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# 'Business as usual' at EbroTank despite credit protection

Spanish tank container manufacturer EbroTank has filed for temporary insolvency under Spanish law. However, the company insists the move is a preventive measure to give it sufficient breathing space in order to rebuild its liquidity.

Managing director Jon Echegaray explained to *Bulk Distributor* that the idea behind the filing was "to ensure the survival of the company because we envisaged several difficult months ahead and wanted to prevent falling in a downwards spiral of de facto insolvency. Actually, the insolvency has been a complete surprise for everybody, as until that moment the company had met punctually all its payments."

The filing under Spanish law is similar to America's Chapter 11. The situation was caused by poor results in the past two years of operation, due to the drastic fall in demand in the Spanish market. EbroTank has been working hard to find new opportunities in emerging markets, notably the BRIC countries, and has even raised the proportion of its production going to export from its original 60 percent. However, this has not compensated for the very weak demand in its domestic market.

"The file was applied on time to prevent undesirable consequences and it was prepared with the help of our legal and business advisors. This has ensured that at present we have enough liquidity to face comfortably all our future payments in due time," he added. Echegaray also emphasised that one of the most important conditions of the insolvency declaration is that the company has to meet punctually all its payments after the insolvency. This is ensured by the Court Administrator, who approves all payment commitments only after having made sure that the company will be able to meet them. Payments corresponding to credits dated before the insolvency declaration are the only ones put on hold, while all others must be met.

The filing was decided after the development during 2011 of a strategic business plan, which, among others, included the following actions:

- Develop new products with more technological content, as well as higher added value and profit. "This point has advanced much faster than originally expected and we are especially optimistic about the positive impact this is having on our recovery," Echegaray commented.
- Extend the company's geographical presence, especially in certain BRIC countries. This has materialised in the appointment of new agents, or replacement of underperforming ones, in America's Southern Cone, India, Japan, Mexico, Brazil, Eastern Europe, Middle East, and Turkey.
- Put in place a series of aggressive marketing tools and activities to increase sales, thus diluting the impact of overhead costs on total costs.
- Incremental collaboration with existing strategic partners.


- Retaining the workforce intact, considered essential for reaching the ambitious targets established in the strategic plan. "No layoffs have been made, thus fully meeting the target."
- Reduce drastically non-essential overhead expenses.

The vast majority of the credits correspond to bank loans, with suppliers being very little affected, Jon Echegaray continued. "In this respect, we would like to thank publicly our banks, suppliers and customers for their continuing support and understanding. In fact, all our key suppliers have expressed their support to us, most of them even maintaining their previous credit conditions. Together with our gratitude for their collaboration, we apologise to our creditors for the inconveniences caused, and can assure them of our firm intention to return to normality and lift the suspension before the end of this year.

"Finally, but most important, the company feels it is very much in debt to its employees who, knowing the situation, have remained faithful and fully committed to doing efforts beyond their duty.

"As a consequence of the above actions and collaboration of our business partners and employees, at present we have a healthy order book, with personnel having to work overtime. Also, the mix of orders includes a much higher percentage of new products and new geographical markets than before."

In summary, EbroTank affirmed that it is actually working at a higher pace than before the insolvency, and based on the first positive results of the strategic plan, it is optimistic about lifting the suspension soon. In short, it is 'business as usual'," Echegaray concluded.

# E-Flex gains acceptance

Turkish flexitank manufacturer Liquatrans says its E-Flex (Easy Flexitank) system is steadily overcoming some industry scepticism to gain wider acceptance in the bulk liquid logistics market.

The fact that thousands of units have now been shipped without any problem has helped Liquatrans to convince customers of the benefits of its flexitank which features no bulkheads, unlike conventional units.

In September last year, the Container Owners Association Code of Practice was amended raising the bar for passing rail impact tests. Instead of the previous criteria with different speed impacts, the new criteria called for 2G impacts. Liquatrans says the E-Flex has been able to withstand over 2.38G.

Due to its design which prevents excessive movement of liquid, it does not require a bulkhead. The elimination of the bulkhead provides a number of benefits. It creates savings, as a significant amount material is not needed and also eases logistics. Recycling is also made easier as it is made of one type of material only, no metal or wood is involved. As for the operations, fitting is facilitated with lower labour requirements. In fact, the company claims that fitting can be achieved in just two minutes compared to 30 minutes needed for a conventional flexitank with bulkhead.

## IN THIS ISSUE



Managing Editor Neil Madden
neil@bulk-distributor.com
Tel: +33 (0)3 88 60 30 68

Advertisement Director Anne Williams
anne@bulk-distributor.com
Tel: +44 (0)1932 225632

Advertisement Manager Ed Andrews
ed@bulk-distributor.com
Tel: +44 (0)208 530 8322

Circulation & Development: Danny Holmes
danny@bulk-distributor.com
Tel: +44 (0)1565 653283



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Ashley & Dumville Publishing Ltd
Caledonian House, Tatton Street, Knutsford,
Cheshire WA16 6AG, United Kingdom

www.bulk-distributor.com

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# Biomass – all about logistics

Bruce Dale – getting thousands of tons of material into biorefineries has become a key logistics challenge. Photo Credit: Kurt Stepnitz, Michigan State University

Much hope and not insubstantial sums of public money have been poured into the production of biomass in the search for commercially viable alternative fuels.

However, according to one American academic, the increased use of biomass to produce alternative fuels will only become a reality if more attention is paid to the logistics of its production. This means, for example, exactly how biomass raw materials are shipped from farm to refinery, as well as the development of better ways of preparing the products for shipping.

Bruce Dale, a professor of chemical engineering and materials science at Michigan State University, discussed this topic at a symposium at this year's annual meeting of the American Association for the Advancement of Science, in February, which was held in Vancouver, Canada.

Professor Dale suggests a new model for getting the plant material to the biofuel production facility, or biorefinery. The new model uses regional biomass processing depots, effectively, strategically located facilities that will process the biofuel feedstocks before they are shipped to a refinery.

"The question has become, how are we going to get together thousands of tons of plant material to convert to fuels," he said. "That's a logistical issue which is increasingly being recognised as a key barrier."

Currently, there are only five large-scale refineries in the United States that are either under construction or near completion. Eventually, Dale said, there could be as many as several hundred of them scattered across the country, each processing as much as 5,000 tons of feedstock a day.

"The depots that we're suggesting should be built would process 100 to 200 tons of feedstock per day," Dale said. "Once processed, we could ship it much longer distances to the large-scale refineries."

Another plus to Dale's plan is that there could be some economic benefit to the farmers. "They could own part of the depot and then share in some of the income from it," he said.

Because biomass materials are bulky and have a tendency to decompose, preparation of the materials for shipping also is an issue that needs to be addressed. One potential solution is a process developed by Dale known as ammonia fibre expansion, or AFEX. This involves taking the material and treating it with hot, concentrated ammonia.

"You simply remove the ammonia, run the treated material through a briquette maker, similar to briquettes for a charcoal grill, and then after you have a dense, stable, storable material, that's easy to ship and convert to biofuel," he said.

"The ultimate goal is that the depots would help create a better way to ship the biomass and cut down on the distances they have to be shipped."

Meanwhile, back in Europe, port of Rotterdam has steadily been establishing itself as the continent's major biofuels hub. A combination of worldwide imports, European re-exports and considerable own production (2.5 million tonnes capacity at the end of 2011) in the port area is giving rise to a large, flexible market. In this market, buyers, such as the big oil companies which have to blend in biofuel, can easily combine long term basic contracts with 'spot contracts'. As such Rotterdam port authority expects to see a further increase in the intra-European transport of biofuels.

However, in 2011 the throughput of biofuels in Rotterdam decreased by 6 percent compared with 2010, to 4.3 million tonnes. Some 1.8 million tonnes of biodiesel (+0.2 million tonnes) and 1.7 million tonnes of ethanol (-0.3 million tonnes) were transferred. In addition, 750,000 tonnes (-150,000 tonnes) of ethyl tertiary butyl ether (ETBE) were handled.

Throughput of ethanol fell 15 percent from 2 to 1.7 million tonnes. Incoming cargo dropped from 1.2 to 1.1 million tonnes. Almost 30 percent of the ethanol originates from the United States; more than 300,000 tonnes. This was just 200,000 tonnes in 2010. This is mainly E90, 90 percent ethanol and 10 percent petrol which, because of blending, fell under a much more favourable import tariff, although the EU has now ended this situation. The second country of origin is France, with a 20 percent share, followed by the UK (12 percent).

Imports from Brazil again dropped further to 100,000 tonnes (9 percent). At the peak in 2008, imports amounted to more than 800,000 tonnes. The Brazilians need their ethanol themselves because lower harvests of sugar cane have reduced production and increased prices. Also noteworthy is the almost entire loss of ethanol imports from Spain since 2010. This was almost certainly brought about by the opening of the Abengoa ethanol factory in Rotterdam.



## Potatoes by water

At the end of January Claessen Transport from Venlo, the Netherlands, tested the transportation of 1,060 tonnes of potato peelings from Leuze-en-Hainaut, in Belgium, to Venlo.

The peelings are a by-product of the potato processing plant at PinguinLutosa Foods, and are destined to be reconstituted into animal fodder in the Dutch town of Peel. PinguinLutosa is one of largest European producers of frozen potato products, including potato puree rostis, hash browns, croquettes, cottage pies, etc.

Until now the peelings have been moved by specialised tank trucks, as the load consists of a thick liquid product. In tests, miniature vessels were used and stability calculations made, as there was a real danger of loads shifting. The real test was, of course, the trail run, which was executed with a below maximum load of 1,060 instead of the usual 1,450 tonnes. The trial was a success, and unloading took place without a hitch, the company said.

Some 80,000 tonnes a year could thus be transported, with the consequent removal of large numbers of trucks from the roads.

The scheme was realised with the support of the Maatwerk Voorlichting project of the Dutch inland waterway promotion agency (BVB), in which consultants accompany clients in developing logistics solutions that involve water transport. European subsidies within the framework of the Marco Polo programme have also been requested for the initiative. It is part of a larger set of projects involving international transport and substantial freight volumes

# Germany's confident chemical industry

Despite the excellent assessment at the end of last year, the mood in the German chemical industry has improved even further - to a new high point. Some 95% of 300 managers interviewed in the latest CHEMonitor* see conditions as good.

The trend barometer is organised by CHEManager and Camelot Management Consultants. Three quarters of the people interviewed believe that the optimistic tone will continue. Although this time the main focus topic has shifted to 'volatility resilience'. More than half see fluctuations in the economy as the biggest challenge. On the other hand, companies see themselves as very well prepared: they now profit from measures they implemented since the last crisis, such as leaner and more flexible organisations and decision processes, optimised liquidity management, leading indicators along the entire supply chain and more flexible utilisation of staff.

"The German chemical industry is well prepared for the future," according to Dr Josef Packowski, managing partner of Camelot. "Surprisingly, the industry's expectations for the future are even more positive than could have been expected from the outlook in our last survey. By the end of last year, decision-makers in the chemical industry still expected a slight cooling down, albeit at a high level; now 95 percent of those interviewed evaluate their situation as 'good'. While this excellent assessment matches the general economic outlook, the chemical industry seems to have particularly good reasons to be optimistic."

The outlook further ahead is equally optimistic. Three quarters of people interviewed believe that the conditions will remain good, with larger companies tending to be slightly less optimistic.

Dr Sven Mandewirth, head of the Competence Centre Chemicals at Camelot, explains the reasons for this almost over-enthusiastic optimism displayed by the industry: "In order to be better prepared against increased volatility after the experiences from 2008, companies have adopted a whole bundle of measures."

Half the organisations interviewed have optimised their organisations and processes enabling them to respond quicker to fluctuations in the economy, such as by increased process orientation and decentralised decision-making. In larger companies, financial security is ensured by an improved control of working capital, and in the medium-size to smaller companies there is a trend to higher liquidity.

Around one third also trusts in the consistent monitoring of early-warning indicators along the entire supply chain and a more flexible utilisation of staff. In particular those survey participants with annual sales over €1 billion are using improved planning and control methods driven by complex global structures.

"Also the issue of outsourcing is an interesting topic," says Mandewirth. "For large companies, outsourcing of value creation was beneficial, while particularly small companies have brought services back into their own company again."

All in all, the above measures result in a confident assessment of companies' own resilience. Almost 60 percent now feel better prepared than in 2008, while only 5 percent feel worse prepared. Mandewirth concludes: "Companies have drawn their own conclusions and implemented them without hesitation. This is why the German chemical industry has good reason to look optimistically into the future."

*Bright outlook – Germany's chemical industry is optimistic*

• Accenture recently embarked on a market study of chemical use in the European Union. The consultancy set out to help chemical producers better determine how to evolve their businesses over the next 20 years.

In the process, Accenture evaluated 29 end markets and linked chemical usage to output forecasts for each market. Study results showed that the European chemical industry will be a large, high-value market in the year 2030.

The results the study revealed that the key European chemical markets doing well today will be those that continue to thrive in the coming years. These markets will change in share to some degree by 2030, based on projected downstream industry growth, but will nevertheless remain the largest overall. By understanding market trends and the characteristics of the users of chemicals in the year 2030, chemical producers can accordingly align research and development (R&D) efforts, products and services, supply chain and manufacturing assets for today - and for the long term.

