of the joint venture, including clients from the fields of pharmaceuticals, renewable energies as well as eCommerce, already confirm this trend.

The expansion of the Fiege network to the Indian sub-continent constitutes the logistical advancement of Fiege's strategy to occupy new markets jointly with strong partners and customers that are active in one of Fiege's eight core sectors. By March 2013, the joint venture will have established over 20 offices, thus covering all of India's vital economic areas.

Apollo Fiege Integrated Logistics intends to invest more than ten million US dollar into India over the next two to three years, after which it will have its own India-wide network of warehouses. The goal is to become one of India's top 5 providers of integrated supply chain services. In addition to a strong infrastructure the joint venture will be able to draw on the substantial competence of the Fiege Group for complex contract logistics solutions through a continuous transfer of know-how.

The tailored supply chain solutions of Apollo Fiege Integrated Logistics take the particular demands of Fiege's clientele as well as the individual country-specific requirements equal-

High competence for complex contract logistics solutions

ly into account and provide all supply chain services from the hand of an experienced specialist. "It is our conviction that Apollo LogiSolutions is the ideal partner for the joint venture in India. This partnership combines almost 140 years of Fiege's-experience with Apollo LogiSolutions' dynamism and in-depth knowledge of

India's market. We believe that the Indian market has major potential for integrated, continuous end-to-end concepts", says Jan Fiege, Director Real Estate Fiege Engineering. ●

Facts and figures about Apollo LogiSolutions Limited

Apollo LogiSolutions Limited (ALS) is a wholly-owned subsidiary of Apollo International Limited (AIL) and was formed in 2007. Apollo LogiSolutions Limited (ALS) is a leading logistics provider in India for containerised transports, cargo handling, consolidation, customs clearance, storage and warehousing. The company offers fully-integrated end-to-end supply chain solutions which result in major cost efficiencies for its customers. The large breadth of available logistical solutions paired with an ALS-specific approach which caters to its customers' demands guarantee an outstanding excellence of service.

Logistics' new “War for Talent”

Germany will be experiencing a growing lack of qualified employees

AUTHOR: Prof. Dr. Franz Vallée and Andreas Pumpe



More than ten years ago, the McKinsey management consultancy coined the term “War for Talent”. At the time this still referred mainly to the competition regarding top talents from the foremost universities, but forecasts for the future consider many areas to soon be suffering from a lack of skilled personnel. Some companies are faced with this challenge today already. Is even the logistics industry experiencing such a lack of qualified employees? Or can those of us operating within logistics simply sit back and relax?

The answer is a clear no! Let's take a look at the mega trends of today. Consumers call for ever more individualised products and want these as quickly as possible, ideally delivered right to their doorstep. Procurement, production, even research and development are increasingly happening on a global scale. These trends – added by the progress experienced in IT and ecological topics of scarce resources and climate change – lead to two distinctive consequences in logistics: On the one hand logistics will remain at least in the mid-run a growth market since the mega trends entail a growth in the volume of goods and transport, increased supply frequencies, tighter time frames and growing service requirements.

On the other hand, the relevance of logistics will grow further since effi-

cient flexible supply chain networks will become more and more relevant for a competitive lead. This requires well-trained skilled personnel for logistics. A survey conducted within the industry by the BVL, Germany's logistics association, confirms the growing need. Consequently, transport companies as well as contract logistics, once again, will try to fill many new vacancies in 2013 again.

Germany is already battling a lack of qualified personnel which, depending on the industry and professional field, has reached various scopes but will grow more strongly in the year to come as a result of the demographic trend. A longer life expectancy of the population with a simultaneous decline in the number of new-borns will lead by 2025 to a fall in the size of the potential workforce of over six million people, of which around 5.4 million are skilled. And even the logistics industry is increasingly affected by this. Skilled personnel refers to all those who have completed professional training or who graduated from university.

Even though the logistics industry with around 2.8 million employees is Germany's third-largest economy, the development and risk related to the shortage of qualified staff has so far only been insufficiently taken into consideration in practice. A survey conducted amongst BVL member enterprises exemplifies today's issue already: 75 per cent of the companies have difficulties in filling vacancies;

The risk of a lack of qualified personnel is severely neglected

73 per cent expect to experience financial losses in the future as a result of a lack of qualified personnel.



