SoCool@EU

Sustainable Organisation between Clusters Of Optimised Logistics @ Europe

WP2 Workshop Report
Netherlands South West & Flanders Cluster

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02	08-10-2012	Add result from the workshop on 26-09-2012 in Antwerp	Francis Rome, VIL
03	08-10-2012	Update the content of the draft report	Meng Lu, Dinalog

Participants

Participant list of the workshop of Cluster Netherlands South West & Flanders on 06-09-2012 at Dinalog in Breda

NO	NAME	ORGANISATION	SHORT NAME	COUNTRY
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2	Pascal Huther	HOLM		DE
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4	Stefan van Seters	Rewin		NL
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9	Frank van den Heuvel	TU Eindhoven		NL
10	Bart Cremers	NHTV		NL

Participant list of the workshop of Cluster Netherlands South West & Flanders on 26-09-2012 at VIL in Antwerp

NO	NAME	ORGANISATION	SHORT NAME	COUNTRY
1	Danny	Innovatiecentrum Antwerpen		BE
2	Gerd Brems	Kuehne + Nagel NV Geel		BE
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5	Sultan Demir	MOW Afdeling Haven- en Waterbeleid		BE
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Additional people to which these minutes are distributed

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1				
2				

This report presents part of the result of WP2 "Analysis and integration of research agenda’s of actors in regional clusters". It includes the outcome of two workshops of the cluster Netherlands South West & Flanders. The cluster has organised two workshops: one on 06-09-2012 in Breda, and one on 26-09-2012 in Antwerp.

1. Final conclusion on the evaluation of Cluster Netherlands South West & Flanders

During the workshops the following issues are discussed:

- Introduction of the SoCool@EU project
- WP2 research results of Cluster Netherlands South West & Flanders
- Proposal of potential Joint Action Plans (JAPs)

Most results of the public statistics/indicators, online questionnaire, meta-analysis of relevant documents could be presented in numeric figures. Challenge in the WP2 was the availability of statistical data on region level (NUTS2). It appeared that data on national level is more available and more recent compared with data on the NUTS2 region level. Due to the structure of the used NACE Rev. 2 classification some figures were somewhat inaccurate. This was caused by the fact Eurostat classification leave out important groups. Within the workshop discussions appeared; Like the unexpected high average salary in logistic sector, that could be caused to the fact that Eurostat does not administer wages and salaries for all NACE industry categories on NUTS 2-level. Or unexpected low Netherlands air transport, that is probably caused by the fact Shiphol airport was part not of the selected NUTS2 regions. The summary of results of the interviews was most recognized.

A range of possible topics have been addressed, e.g. logistics real estate development electro-mobility; intermodal transport, urban logistics: intelligent transportation & carriage systems; reverse logistics/recycling; risk management; identification technology (e.g. RFID); warehousing & inventory management; human resources development; harmonized information systems in the supply chain (single logistics window) ; green logistics; compliance with regulatory requirements (e.g. customs); packaging logistics; automation & production technologies; supply chain collaboration; safety & security in logistics; energy efficiency (e.g. smart grids, carbon footprint), and supply chain finance.

Following specific ideas in descending order of importance were raised for potential national and international projects (JAPs): green logistics, harmonised information systems in the supply chain (single window), supply chain collaboration, intermodal transport, intelligent transportation systems, identification technology, reverse logistics, compliance with regulatory requirements, human resources development, image of the sector, logistics real estate development, warehouse & inventory management, safety& security and urban logistics.

In terms of strengths and weaknesses of the cluster region the following list of important elements can be enumerated.

By far the most important strength is its key position as Gateway to Central Europe. From a global perspective a major stream of movement of goods from the Far East, South America or the US is directed via maritime or air gateways located in the cluster. This obviously leads to a variety of activities of transportation, warehousing, value added services and logistics support. The importance of information technology to enable these services should not be underestimated.