By 2030, the top seven European chemical markets and their projected chemical use are: Healthcare - €120 billion; Services - €70 billion; Agriculture - €31 billion; Construction - €30 billion; Motor vehicles - €28 billion; Food and beverages - €18 billion; Industrial equipment - €18 billion

At the opposite end of the market analysis were industries projected to be less rewarding to chemical companies, such as textiles, basic metals, refining and communications equipment. These markets are either internal resource inhibited and/or have high labour costs. However, there may be niche opportunities in some of these segments, such as biofuels or specialty textiles.

Also, hydraulic fracturing chemicals used for shale gas development might find high use in gas extraction, especially in Poland, which is estimated to have the highest shale gas potential in the region.

**The full trend report for the chemical industry 1/2012, including comprehensive statistical information, is available for purchase in PDF format for €990.*

chemanager@gitverlag.com

# Ethanol shipper buys into ALL

Cosan SA Industria e Comercio, Brazil's largest sugar and ethanol company in terms of revenue, has acquired a 5.66 percent stake in logistics company America Latina Logistica (ALL) for Br Rs 896.5 million (US$523 million).

Cosan will acquire 38.98 million shares in the logistics company from shareholders Riccardo Arduini, Julia Dora Koranyi Arduini and Global Market Investments.

ALL's other shareholders include BNDESPar, the shareholding and investment arm of the Brazilian Development Bank, and local pension funds Previ and Funcef.

Cosan is strengthening its logistics arm through the deal. In 2008, Cosan created Rumo Logistica, which provides transportation, storage and product shipment services. ALL operates rail lines in Brazil and Argentina and provides services such as logistics, transport, port operations and general storage.

# GPCA supply chain

Continued staggering growth in petrochemical production within the countries of the Gulf Co-operation Council (GCC) has led forecasters to predict that by 2015 the overall share of the Gulf region in the global petrochemicals market will rise from 15 to 20 percent.

This is already putting a huge demand on the region's supply chains. Building on the successes of past events, the Fourth GPCA Supply Chain Conference takes as its central theme **'Optimisation through collaboration'**. The event takes place on 8-9 May 2012, at the Jumeirah Emirates Towers Hotel, Dubai, UAE.

Delegates will be offered the opportunity to explore in detail what strategies the supply chain is implementing to make its activities more efficient and deliver better end-to-end value by working more collaboratively.

In the official invitation to the conference, Dr Abdulwahab Al-Sadoun, Secretary General of Gulf Petrochemicals and Chemicals Association, says there has been a concerted effort to put Supply Chain Management at the heart of petrochemical and chemical company strategies. Now more than ever, organisations across the globe are focused on maximising efficiency and profits in the production and shipment of product: "The supply chain in the Middle East is taking positive steps, but there is always more we can do to ensure we maintain our competiveness and continue the massive expansion in our petrochemical and chemical markets."

With more companies joining forces to capitalise on opportunities within the GCC, this year's conference theme of 'Optimisation Through Collaboration' offers delegates the opportunity to explore in detail what strategies the supply chain is implementing to make its activities more efficient and deliver better end-to-end value. In addition, participants will obtain an update on key industry developments, such as investment and co-operation within Customs, ports, shipping and transportation arenas.

In addition, there is Pre-Conference Workshop addressing the theme of **'Optimizing The Supply Chain: Responsible Care In Action'**.

www.gpcasupplychain.com

# Sustainable Belgium

The Belgian Alliance for Sustainable Palm Oil has pledged that by the end of 2015, all palm oil designated for the Belgian market will be produced based on the Roundtable on Sustainable Palm Oil (RSPO). The charter was signed by several parties in the palm oil supply chain, from processors and product manufacturers to industry associations. CSPO represents 11 percent of all palm oil produced globally.

Meanwhile, Unilever Ghana Ltd announced its net income rose 75 percent to 39.9 million cedis (US$24 million) in 2011 on earnings from the sale of its palm oil unit. Unilever sold its 58 percent stake in Benso Oil Palm Plantation Ltd (BOPP) to Wilmar Africa Ltd, a subsidiary of Wilmar International, in March last year for almost 23 million cedis.

Benso's net income more than tripled to 9.8 million cedis last year. Unilever, which makes Lux soap, Blue Band margarine and Omo laundry power, said revenue rose 33 percent to 240.9 million cedis.

# Fine tuning fleet efficiency

Pump Solutions Group regional manager Hervé de Chambure explains how food grade logistics specialist H&S Group relies on Mouvex B200 screw compressors to improve discharge times while lowering life-cycle costs, maintenance, and overall trailer weight

Sometimes you can forget just how difficult the conditions can be for compressor equipment on a truck that is used in liquid-handling applications. The compressors are placed on vehicles that travel thousands of kilometres over all types of terrain and in constantly changing weather conditions, they help transfer hundreds of thousands of litres of liquids of varying viscosities, and their shafts complete millions of revolutions over the course of their in-service life.

Because of the harsh conditions in which they function, the operators of transport fleets are well aware that the equipment they put on their trucks will eventually break down or wear out and need to be replaced.

One of these operators is H&S Group. Founded 80 years ago in Barneveld, The Netherlands, H&S Group has grown from a strictly tank-transport company into one of Europe's leading multimodal full transport providers for the bulk liquid food industry. H&S Group now features two major product-transporting divisions:

**H&S Foodtrans** – a foodstuff-only fleet that uses 1,200 tank containers for intermodal transport throughout Europe and Russia.

**H&S Transport** – which has more than 250 transport trucks operating in the Netherlands, Germany, Poland, Italy, Belgium, and the UK to transport bulk liquids.

"It's a big company and a rapidly growing group," said Mark Allcock, general manager of Meller Flow Trans (MFT) Ltd, a distributor of product-handling solutions for the transport industry. "H&S is the kind of group that is not shy about expansion, with a consistently growing fleet of transport vehicles."

*H&S Group has grown to become one of Europe's largest providers of bulk foodstuffs*

**Time is money**

Realising the value — as well as the unique nature — of the bulk-food market in the UK, H&S Group has created H&S Trucking (UK) as a transporter for various end-users in Great Britain. What makes the UK market unique is that it rests on an island with H&S Group needing to transport its products via ship and barge to various docks on the island's perimeter, from where they are dispatched throughout the country.

Wolter Boelema's relationship with the H&S Group began when the company used him as a sub-contractor through his transport company, BTS European Ltd. Because of recent changes in European Union regulations that no longer allow trucks registered in the Netherlands to operate in the UK, H&S Group has formed H&S Trucking (UK) with Boelema, who has ceased the operations of BTS European, as its managing director and part-owner. Now, H&S has its products shipped to Great Britain with its H&S Trucking (UK) subsidiary responsible for delivering to end-users throughout the country.

"In Europe, they're trying to make a level playing field so the drivers have the same earning power, that's why you can't run trucks registered in Holland in the UK anymore," explained Boelema. "So, H&S set up H&S Trucking and is running 50 trucks in the UK. We bring in hundreds of loads a week and my company collects the containers from the docks and makes the deliveries."

With the amount of liquid foodstuffs that are coming into the UK in any given week, Boelema's fleet requires compressor equipment that is not only reliable, but also able to supply the flow rates that optimise a transport's time at the loading terminal. Additionally, effective use of time is required not only at the loading terminal or on the road, but also in the maintenance shed. Vehicles that are not on the road due to recurring equipment failures and other maintenance issues are costing money for the transporter, not making it.

"In our industry, you have to keep the vehicles moving; time is money. The longer the vehicles sit idle, the more the cost can become astronomical," explained Allcock.

Recognising the value of time in any type of transport and delivery operation, MFT, which was founded in 1960, has been a "one-stop shop" for transport and discharge solutions for on-the-road product-handling applications. The company prides itself on not only supplying the necessary equipment, but also installing, and then servicing it once it has been in operation. MFT's largest facility is in the UK, with satellite locations in the Netherlands and Germany.

"Everything we do is transport-related: liquids, gases, dry bulk," said Allcock. "If it's moved by road, we're involved with it. Basically, you bring your truck to us, tell us what you want to do with it, and we supply you with the equipment, install the equipment and take ownership of that vehicle. Many companies will provide the equipment, but then it's just a pump in a box. We provide a one-stop shop for the whole package."

**A change for the better**

Last year, Boelema decided that his transport fleet needed a compressor upgrade. In performing some research, he came upon MFT, which he saw "supplied the discharge equipment for the

*The B200 can be installed as a direct mount, with a PTO, or with a hydraulic drive.*

Meller Flow Trans (MFT) installers prefer the lightweight, compact size of the B200.

operations" he and H&S Group were conducting. In many cases, that equipment was screw compressors from Mouvex, based in Auxerre, France.

"We've been distributing Mouvex equipment for more than 40 years, and we like to think that it's been a very successful relationship in that time," said Allcock. MFT represents all lines of Mouvex screw and vane-type compressors for liquid-handling applications, as well as Mouvex powder blowers and Hydrive hydraulic cooler units. "Mouvex equipment is high-quality... they are a very high-quality manufacturer with a good market footprint and a good reputation for what they do. We're also the first line of call for a lot of their new lines of equipment. Mouvex is aware of our position in the UK and is quite keen to send us equipment here first to test."

With that as a background — and after assessing the needs of Boelema's fleet — Allcock had no trouble recommending Mouvex's B200 Model Screw Compressors, which were introduced to the market in September 2010, as the answer to his equipment needs.

"We approached them about using the B200, which is a very innovative product," said Allcock. "It was a new product at the time, but one we felt was better than what they had."

Mouvex's B200 is a compact, oil-free compressor that is lighter in weight than competitive models, but still delivers high flow rates and wide speed ranges. The B200 compressors also benefit from 'plug-and-play' installation that requires no prop or drive shaft, as well as no mounting bracket, while they are still suitable for use with standard PTOs and available in both hydraulic and electric-drive versions. These features make them ideal for a wide array of operations that involve the transporting and unloading of food products — all of which are in the H&S Group's 'sweet spot'.

"The B200 reduces discharge time between 5 and 15 percent, so if you can go even from 45 minutes to 40 minutes, while it's a relatively short time, any saving in time is a saving in money, and when you have 50 trucks that are being unloaded many times a week, that's big figures," said Boelema, who has installed B200s on 10 of his trucks. "Another one of the main benefits is the fact that the B200 connects straight into the gearbox with a pump shaft, making for easy setup.

"I also like the three-year warranty, and I personally wouldn't go back to anyone who doesn't offer a three-year warranty. So, whatever happens to my compressor three years from now, I know it will be taken care of. The B200 is a little more expensive than a vane-type compressor, but when you're talking about a piece of equipment that is critical to your discharge operation, you don't want to have to worry about it. Vane compressors wear out after three to five years, but I've been told by Meller Flow Trans that these B200s will just run and run. If you can run them for over 10 years, they're all cheap in the end."

Taking into account the harsh conditions screw compressors can encounter every day that they are on the road, Mouvex has designed its B200 models not only to overcome those challenges, but provide the operational excellence that the operators of transport fleets require for efficient, cost-effective, and timely deliveries.

"The B200 has been designed to offer reliable performance regarding fast discharge and longevity of operation, supported by a three-year warranty," said Allcock. "Its close-coupled mounting format makes it, quite simply, the most advanced liquid screw compressor of its kind."

*Hervé de Chambure is Regional Manager in Northern Europe for Energy & Transport for Mouvex and Pump Solutions Group (PSG)*
herve.dechambure@ pumpsg.com

www.mouvex.com


Wolter Boelema (L) of H&S Group and Mark Allcock (R) of Meller Flow Trans, UK, unloading an ISO Container.

## John C. Girard

### Girard Equipment, Inc.

John C. Girard, 75, of Jupiter, Florida passed away on 5 March 2012. Together with his Father, John L. "Jack" Girard and brother, Bob Girard, John started Girard Equipment in 1952. As President, John took great pride in his business, helping to grow Girard Equipment into one of the nation's leading manufacturers of tank component equipment and petrochemical distributors. John took great pride in the relationships he established in the industry, while keeping pace with the ever-changing needs of the market. Retiring in 2003, John entrusted three of his sons, Timothy, Michael and David, with running the business. Girard Equipment to this day is known for the innovative and high quality products the company produces paved by John's vision and dedication with customer safety as the top priority.

He is survived by his wife of 51 years, six children, 11 grandchildren, a sister, a brother and sister-in-law and many nieces and nephews.

# Hoyer keeps the beer flowing

Transporting beer over long distances, not to mention heat and cold, poses huge challenges for beer shippers. As of February, Hoyer has been offering clients integrated cooling and heating technology for beer tank containers. Tanks can be kept at constant temperatures, regardless of how high or low temperatures are outside. Lengthy beer transport within Europe and overseas will be temperature-controlled at constant ideal temperatures of 1-6 degsC.

By increasing the number of containers by 20 to a total 240 units (with volume capacity of up to 297 hectolitres per container), Hoyer can guarantee supply for large events such as the upcoming European football championship in Ukraine and Poland. This means that seasonal bottlenecks can be avoided in future.

