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Anne Williams (see above)

EU rail reform rejected by MEPs

Britain's Rail Freight Group (RFG) says it is "extremely disappointed" that the European Parliament rejected the Governance Section of the 4th Railway Package in a vote on 26 February.

The Governance Section had previously been approved by the Transport and Tourism Committee on 17 December 2013, but instead MEPs accepted amendments promoted by the Community of European Railways to preserve the status quo.

For RFG the result is to allow the big incumbent railways "to continue to behave in a monopolistic manner, in some way putting the clock back to before previous legislation", by allowing financial flows between incumbent operators, infrastructure managers and holding companies; a situation that RFG chairman Tony Berkeley claimed could give rise to hidden subsidies to incumbent operators who can then compete unfairly with new entrants.

"It could allow an integration of infrastructure manager and incumbent train operator, as is planned in France, and it could allow one operator (the incumbent) to help finance the infrastructure manager and thereby get priority in path allocation and perhaps charging," he said following the vote.

Whereas the other parts of the 4th Railway Package will help bring in common standards and other benefits of interoperability, without a governance section which either requires total separation of infrastructure manager from all operators, or brings in strong 'Chinese walls' to prevent hidden subsidies, transfers of staff or other bits of confidential information, the European rail network will not obtain the private sector investment that it desperately needs, because new entrants will continue to be rightly frightened of the ability of incumbents to kill or buy their business, RFG maintains.

One amendment even pointed out that rail freight in France had dropped by 50 percent in 10 years; compared with a 60 percent growth in the UK, "but still a majority voted for the amendments that would continue such drops in traffic," added Berkeley.

The German and French governments reportedly struck a deal to kill the Fourth Railways Package in the European Council. "They do not now need to; their MEPs have done it for them," Berkeley stated.

"Just three months before the European Parliamentary elections, it is sad that those MEPs who supported these wrecking amendments, which will allow unfair and hidden subsidies to pass between infrastructure managers, holding companies and their train operators will be remembered for at best neutering any liberalisation of the railway. It seems they would rather see their rail traffic decline than open it to fair competition."

Reform of rail governance is seen as vital to encouraging more private sector investment and competition in rail services

Some RFG members already operate in other member states, and others would like to, but some might be dissuaded by the continuing risks involved when faced with a state-backed incumbent that owns both track and train and can at any moment badly affect their business.

RFG chairman Tony Berkeley said: "The two big rail monopolies owning infrastructure managers and incumbent operators, whether in passenger or freight business or both, in France and Germany, and many smaller ones stretching from the Channel Tunnel to Poland, Czechoslovakia and Italy cannot expect to get away with wrecking the chances of growth, investment and better service quality that competition would bring to the rail freight sector.

"We shall be pressing the new European Commission and Parliament to find ways of challenging these monopolies and their structures which are so much against the interests of the customers."

Fort Vale warns of 'copies'

Tank component manufacturer Fort Vale says it has come to light that some valve and spare parts suppliers, both in Asia and Europe, are copying Fort Vale valves and ancillaries in such a way that they could be mistaken for genuine Fort Vale parts.

"These valve manufacturers go into great detail to make the valves look aesthetically identical to Fort Vale," the company stated in a press release. "So called 'Fort Vale' relief valves have been found with broken springs that are not genuine spare parts. The IMDG requires that relief valves comply with EN4126. If a Fort Vale relief valve has been fitted with a non-OEM approved component, the type approval becomes null and void, our manufacturing warranty is rendered invalid and the valve is operated entirely at the customer's risk," it stated.

Although a part might look the same as Fort Vale's, it may not perform the same, the company said. "All Fort Vale products meet, and often exceed, the requirements of industry standards. Our valves and ancillaries are designed, developed and verified in-house by experienced engineers using MAGMA, FEA and CFD software and rapid prototyping techniques.

"Most component parts are manufactured by us, meaning that we can guarantee their quality and conformity. We only work with suppliers who operate the same scrupulous quality ethic as we do, and we test their parts too. Additionally Fort Vale has an on-site, independently approved test facility for liquid and air flow testing our valves. We also carry out cycle testing, impact testing and strain gauge testing."

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Resourceful packaging

Electricity and resources are becoming more expensive, and the shortage of freight capacity is pushing up the cost of transport. So how can high-grade packaging be marketed under these difficult conditions without appreciable price rises?

Manufacturers of industrial packaging are showing that this is possible – by using low-cost recycled materials, developing innovative logistics strategies and generating their own renewable energy

Industry is in a predicament. Newly industrialising countries like China are still growing rapidly and in certain industrialised nations like Germany business is booming such that resources are becoming scarcer and more expensive. In its current report on the state of resource supplies in Germany, the Federal Institute for Geosciences and Natural Resources is already issuing a warning about serious supply bottlenecks. In many European countries, energy prices are on the up because of increasingly expensive imports of oil, gas and coal. In Germany, industrial enterprises are now paying an average of 12 cents per kilowatt hour of electricity, roughly 25 percent more than just five years ago.