According to reports from HR consultants, they receive at times fewer than ten applications for a job offer for which a few years ago up to 150 applications were received.

Especially forwarders have difficulties covering their personnel requirements. By 2018 roughly 30 per cent of the professional drivers will have gone into retirement and the share of drivers younger than 25 is roughly two per cent. In addition to the demographic trend, the almost complete decline of the German armed forces as a training institution and what is frequently a negative image associated with this profession, is also often a cause. The permanent time pressure, overcrowded parking spaces

plus the obligation to observe driving and rest times are unappealing working conditions for many. And even the shipping agents frequently lament the issue of a lack of qualified staff, not only for their own logistics departments but also indirectly, at their service providers. In addition to drivers, deliveries and warehouse clerks, personnel with commercial and technical training qualifications are sought. Also, academics are wanted for areas that call for higher qualifications, such as forwarding managers, logistics managers, engineers, IT experts and business economists with a focus on logistics. The competition amongst companies for the best employees will intensify substantially >

and spread more and more to other areas of occupation within logistics.

For any company, qualified personnel is essential as a lack of the same could imbalance such target values as cost, quality, time and flexibility. Contracts could no longer or only insufficiently be handled. Compensating for a lack of personnel resources with overtime is nothing but a delay and no solution to the problem. Personnel becomes a growing bottleneck factor.

Only a common effort between business and politics can solve such a lack of skilled personnel. The German government has recognised the necessity to change the outline conditions, to secure qualified personnel as

a central goal for the years to come and started a skilled personnel drive. For the companies, even in logistics, there are various internal as well as pan-business programmes that can

Securing qualified personnel a central goal

help in covering the future demand for qualified personnel.

The PwC study titled "Winning the talent race" which includes an outlook on the transport and logistics in-

dustry until the year 2030 clarifies the issues that plague this industry. It suffers from an image problem and is not considered very attractive amongst candidates. Training programmes, the consistent development of personnel and interesting career prospects for young employees need to be substantially expanded. The working environment should also be adapted to the needs of older qualified personnel.

The number of those aged 55 will continue to grow until the mid-2020s, which requires flexible working hour models, a work organisation that is adapted to this age bracket, health care management and especially, follow-up qualifications in order to maintain an innovative workforce. Multiple qualifications to ensure a more flexible deployment of the resources plus later qualifications for low-skilled employees constitute vital elements in order to enable employees of today to master the tasks of tomorrow. Remuneration models are to be adjusted so that talented staff members are recruited and tied to the company. Additional services and working conditions must equally be taken into consideration.

Companies must make the effort to create a more appealing industry for women, which also calls for a more family-friendly corporate culture. For those participating in the PwC survey, only such enterprises will still be actively successful in the market by 2030 that also actively advance their "employer's brand" and apply this specifically. The value promise for employees in the labour market must be put into concrete terms and personnel marketing must be cultivated as a form of communication.

Co-operations and partnerships constitute a further area which, especially for small to medium-sized enterprises, can grow further. Quite often it is rather difficult to offer a complete scope of in-house and independent



training and further education programmes at a high quality.

Here, for example, networks that span all industries to achieve a sufficient number of participants would be helpful. For example, the competency centre for business process management in Coesfeld of the Münster University of Applied Sciences successfully further business process managers. And even network gatherings are becoming more and more important, such as the one held in the Münster/Osnabrück region, the "Competency Network Individual Logistics" or the pan-regional "Day of Logistics" by Bundesvereinigung Logistik.

The academic training is particularly important in order to provide to the labour market prospective candidates. In the Münster/Osnabrück region this is marked by the Münster University of Applied Sciences as well as Osnabrück University – business-economics oriented Bachelor courses with a logistical focus; Master course logistics as full-term studies, or extra-occupational Master studies for International Supply Chain Management at the Saxion Hogeschool Enschede. Also, there are co-operation promotions with companies. But even here the companies can provide support, such as with German respect. NRW grants.

