

THE ASSOCIATION OF EUROPEAN VEHICLE LOGISTICS



Mr. Günter Verheugen
Vice-President of the European Commission,
Commissioner for Enterprise and Industry
European Commission
1049 Brussels

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We are extremely pleased by the bold response from the European Commission to the crisis that is threatening the survival of a large part of the automotive industry in Europe. Through its Communication entitled 'Responding to the crisis in the European automotive industry' the European Commission has in fact created a clear set of rules and guidelines to allow fair competition in the deployment of the public support to the industry, so protecting its survival.

In this respect, we feel the urgency to bring to the attention of the Commission the specific case of the finished vehicle logistics sector, that is indeed part of the automotive industry as it is exclusively supplying both transport and industrial services to the car manufacturers by using assets (road car transporters, rail wagons, car-carrying ships) that are specifically designed to transport cars and that cannot be used for any other use.

The Finished Vehicle Logistics sector directly employs around 66,000 people in Europe with 167,000 indirect and induced employees. In 2008, it contributed to the European GDP with 16 billion euros of direct turnover and generated a global turnover in excess of 40 billion euros.

Being fully dependent on the car industry, the crisis is heavily affecting the vehicle logistics sector, whose activity has been reduced in line with the drop in vehicle sales (around 19% in the last quarter of 2008) and 27% drop January this year only, with heavy losses in terms of jobs as well as at economic level.

The majority of companies active in the vehicle logistics sector are small and medium sized enterprises and therefore the sector is particularly vulnerable to the drop in demand and lack of available credit. Many companies in the vehicle logistics sector are currently struggling for survival and a substantial number has already gone out of business.

Although it is clear to the European Commission that the measures outlined in the Communication address the entire automotive industry, including finished vehicle logistics suppliers, some of the National authorities and Member States do not recognize finished vehicle logistics as an integral

part of the automotive industry and therefore they maintain this sector is not eligible for any kind of public support.

It is therefore crucial that this industry is clearly recognized as an integral part of the automotive sector. ECG would like to request the European Commission to confirm that the finished vehicle logistics sector is an integral part of the automotive industry and to clarify that it is indeed eligible for all the public support measures available to the automotive industry.

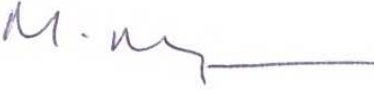
Whilst we have informed the President of the Commission as well as the Commissioner for Transport, and alerted on the issue the head of Unit F1, Automotive Industry, DG Enterprise and Industry, Mr. Jean, we are confident in a prompt action from the European Commission to avoid discriminations that could introduce distortions at competitive level between the finished vehicle logistic operators of the different Member State and could ultimately lead to the disruption of such a sector in Europe.

We remain available for any additional information you may require and look forward to your reply.

Yours faithfully,



Costantino Baldissara
Acting President



Mark Morgan
Executive Director