The manufacturers of industrial packaging are being hit particularly hard by the price rises. Their containers, pallets, technical components and workpiece carriers are usually made of plastics. Although they are light and robust, a lot of energy is required for the injection-moulding of plastic packaging. Furthermore, manufacturers need granulate for this, which is in big demand and no longer available in almost limitless quantities.

"In the long term, this not only means increases in the price of all load carriers, but availability will also become a crucial factor sooner or later," says Udo Schwabe, marketing manager of the German branch of the Swiss Utz Group, a container specialist. Rising transport costs are exacerbating the situation. The problem is that large industrial packaging units transported to customers by truck and train take up a lot of space. "In this situation, cost savings are pretty much out of the question," Schwabe claims.

More demanding customers

Also, while the financial leeway for customers is declining, they are becoming more demanding. Whatever the sector – wholesale trade, food or pharmaceuticals – customers all want to shrink their carbon footprint and are insisting on sustainable packaging produced with minimum resource input but without compromising on strength. Companies are also resorting to highly automated conveying technologies to ensure trouble-free materials flow. And this raises the bar significantly for packaging.

"Like other packaging, industrial packaging also has to protect the product while using less material. Less material also means less space taken up by the packaged product," explains Vera Fritsche, specialist of the Food Processing and Packaging Machinery Association in the German Engineering Federation.

In addition, the containers have to become identifiable so that they can be controlled by different logistics systems. "Coding plays a very important part here, particularly as regards the traceability of the product over the entire distribution chain as well as the entire in-plant logistics," Fritsche adds.

Novel in-mould labelling technology is making rapid inroads, as it produces durable and easy-to-clean labels, although it is more elaborate and more expensive than the currently widespread barcodes. These are simply stuck onto the packages in a downstream cycle, while in-mould labelling is integrated in container production. Pre-printed labels are inserted in the injection mould and fuse with the plastic melt on its injection into the mould.

Packaging suppliers are also expected to offer space-saving containers. "Freight and storage space is becoming not only scarcer, but also costlier," Fritsche continues. Companies pass on the pressure to the packaging industry in the form of demands for volume-reduced containers, be they folding, conical or stackable/nesting.

The biggest challenge facing packaging manufacturers is to deliver the required innovations without loss of quality and at as little extra cost as possible. The German arm of drum specialist Greif, based in Cologne aims to tap further cost and efficiency potential right across the company in the short term, says its managing director Dirk Heidmeyer. "This way we are pursuing two major goals on behalf of our customers. Firstly, we want to do all we can to keep package costs as low as possible for our customers in the long term. And, secondly, we want the improvement in the earnings situation to contribute to long-term security in terms of what we call 'the safe choice'." The safe choice is Greif's pledge to offer high-grade packaging with maximum product safety and delivery reliability.

No package like any other

Using extra-safe packages to keep the customer returning is the approach also pursued by Schütz. Its innovations include Foodcert packages for the food industry, which are based on the latest industrial standard FSSC 22000 (Food Safety System Certification). This standard calls for, among other things, high cleanliness precautions during production to minimise the risk of contamination. Schütz also manufactures its Foodcert packages exclusively just-in-time, ie, to meet actual demand in response to individual customer orders. In this way, long storage and contamination are avoided. "Schütz is the first manufacturer of IBCs and drums worldwide to subject all of its production plants to this audit," the company claims. IBCs are among the most widely-used large packaging units. These cubic plastic containers are used in industry mainly as collection and transport containers.

If large IBCs are to be filled with foods, high standards of hygiene apply in production. (Pic: Schütz)

Raw materials for plastics are in big demand and expensive. More often, materials are being recycled into containers and pallets for a new lease of life. (Pic: Schütz)

Another Schütz strategy to attract customers in the long term is sustainable package solutions. The company's latest developments in this area include a plastic IBC pallet that is made by reprocessing used IBCs. Schütz is thus killing two birds with one stone. It is satisfying the demand for carbon footprint-reduced, recyclable products. And, by reprocessing scrapped IBCs, Schütz is making itself less dependent on expensive raw materials supplies. And without loss of quality, the company insists. For the recycled material is highly resistant to chemicals, deformation and damage, Schütz claims.

VDMA expert Fritsche cites another example of a resource-conserving, reusable package: the so-called Xfach Folding Coil from DS Smith Packaging for the transport of rubber seals, hoses, cord and the like. "It takes just two manipulations to set it up and collapse it. When the coil is collapsed, all the parts remain connected, and losing parts during the return trip is prevented. Thanks to its construction with robust corrugated board, the folding coil is designed for multiple use," says Fritsche.