A major component in order to secure a lead in the increasingly tighter market for qualified personnel will be training and further education programmes over the years to come, when costs are exceeded by profits from productivity and flexibility. A careful and especially individual choice of the programmes and the participants is the prerequisite which requires strategic personnel planning. The lack of qualified personnel will continue to grow in logistics, work as a competitive factor will gain relevance. Experts will become increasingly scarcer, more in demand and



hence, more costly. For this reason it is already of strategic importance for companies rooted in the logistics industry to face the already prevalent

lack of qualified personnel and develop a farsighted personnel strategy. The new "War for Talent" in logistics has already begun! ●

Particulars

Prof. Dr. Franz Vallée is the chairman of the board at the Institute for Process Management and Logistics (IPL) at Münster University of Applied Sciences.



Particulars

Andreas Pumpe is a doctoral student and research assistant at the IPL.



Fiege eCommerce: More than mere online trading

Internet shopping is gaining popularity these days and a growing number of industries is identifying it as a worthwhile sales channel. According to the 2011 ACTA study by the IfD Allensbach, 69 per cent of those aged between 14 and 64 in Germany bought something online already in 2011.

Also, the frequency of online purchases has been rising year by year. Linked to the growing expectations of end customers regarding the services which an online store has to offer – such as the collection/return of merchandise ordered online at the actual stores – there is naturally also a rise in the demands on the logistical solutions supporting these Web-based shops and the smooth functioning of electronic buying. This is where the retail trade must be able to rely on professional solutions.

Fiege recognised this trend towards multi-channel solutions which combine multiple sales channels, at an early stage already and advanced the Fiege eFulfillment department founded in 2005. Named “Fiege eCom-

merce”, the product stands for a comprehensive, modular solution which takes into consideration the complex requirements of the different industries for eCommerce and multi-channel solutions.

The services refer to all important business processes such as Risk Man-

A comprehensive modular solution

agement, Payment, Customer Service, Interface Management, debtor

management and naturally, also warehousing and transport. Except for the actual design of the Web shop, Fiege customers receive a full-service package. Next to the “total piece-of-mind deal” Fiege customers, thanks to the modular structure of the system, can select individual elements for their business only.

In addition to the substantial experience gained within contract logistics by Fiege, the heart of the systems is a new and highly-modern Middleware



which combines and controls the individual modules. Once the end consumer has chosen his product at the online shop, the process flows of Fiege eCommerce dovetail until the delivery or respect. a possible return and credit note. A major advantage of the Fiege solution is that the process flows are not tied to an industry but that the system can be adapted to meet a variety of industry requirements. At the same time the software enables the implementation of reliable multi-channel processes. Complex challenges such as managing or standardising different inventories for the retail shops and online logistics can be illustrated with the systems. Next to industries that have been active eCommerce entities for a

while now, like the fashion industry or the trade with computers and entertainment electronics, the high flexibility and scalability of Fiege's

High flexibility and scalability of Fiege's eCommerce

eCommerce is also the right solution for furniture and home interior trading. "Thanks to the investment into the know-how and personnel it is possible not only for all of Fiege's core sectors in Germany to refer to

our services; instead, all Fiege regions are now able to offer this service to their customers.

"Fiege rounds off its services range as a logistics specialist with professional eCommerce and multi-channel solutions in an extremely sensible manner", says Felix Hettlage, Head of Fiege eCommerce, explaining the group-wide positioning of his segment. Some countries have already held successful first workshops which in the months to come will cross over into other countries. With the "original Fiege eCommerce" Fiege once again assumes the implementation of complex supply chain solutions and offers the freedom to concentrate on their core business to its clientele. ●



Fiege eCommerce process flows dovetail smoothly.

Doosan and Fiege reaffirm their partnership

Doosan Infracore Construction Equipment EMEA (DICE EMEA), the regional division of the construction equipment business of Doosan Infracore and Fiege announced the extension of their ongoing partnership, which began in 1998.