Given the unique location attributes the attractiveness as a market for logistics is clear. A lot of logistics companies are active in the region with emphasis on European and Regional distribution centres where goods are not only received and stocked but also where diverse valued added service are taking place requiring all types of logistics competencies.

Another key element of the cluster is its broad intermodal infrastructure which is becoming vital to enable its function as a gateway to Europe. Indeed for shippers worldwide it is not only important to get the goods to a port or airport in the most efficient and effective way but also to get the products to the final customer .This is the door-to-door concept that all players are trying to deliver and for which the intermodal possibilities need to be present especially with the growing focus on ecological ways of transportation.

We witness also an intense competition in the regional cluster which leads to competitive companies with very high service levels for the customers but which also may result in slim margins as companies in principle do not want to lose market share or even prefer to increase market penetration.

As a result of this competitive environment and large logistics market availability we can also see that the sector shows a high degree of professionalism and works on innovative projects both in the area of processes as well as in technological advancement. In today's logistics environment very often the availability of information about the flow of goods is more important and critical than the movement of goods. In other words reliability and visibility can be more critical than speed of the movement of goods.

All these elements lead logically to very competitive and creative companies looking for more innovative ways to meet customer requirements in the globalised world. We can see that all major multinational logistics companies are actively present in the regional cluster as they have discovered the unique advantages of the region.

Without any doubt the good performance of companies can only be delivered based on an excellent motivated and multilingual workforce and this is available here. It should be emphasized that all level of competencies are required from low level contributors to high level managers and engineers. This is indeed a complex sector operating in a diverse global and multicultural environment in an 24/7 continuous way. A lot of flexibility and dedication is therefore needed from the workforce.

Precisely the logistics expertise and knowhow which has been built up in a long tradition of logistics activities means that the cluster is an ideal location for setting up and implementing this role as orchestrator of the movements of goods and information into Europe.

Although the list of strengths from the interviews and on-line survey is quite impressive the results also show a number of weaknesses that need to be addressed.

First of all there appears to be no clear regional strategy concerning logistics. Companies are missing the vision from the government that states the mission and objectives of the region in a univocal way. This absence of clear vision leads to lack of direction and often disperse and conflicting views and messages at different levels of the authorities. Even misplaced competition between public parties is taking place. Clearly the business would benefit if a long term strategy would be formulated and communicated in a broad sense.

Additionally in the day to day working environment there is still a lot of bureaucracy in the trans-border transport activities. For example in the customs area there are interregional weaknesses in terms of cooperation and standardisation.

A different topic of weakness is the process of financing for innovation projects. This is certainly true for small and medium sized companies where lack of people, money and time is often hindering the participation in innovative projects. More specifically this can be not being informed about projects or lack of funds by the authorities or even continuity in availability of financial means. If the region wants to remain a leading edge region innovative projects need to be undertaken and financed is a proper way.

Another weakness comes from a different angle and points out that there is not enough support for leading strong firms in other words there is not sufficient effort to strengthening the strong. This is clearly a viewpoint that believes that if there is sufficient strong support for the leading companies this will also be beneficial for the smaller followers in this sector.

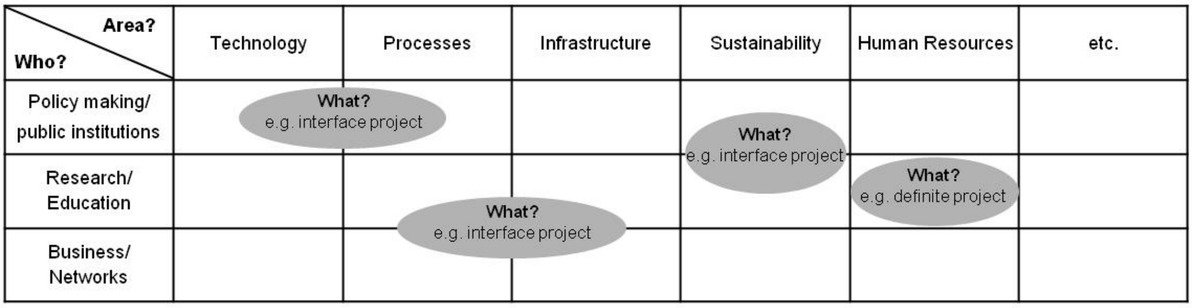
Finally a weakness that cannot be overemphasised is the negative image of the sector that acts as a barrier for attracting young motivated employees. This implies many aspects as a bad image impacts how the government and the society looks at the needs for the logistics business. Without broad mental and financial support the sector will suffer longer term. Fewer students will be interested to study logistics and that will have a detrimental impact on the prospects of the business. With an overall bad image the list of strengths will be in danger as without correct focus on the image a lot of dominos will fall. On top of that other emerging competitive regions will not hesitate to try to take up the leading position that the regional cluster is enjoying today.