One of the focuses of Utz is also on the sustainable, cost-effective production of its plastics load carriers. At the company's own recycling centre, boxes and pallets are processed into granulate. Alongside this, the company is developing new packaging materials like wood-plastic composite as well. To supply itself with eco-friendly electricity, Utz has also invested in its own photovoltaic installation and a combined heat and power plant. "These are initially large investments, but they will make us more independent of electricity exchanges and government price interventions in the long term," marketing manager Schwabe explains.

In addition to sustainability and cost reduction, Utz accords a key role to flexibility in production and to delivery readiness. "One thing is certain: the search is on not for the universal solution for multi-way packaging, as was perhaps on the agenda a few years ago, but for solutions geared to specific industries and customers," says Schwabe. In co-operation with meat processers and the global standards organisation GS1, it has thus developed a new e-performance meat container whose enhanced base geometry and corner design makes it extra-strong. It also bears an in-mould label on all four sides for easier identification within the supply chain.

For a chain of chemist's stores, Utz has also developed a transport dolly that can be moved on casters without great effort to its in-plant destination. The basis of this dispatch tower is a dolly that has four recesses on its upper surface to accommodate the casters of the next dolly. The dollies can thus be stacked one on top of the other to save space in the warehouse. Utz also serves large industrial enterprises. For an international technology corporation, the Swiss Group's headquarters has designed a large package composed of a folding box pallet, various interior divisions and deep-drawn intermediate panels. The package unit is used worldwide for transporting turbine blades for gas and hydroelectric power plants when these undergo inspection.

So that it can supply industry with its many packaging solutions, Utz is constantly investing in the extension of its machine park. The Swiss production plant in Bremgarten alone now has 29 injection moulding machines. "We don't have any products that would warrant a mono-product system," the company says.

What's the best way to move as many containers as possible with minimum effort? Special stackable transport dollies are the answer. (Pic: Utz Group)

At interpack 2014 (Düsseldorf 8-14 May 2013) visitors can find out for themselves the strategies and products that suppliers of industrial packages are adopting in order to meet the needs of the market. For further information:
www.interpack.com

Mauser brings recycling to Europe

Mauser's new recycling centre in Erkelenz. After collection, sorting, processing and quality control the materials make the perfect basis for new industrial packaging

The push to recycle, encouraged by the twin forces of rising raw material costs and demand for lower carbon footprints, is encouraging innovation at Mauser Group.

The company's reconditioning subsidiary National Container Group (NCG) has now expanded its European activities into plastics recycling. As part of its global network of more than 25 reconditioning sites, NCG in Europe can collect, launder, wash and remanufacture its used composite IBC and drums from 10 locations all over Europe.

Most recently, €2.5 million was invested in a recycling centre in Erkelenz, Germany. The state-of-the-art recycling line generates high quality recycled polyethylene material from used industrial plastic packaging and IBC bottles at an annual capacity of 3.500 tonnes.

"With the growth of our European network and the expansion of our service portfolio into reconditioning of plastic packaging, we saw the need to take a look at responsible material recycling of plastic packaging no longer suitable for reconditioning," says Ernest van den Boogerd, managing director of NCG, Europe. "Industrial plastics packaging is mainly produced from low melt flow polyethylene materials and during its phase of use often comes in contact with various chemicals. Its material recycling process needs specific attention and equipment that we could not find when looking at existing recycling capabilities in the European market. Therefore, we took the decision to set up our own recycling line. Plastic packaging materials no longer suitable for reuse are sorted and graded in terms of quality in each NCG location before being sent as cut, bailed and pre-cleaned material to the new centre in Erkelenz. Knowing the history of our materials is essential for generating high quality recycled plastics."

The setup of the recycling line is highly flexible, adds Dr Bernhard Heisel, specialist for recycled plastics at NCG. "After shredding and wet grinding the plastic material is cleaned in two separate friction washers, which can be operated in series at various temperatures and with water or caustic soda. Following an extensive drying process, we are able to separate cleaned, grinded materials.

"To improve the quality of the materials, washing is followed by an extrusion process. In the extruder, melted materials pass two vacuum degassing zones to reduce migrated contaminants significantly, which could not be taken out during the washing process. Operating materials at low melt flow of 2-10 (MFI 21.5) without material degradation is quite special for our recycling setup."

The collection, sorting, processing and quality control fully comply with the requirements of DIN EN ISO 16103:2005, '*Transport packaging for dangerous goods – Recycled plastics material*', which makes the materials the perfect basis for new industrial packaging.