Newly developed sampling valves on the containers allow antiseptic and microbiological testing of the product, making quality control checks possible at any time.

This means that football fans can be sure of a temperature-controlled beer in time for the UEFA Euro 2012.


*Newly developed sampling valves allow microbiological testing of the product*



# First ECTA board meeting in UK

The Directors of the European Chemical Transport Association (ECTA) recently held a meeting at the HQ of Cheshire based global logistics provider Suttons.

It's the first time the Board has met in the UK and the visit gave its members the opportunity to have a look around the Widnes site where more than 250 of the Suttons workforce are based.

Andrew Palmer, group managing director of Suttons and ECTA board member, said the visit of colleagues from across Europe gave Suttons the opportunity to show the scale of its site in Widnes. "They were also able to meet staff, including some from our well established apprenticeship programme. They particularly liked the innovative Suttons designed, training tank container which has already proved a popular attraction at exhibitions across Europe, as it enables people to climb inside and see the technical aspects of a typical tank."

*Suttons Group MD Andrew Palmer (third from right) welcomes fellow ECTA board member to Widnes*

# New members for @tco

The board of the Asian Tank Container Organisation (@tco) have announced the acceptance of two new members into the organisation. Both companies are focused on the expansion of the tank container use in Asia, said @tco president Reginald Lee.

Groninger Asia Pte Ltd is a transport equipment cleaning firm headquartered in the Netherlands, but having opened an office on Singapore last year. The firm is represented in @tco by Lindsey Wallace, director, Asia operations.

The other new member is Lang Fang BIP Valves Manufacturing Co Ltd, which manufactures tank container components and is an associate of Perolo. Lang Fang is represented at @tco by Yann Francioli, Asia general manager.

Reginald Lee commented: "I would like to welcome both companies as new members of @tco and look forward to working with them to ensure the safe handling of tank containers in the fast growing Asia market."

# Cronos securitisation award

Container lessor Cronos says its first securitisation transaction, launched in November 2011, has been awarded Securitisation Deal of the Year by *Marine Money* magazine.

Cronos issued US$200 million of asset-backed notes, which were oversubscribed 2.2 times. The offering was rated 'A' by Standard & Poors and comprised both fixed and floating rate notes. Book runners were Credit Suisse, BNP Paribas and Deutsche Bank Securities and co-managers included ING Bank, ABN AMRO Bank, DVB Capital Markets and KeyBanc Capital Markets.

# Good year for VTG but caution ahead

A continued increase in capacity utilisation, fleet acquisitions in the world's largest rail freight markets and a well-filled order book, helped boost earning in VTG's railcar division in 2011.

Revenue amounted to €303.9 million, up 7.2 percent on the previous year. EBITDA increased by 7.7 percent to €156.5 million. The EBITDA margin related to revenue, at 51.5 percent, showed a slight improvement on 2010 of 0.3 percentage points. In the financial year 2011, the Railcar Division performed at a high level in almost every segment, the company said. Fleet utilisation increased steadily over the year, reaching its highest level of 91.5 percent for the year on 31 December 2011.

The railcar division was further strengthened through various acquisitions. For example, the purchase of the fleet of the Italian competitor Sogerent in the first quarter enabled VTG to consolidate its market position in Europe. With the takeover of the Railcraft group of companies in May 2011, VTG successfully commenced operations in the Russian market. In December 2011, with the takeover of the operations of the US railcar leasing company SC Rail Leasing America, VTG more than doubled its number of railcars in North America and broadened its customer base significantly.

This performance was complemented by a "successful year" in the rail logistics division. It broadened and strengthened its customer relations considerably, new customers throughout Europe asked for transport services, including services with new relations. Revenue increased by 46.2 percent, from €201.4 million to €294.3 million. EBITDA, at €12.1 million, was 43.9 percent above that of the previous year. The EBITDA margin on gross profit was 47.3 percent, down slight from the previous year of 49.2 percent.

For rail logistics, in addition to the new customers and business operations, the 2010 acquisition of TMF (a specialist in the agricultural sector) had a positive impact. The addition of the Polish subsidiary of the Transpetrol Group to the group of consolidated companies also contributed to the positive trend. Furthermore, Rail Logistics reorganised its structure to enable it to integrate the most recent acquisitions and also created a "unified market presence". In future, VTG says the focus will be on the three product segments of liquids, agricultural products and industrial goods. The expansion of the product range also involves the setting up of new locations. With this further development, the general objective is to expand into new regions and gain new customers throughout Europe and take more traffic off the road and onto the railway.

Meanwhile, tank container logistics continued the growth path in global markets. Revenue increased in 2011 by 5.1 percent, rising from €144.5 million in 2010 to €151.8 million. EBITDA rose by 17.2 percent to €13.1 million. At the end of the year, EBITDA margin on gross profit was 51.2 percent. This equaled a rise of 5.8 percentage points compared with the previous year.

For tank container logistics, 2011 began with a significant rise in demand for transport services. However, demand fell off slightly in the third quarter, stabilising in the final quarter. The reason for this was the growing uncertainty about future developments in the markets relevant for the chemical industry. The division reported good performance in the intra-European transport market. For overseas transports, however, the picture was mixed: whereas North American and European export transports increased in the year under review, traffic within Asia and exports from Asia declined slightly.


*A 'successful year' in rail logistics*

For the whole VTG group, revenue rose by 19.2 percent on 2010, reaching €750 million. EBITDA also developed positively, increasing by 9.3 percent on the previous year to €168.7 million. This was in the upper half of the range forecasted by VTG.

Dr Heiko Fischer, CEO of VTG Aktiengesellschaft, commented: "In 2011, its 60th year, VTG managed to expand its business significantly, particularly at an international level. Our growth is supported both by organic developments in the divisions and by acquisitions. New business and the strengthening of customer relationships have brought a sharp rise in revenue, particularly in rail logistics. In the railcar division, we have focused equally on acquisitions and modernising our fleet."

Net profit for the Group, adjusted to take account of the costs of refinancing, fell by €2.7 million to €17.9 million. This was mainly due to higher interest expenses. In early May 2011, the former syndicated loan was redeemed and replaced with a US private placement bond issue of €450 million and €40 million and a new syndicated loan amounting to €450 million. This move enables VTG to continue its strategy of growth, the company maintains.

VTG expects to perform well in 2012 in all three divisions, however with lower levels of growth than 2011. For the financial year 2012, the executive board expects revenue for the group of €760–800 million and EBITDA of €170–178 million.

# Transalpine focus needs to change

Swiss combined transport operator Hupac is arguing for a change in investment priorities on transalpine rail routes. Current strategy, the operator says, risks losing the chance to encourage significant modal shift onto railways using unaccompanied combined transport (UTC).

UTC involves carrying lorries and trailers on specially designed rolling stock to alleviate congestion and pollution. However, even the Swiss federal government has admitted that its goal of reducing transalpine road shipments by just under half to 650,000 trucks a year by 2018 (two years after the new Gotthard base tunnel is completed) cannot be achieved with the measures currently in place or planned.

Hupac says that vital investment work is needed on a number of bottlenecks south of Gotthard at the Swiss-Italian border to make the vital Rotterdam-Genoa corridor commercially viable. In particular, they argue that current focus of "international infrastructure strategists" who have the ears of the European Commission and Swiss government is misplaced because it concentrates on improving the line through the border town of Chiasso. Whereas the alternative line through Luino, which already carries 80 percent of UCT via Gotthard, is being ignored. This is despite it being relatively flat (maximum gradients of 12 percent) compared to 15-21 percent gradients on the Chiasso line which will require "complex, cost-intensive double traction".

Originally, new lines were planned on the Italian side to complement the Chiasso route, but in the current financial climate Hupac says these will now likely take a back seat in terms of infrastructure spending. So high-capacity freight trains will also be reliant on a few night-time slots to get through Milan, which Hupac says is "unrealistic".

Instead, the carrier argues for moderate improvements to the Luino line, such as passing points on sections of the single track corridor. Failure to change current strategic thinking, says Hupac, risks stalling efforts to shift more road traffic onto UTC.

*A few improvements could significantly improve the chances for combined transport*

# Le Havre train service

OSR France has selected Le Havre to launch a new rail service for the petrochemicals sector.

OSR is an affiliate of Xpedys, Belgian Railways (SNCB) logistics division. The company has inaugurated a five times a week service between Le Havre and hub platforms located in the North of France, with connections to various destinations in Belgium, France and elsewhere.

The trains are made up of tank cars adapted to liquid bulks and transit through the platform of Tergnier in Picardie, where new convoys are formed according to customer requirements and transported to the final destination. This solution is designed to offer flexibility, regularity and a reduction in delivery times for shippers.

OSR France was able to set up the service in less than six months from market study to implementation, said Didier Simon, manager of the Port of Le Havre's port rail network unit. Jan Vermassen, sales manager at Xpedys, added that OSR France is capitalising on the high concentration of petrochemical industries in the area comprising the three ports of Le Havre, Rouen and Paris.


# CP to start Bakken shipments

Canadian Pacific Railway should start shipping crude oil this summer from its new oil terminal in North Dakota's Bakken shale prospect.

Texas-based US Development Group is developing a 35,000 bpd terminal in Van Hook, ND, about 160.9 km east of Williston, and CP will be the only railway company using the terminal.

The Van Hook Hub will be fully online by midsummer, according to Meg Martin, a USD spokeswoman. The hub will receive truck and tanker shipments of crude and condensate from the Bakken shale prospect for shipment to markets elsewhere in the country.

CP is making infrastructure improvements on its North Dakota network in order to serve the terminal. The investment is part of about US$100 million that CP, Canada's second biggest railway company, earmarked last year for improving tracks in the US Midwest.

The terminal will accommodate up to 15 crude unit trains per month, which can later be expanded to 30 per month. CP currently ships sand used in hydraulic fracturing in the North Dakota shale prospect and transports crude oil out of the Bakken.

The company shipped more than 23,000 bpd of crude from Bakken in 2011 and plans to increase that to about 125,000 bpd, or 70,000 carloads, in coming years.

# On track Brenntag posts record results

Brenntag says it remains on its growth path, posting record results for the financial year 2011. Brenntag was able to achieve strong growth rates in all key performance indicators. Drivers were the organic growth of the operating business, increased efficiencies, an improved financing mix as well as the earnings contribution of acquisitions. A strong free cash flow supports further internal and external growth as well as dividend payment.

Sales increased by 15.4 percent based on constant exchange rates (13.5 percent as reported) from €7,649.1 million in 2010 to €8,679.3 million in 2011. The main reasons were higher selling prices and stronger volumes, partly due to acquisitions. More importantly, Brenntag managed to grow gross profit by 10 percent based on constant exchange rates (8 percent as reported) to €1,768 million.

Increased efficiencies provided for an even stronger growth in operating EBITDA, which rose by 12.2 percent based on constant exchange rates to €660.9 million. Thus Brenntag slightly exceeded the middle of its guidance range of €650–670 million for operating EBITDA in 2011 and marked another record year. One of the key profitability indicators – the ratio of operating EBITDA to gross profit – further improved to 37.4 percent from 36.8 percent in the prior year. Profit after tax grew by 90.5 percent and amounted to €279.3 million, reflecting earnings per share of €5.39 against €2.93 in 2010.

# Clugston expands into fuel logistics

Clugston Distribution Services is expanding into the fuels distribution market. The £500,000 investment, which is integral to the company's strategic growth plan, will result in four new jobs being created.

Operating from its Scunthorpe (UK) base, which is located close the Humber refineries, Clugston will initially be putting four new 44 tonne tanker combinations on the road.

The company has purchased two new tankers from Cobo. A further two new LAG tankers are being supplied by Williams. All four 6-compartment tankers are fitted with pumps for discharge to above ground storage tanks. All the new tankers will be on the road by the end of April.

General manager David Heath, commented: "There is an opportunity in the Humber fuels logistics market for an operation that can provide a flexible resourcing solution for customers. Growth into the fuels market is part of Clugston Distribution's strategic vision to diversify operational services into new market sectors, and one in which we intend to grow our presence year on year."

The new tankers will complement the specialist steel, building products, bulk food and bulk powder trailers that are already operated by Clugston from the company's Scunthorpe, Croft and Driffield distribution centres.

# Vos platform to serve AkzoNobel

Vos Logistics has started construction of a new logistics centre at the 'Majoppeveld' industrial estate in Roosendaal, Netherlands. Vos will provide logistics services from this location for decorative coatings (eg, Sikkens and Flexa), adhesives and flooring compounds (eg, Alabastine) for AkzoNobel. The facility in Roosendaal is located in the West Brabant logistics area and the company says it is a significant addition to its European network of cargo, bulk and logistics service clusters.


The new platform will be an extra hub for distribution in Benelux. It is strategically located on the intersection of the A17 and A58 motorways and is positioned between the ports of Rotterdam and Antwerp. Vos will develop warehousing and distribution activities for several customers from this platform.

Vos Logistics has a 3.6ha site and will initially build on 2.3ha of it. The warehouse, with a surface area of 13,000 sqm, including 425 sqm for offices, will have 26,000 pallet places and 12 docks. The warehouse will have impermeable floors throughout and special PGS-compliant (Publication Series on Dangerous Substances) compartments to store flammable liquids and aerosols. It will be built as a fully sustainable logistics facility in compliance with the sustainability standards of BREEAM (Building Research Establishment Environmental Assessment Method) and in accordance with TAPA security requirements (Transported Asset Protection Association).

