



The Association of European Vehicle Logistics

Press Release

CAR LOGISTICS AT RISK AS OPERATORS ARE HIT BY CRISIS

- **More than 20,000 jobs lost over the last six months**
- **58% of the European FVL Companies forecast heavy 2009 losses**
- **Investments cancelled and capacity reduced a risk for the future**
- **Costantino Baldissara elected ECG President**

Brussels 11 June 2009 – A large part of European Finished vehicle logistics (FVL), that transport and distributes cars produced or imported in Europe, is at risk of survival. Since the beginning of the crisis in late 2008, the smaller operators are disappearing by the day and some 20,000 logistics jobs have been lost across Europe.

According to a pool amongst the 100 largest operators, 58% of the company forecast heavy 2009 losses, 74% have liquidity problems and experience difficulties in financing their activities and 83% have cancelled all the existing and future investment plans.

The worrying picture emerged during the 14th General assembly of ECG, the Association of European Vehicle Logistics, whose members gathered last week in Zurich. In the course of the assembly, the members voted the new President and Board of the Association: **Costantino Baldissara** was elected as the ECG President for the next two years. He will be flanked by Vice-President **Wolfgang Göbel**.

Mr **Baldissara** succeeds Frits Mehrstens; he is Commercial and Logistics Director of the Grimaldi Group of Naples, Italy, was Vice-President of ECG for the last two years and acting President since February 2009. Mr **Göbel** is Commercial and logistics Director of Horst Mosolf GmbH and Co KG, Germany. He has been an ECG board member since 2003.

The new ECG Board

The General Assembly was attended by some 120 delegates, who also elected the new ECG board. In addition to Mr **Göbel** the Board includes: Mr. **Arnaud Cauchy**, (GEFCO, France); Mr. **İlhan Çetinkaya**, (İLÇE, Turkey); Mr. Jean Michel Floret, (Groupe STVA, France); Mr. **Veli-Matti Pärssinen**, (Autolink Baltics AS, Finland); Mr. **Marek Nowicki** (P.W. Wega A., Poland), Mr. **Heinrich-Wilelm Averweser** (BLG Automobile Logistics, Germany); Mr. **Marcos Duato** (UECC, Spain); Mr. **Mats Erikson** (AB Skandiatransport, Sweden); Mr. **Eduardo Estévez** (Bergé Automotive Logistics, Spain); Mr. **Ray Mac Dowall** (EMC Vehicle Delivery Service, UK); Mr **Konrad Zwirner**, (Hödlmayr International AG, Austria).

Mr Baldissara statement

“The industry is going through a very difficult moment indeed – said Mr Baldissara – and there is no doubts that automotive logistics suppliers will have to try hard to survive for the next 12 months at least. However, early signs of recovery are becoming evident day after day: the car scrapping subsidies are supporting car sales in many European countries and volumes of cars to be transported is expected to grow. The problem is that operators have slashed the transport capacity by at least 30% in order to survive the crisis that has drained their financial resources. It is impossible to carry on investments or even only to restore the capacity to pre-crisis level. This indeed is a danger to the automotive industry that could soon find themselves with a transport shortage capacity”

“I believe – continued Mr Baldissara – that Car Manufacturer are interested in a healthy supplier base and also have the moral duty to keep alive this sector. We do not know how long the crisis will last but one thing is sure: Finished Vehicle Logistics is strategic for the automotive industry because cars will continue to be built and after that need to be transported to the final customer”.

ECG Academy:
applications open for
4th Course

During the ECG General Assembly, the Graduation Ceremony of the 3rd Course of the ECG Automotive Logistics Academy, was also held in Zurich last Thursday. Applications are open for the next course due in September for this unique Master course that has already proven to be an important tool to train and educate tomorrow's automotive logistics managers, from Logistics Service Providers, Vehicle manufacturers or industry suppliers. The ECG Academy has been set up in cooperation the European Business School (Ebs), the Supply Management Institute (SMI) and the German Logistics Academy (DLA).

The ECG Annual Assembly was sponsored by Inform (Main Sponsor), Renault Trucks and Groneveld Greencat (Co-sponsors)

Background for the Editors

Established in 1997 in Brussels, ECG represents more than 2/3rds of the European Finished Vehicles Logistics industry. ECG Members operate in the field of outbound logistics for the Automotive sector, including quality control at the end of the assembly line, storage in special compounds, transport in all modalities – rail, road and sea – de-waxing Pre-Delivery Inspections (PDI), customising, workshop activities and the refurbishing of former fleet vehicles
ECG has 90 members from 24 countries, which last year recorded an aggregated turnover in excess of 15 billion Euros. With a Global turnover generated in around 40 billion Euros. Members handle about 40 million cars per year with over 64,000 direct employees and up to 162,000 indirect people involved. In terms of equipment, the ECG members operate 20,000 trucks, 20,000 rail wagons, about 337 ships; 42 river barges; 462 compounds; 146 port terminals; more than 58 million square metres of Car parks; about one million square metres of workshops.

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