The Infinity Series of plastic drums is the first product line to come from the recycled materials

First results

The first products resulting directly from the Erkelenz recycling centre are grouped under Mauser's new Infinity Series of plastic drums. The drums, produced from post-consumer resin (PCR) plastic materials, will cover the open top drum design O-Top from 30 litres to 220 litres and the 220 litre capacity tight head drum L-Ring Plus.

"Based on the high quality of the recycled plastic materials generated in our recycling centre, we were able to qualify the Infinity Series of open head drums for the transport of hazardous solids up to Packing Group I," states Michael Schieck, regulatory affairs, Europe, at Mauser. "Our Infinity plastic tight head drum comes with a UN certification for hazardous liquids classified Packing Group II."

"We are proud to introduce this new drum series in such a short time after the start-up of the Erkelenz recycling centre," adds Axel Schaefer, head of product group management, Europe. "In a first phase our regional focus will be the Benelux, German and Italian markets, but we are open and flexible on any project beyond these initial target regions. The drums come in standardised dimensions similar to our packaging manufactured from virgin plastic. This makes it easy for customers to transition to the Infinity series with little or no changes to their operations. By making use of recycled materials the series is more environmentally-friendly and comes with lower carbon emissions than comparable packaging produced from exclusively virgin HDPE. We see high interest with clients from various industries looking into practical solutions for making their packaging portfolio more sustainable."

The introduction of the Infinity series to the European market is the latest initiative in Mauser's Ecocycle sustainability initiative which focuses on products and services for its clients. "Mauser Infinity drums have been a great market success in our American operations for quite some time," states Klaus Peter Schmidt, head of product development and global sustainability management. "Up to the time of opening the centre in Erkelenz we had been missing the necessary quality and supply security of recycled plastic material to implement such sustainable product approaches in Europe. In times of increasing discussions on plastic packaging waste, we take our responsibility seriously. So we invested in the material recycling capabilities because we are convinced by the opportunities linked to closing the lifecycle of industrial packaging."

In the USA, NCG has acquired a majority stake in the IBC and plastic drum reconditioning division of Prime Pack, Inc, located in Dallas, Tx. The joint venture will allow NCG to serve the Dallas market better, as well as north and west Texas. It will also serve as a basis for NCG to expand its presence into the oil field and drilling markets.

In addition, NCG has acquired a 51 percent stake in Tri-Rinse, Inc's location in Iowa Falls, Iowa. Tri-Rinse is a container company focused on recycling of all types of agricultural chemical containers. This joint venture will grow NCG's presence in the agricultural container market. The Iowa Fall's location will process rebottled composite IBCs.

President and CEO of NCG Michael Chorpash stated: "We are extremely excited to be entering into a venture with a company that holds such an exemplary environmental record as Tri-Rinse. We expect a smooth transition of processing units at Iowa Falls."

Clinton Shocklee, of Tri Rinse, added: "In an effort to expand our IBC recycle/rebottle service in Iowa Falls we've partnered with NCG/Mauser who will add return logistics capabilities to the site as well as adding the availability of new bottles and cages."

www.mausergroup.com

Combi-pallet alternative

Thanks to its new metal hybrid pallet, Werit Kunststoffwerke is now offering an alternative to wooden and fully plastic skid pallets.

The new combi-pallet rounds off Werit's range of wooden and fully plastic skid pallets within its IBC range. Its metal hybrid frame has the characteristics of strength and durability, but is also light, weighing 14.7kg.

The pallet measures 1,200mm x 1,000mm x 150mm and has capacities of 800 or 1,000 litres. It combines the benefits of a galvanized sheet steel top and frame with the resistance of solid plastic feet. It is available in UN or non-UN designs, or in Polyex.

In a further addition to Werit's IBC product range, the company has produced a new outlet fitting, claimed to be the "tightest in its class". The company's development department was able to increase the contact pressure of the seal even further, increasing safety for users.

The curve was designed to allow the valve head to move for both the 3ins and 2ins valves and makes handling easier to rotate ensuring better engagement.

"There are no leaks, even under the most testing of conditions," explained Udo Hummelsberger, technical customer service at Werit. "Our customers have been using the outlet fittings for many years now without any issues. However, we have both the know-how as well as the aspiration to be just that little bit better as part our a zero defect strategy, something which is particularly true in terms of our core IBC skills. Of course, the outlet fitting is one of the most important functional elements of the IBC as well."

Werit has also brought its IKP plastic pallet to the UK. The company has entered into a partnership with Northern Case Supplies Limited, which will be responsible for sales of the IKP plastic pallet in Britain, from its base in in Ellesmere Port, Cheshire. Werit's UK production site is in Manchester.

The recyclable pallet material is claimed to be and economic alternative to wooden pallets, combining both cost-related and environmental advantages.