Toine van Gils, contract logistics director, explained: "Vos's presence at one of the logistics hotspots in the Netherlands was an important reason for choosing this location. REWIN, the regional development company, has helped us in our search for a good location. Ultimately, the choice fell on Roosendaal: it is strategically located at the junction of the A17 and A58 motorways and has an excellent labour pool and competitive prices. The good co-operation with Roosendaal municipality enables us to act quickly and gives us a lot of confidence in the future development of this new location."

Joep Mooren, logistics director at EMEA, and Gerard van Stein, director supply chain Benelux & Nordics for decorative coatings, said about the co-operation with Vos Logistics: "AkzoNobel concentrates on what it does best: selling high quality and sustainable products. For the logistics, we are going to rely on a specialised service provider in Roosendaal - Vos Logistics. The customers who buy our decorative coatings, adhesives and flooring compounds will be served efficiently and professionally from a single logistics centre. Vos Logistics has been providing logistics services to AkzoNobel in Germany from its warehouse in Goch (DE) since 2004. The experience we have built up together there is an excellent basis to make Roosendaal a success."

• In January 2012, Vos Logistics, sold its subsidiary, Vos Bulk Logistics in Dormagen (Germany), to the existing management team in Dormagen and investor Martin Bäumle.

The subsidiary in Dormagen is specialised in the carriage of hazardous goods (ADR transport), as well as waste. These are primarily local niche activities, which are not connected to the main bulk and cargo activities of Vos Logistics.

Vos will be opening a new terminal in Bergheim during the course of 2012, which will serve both the German bulk transport market as well as general cargo transport. Vos Logistics sees Germany as a strategic growth market.

# Short and sweet airfreight from Hoyer

Since mid-February Hoyer has been using heatable IBCs for the first time to airfreight foodstuffs that can easily perish.

The high-tech 1,000 litre containers are distributed to consignees through the Fraport logistics centre, at Frankfurt Airport. This means Hoyer can guarantee the fastest freight times to long distance destinations.

On the Hamburg-Frankfurt-New Delhi route, IBCs generally reach journey's end within 72 hours. In February, transport of an IBC filled with chocolate coating was accomplished within just 36 hours.

Using air transport in modern, heatable IBCs, Hoyer says it can ensure quality, even for carriage of highly perishable foodstuffs.

At the same time, Hoyer's IBC fleet has been expanded to a total of 20,000. The Hamburg-based logistics group is continuing to invest in the small container sector. IBCs, with capacities ranging between 500 and 1,000 litres, are particularly favoured for transporting and storage of liquid foodstuffs and chemical products.

"Although standardised types make up the bulk of our fleet, it is not unusual for us to develop special IBCs for our clients, optimised for specific uses," explained Stephanie Muhs, who heads IBC logistics at Hoyer.

All of Hoyer's IBCs are made of stainless steel. These have an advantage over plastic, for example, in that they are straightforward to clean after use, so can be used repeatedly.

IBCs can be supplied with special coatings, with heating or as suitable for carrying dangerous goods. For liquid foodstuffs, special mixing equipment can be installed. In addition to renting IBCs, Hoyer can take over complete management of a fleet.

Modern plants with high-capacity throughput for cleaning IBCs are available throughout Germany, as well as across Europe. A security system is in place to ensure that all the company's cleaning and checking services are carried out with the greatest care.

www.hoyer-group.com

*Hoyer IBCs can be supplied with special coatings, with heating, suitable for dangerous goods or liquid foodstuffs*

*The high-tech containers are distributed to consignees through the Fraport logistics centre*

# Greif sees tough market

Greif has posted first-quarter net income of US$23.9 million, down 42.3 percent from the $41.4 million in the corresponding period last year. Net sales increased over the same period from $943.8 million to $992.7 million.

"Continued weakness in the industrial sector and market pressure, especially in Europe, were challenging issues through the first quarter 2012 for the rigid industrial packaging and services and flexible products and services segments," commented president and CEO David B Fischer. "There are initial signs of improvement in recent sales volumes. Contingency actions that we implemented beginning in the second half of 2011 are helping to mitigate the impact of these market conditions."

Net sales in industrial packaging and services increased 8 percent to $703.3 million compared with $653.9 million for the first quarter 2011. On a same-structure basis, sales volumes declined 6 percent due to market pressure, especially in Europe. Sales volumes benefited from an 11 percent increase due to acquisitions. Average selling prices increased 4 percent for the first quarter 2012 primarily due to the pass-through of higher raw material costs. There was also a negative 2 percent impact of foreign currency translation.

Gross profit was $120.6 million and $121.2 million for Q1 2012 and Q1 2011, respectively. Gross profit margin declined to 17.2 percent for the first quarter 2012 from 18.5 percent. The decrease in gross profit margin compared with last year was due to lower volumes and increased market pressure.

Operating profit was $32.8 million for the first quarter 2012 compared with $46.1 million for the same period last year. Solid results in North America were primarily offset by weak results in Europe and Asia. There were $7.3 million of restructuring charges for first quarter 2012, primarily related to contingency actions implemented during the quarter, compared with $2.2 million for the same period last year, and $1.7 million and $1.5 million of acquisition-related costs for the first quarters 2012 and 2011, respectively.

www.greif.com

# Lohia on display

Lohia Starlinger participated in Plastindia 2012 with solutions and updated machinery for the flexible packaging industry. The company continues to invest in developing technologies and products based on a close understanding of market needs.

From its 150,000 sqm machine building facilities in Kanpur, India, Lohia Starlinger Limited has been providing solutions to the raffia or woven plastics flexible packaging industry around the world for more than three decades. It has built a population of over 800 Tape extrusion lines and 32,000 circular looms in over 60 countries with an installed processing capacity of 1.5 million tons of plastic.

The global footprint of the company is underlined by its fully-owned subsidiaries as well as liaison and branch offices in the UAE, USA, Brazil, Thailand, Indonesia and China. It is supported by sales agents in all major woven sack producing countries. In the past five years the company has delivered a number of innovations; in PP tape extrusion – duotec, tape winding – autoroto, circular weaving – nova6 and nova venti4 and PP yarn spinning – baby lofil.

At Plastindia the company showcased its innovations in plastic tape extrusion (coex series), winding (ltw 200ce & autoroto), circular weaving (nova series) and also introduced its expanded product profile in extrusion coating (coatex 1500/90), flexographic printing in six colours (Lohia-Pelican Soloprint), Spin-draw-wind (lofil 80/8 HT) for PP multifilament yarn.

Production of PP tape (flat yarn) by co-extrusion on the latest offering, coex 1000hs, with melt output of 600 kg/hr drew special attention from visitors. The coex 1000hs brings to raffia industry the advantages of co-extrusion, an established technique in plastics that capitalises on combining the properties of two or more polymer mixes such that the resultant lamellar structure produced displays properties that are superior or at least more desirable than either of the two or more polymers mixes individually. It can mean enhanced performance or lower costs, or indeed both.

The coex 1000hs demonstrated on the stand uses two separate extruders delivering the melt into the T-die to extrude a 3-layer film with the top and bottom layer from one extruder and the middle layer from the other extruder in pre-set ratio. Line speed of 425 m/min with high filler ($CaCO_3$) content was demonstrated at Plastindia 2012 to produce PP tapes with a middle layer having 25 percent filler content and the upper and lower layer with just 3 percent filler as a possible solution to reduce the cost of raw material for certain applications, like low GSM wrapping fabric and lowering the dust generation in weaving, reducing damage to loom elements and also the production environment.

The company is conducting trials at its development facility to develop the various recipes and application of co-extruded tapes for woven fabric and believes that co-extrusion can be successfully applied to deliver hitherto unsurpassed performance, including the possibility to optimise use of additives like UV stabilisers, antifogging agent, and colouring and recycled materials. Company is studying the feasibility to expand its co-extrusion line to include five layer tape production for value added applications in geotextiles, agro- textiles and composites.

www.lohiagroup.com

# Schütz upgrades NJ plant

Schütz Container Systems' plant in North Branch (NJ), USA has recently been kitted out with a new extrusion blow-moulding unit and a complete IBC production line in a custom built, 35,000 sq ft extension to the existing plant.

"The use of state-of-the-art extrusion blow-moulding technology means extra flexibility coupled with the proven highest standards of quality and reliability for our inner tanks," said the US arm of the global IBC manufacturer. "These benefits along with the further optimised inbound and outbound logistics of the plant serve to underscore Schütz Container Systems' commitment to being a sound and reliable partner for the supply of innovative transport packaging solutions to customers in the northeast of the United States and eastern Canada."

www.schuetz.net

# Sotralentz takes control of Spanish JV

French packaging manufacturer Sotralentz has bought out the 50 percent of its Spanish joint-venture TR-Lentz owned by the original partner Tubos Reunidos.

TR-Lentz specialises in the production of high-density-polyethylene made tanks and is from now-on an integral part of the Sotralentz Group.

The purchase allows Tubos Reunidos to re-focus on its core activity of non-welded steel tubes. In parallel, it also enables Sotralentz to build-up its production capacities and develop its activities on the Spanish site.

In fact, TR-Lentz is already focusing on potential high-growth markets beyond Europe, such as wastewater treatment, water storage solutions, fuel and lubricants storage, etc. "Its location, near port of Bilbao harbour, makes it a strategic choice for the future development of our activities on other continents such as North America and Africa," said a Sotralentz spokesperson.

After the complete integration of TR-Lentz into the Sotralentz group, an investment programme is planned to develop production capacities. Present employment levels should be preserved, and Sotralentz even raised the prospect of creating an additional 20 or so jobs if growth in activity is maintained.

www.sotralentz.com

# New EFIBCA president

The European Flexible Intermediate Bulk Container Association (EFIBCA) has named Oliver Grüters as its new president. Grüters succeeds Dr Amir Samadijavan.

Grüters has worked in the FIBC industry for more than 15 years. Since 2001 he has been the general manager of industrial packaging firm Boxon. Since 2006 he has also been the chairman of the FIBC sector group at the German association for plastics packaging and films.

EFIBCA said that in his presidency, Grüters would "continue the globalisation process started by his predecessor". EFIBCA represents the interests of European manufacturers and traders of FIBCs.

www.efibca.com



# Earth monitoring system

The recently upgraded Earth-Rite FIBC from Newson Gale is claimed to be an effective way to ensure correctly specified static dissipative (SD) or conductive materials are used in hazardous area applications involving FIBCS, as well as other flexible or semi-rigid containers.

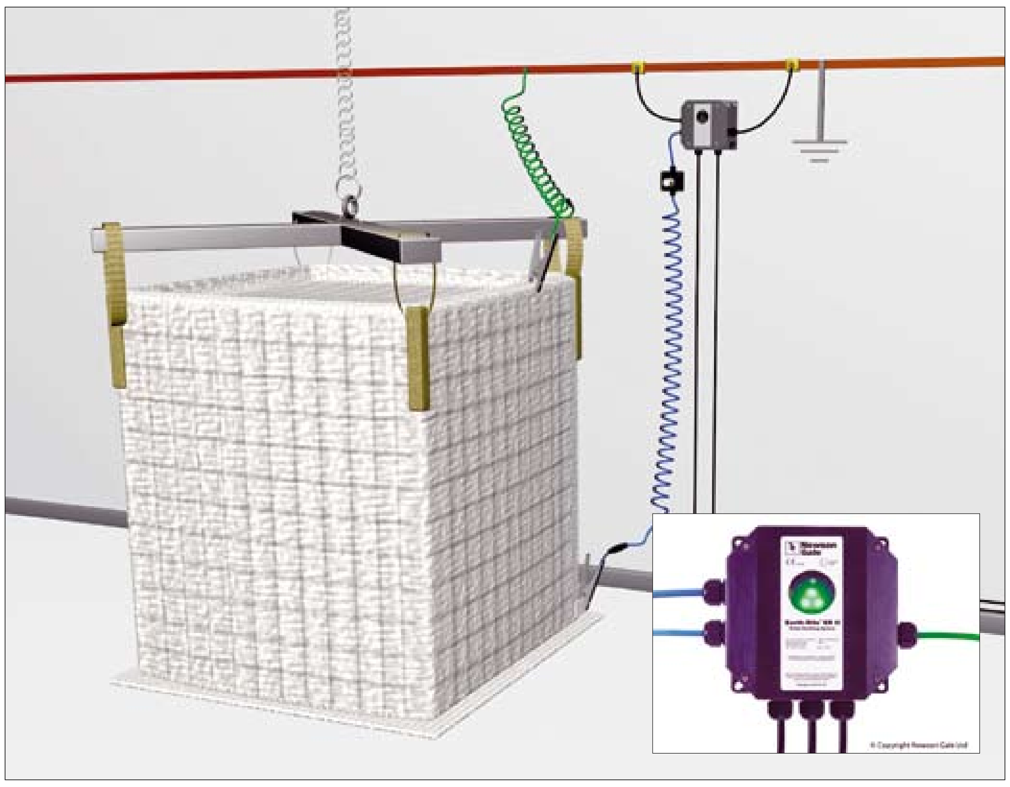
Type C FIBCs are commonly used to control the risk of uncontrolled static discharge when loading or unloading bulk powdered and other loose solid materials in hazardous areas. Depending on the application, the potentially explosive atmosphere where the transfer process takes place may be a combustible dust, or sometimes a dangerous hybrid atmosphere comprising dust and solvent vapours.