Doosan Infracore is the flagship Infrastructure Support Business of the South Korean corporation, Doosan Group. At its facility in Puurs, Belgium, Fiege is in charge of warehousing and distributing the complete line of Doosan's Bobcat brand of compact construction equipment, attachments and spare parts, as well as Doosan Portable Power parts for the entire EMEA region. Fiege is also responsible for handling all incoming transport services for Bobcat products and parts in the EMEA area.

Fiege's responsibilities include the maintenance, repair and touch-up paint work for Bobcat equipment and attachments, which is carried out in a workshop area specially designed for this purpose. In extending their partnership, both DICE EMEA and Fiege are reaffirming their long-term goal of developing a Centre of Excellence for Aftermarket service at the logistics facility in Puurs.

The contract extension reinforces the partnership and the harmonisation of business processes and quality standards. "In line with Doosan's concept of 'Inhwa' or "harmonious teamwork" which Doosan is actively promoting world-wide, the contract extension represents a new milestone in the evolution of the partnership be-

tween DICE EMEA and Fiege. This close co-operation forms the basis for optimising and harmonising the service levels and quality standards and also creates true added value for our customers", comments Cormac Tracey, Director of Logistics at the headquarters of Doosan Infracore Construction Equipment EMEA in Waterloo, Belgium.

The implementation of a comprehensive total quality management system at both Doosan and Fiege unites the respective corporate philosophies of the two partners. The aim is to further the open business relationship based on a high level of productivity. At the facility in Puurs which Fiege designed and built in 2006 to meet the specific logistics requirements of Bobcat Compact equipment, around 60,000 stock keeping units (SKU) are stored on 20,000 m² of covered storage space with an additional 4,000 m² of open storage space. Prior to moving to the new warehouse in Puurs, Fiege had been providing logistics services for Bobcat in Germany from

Mühlheim since 1998. "We are highly pleased that Doosan not only continues to trust in our know-how and our competence in industrial logistics, but also that we have a customer and partner in Doosan who, just like Fiege, shows great interest in a close partnership and the mutual advancement of process optimisation and quality", explains Ludo Langen, Fiege Business Development Director North West Europe. ●



Repairing damaged paintwork on Bobcat equipment is also on the list of services rendered.

About Doosan Infracore Construction Equipment EMEA (DICE EMEA)

Headquartered in Waterloo, Belgium, Doosan Infracore Construction Equipment in EMEA is one of 4 regions of Doosan Infracore Construction Equipment, a global alliance of the construction equipment businesses of Doosan Infracore, the flagship company of Doosan Group, and a leader in the worldwide In-

rastructure Support Business. Doosan's construction equipment portfolio offers a comprehensive range of heavy construction machines and portable power equipment (Doosan brand), compact construction equipment (Bobcat brand) and attachments (Doosan, Bobcat, Geith and Montabert brands). Doosan Infracore

Construction Equipment employs almost 2,500 people in EMEA. Marketing and distribution of DICE EMEA products is handled by a network of over 300 independent dealers throughout the EMEA region and 4 company-owned stores (France, Germany, South Africa and the UK).

New Furniture for IKEA

Fiege supports IKEA in converting its Germany-based furniture stores.

IKEA will be modernising many of its branches in Germany throughout 2013. The Fiege Group will take charge of the centralised merging and storing of the retail equipment at its Fiege Mega Center Hamburg, to ensure the timely delivery to the furniture stores. By converging the products and managing the transport from a single source, Fiege increases the

availability of furniture, reduces delivery times and achieves optimum precision for the delivery of the goods during the individual building phases.

"We saw the special challenges associated with the logistical handling that are primarily due to the diversity of the different types of furniture and the highly varied dimensions, best understood and taken up by Fiege",

explains Oliver Topf, Equipment Coordinator at IKEA, the decision in favour of Fiege as IKEA's partner for this project.