Potential customers include pallet pooling providers and the food industry. The pallets are said to be easy to clean and recyclable, fulfilling all environmental specifications. Their flexibility also allows them to be adapted to individual requirements. For example, a wide variety of customer demands including antistatic, conductivity and hygiene specifications can be met depending on the pallet material used.

"Manchester is a very important production location for Werit when it comes to serving the English market," explained Felix Weger, head of operations UK at Werit. "It is very important to have the plastic pallets warehoused locally in order to meet demand quickly."

www.werit.eu

Werit's combi-pallet has the characteristics of strength and durability, but is light in weight at just 14.7kg

The new Werit outlet fitting, claimed to be the tightest in its class

‘All-inclusive’ resource conservation

Originally formulated as a guideline in forestry by Hans Carl von Carlowitz in 1713, the concept of sustainability has become one of the guiding principles of the 21st century.

For numerous businesses it is a challenge they take very seriously and many publish annual sustainability reports. Industrial packaging specialist Schütz says it has been committed to the concept since the company was founded in the 1950s.

From the beginning, the company, with roots in the Westerland region of Germany, has elevated the concept and continual development of environmental protection to a set part of its philosophy. For the past decades, a dedicated environmental department has carefully monitored all sustainability measures and their results.

Schütz has been reconditioning used IBCs since 1976, and since 1980 has guaranteed their collection. In 1993, the company launched the first producer-managed, free collection system for empty containers, the Schütz Ticket Service which last year celebrated its 20th anniversary.

Company founder Udo Schütz established processes in his company that from the start complied with higher standards than the Packaging Ordinance championed in the 1980s by the then Minister for the Environment Klaus Töpfer and was passed by the federal government in 1991.

In the 1990s, recycling of packaging became a part of life for people in Germany. Following the introduction of the Dual System (the ‘Green Dot’) raw materials from retail packaging for consumers – from yoghurt pots to tins and beverage bottles – have been recycled and reused in the economic cycle. A privately operated waste disposal company relieves its members from trade and industry from the individual obligation to collect and recycle their packaging which was stipulated in the Packaging Ordinance.

Although this ordinance did not apply to industrial bulk packaging, Schütz decided to offer its expertise in reconditioning as a service and so the company developed its own collection system for used Ecobulks.

Schütz IBCs make optimum use of the volume of the transport mode which saves fuel and reduces emissions

New from old

Once the filling goods have arrived at their destination and have been processed, the empty containers are collected as part of the global Schütz Ticket Service. At the factory the IBC inner bottle is removed from the cage and shredded. The resulting regrind is recycled in several stages. Schütz has refined this process over the years. In the reconditioning process even the washing water remains in a closed cycle – including cleansing with various mechanical and chemical processes. The resulting HDPE recyclate is used exclusively in its own production facilities: the recycled PE material is used to manufacture plastic components such as corner guards and pallets.

Last autumn, the company received the ‘Greener Packaging Award 2013’ in Brussels for this eco-friendly recycling. The Ecobulk MX with a new full plastic pallet won over the jury in the category ‘Large enterprise/origin of raw materials’.

In order to ensure consistent high quality, production and

Promens moves into China

Icelandic plastic container manufacturer Promens has opened its first production facility in China.

Promens Taicang was officially opened by CEO Jakob Sigurdsson in a ceremony attended by among others HE Stefan Skjaldarsson, Iceland’s ambassador to China, Lu Yan, Vice-Mayor of Taicang city, Wang Hong Xing, the party secretary of Cheng Xiang and Hu Jie, mayor of Chengxiang.

“The new production facility in Taicang represents a very large step in our strategy to leverage our strong customer relationships in rapidly growing economies, where plastics will play an important role in optimising supply chains, increase food safety and meet the needs of a growing middle class,” said Sigurdsson. He also emphasised that the facility in Taicang provides Promens with a platform to serve both local and global customers in a more integrated way, from idea generation, through product development and production.

During the opening ceremony Hermann Thorisson, chairman of the board of Promens and Wang Hong Xing, Communist Party secretary of Changxiang, signed a letter of intent to accelerate Promens’ expansion in Taicang, which is located at the mouth of the Yangtze River, close to Shanghai.

“When Promens chose Taicang as the first location for production in China, one of the most important elements was the local government’s support and understanding of our approach to investing in China, so we are very pleased to be able to announce a faster expansion than initially planned,” added Thorisson.

This first phase will concentrate on rotational moulding and will primarily serve the food and material handling industries. The next phase is geared towards the expanding automotive industry in China and is set to begin production later this year, while the third phase will be based on injection and blow moulding technologies, planned at the end of the year.