Bearing in mind the inherent risks, it is always necessary to earth the FIBC prior to product transfer, however in view of the need to attach a mechanical earthing clamp to a flexible tab, many safety conscious organizations prefer to use a monitoring system to take the guesswork out of this operation.

The Earth-Rite FIBC fulfils this need through "intrinsically safe" monitoring electronics which continuously verify the containers' resistance and satisfactory connection to earth. When these conditions are confirmed, the system provides local indication to operating personnel in the form of pulsing green multi-LEDS, along with a pair of control contacts (DPDT) which can be interlocked with the process to prevent transfer of product until a safe condition exists.

The system is certified for safe use in hazardous areas to all major worldwide approvals and can be installed in accordance with IECEX/ATEX Zoning or North American NEC Class/Division requirements. The Earth-Rite FIBC is simple to install and operate, and is supplied with a special stainless steel earthing clamp assembly, purpose designed for clamping onto flexible/fabric static dissipative materials. The main controller and indication unit is housed inside an IP66/NEMA 4X enclosure and is available with universal AC (110/120–220/240V) or DC (12 –24V) power supply options.

www.newson-gale.com



# Award for Emmbi


*Mrs Rinku Appalwar, director finance of Emmbi Polyarns, is pictured receiving the award for 'Best Medium Enterprise' in the Plastic & Processing Category. The award was initiated by Dun & Bradstreet in co-operation with Axis bank and was presented by Laxman Gugulothu, CEO, BSE-SME Exchange in the presence of Sikha Sharma, chairperson of Axis Bank, Mr Sampat, managing director D&B India and HP Kumar, chairman & managing Director NSIC.*

*Emmbi Polyarns operates in the field of woven polyethylene and polypropylene products having a 17-year track record of business in FIBC, bulk container liners, canal liners, protective irrigation systems, flexible water tanks, car covers and geotextile.*

*In order to augment its efforts Emmbi has a 12-member dedicated team of engineers, polymer technologists and chemists working at its product development centre in Silvassa. This team continuously works on product design and creating a correct blend to produce the products which can offer easy recyclability.*

*Emmbi has managed to widen its customer base to some 30 countries. It is ranked in the top three exporters of products based on woven textile. In the past five years Emmbi has contacted clients and joint venture companies globally in over a dozen industries in fields such as construction, agriculture, consumer packaged goods, hazardous waste disposal and manufacturing.*

www.emmbi.com

# Pneumatic in-line weigh system

Flexicon Europe has introduced a pneumatic gain-in-weight filling system that automates delivery of free-flowing bulk solids from downstream silos or processing lines to individual bulk bags.

The integrated conveying and weigh batching system helps organisations increase throughput and, due to the closed discharge arrangement, it also prevents material loss and site contamination.

The filter receiver of the Pneumati-Con vacuum dilute-phase pneumatic conveying system is mounted on load cells, enabling the system controller to weigh incoming material at high rates and then at steady dribble-feed rates, stopping the flow once an accurate batch weight has been reached.

Pressing a 'fill' button on the control panel actuates a bag inflation blower on the Twin-Centerpost bulk bag filler to remove creases in the bag, simultaneously opening a slide gate valve at the outlet of the filter receiver allowing the weighed batch to gravity discharge into the bag at high rates, a vibratory deck densifies the material to stabilise the bag. During the transfer process a port within the discharge spout vents displaced air and dust to a remote bag house.

A secondary set of load cells mounted beneath the bulk bag filler allows the system to confirm the final weight of the filled bulk bag. The controller then releases the bag straps and deflates the spout seal, allowing the operator to tie-off the spout and remove the filled bag.

While filled bags are being removed and empty bags attached, a subsequent batch is being conveyed to the filter receiver and weighed, ready for another fill cycle. Connecting an empty bag consists of attaching the bag straps, pulling the spout over the inflatable collar, and pushing a spout inflator button.

The pneumatic gain-in-weight filling systems complement Flexicon's other types of pneumatic conveying systems, batching systems and bulk bag fillers, as well as flexible screw conveyors, bulk bag dischargers, bulk bag conditioners, drum/box/container dumpers, bag dump stations, and integrated plant-wide bulk handling systems with automated controls, all of which are available to industrial, food and pharmaceutical standards.

www.flexicon.co.uk

# New credit for Promens

Icelandic plastics group Promens has signed a five year revolving credit facility totalling €170 million. Arrangers and bookrunners are DnB NOR and Nordea.

In tandem with this facility, agreement was also reached on another €6 million credit facility with Promens' key bank in Iceland, Landsbankinn, to replace similar facilities maturing in December 2011 and February 2012.

"We have made good progress towards strengthening our operations in the past year," said Jakob Sigurdsson, CEO of Promens. "We have seen great turnaround since the recession in 2008 and 2009, and 2011 was a good year for us. These credit facilities, as well as the Enterprise Investment Fund purchasing 49.5 percent of our shares, clearly illustrates the positive expectations the financial and investment community has for Promens. These milestones are particularly pleasing in light of the turbulence currently shaking financial markets."

In September 2012, Iceland's Enterprise Investment Fund (EIF) concluded an agreement to acquire 49.5 percent of Promens hf. Earlier Horn Invest hf and EIF reached an agreement providing for EIF to acquire a 40 percent stake in Promens with an option for an additional 9.5 percent. The full acquisition price is €49.5 million.

Following the transaction, EIF now owns 49.5%, Horn 49.8 percent and key employees of Promens around 0.7 percent. The target is to list Promens on a regulated stock exchange within two to three years. Part of the purchase price (€20 million) will be used to acquire new shares in Promens, which will be issued following the transaction, to strengthen the group's balance sheet.

Commenting on the share acquisition Finnbogi Jónsson, managing director of EIF, said: "We have a firm belief in the future potential of Promens. The company has a broad product portfolio and operates in Iceland as well as abroad. Approximately, €20 million of our investment will be used to strengthen the company, part of it to build an extension to the manufacturing facility in Dalvik, Iceland."

Promens' operations have recovered well following the recession. Turnover in 2010 was €584 million, compared to €512 million in 2009, with EBITDA (excluding extraordinary expenses) of €51.9 million compared to €35.8 million in 2009. Net profits after tax in 2010 were €11.7 million (€2.1 million excluding extraordinary expenses/ income) compared to a €30.6 million loss in 2009. Operations in the first half of 2011 improved with turnover reaching €339 million, generating an EBITDA of €29.7 million and post-tax profits of €3.5 million. The investments by Horn and EIF have boosted Promens's equity ratio to 32.3 percent.

www.promens.com

# Mauser starts production in Turkey

Mauser Group is starting production of plastic drums in Turkey as of the first quarter of 2012.

By expanding operational capacity, Mauser will be able to produce 120 litre as well as 220 litre open top drums at its plant in Istanbul. Later on, the company will also start to manufacture 60 litre open top drums. The production of plastic packaging is planned to be taken into operation in March 2012. To date, Mauser has already been able to support customers in the region with plastic packaging solutions through its licensee network. As the license agreement for plastic packaging solutions was coming to an end, Mauser decided to extend its own operations. However, the license agreement with the Turkish manufacturer Deren Ambalaj will remain in place for the supply of IBCs into the local market.

"The Turkish market is very important to Mauser. With this investment, we will be able to deliver a wider range of industrial packaging solutions to our customers and meet the needs of the pharmaceutical and agricultural sectors," said Ali Özbudak, managing director of Mauser Turkey and Russia. "For Mauser, this opens up new opportunities in the region."

Besides the new line for plastic drums in Istanbul, Mauser Turkey is also present in the country with Mauser Ambalaj Sanayi ve Ticaret for steel packaging solutions, and the reconditioning subsidiary NCG Metal ve Plastik Ambalaj Yenileme Sanayi ve Ticaret. Mauser Turkey is one of the leading steel drum manufacturers in the region and produces large cylindrical drums, large conical drums and a wide range of small steel drums from 18 to 60 litres (conical and cylindrical). With the production of plastic packaging solutions, Mauser Turkey complements its product portfolio to meet the Turkish market requirements.

Meanwhile, effective 1 March 2012, or as contracts allow, Mauser Group will increase its prices for plastic packaging and IBCs by €150/ton to recover recent raw material price increases for HDPE and PP material. All contractual obligations will be honoured, the company said.

Mauser has also announced the acquisition of Varicon Solutions in North America. The German group will take over the Plastic Packaging part, which includes HDPE Tight Head and Open Head drums made out of virgin as well as of PCR resin (post consumer resin), while NCG will assume the reconditioning activities of Varicon as part of an asset deal. This transaction is in line with the company's 'buy-and-build' strategy.

Varicon is well-known as a manufacturer, particularly of containers made out of PCR resin, and as a service provider of plastic drums and IBCs. The company operates from two locations – Greenville, South Carolina, and Cleveland, Ohio. Following the acquisition, the production volumes of Varicon will be transferred to existing Mauser/NCG facilities.

With the acquisition of Varicon, Mauser says it is strengthening its market position in North America and enhancing its 'life cycle management strategy for packaging'. "This acquisition is another milestone supporting our worldwide growth strategy and enables us to meet the increasing requirements for plastic packaging made out of PCR resin including all related services in the Southeastern US," said Jeff Simmonds, SBU manager North America.

www.mausergroup.com
www.ncg-europe.com

# Accepting the new

Dry bulk liner manufacturer CorrPakBPS reports that some its new products are beginning to gain acceptance. These include barless woven liners and a one-bar liner with baffles. The woven barless liners are used for agricultural related products and the one-bar with baffles liner is aimed for petrochemical clients and other products needing to be shipped via rail.

Andy Mintz, of CorrPakBPS, says these concepts lower the packaging cost per unit of currency making bulk liner applications even more economical. CorrPakBPS manufactures two types of bulk liner: woven sewn and heat sealed liners. They are manufactured at plants in China and India.

"This offers many styles including wide access, open top, top-fill, and end-fill liners," said Mintz. "Most of the company's sales come from the shipment of 20ft and 40ft export containers containing pe, polystyrene, and pp resins. However, becoming more popular are fluidised liners for the shipment of hard to flow products that bridge or cake, such as powders. Examples are cement, flours, starches, clay, carbon black, soda ash, lime, and activated carbon.

CorrPakBPS also sells aluminium foil bulk liners for moisture prevention and odour control. In addition, the company markets type c bulk liners for those products with high energy content.

# DeGrussa project location

Australia's Qube Bulk will provide haulage and port services for direct shipping of ore and copper concentrate produced at the DeGrussa project.

Sandfire says Qube's recent acquisition of Giacci was influential in the decision to award the contract to Qube as an integrated provider, rather than award separate haulage and stevedoring contracts.

Direct shipping ore and concentrate will be trucked to port in purpose built half-height sea containers, which will enable ship-loading using Qube's Rotabox container rotating frame system.

Qube Bulk is a wholly-owned subsidiary of Qube Logistics. Recently, the stevedoring and bulk handling company POAGS was renamed Qube Port & Bulk. It follows the lead of P&O Trans-Atlantic, which became Qube Logistics in 2011.

Both Qube Logistics and Qube Port & Bulk are subsidiaries of Qube Logistics Holdings Limited (Qube Group). Qube Port & Bulk will be broken into ports and bulk divisions, Qube Group told *Lloyd's List Australia*.

Qube Group recently acquired a 55 percent stake in the Moorebank project. This is to be an intermodal terminal and bulk-linked industrial facility capable of handling up to 1 million TEU units a year to and from Port Botany, Sydney.

www.qube.com.au

# InterBulk beefs up repair facility

InterBulk's dry bulk refurbishment programme has gone into full swing with a new maintenance and repair facility on Teesside, UK.

InterBulk has announced an ambitious refurbishment programme of its dry bulk fleet of 30ft bulk containers and supporting specialist tipping trailer fleet. In order for the company to control properly this process, both in terms of volume and quality control, a new facility has been secured on Teesside in northeast England. InterBulk has already embarked on a three year container refurbishment programme. During this period it is planned to refurbish 3,000 30ft boxes and a number of powder tank containers.

Group technical director, Martin Levitt, explained: "This investment clearly demonstrates InterBulk's commitment, to maintaining the general condition and operational working performance of our equipment, which in turn improves the overall service to our customers."

In addition to the aesthetic improvements, dry bulk boxes will also be targeted for key design modifications in order to improve the overall operational performance. Examples of the technical improvements to be carried out include the reinforcement of the container roof and the fitting of a stainless steel backing plate on discharge hatches.

The new facility is a joint venture between InterBulk Group and WH Davis and will initially be dedicated to the refurbishment of 30ft BIB containers and dry bulk tank containers. However, the intention is to roll out repair and refurbishment services across InterBulk's liquid bulk fleet before long.

*In addition to aesthetic improvements dry bulk boxes will also see key design modifications*

The facility consists of a large workshop and contains four five tonne overhead cranes and independent shot blast and paint booths. The workshop is managed and staffed by a workforce with extensive experience of refurbishing box containers to high standards.