"We are extremely proud to be able to prove our flexibility and quality for a well-renowned and world-wide operating customer like IKEA", says Stefan Küster, branch manager Fiege Mega Center Hamburg, about the successful co-operation. ●

TechnoCargo Logistics receives distinction

TechnoCargo Logistics in England was recently distinguished as the "Top Sales Support Team". For years now, the subsidiary/joint venture constitutes the vital link between Great Britain and Continental Europe, reinforcing the pan-European strategy of the Fiege Group to perfection – and here, the co-operation between

Fiege and Vaillant is an excellent example of smooth logistical operations. Once a year, Vaillant Ltd. rewards a company with this distinction. TechnoCargo Logistics Ltd. received this award in January for its outstanding Sales Support. The award was presented in Stratford upon Avon.



The TCL team in Great Britain was highly pleased to receive the distinction from Vaillant.

The unusual story a trainee

The story of Tarik Labsy is even for Fiege rather out of the ordinary for a trainee with a migrant background. But it shows that ambition and determination can set many things in motion.

Tarik Labsy, formerly training to become a warehouse logistics specialist at the Greven branch, proved his point: Because of his excellent apprenticeship diploma he came third in being awarded a grant from the Greven education advancement agency.

The history of the 37-year old native Moroccan is marked by many highs and lows, but at any given moment is dominated by his willpower to secure his life and that of his family through his work. And so, in the end, the award by the Greven business forum is mainly also a reward in recognition of a migrant's success story which Tarik Labsy wrote under difficult circumstances. (The following text is taken from the Greven newspaper of 6th December 2012).

In 1975 Tarik Labsy was born in a city which captivates our imagination as hardly any other city does: Casablanca. Humphrey Bogart and Ingrid Bergmann come to come, the famous "here's looking at you, kid" scene, but also a white city filled with oriental myths. For Tarik Labsy, Casablanca was his home. He grew up under normal circumstances and completed his A-levels in 1996.

After this, he trained to become a maintenance technician at an institute that was supported from Germany. "According to the dual system", says Labsy, "just like in Germany." He learned German at the Goethe Institute in Casablanca and when he was offered to continue with his further professional education in Germany in 1999, he decided to go for it.

"But then I became acquainted with German bureaucracy", says Tarik

Labsy. His training was not recognised here and he had to take up a course of studies in order to be allowed to remain in the country.

But to do so, Labsy had to attend a course of studies in Greifswald for one year. After this, he took up an IT course in Wuppertal. "Actually, it was my intention to further my professional career", he says. Instead, he found himself taking a course of studies. And taking on odd jobs. For example at the confectioner Haribo, where he manned the machine that produces gummi bears. Tarik Labsy then made the acquaintance of a woman from Steinfurt. He moved in with her and her two children, broke off his studies. "We barely had money and I had no degree and on top of all that I had given up my studies", he says. He continued to work here and there.

Tarik Labsy was frustrated in spite of his personal fortune. By now, he was 34 years old – and still had nothing to show for here in Germany. He applied everywhere, even at Fiege. "We initially thought the man is overqualified and that we would not be able to give him any challenges here", says Gerrit Heinke, department head at Fiege. "But then we decided to give it a try." And it worked. At the Reckenfeld logistics centre Tarik Labsy quickly demonstrated that he does not shy away from hard work and knows how to apply his mind, that he is flexible and reliable. That he knows how to offload products, control them, sort them, record them electronically, pick them and repack them. In brief: that he masters the entire circulation of goods within logistics.

Towards the end of the training it was clear for Gerrit Heinze and other re-



Tarik Labsy gives a lively account of his life as a trainee at Fiege during the presentation of the prize for trainees from the Business Forum.

sponsible persons at Fiege: "We want to keep this man." They found a job for Tarik Labsy as a stand-in. Initially on a term contract, but the outlook for a lasting employment is not bad. "I would love to stay", says Labsy.

In the meantime, he has had a further two children with his wife, the family now counts six. "My life is so much better now than it was a few years ago", says the former trainee. "I want to thank Fiege, which was willing to accept me as an apprentice in spite of my advanced age." Tarik Labsy heads off to Casablanca only for his holidays. "I show my children what used to be my home and visit my family. In the long run, however, I do not wish to return there", he says. "Back then, when I first came to Germany, that was my original goal, but not anymore." ●

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FIEGE EXPANDS IN CHINA**



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