The formal signing of the investment contract with the city of Taicang took place in the Great Hall of the People in Beijing in April 2013, in the presence of then Icelandic Prime Minister Jóhanna Sigurðardóttir and Premier Li Keqiang at the same time as the formal declaration of Free Trade Agreement between Iceland and China - the first one that China has signed with a European country.

www.promens.com

Cutting the ribbon at the opening ceremony of Promens’ new production facility in Taicang

reconditioning take place globally according to uniform environmental and safety standards. With the company's worldwide network, which comprises 45 sites, and its commitment to expansion, Schütz is also bringing the concept of sustainability to countries where this issue has not yet received priority and where there is often as yet insufficient legislation in place. Schütz not only exports its products worldwide, but also its underlying sustainability philosophy.

Ecology and economy in harmony

As well as reusing recycled materials in production, Schütz IBCs are also sustainable products thanks to the fact that they are particularly space-saving logistics tools. The container design is such that with a volume of 1,000 litres 25 percent more filling goods can be transported than with conventional 220 litre drums – with the same space requirement. Additionally, ISO standardised dimensions mean that the volume of the container is optimally used, and for Schütz's international customers this translates directly into fewer trucks and freight train journeys on road and rail but with more freight – which saves fuel and cuts emissions. The same applies to airfreight. This helps to reduce environmentally harmful CO2 emissions and reduces costs.

At Schütz, the optimisation of processes and products takes top priority. This helps to avoid negative environmental impact along the entire value chain, as well as reducing the consumption of resources and increasing the energy-related performance.

In addition to these activities, the global player also participated in a three-year project to boost energy efficiency. In 2011, the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) under the lead management of the renowned Fraunhofer Institute for Systems and Innovations Research initiated the project '30 Pilot-Netzwerke'.

As part of this initiative, 10 to 15 small and medium-sized enterprises joined forces regionally in an energy efficiency and climate protection network. Schütz is part of the Energy Efficiency Network Koblenz/Neuwied which includes the Koblenz Chamber of Industry and Commerce and the Neuwied local authorities as partners. Thanks to a regular exchange of experience about suitable solutions, the participating enterprises were able to lower their energy costs much faster than the overall average achieved across German industry. The target for 2014 is to reduce energy consumption by 6.78 percent in the main site in Selters compared with energy consumption in 2010.

The permanent implementation of these ambitious environmental projects takes place not only in the production and logistics departments. The latest Schütz project is the introduction of energy management in accordance with ISO 50001 by summer 2014. The Environmental department is permanently monitoring and evaluating energy and material consumption, water use, CO2 emissions and the amount of waste produced. The HR department trains staff to apply the company's Code of Conduct in accordance with the guidelines of the Federal Association of Materials Management, Purchasing and Logistics (BME). All of these activities are testimony to Schütz's commitment to fair, responsible and ethical principles as the basis for all business relationships.

Sales and marketing conduct an annual customer satisfaction survey, in which sustainability also plays a central role. The purchasing department monitors the integration of Schütz's own sustainability guidelines in the selection of suppliers and products to ensure that the company's standards are always met.

A secure future

Environmental aspects not only play a role in optimising products and services: when it comes to sustainability, Schütz has always followed a holistic approach. For this reason sustainability is a decisive consideration when it comes to selecting new sites and planning new factories. In all new buildings on the premises of the company's headquarters in Selters, Schütz gives priority to energy-efficient construction methods and the use of building materials that comply with the current environmental standards. This helps to conserve resources and is also healthier and pleasanter for the people who work in these buildings.

Buildings like these literally provide a good working climate, and satisfied employees are essential to a well-functioning enterprise. For this reason, Schütz is also committed to providing modern jobs as well as sustainably promoting the health of employees, for instance by providing preventive care through a company medical officer. Ergonomics in the workplace also help to prevent illnesses. Employees have access to a company fitness centre with a sports hall, where they can wind down after work with a sports session. Numerous internal events help to build the team spirit across the company and promote well-being. For instance, for the past 11 years colleagues from several departments have competed against each other regularly in the internal Works Council Indoor Football Cup.

The Ticket Service takes care of free collection and eco-friendly reconditioning of empty IBCs

As the sustainable development of the company is also decisively upheld by the employees' qualifications, Schütz continuously offers extensive training measures, often in co-operation with relevant institutes. For this dedication to training the experts of the future, Schütz received last year the 'Certificate of Junior Staff Development' from the Montabaur Employment Centre.

www.schuetz.net

Drumming up business

Norbert Dentressangle Tankers has invested in new drumming equipment to operate from its Wilton International facility, near Redcar, UK.

The addition of the specialist equipment enables discharge from bulk tankers and the drumming of a wide range of hazardous and non-hazardous liquids in a clean environment. Product is typically decanted into 205-litre drums under fume extraction conditions that conform to the highest standards of health and safety, and process control.