2. **Completed project matrix**

During the two workshops several projects and fields of action were discussed, such as:

- Vertical clusters (customers, suppliers, universities/R&D working together as chain partners) versus Horizontal clusters (companies with same position in supply chain)
- Set up regional strategy on logistics, e.g. on support structure: “why don’t we just support ‘the strong’ (instead of the small)”
- Lack of strategic long term thinking within companies (No support for green, sustainable theme’s (share holder value/short term results count)
- Need for innovation versus small numbers of R&D employees within logistic companies
- Small profit margin in logistics companies and financing issues of both R&D and pre-financing orders (ref supply chain finance)
- The influence of competition on innovation power
- Geographic proximity give changes for influencing the availability of labour
- The need for strategic thinking within companies and to get high level people “around the table”
- The image of the Logistic sector must be improved
- Lack of cooperation possibilities in current ICT. Cooperation is also about individuals working together. Current logistic ICT systems don’t support this ‘personal’ (facebook –like) cooperation.
- Much data is already available. Open-up the existing databases related to logistics and supply chain and let the market/ entrepreneurs make new products and services from it.

In the workshop all participants provided their personal ideas on potential national and international projects (i.e. JPAs).



Some personal ideas where:

- Projects that stimulate cooperation, e.g. business clusters (e.g. Zaragoza) to combine freight
- Open manner of working together, invest in ICT platform-digital infrastructure that helps to share freight and helps individuals on their real demand. Logistic captains of industry/board of directors have “old fashioned” views of ICT. Educate them on the newest possibilities of modern ICT.
- Good infrastructure connections in South West Netherlands (e.g. the solve new bottleneck in Bergen op Zoom A4/A58 due to the coming of the A4-highway connection between Rotterdam and Antwerp). Create local business in world ports (e.g. China harbours).
- Better hinterland connections Rotterdam-Antwerp-Germany. Other infrastructure like Intermodal and ICT. Cradle to Cradle/reverse logistics (e.g. electronic eq.; paper; chemicals . Re-use must be organized transregional. Supply chain finance
- Strengthen the influence of people and teams. Show that cooperation will lead to benefits/saving on short term
- Open data: publish all data that government already have and other available data and start with this to stimulate joint (real time) information products (eg the site www.marinetraffic.com with crowd surfing functionality (eg adding pictures to vessel). Start with a small experiment to show it works and you have control over data privacy and economic interests.
- Organisation of workshops roundtables to get large cooperation on board for supply chain finance. Create a ‘game’ to let them know it works

Appendix

The proposals of participants concerning the JAPs are presented in the following matrix.

	Technology	Processes	Infrastructure	Sustainability	Human resources	
Policy making / public institutions	Open data/ Common user platforms		A4-A58 Road connection Antwerp – Rotterdam	Vision Cradle-to Cradle	Focus on change of mindset / Image of the sector	
Research / Education		Use Location (cluster)and systems to stimulate crosschain cooperation		Tools for efficiency		
Business / network	Collaboration ICT	Combine freights/Horizontal collaboration/Reserve Logistics Supply Chain Finance	Intermodal mental shift New business in upcoming world ports (eg China)	Re -use logistics	Training/Recruitement	