Alongside the investment set aside for the box containers, InterBulk has appointed third party suppliers to refurbish 20 specialist discharge trailers (SDUs) during 2012.

As standard, these SDU trailers will be equipped with the latest and most efficient engine, compressors, coolers and refurbished rotary valve. In addition the trailers will be equipped with a new stainless steel tool box, plastic storage unit for contaminated items with lockable hose holders.

As a continued commitment to safe working practices, InterBulk continues to fit side beams as standard on to its dedicated fleet of trailers, making the discharge process safer for driver/operators.

Meanwhile, InterBulk's supply chain infrastructure in Germany is growing. The group's Duisburg terminal, which is Europe's largest inland port, has achieved another important milestone. The 'Fistown InterBulk block-train' recently serviced the terminal.

Earlier in the process, several bag-to-bulk and bulk-to-bulk transfers were accomplished across a number of imported products for several customers. All modes (rail, barge and truck) can be handled at the terminal and dry bulk chemicals and polymers are also stored with InterBulk's cost efficient strategic container storage solution.

# Blue Tank drives K+N drinks logistics

Global logistics giant Kuehne + Nagel says it has seen a strong year of development in its global flexitank product, driven by the launch of the KN Blue Tank.

Horst Mueller, drinks logistics champion for K+N, told *Bulk Distributor* that 2011 was a year of transition as the group introduced its dedicated wine flexitank to the market and demonstrated through both trials and on-going contractual business the benefits that the KN Blue Tank can bring to the global drinks market. "We have seen a 50 percent overall growth since the beginning of 2011 in our global flexibag lift and expect this to continue in 2012," he said.

The KN Blue Tank is very much focused on the wine trade, plus juices and concentrates.

"The fundamental difference is without doubt the unique product that Kuehne + Nagel are now able to offer the global drinks industry," Mueller continued. "We now offer a flexi of the highest quality and one which is a result of years of market research, collaboration with drinks clients and specialised industry knowledge. We learned from the past and waited with the launch of the KN Blue Tank until we were sure that it was a proven system. Trials were conducted on three continents before the first production run was authorised. Kuehne + Nagel is also one of the only multinational freight forwarders/NVOCCs that has taken on the challenge and costs to develop its own branded product together with one of the most respected manufacturers globally."

The KN Blue Tank is a purpose built multi-layer wine tank designed to protect the wine from ingress of oxygen and other airborne contaminates. K+N changed the polyethylene layers providing resistance to stress cracking, the aluminium inner barrier limits oxygen transmission and with the WPP outer layer it is claimed to perform exceptionally in transit even in variable temperatures. In addition to this the group has designed a WPP rail sleeve, which is used on "particularly stringent overland journeys".

The KN Blue Tank was the driver behind this improved output and overall performance. "We've visited and met with the large flexibag shippers and decision makers, but not only with the commercial decision makers, we also met with winemakers, technical staff and cellar masters who touch the product every day – not only did we try to manufacture a superior product, we also aimed to make it user friendly, taking into consideration recommendations and remarks we received during our meetings," said Mueller.

K+N recently took part in a trial with a leading global drinks company where the KN Blue Tank performed "to the highest standard". This has since enabled Kuehne + Nagel to become an approved supplier for this client which will pave the way for future developments through 2012.

Today the KN Blue Tank has been tested and is used by the four largest global wine marketers who have undertaken independent auditing and quality control processes – "with the tank passing with flying colours", says Mueller.

*An increase in seafreight solutions is enabling K+N to serve previously more difficult markets direct from wine producing origins*

"In a recent trial of a global drinks brand owner, we saw an average 40 minute discharge time and an average residue of only 30 litres. The results also showed that oxygen levels for the three tanks averaged 0.45 parts per billion and CO2 levels averaged 300 which demonstrate the excellent performance of the K+N Blue Wine Tank."

The global economic slow-down has meant that more than ever drinks shippers need to find cost effective ways of shipping, moving away from 40ft palletised containers of finished product and moving heavy glass and packaging around the world. The flexitank has enabled this niche market to respond to this and remain at the forefront of international logistics. Enabling bottling in the destination market has meant that products can be easily adapted quickly and specifically for their target market.

"We have also seen an increase in seafreight solutions which enable markets previously more difficult to serve from wine producing origins directly be able to use local bottling within their region and offer a JIT supply of finished product with shorter transit times and reliable supply," said Mueller. "We are currently working on some innovative ideas to further strengthen and develop our global flexibag strategy."

Ultimately, there is still a great deal of education required and assistance offered by K+N to clients when they come to selecting a flexitank. Kuehne + Nagel would welcome the introduction of an industry 'kitemark' or standard enabling customers to recognise product innovation and importantly where quality meets the very highest standard, added Mueller.

"In effect this would help customer approval when selecting a flexitank provider. There is also without doubt pressure placed now on the supply of food grade containers and their positioning. Kuehne + Nagel are working extensively across our business, using the leverage we have within the global seafreight market to help position containers to the regions where they are most needed. This requires collaboration across our business fields, requesting food grade containers on routes where perhaps they are not essential enabling us to assist carriers in this crucial positioning.

"The COA is a first step, but at the end of the day it is still only a recommending body. Through our discussions and negotiations with ocean carriers we have now started to implement global rules ourselves that our network has to follow – this is a welcome initiative by our partners. Shipping products in flexitanks, particularly foodgrade, is very sensitive and we as a transportation/logistics provider are well aware of this."

www.kn-portal.com



# 8th COA Flexitank meeting

The Container Owners Association is staging its eighth Flexitank Meeting at the Radisson Blu Astrid Hotel, Antwerp, Belgium, on 14-15 May 2012. The Meeting commences with a networking reception on Monday 14 May, and conference sessions take place on Tuesday 15 May.

The aim of the meeting is to review a wide range of issues relating to Flexitanks, including: the current status of the COA Flexitank Code of Practice, including an update on the Flexitank Test Report programme and progress on the Flexitank Compliance Document Rail Impact Testing; Marking of flexitanks and containers; materials thickness compatibility; commodity density in relation to flexitank capacity; expanding the scope of the Code of Practice - specifically bulkhead testing and incident management; development of a publicly available standard (PAS) for flexitanks.

www.containerownersassociation.org

# "THE NEXT GENERATION FLEXITANK"

## *E-Flex, the No Bulkhead Flexitank becomes the first flexitank to pass the new COA COP and AAR impact tests*

E-Flex, the Easy Flexitank with no bulkheads has succeeded in passing the COA COP (Container Owners Association Code of Practice) and AAR (Association of American Railroads) impact tests. The tests have been conducted by TTCI in Pueblo, Colorado.

The COA COP had been amended as of September 1, 2011 raising the bar to a higher level. Instead of the previous criteria with different speed impacts, the new criteria called for 2G impacts. E-Flex has been able to take over 2.38G which is even 20% higher than the set criteria. E-Flex is also the first flexitank in the industry that has been able to pass the test with the new higher criteria.

According to the information received from Liquatrans, E-Flex is a self standing flexitank with firm stability with its pyramid-like shape when loaded in the container. Due to its design that prevents the movement of the liquid, it does not require a bulkhead. The elimination of the bulkhead provides a number of benefits. It creates savings, as a significant material is not needed. It also creates ease of logistics. Recycling is also made easier as it is made for one type of material only, no metal or wood involved. As for the operation side, fitting is made much easier with less requirement of labour and faster with only 2 minutes per flexitank compared to 30 minutes needed for the conventional flexitanks with bulkhead.

E-Flex is also a more favourable flexitank for the shipping lines. It does not exert any pressure to the side walls of the containers. The deformation on the sidewalls after the impacts has been measured as less than 8mm by TTCI testing center whereas it is 40mm on average for conventional flexitanks. Even more critical, the permanent deformation has been measured as 0mm after discharge. This surely creates a new standard in the industry, leaving the containers with no damage and no need for maintenance due to flexitank shipments. On the other way around, it relaxes the criteria on container selection, letting shippers use some containers that would be hard to use for conventional flexitanks.

E-Flex has two more distinctive features. Unlike with conventional flexitanks, the capacity of E-Flex can be adjusted during loading. The 24.000 l E-Flex can be adjusted for as low as 20.000 l and the 20.000 l can be adjusted for as low as 16.000 l. So any capacity is possible with only two versions. This creates a big advantage in terms of inventory for freight forwarders or any other distributor/agency companies.

The second feature is the fast heating procedure. Due to its unique design, the E-Flex can be heated 2 times faster than conventional flexitanks. A pipe that is inserted into the E-Flex between the PE and PP layers ensures that the liquid cargo is heated much faster and makes the discharge much easier at destination.

Liquatrans currently has a global network of distributors and agents. They provide technical capabilities and product availability in key markets. However the company is still evaluating candidates to expand its network.

Liquatrans holds ISO 9000 and ISO 22000 certifications. The production is done in an HACCP environment where hazard analysis and critical control points are determined. The production conditions have been able to satisfy even the most sensitive multinational food companies.

Liquatrans is a privately owned global company with a network throughout the world. The company's 4.000m² manufacturing site is located in Istanbul, Turkey. The Liqua group has been in the industry since 1996. The starting product has been big bags and container liners for dry bulk cargo. In 2003, the group started producing flexitanks. To ensure a better focus on liquid business Liquatrans Ltd. has been established in 2007, while its sister company continued the production of big bags.

**Liquatrans Industrial Packaging Materials Ltd.**
Atabey Cad. No 28 K1 Cekmekoy
Istanbul, Turkey,
*Phone:* +90 216 3128660
*Fax* : +90 216 3128661
*Web* : www.liquatrans.com
*E-mail:* info@liquatrans.com

# EPT raises production capacity to meet global demand

After a year of streamlining operations and expanding manufacturing, Environmental Packaging Technologies is emerging in 2012 as a manufacturer poised for significant expansion.

"We did some internal assessments and have reorganised ourselves to mirror more appropriately our customers' needs and to meet global economic requirements," stated Roger Goose, vice president of sales and operations. "EPT entered this market four years ago, its goal, to create the safest, best quality engineered flexitank in the world, and it did just that. Keeping up with increasing demands has been quite a challenge for our Big Red Flexitank, causing EPT to take a step back and prepare for a manufacturing expansion months ahead of the planned schedule."

"It took about eight months for us to build and implement the additional equipment and production capacity in our US factory required to meet our expanding sales. That took a little wind out of our sails, but the wait has certainly been worth it," stated Shane Sims, president and chief technology officer for EPT. "With the increased production and economies of scale, the Big Red Flexitank is still the best equipment on the market, but now even more cost effective for price sensitive commodities. There is no reason anyone should have to settle on a lesser product. We have made quality affordable."

The proprietary manufacturing system which has the flexibility to allow for uninterrupted, in-line customisation such as bag size, number and placement of valves, vent lines and air vents, allows EPT to continue to meet customer-specific requirements needed to safely and cost-effectively contain their products. "2012 will be a significant year for EPT," noted Sims, "in addition to increased production capacities, we will be introducing several new products during the coming months."

*A proprietary manufacturing system allows EPT to meet customer-specific requirements*

*EPT founder Tatiana Golovina – approval from Russian Rail gives EPT the base to expand sales and service in the country*

The upswing in new business has also spurred expansion of EPT's Rotterdam office to a new facility based in port of Rotterdam's Waalhaven District. Managing director of EPT Europe BV, Peter van Schaik, stated: "Our continued success and expansion across Europe necessitated the expansion of our home base in Rotterdam. The addition of this new facility and its 4,000 tank capacity warehouse, allows EPT to provide immediate products and services to our growing customer base." EPT Packaging Europe BV also manages the EPT European network of agents and depots spanning 12 countries with 30 sub depots including 80 certified fitters and 10 master fitters to ensure quality installation of its products.

Another addition to the EPT growing global network is the opening of depot services in Guatemala with EPT's partner, Euromex Logistical Internacional & Top Traders, Inc. With the opening of this new depot, EPT's Big Red Flexitank will now be available in Guatemala to service the palm oil and latex markets.

"This expansion is representative of both the success of our products and our strong partnership with Euromex," stated Roger Goose. "Our combined commitment to quality and service has given us the opportunity to bring the Big Red difference to Guatemala."

The Guatemalan hub depot further strengthens EPT's position in Central America along with Euromex's other depots in Guadalajara, Toluca, México City, Monterrey, Tampico, Mazatlán, Veracruz, and Manzanillo, Mexico, as well as, sales representation in Monterrey.

EPT Russia has now secured approvals from the Russian Rail Road (RZD) for movements of food grade products in the Big Red flexitank. "As the only approved flexitank by RZD, this new certification provides EPT Russia with the necessary tool to expand its sales and service efforts to the ever growing food grade shipping market in Russia," stated Tatiana Golovina, founder of EPT, Inc. and director general of EPT Russia. Getting such approval is a major milestone in a country where 80 percent of shipments involves Russian Rail.

www.eptpac.com

# Major flexitank developments at Braid

Braid was the first flexitank company to announce in May 2010 that it was on course to exceed 100,000 flexitanks for its then current financial year - still the only service provider to make this claim - and the company reports growth in the past two years of more than 20 percent per annum, consolidating its position as a global industry leader with an estimated global market share exceeding 30 percent.