The logistics group has been providing drumming solutions for chemical and petrochemicals companies for over 15-years. An extensive tanker fleet allows product to be collected from manufacturing sites throughout the UK and delivered directly into the Wilton facility, where it can be discharged into drums and IBCs, then prepared for onward delivery.

The company supports a range of customers with comprehensive hazardous goods warehousing and transport operations. This is backed by an extensive contract packing operation, managing products in the chemicals and industrial sectors; ensuring a tailored solution can be designed to meet specific customer requirements using varied packaging and consumables.

The Wilton site is accredited to ISO 9001: 2008 and the latest safety & quality assessment system (SQAS) standards. The facility has a manned security and CCTV cameras that operate 24 hours a day, seven days a week.

www.norbert-dentressangle.co.uk

Pass-through pricing

Greif's rigid industrial packaging & services posted net sales of US$712.3 million for the first quarter of 2014 compared with $704.4 million for the first quarter of 2013.

Selling prices increased 3.7 percent primarily from the pass-through of higher resin costs to customers, changes in product mix and a slight volume improvement in Europe. The impact of foreign currency translation was a negative 1.6 percent compared with the first quarter of last year.

Gross profit was $119.5 million for the first quarter of 2014 compared with $119.7 million last year. Gross profit margin decreased to 16.8 percent from 17 percent primarily due to adverse weather conditions in North America during the last month of the quarter, resulting in temporary production losses due to shutdowns and higher energy and transport costs.

Operating profit in the quarter was $29.5 million compared with $31.5 million in the corresponding period of 2013. The $2 million decrease was due to slightly lower volumes and higher costs associated with adverse weather conditions partially offset by higher selling prices. Operating profit before special items was $32.5 million versus $33.2 million for the first quarter of 2013.

Restructuring charges were $2.5 million primarily related to the consolidation of some European and Asia Pacific operations, and there were $0.5 million of acquisition-related costs for both the first quarter of 2014 and 2013.

EBITDA was $52.2 million compared with $54.6 million for the first quarter of 2013. This decrease was due to the same factors that affected the decrease in operating profit. EBITDA before special items was $55.2 million compared with $56.3 million for the first quarter of last year.

www.greif.com

Quala president

Bulk transport and IBC operator Quala has appointed Eric Amstutz as president of the company's IBC division.

Amstutz joined Quala in 2010 with the acquisition of Manfredi Special Services in Cleveland, OH. His past experience involved the ownership and operations of Manfredi Special Services, an ISO 9001 certified company in the IBC market. Additionally, he has held tank truck and sales positions with major trucking companies, including Manfredi Motor Transit and DistTech.

Quala CEO Mike Bauer said: "Having worked with Eric in the past, I am confident in his skills and I know that he brings the attitude, confidence and energy to the Quala leadership team that will continue to drive the business to a new level. Eric's appointment plays a key role in our growth strategy and I welcome him to our executive team."

www.quala.us.com

European Tank Cleaning Map

Bulk Distributor and EFTCO have partnered up to create a European tank cleaning map for the second year running, which is included within this issue.

For additional copies, you can pay £8.00 via paypal from **www.bulk-distributor.com** or email **subs@bulk-distributor.com** for other payment methods.

To reserve advertising space on next year's map, email Anne Williams at **anne@bulk-distributor.com** or phone +44 (0)20 854 13130

Smågodt

A Norwegian confectionery maker installed a new bulk bag discharge system to improve safety, stop dust, and discharge bags automatically

As Norway's biggest confectionery supplier, Nidar AS satisfies the country's collective sweet tooth by manufacturing 150 products under 35 brands. Its range includes variants of 'smågodt', literally small candy, but conveying the wider meaning of 'good stuff'.

Production is organised on 10 separate lines. On top of this complexity the company's plant was built in 1950 and has been updated regularly with modern bulk handling equipment to improve productivity and the working environment.

In fact, the five-level plant (four storeys plus basement) has been extended six times to accommodate growth in production, explains Tor Ove Kvingedal, one of three maintenance engineers. "But as with most old buildings," he says, "the original layout was not always optimal for modern production."

Where gravity feeding of materials is not possible, the plant transfers bulk materials using bulk bag dischargers, flexible screw conveyors, rigid augers and pneumatic conveyors – equipment that reduces manual labour, contains dust, and fits in very tight spaces, as recently demonstrated with the addition of a twin half-frame bulk bag discharger.

Ingredients such as milk powder, sugar, starch, and sour coating powder arrive in 1.1 tonne bulk bags (FIBCs). Nidar dedicates a number of discharge stations to unload them, including six supplied by Flexicon Europe.

The newest of the bulk bag dischargers is a twin half-frame unit that handles two types of starch in a tight space on the plant's fourth floor.