Established in Glasgow in 1955 and an operator of food grade ISO tank containers since 1982 - it still has a fleet of 1,700 food-dedicated tanks, 60 percent of which are owned - Braid entered the flexitank trade in 2002 and commenced manufacture of flexitanks in Singapore in 2003, opening a new manufacturing plant in China later that year.

Notwithstanding consistent industry growth over some years when many business sectors have been in recession, Braid points out that this market is ever more competitive with new manufacturers emerging in China and South Asia in recent years generally selling basic, low cost flexitanks to the wider market with minimal operational or technical back-up, and with the industry as whole continuing to suffer from incidents and an image of unreliability in the freight and logistic sector as a result.

Braid BD Wine Flexitank with integral aluminium foil barrier

Braid flexitank being tested at Tuev Goerlitz rail test centre

In order to maintain its growth momentum and serve its client base more closely, Braid has added extensively to its global own office network in the past year, opening Braid offices in Russia early in 2011, in Brazil (in March 2012) and in Malaysia where Braid Logistics Asia Sdn Bhd opened in January of this year.

Braid has also expanded its Singapore office with a dedicated ISO tank division employing four new staff from where its growing Asian ISO tank business is now managed, in liaison with the company's agents throughout the Far East and Braid's tank head office in the UK. In total, Braid has own offices in more than 20 countries plus an exclusive agency network in an additional 65 territories giving Braid a major global presence in the bulk logistics sector via the dual bulk modes of ISO tanks and flexitanks, a distinguishing feature of the company's service offering over the past 10 years.

Technical director, Andrew Watson, explains that Braid's flexitank strategy is to focus on quality in the raw materials, components, design and build of the Braid flexitank with a zero defect focus, engineering in sufficient robustness and flexibility to enable the tank to withstand adverse environmental and operational conditions. Low cost flexitanks will always appear interesting in the short term, but quality and performance, allied to operational excellence in the field, are essential to realise reliable and true low cost bulk logistics and to secure the development of the flexitank market for the long term, Watson asserts.

In recent years, Braid has extensively tested its flexitanks on the rail in the USA, China and Australia and, as part of the company's continuous R&D programme. The company undertook further extensive tests at the Tuev Sued rail centre at Goerlitz, Germany in the latter part of 2011. The flexitank and its ancillaries including the bottom discharge valve and the steel bulkhead - with the flexitank filled to its 24,000 litre capacity in a regular 20ft container - were subjected to multiple braking and acceleration tests generating forces up to 3G (the COA rail impact test requires forces up to 2G). Despite some deformation to the container sidewalls, inevitable with such destructive tests, the integrity of the flexitank and bulkhead remained fully intact with Braid later testing the specific flexitank at its UK facility to verify that the proprietary polyethylene materials remained undamaged and within the expected specification.

Watson explained that all Braid flexitank factories (in China, Bangkok and UK) are ISO9001-2008 accredited and the company achieved HACCP (food grade) certification in 2010, the first flexitank company to do so. Braid ships large and increasing volumes of bulk wine in its wine flexitank - developed specifically for the wine market from a unique material and incorporating an integral aluminium foil barrier to provide maximum protection for the wine in transit against oxygen or vapour migration and temperature variation - as well as a number of other sensitive, food grade bulk liquids that benefit from a purpose designed product and material technology.

The company has similarly invested significantly in bespoke facilities at its flagship China factory so that each batch of material and every valve and component part are tested by Braid for conformity to specification - material testing and manufacturing control being the essential pre-requisite to the zero defect target along, Watson asserted, with a complete understanding of and control over the supply chain.

www.braidco.com


Braid South America at Intermodal South America, Sao Paolo

# Delivering the last mile – visibly

Last mile visibility is a growing focus for international container transport chain managers. At the same time intermodal carriers and 3PLs are increasingly turning to collaborative technology to eliminate blind spots that exist in the movement, delivery and return of containers to and from the last mile – the final customer destination.

So says a report, *Intermodal Optimization - Enhancing Last Mile Visibility and Execution*, published by the Aberdeen Group. Commissioned by cloud transportation technology provider IAS, the report surveys 58 intermodal freight users out of 123 North American BCOs, 3PLs and carriers first interviewed for Aberdeen's August 2011 study *Integrated Transportation in a Capacity Constrained Global Market*.

The goal was to analyse how challenges faced by intermodal users differed from their single-mode counterparts, how they were coping with current global intermodal requirements, and what technology strategies were being adopted in response.

Compared to the others, intermodal users – companies moving containers to and from ocean ports and rail ramps, mainly as part of international shipments – face more complex requirements. These include not only co-ordinating equipment and container movements from port, rail, truck and inland customer delivery locations, but also the tracking and return of the containers to the port designated by the container owner.

The challenge is being magnified by the lengthening of global container supply chains, says the report. "Across a broad spectrum of partners, the synchronised movement and return of international intermodal shipments and containers requires far more levels of status and visibility than single mode domestic transport," observes report author Bob Heaney, senior research analyst, Supply Chain Management, at Aberdeen. "Our research found that both single mode and intermodal users are highly focused on improving supply chain visibility to reduce transportation cost and improve on-time and complete shipments. However, intermodal users are more aware and prepared to address the weakest link in the chain - last mile visibility and optimisation."

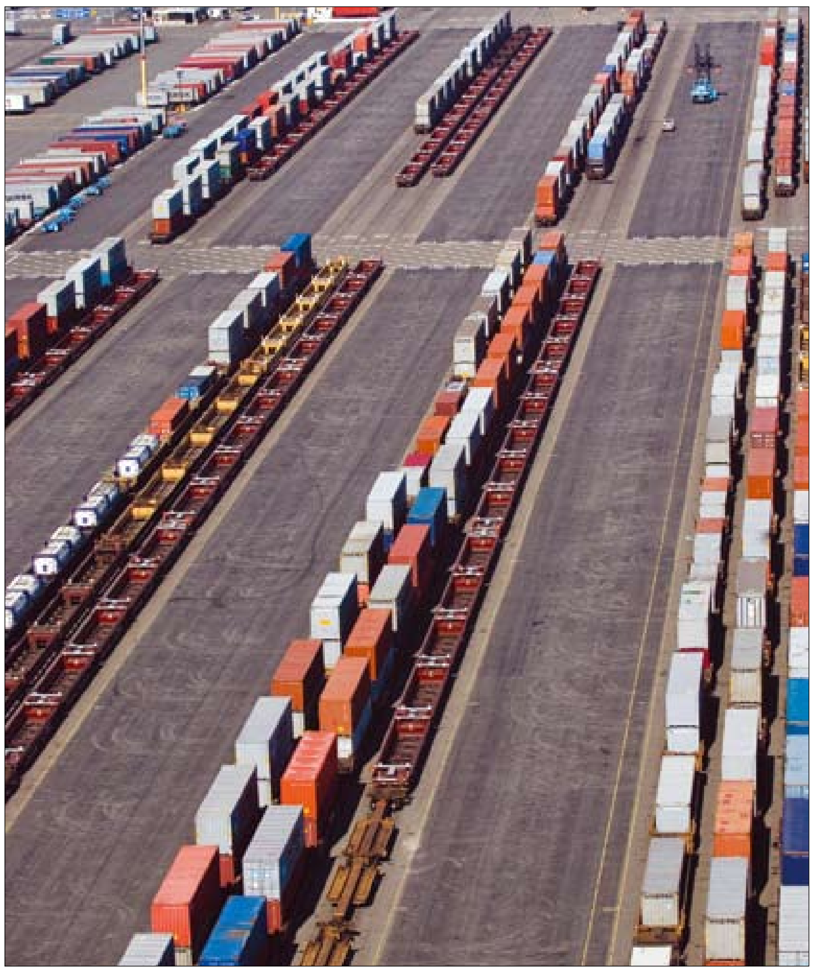
Intermodal users are three times more likely to have automated the exchange of information, 2.9 times more likely to scorecard transportation activities and 1.6 times more likely to have visibility tools to support backhauling against empty miles, the report finds. Yet, "although they can be characterised as 'early adopters' of automated data exchange compared with single mode users, still only 57 percent of the intermodal users in the study had visibility and optimisation tools in place to manage last mile execution," adds Heaney.

The report highlights the particular challenges of improving visibility in North American operations due to the many parties controlling first and last mile deliveries to shipper/3PL distribution centres, including a large pool of independent motor carriers. Based on its research findings, Aberdeen recommends the use of existing collaborative cloud-based platforms as the swiftest and most flexible route to bring all the relevant partners on board and achieve the required levels of visibility.

To illustrate, the report cites the case of a large top tier freight forwarder and 3PL undertaking tens of thousands of multimodal container deliveries to US clients every month. In Europe, the company was able to implement a precise last mile tracking process based on dedicated GPS-equipped delivery trucks. But when it looked to emulate this system in North America, it quickly became clear that the operating model was completely different, with over 450 motor carriers responsible for the company's last mile deliveries.

"Finding a system of connectivity to this carrier base was crucial, but once we found it existed we were able to integrate quickly," according to the 3PL's head of global intermodal. The system in this case was the IAS Dispatch platform, which the company is now leveraging to control first and last mile container moves into and out of the US.

A second case study features a large ocean carrier using the IAS Dispatch platform for its North American domestic intermodal and port-inland container moves. "Added visibility allows us to match inland and return container moves to reduce mileage and hence cost," says the carrier's SVP sales and marketing. "Cloud-based visibility and matching is an asset to almost any company dealing in international transportation of goods and is indispensable when multiple parties and equipment/container moves need to be co-ordinated."



*Intermodal users face more complex requirements - co-ordinating equipment and container movements from port, rail, truck and inland delivery, plus tracking and return of containers to port*

# Tracking systems to hit 1m

The installed base of container tracking systems will reach 1 million by 2016, says a research report from analyst firm Berg Insight.

The number of active remote container tracking units deployed on intermodal shipping containers was 77,000 in Q4 2011. However, the report projects growth in usage at a compound annual rate of 66.9 percent, thus hitting 1 million by 2016. The penetration rate of remote tracking systems in the total population of containers is estimated to increase from 0.4 percent in 2011 to 3.6 percent in 2016.

Berg Insight's definition of a real-time container tracking solution is a system that incorporates data logging, satellite positioning and data communication to a back-office application. The market for container tracking solutions is still in its early stage. Aftermarket solutions mounted on high value cargo and refrigerated containers will be the first use cases to adopt container tracking. Orbcomm has after recent acquisitions of Startrak and PAR LMS emerged as the largest vendor of wireless container tracking devices with solutions targeting refrigerated containers. Qualcomm, ID Systems and Telular are also prominent vendors focusing on inland transportation in North America, which is so far the most mature market for container tracking solutions.

PearTrack Systems, Honeywell Global Tracking, EPSa and Kirsen Global Security are examples of companies offering dedicated solutions targeting the global end-to-end container transport chain.

"Ever since 9/11, there have been a lot of activities to bring container tracking solutions to the market," said Johan Svanberg, senior analyst at Berg Insight. However, he adds that it is only now that technology advancement, declining hardware prices and market awareness are starting to come together to make remote container tracking solutions attractive. "Container telematics can help stakeholders to comply with regulations and meet the high demands on security, information visibility and transportation efficiency that comes with global supply chains," concluded Svanberg.

*Aftermarket solutions mounted on high value cargo and refrigerated containers will be the first use cases to adopt container tracking*

# Stellar tracking service

Global container terminal operator Hutchison Port Holdings (HPH) has unveiled StellarTrak, a web-based, on-demand service that will provide HPH's LoadStar customers with enhanced cargo security, monitoring and asset tracking services.

John Meredith, group managing director of Hong Kong-based HPH, said: "StellarTrak is the latest innovation in HPH's longstanding commitment to port and cargo security. Cargo theft, spoilage, and smuggling continue to be major concerns for our customers and all supply chain participants. LoadStar (HPH's cargo security division) has the know-how, and technology, to make significant improvements to supply chain security and product integrity."

StellarTrak provides LoadStar customers with true, real-time information about their cargo and assets. By logging in to the system, customers know the precise location of their cargo and assets, as well as the security and environmental status of the products inside. Customers can also subscribe to LoadStar's monitoring service, and LoadStar will actively provide cargo monitoring and issue processing for them.

Neil Smith, LoadStar CEO, added: "We provide our customers with a service that gives them control of their supply chain, allows them to manage by exception, and provides them with immediate and substantial bottom line benefits. StellarTrak is set-up quickly, at low cost and with no up-front investment required. It's software-as-a-service, available on a pay-as-you-go basis, and is easy to install and use. All of this is made possible through HPH's decade of experience using the latest wireless technologies to secure the supply chain around the globe."

The MKI, El Paso merger will create the largest midstream and fourth largest energy company in North America

# May date for KM, El Paso merger

Kinder Morgan Inc (KMI) expects to close its acquisition of El Paso Corporation (EP) in May. Kinder Morgan says it has reached a verbal tentative agreement with the Federal Trade Commission (FTC) to sell assets of daughter company Kinder Morgan Energy Partners (KMP) in order to receive regulatory approval for the acquisition, which was announced in October 2011.

Subject to final FTC approval, Kinder Morgan has agreed to sell Kinder Morgan Interstate Gas Transmission, Trailblazer Pipeline Company, its Casper-Douglas natural gas processing and West Frenchie Draw treating facilities in Wyoming, and the company's 50 percent interest in the Rockies Express Pipeline.

"We would prefer to retain all of these assets, but as we anticipated when the transaction was announced, we must sell certain assets in the Rockies to obtain FTC approval," chairman and CEO Richard D Kinder said. "The amount of divestitures is reasonably consistent with our original financial model. We are very excited about the 43,000 miles of El Paso natural gas pipelines that we will be adding to our portfolio. In addition, we anticipate significant interest in the Kinder Morgan assets that will be sold, particularly the Rockies Express Pipeline, which was the largest natural gas pipeline to be built in the USA when it was fully completed in 2009."

The transaction will create the largest midstream and the fourth largest energy company in North America with an enterprise value of approximately $94 billion, and 80,000 miles of pipelines. The total purchase price, including the assumption of debt outstanding at El Paso is approximately $38 billion.

It will result in a major consolidation in the North American gas transportation business as El Paso's midstream assets are what drew Kinder Morgan to the deal. Once complete, the combined company will be the largest owner and operator of natural gas pipelines and storage assets in North America, with pipelines spanning nearly all of the major unconventional resource plays across the US.

KMI expects to offer the assets of El Paso to KMP to replace the assets that KMP will divest. KMI expects the divestitures and dropdowns to occur contemporaneously, but subsequent to the close of the KMI-EP transaction.

On 9 March El Paso shareholders overwhelmingly approved the KMI-EP merger, with more than 95 percent of the shares that voted in favour of the transaction. KMI shareholders approved the transaction on 2 March with all shares that voted in favour of the transaction.

In late February, EP entered into a definitive agreement to sell its exploration and production business, EP Energy Corporation (EP Energy), for approximately US$7.15 billion to affiliates of Apollo Global Management, LLC and Riverstone Holdings, LLC, which are joined by Access Industries, Inc. and other parties.

KMI and EP integration teams are working together to plan for combining the two companies, subject to limitations imposed by anti-trust regulations. "I'm very pleased with the effort that is taking place among the integration teams of both companies," added Kinder. "As previously announced, we expect to realise cost savings and other synergies totalling approximately $350 million a year."

As a result of this transaction and KMI's normal expected annual growth, KMI still expects its dividend per share to grow at an average annual rate of around 12.5 percent through 2015 from its budgeted 2011 dividend per share of $1.16.

Over the next several years, the average annual growth rate in KMP distributions per unit and KMR dividends per share is expected to be around 7 percent, higher than the prior estimate of 5 percent annually, with the expected increase driven by the dropdowns resulting from this transaction.

KMI has an interest in or operates more than 38,000 miles of pipelines transporting natural gas, gasoline, crude oil, $CO_2$ and other products, and 180 terminals storing petroleum products and chemicals, and handling such products as ethanol, coal, petroleum coke and steel.

Meanwhile, Kinder Morgan and Martin Midstream are to build a rail terminal in West Texas to service the oil and natural gas industries of the Permian Basin.

A subsidiary of Watco Companies Inc will construct and operate the terminal in Pecos, Texas, with the first stage expected to be completed and operational by May. Kinder Morgan holds a preferred equity position in Watco, which is the largest privately held short line railroad company in the USA.

The facility will offer Permian Basin producers crude oil hauling, storage, transloading and marketing services, as well as access to Light Louisiana Sweet crude oil markets. In addition, the terminal will offer immediate natural gas liquids (NGL) storage, takeaway and fractionation services. Kinder Morgan and Martin Midstream are also seeking to develop natural gas and crude gathering and processing systems in the area.

In addition, the joint venture has held initial discussions to develop a frac sand unit train terminal to service Reeves County, the companies said in a statement. Initially, crude oil, NGL, frac sand, pipe, tube, structural steel and other commodities can be railed in and out, and transloaded to trucks for local delivery. Fully developed, the facility will cover 85 acres and be able to support unit trains. Total railcar capacity is anticipated to reach 300-600 per day based on demand.

# Seine Valley ports to merge?

A merger between the three big ports along France's Seine Valley has been proposed in report commissioned by Prime Minister Francois Fillon.

Antoine Rufenacht, Commissioner-General for the Development of the Seine Valley, believes the ports of Le Havre, Rouen and Paris should combine under a single authority to deliver a "global port offering" that would comprise France's biggest container gateway - Le Havre - with the country's most densely populated region.

In January, the three ports established an economic interest group – 'Haropa' - to promote trade along the Seine. However, the Rufenacht report says this nascent co-operation needs to go further; in effect a merger between the three individual port authorities for reasons of "consistency in governance" and "to optimise investment opportunities".

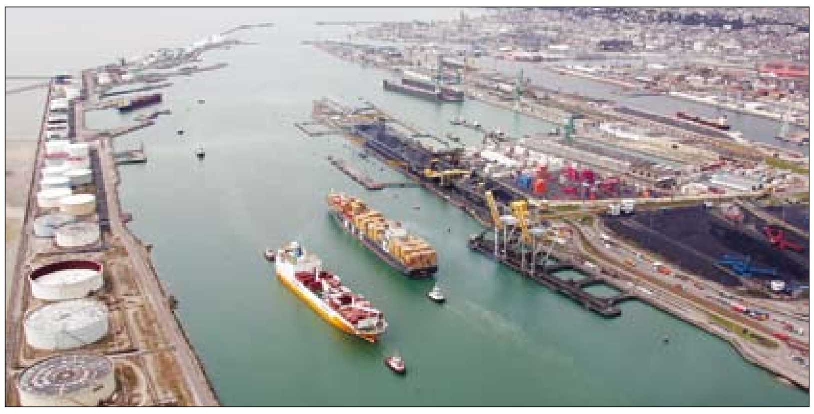
The report envisages the investment of €18bn in different multimodal projects that together would bind the three ports together. About half of this sum would go towards a high-speed Paris-Normandy rail line which would significantly reduce passenger transit times between the capital and the coast. At the same time it would free up infrastructure for a dedicated freight rail network running from Le Havre to the east of the Ile de France region. The remainder would be split between a new river terminal at Achères, and various upgrades to the regional motorway network, including a bypass around Rouen.

In 2008, French President Nicolas Sarkozy argued in favour of "a maritime dimension" to the development of the Greater Paris region. Since then two seminars have been held to thrash out various proposals, one in Le Havre and the other in Rouen. A third seminar is scheduled for November this year in Paris.

The report's proposal was given a cautious welcome by the port authority of Le Havre (GPMH). A spokeswoman said the report puts forward strong proposals in terms of industrial renewal and sustainable development. The ports of Le Havre, Rouen and Paris are already an economic powerhouse of the region, and the Seine Valley is the premier region of France's petrochemical industry, accounting for nearly 100,000 jobs.

"We can therefore only welcome the proposals made in this report to promote development through the ports of the Seine axis. This encourages us to work even more closely with our customers and partners to offer them the best solutions," said the spokeswoman.

Regarding the proposal to merge the ports, Philippe Deiss, CEO of Haropa, said: "The path taken by Haropa is innovative, so let us see how this first year of the experiment works out. Haropa is not a holding company, but a tool for all the three ports. If in the future there is to be a merger, Haropa will probably be the vehicle on which to build that fusion."



*The report says the ports of Le Havre, Rouen and Paris should combine under a single authority to deliver a 'global port offering'*

# Oiltanking to add Houston storage

Oiltanking Partners LP plans more capacity at its crude and refined products terminal in Houston, Tx, after it completes the current 1 million barrel expansion, eying an influx from the Cushing oil hub after planned pipelines come on stream.

Speaking to US analysts in its fourth-quarter conference call, the company said the planned expansion could be as much as three times larger than the current one. This is due to growth in crude from new plays such as Eagle Ford, as well as Canadian crude from pipelines including the Seaway, Keystone and Long Horn.

"Eagle Ford is making its way to us via the Kinder Morgan system and the Enterprise system that has been announced and to which we will have connectivity," said Carlin Conner, chairman, president and chief executive of the company. "And in the future, we hope to have connectivity to any Cushing system whether the Seaway reversal, TransCanada or even the Long Horn system," he added.

These are several of the pipeline projects on the books to carry crude from the currently oversupplied Cushing, Ok hub to the country's largest concentration of refineries along the US Gulf Coast.

The company said it would make a formal announcement soon on the exact scope of the project and give details about the connectivity to TransCanada Corp's Keystone pipeline.

Oiltanking said it was on track to complete the current, 1 million barrel expansion in the second quarter of 2012. Of this expansion, 655,000 barrels came on line in 2011.

Conner said the company was witnessing a mix of users in crude oil storage. "We are seeing more producers and more traders in the market," he said.

In Houston, Oiltanking has 12.1 million barrels of storage capacity and six deepwater docks.

The company also has 5.7 million barrels of capacity in Beaumont, Tx, home to a 344,500 bpd ExxonMobil refinery and a trading hub for oil products in the upper Gulf Coast region. Oiltanking is considering an expansion in Beaumont, partially related to the expansion of an unidentified customer.

Beaumont, which has three docks, is accessible by pipeline, tapping TEPPCO's and Centennial's product pipeline, ExxonMobil's refinery pipeline carrying vacuum gas oil (VGO) and Valero Corp's refinery crude pipeline.

Oiltanking said it sees waterfront growth opportunities given higher distillate exports from the Gulf Coast to Europe and South America and increased deliveries of crude by pipeline.

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# Capacity shortage stunts Rwanda

Rwanda is set to expand its fuel storage facilities by 150 million litres. Emmanuel Hategeka, permanent secretary in the Ministry of Trade, and Industry, told local media: "Currently, our storage facilities have a capacity of 30 million litres. Under this new policy, we want to upgrade them to 150 million litres by 2017. In this context, we want to increase the importation of fuel and ensure that we purchase oil at the lowest cost possible."

Hategeka pointed out that the country currently spends substantial amounts of money because it purchases restricted amounts of fuel, adding that there was need to buy in bulk because of limited storage capacity.

"To manage this situation we will have to set up the oil product law which will set guidelines for the oil trade," he added, saying they were trying to look at all possibilities of a downstream oil policy.

In Rwanda, downstream petroleum activities currently exclude refining and processing of petroleum products. According to Hategeka, on average, the country consumes 205 million litres of fuel annually with an average consumption of 17-20 million litres per month. Rwanda Utilities Regulatory Agency (RURA) indicates that the use of petroleum products is expected to grow at an annual average rate of 10 percent.

In an interview with *The New Times*, the director of Societe Petroliere sarl, Kv Choudary, said that petroleum dealers have the capacity to import as much fuel as possible but still face the problem of storage.

# Magellan expands crude shipping

Magellan Midstream Partners plans to expand crude oil shipping capacity to 225,000 bpd from West Texas to its East Houston terminal for delivery to Houston and Texas City-area refineries on the company's pipeline system.

Magellan had previously announced the project to reverse and convert to crude oil service its pipeline from Crane, Texas to its East Houston terminal, initial capacity at 135,000 bpd and a cost of $245 million. The project is now estimated to cost $375 million, including the cost to expand the system to its maximum capacity of 225,000 bpd, Magellan said.

"The market clearly confirmed the attractive fundamentals of our Crane-to-Houston pipeline, and we are pleased to increase the scope of our project in response to this strong industry demand," said Michael Mears, CEO. "We continue to believe our Crane-to-Houston pipeline will be the most direct and cost-efficient route to deliver growing West Texas crude production to the refineries in the Houston and Texas City area, providing an alternative transportation option that will help alleviate the current crude oil oversupply in Cushing, Ok."

Subject to receiving the necessary permits and regulatory approvals, Magellan said it expects the reversed pipeline to begin transporting crude oil at partial capacity by early 2013, ramping to its full 225,000 bpd capacity by mid-2013.

Magellan is also studying the construction of a new pipeline segment or the use of existing third-party infrastructure to transport crude oil from Midland, Tx to Crane for delivery to the Houston area. Magellan said it estimates the new pipeline segment would cost an additional $70 million.

# Fujairah storage nears completion

Gulf Petrochem Group reports that the first phase of its 1.2 million cbm storage terminal in Fujairah is on track for completion in September 2012.

The terminal consists of 112,233 sqm, which includes up to 73,269 sqm of expansion capability. It currently offers a capacity of approximately 350,000 cbm, and Gulf Petrochem is open to sign contracts for the same.

The Fujairah terminal is claimed to take benefit from the strategic location and infrastructure of the Fujairah port outside the Strait of Hormuz. The Group had earlier signed an investment agreement with the Government of Fujairah under which the latter will buy a 12 percent stake in the terminal project.

For the first phase of the project, which will have a capacity of 412,000 cbm, Gulf Petrochem has awarded a US$45 million contract to Nico Hydrospace, a subsidiary of Topaz Energy and Marine. The two oil terminal berths of Fujairah port together offer seven berths for large tankers and 12 for small tankers.

Terminal one has a maximum draft of 14m and a wharf length of 847m, while the second terminal has a maximum draft of 18m and a wharf length of 1,400m.

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