Previously, starch was purchased in 25kg (55lb) sacks which operators carried from the third to the fourth floor where it was dumped into two large vessels, each holding 200–300kg. Since the process consumes 100 kg/hr of starch, 32 sacks were handled manually per eight-hour day. "The operators were climbing stairs numerous times a day to keep the vessels filled," adds Kvingedal.

As well as hard work, unloading sacks of starch by hand was a dusty process: "The starch dust is not harmful, but is unpleasant and can be very sticky."

The new Bulk-Out BFH-C-X twin half-frame bulk bag discharger, also from Flexicon, holds two bulk bags side-by-side, providing enough starch to keep the line running for two or more days. "The system also reduces manual effort, contains dust and improves the working environment," explains Kvingedal.

Space constraints

Starch powder originally flowed by gravity from the two large vessels on the fourth floor, through a pair of knife gate valves and 150mm diameter steel chutes leading to the third floor.

The large vessels could not simply be replaced with two separate bulk bag dischargers because the distance between the discharger outlets would have exceeded the distance between the existing chutes, requiring new holes through the fourth floor and relocation of the chutes.

The ceiling height of only 4.5m also posed a problem, since insufficient headroom above the units would prevent loading and removing of bulk bags using a forklift.

To surmount both problems, Flexicon's agent in Norway, Maskiner & Pulver Teknologi, recommended a 1.2m (4ft) high, twin half-frame bulk bag discharger which holds two FIBCs side-by-side. The two-in-one unit discharges through two outlets spaced closely enough to obviate relocation of the knife gate valves and chutes, while the low profile design allows suspension of bulk bags from a hoist, saving an extra 10cm of headroom. "It was very tight," recounts Kvingedal.

Removing the original tanks and installing the discharger above the chutes was straightforward. Nidar simply needed to provide a compressed air supply to power the unit. Kvingedal says: "We installed the discharger in two days in November 2011. A local company provided the hoist. It was critical to have the equipment installed quickly, because the starch is a key ingredient on this production line."

Labour saving, dust reducing

Once a bag is hoisted into position, an operator pulls the bag spout over a Spout-Lock clamp ring, which creates a secure, dust-tight connection between the clean side of the bag spout and the clean side a of a Tele-Tube telescoping tube. As the bag empties and elongates, the telescoping tube maintains constant downward tension, promoting complete discharge.

Flow-Flexer bag activators additionally promote flow through the spout by raising opposite bottom sides of the bag into a steep 'V' shape.

Nidar considered installing extraction fans but decided they were unnecessary, since dust was contained by the discharger's bag spout interface.

After descending through the telescoping tube, the starch passes through the knife gate valve and then through one of the two vertical chutes to a weighing station on the second floor. A horizontally-oriented 170mm diameter auger on the third floor can run in either direction, so each discharger can supply either of the two weighing stations, which sends signals to open or close the knife gate valves to regulate flow from the bulk bags.

"The twin half-frame bulk bag discharger is easy to keep clean using compressed air or a damp rag, and maintenance needs are very low," concludes Kvingedal. "I don't have any issues at all with the twin discharger."

www.flexicon.co.uk

Clockwise from top left
Ingredients such as milk powder, sugar, starch, and sour coating powder arrive in 1.1 tonne bulk bags, and are gravity fed into the processing lines where feasible

Once a bag is hoisted into position, an operator pulls the bag spout over a clamp ring, which creates a secure, dust-tight connection between the clean side of the bag spout and the clean side a of the telescoping tube

Nidar added twin bulk bag dischargers from Flexicon to handle two types of starch in a tight space on the plant's fourth floor

Norway's leading supplier of confectionary makes 150 products under 35 brands including its new salty-sweet candy Smash

Norwegian tastes

"Any nation with self-respect has its own chocolate factory and traditional chocolate products," notes Nidar's website. Having flown the Norwegian flag since its foundation in 1912, Nidar is certainly a national institution.

The firm develops and manufactures its products in the city of Trondheim (formerly known as Nidaros) on a 40,000 sqm site that includes production machinery, offices and warehousing. The factory employs 350 people, of whom 250 are operators. Annual production exceeds 15,400 tonnes.

The company produces chocolate bars, boxed chocolates, marzipan, gummi candies, caramels, liquorice products, and pastilles under a range of historic brand names. Although most of Nidar's products would be recognised anywhere, Norwegians have some historic preferences in confectionery. One is marzipan, an essential part of Christmas and Easter celebrations. Another speciality which the firm also exports to Finland is salmiak – liquorice flavoured with ammonium chloride, which gives it a tongue-numbing salty taste.

"We are always innovating with different kinds of packaging," says Tor Ove Kvingedal. "But launching new brands is harder. Norwegian people like their good old familiar chocolate bars, and many of our most successful brands date back to before the Second World War."

One fairly recent, and very popular, introduction is a candy bar called Smash. A modern take on the salty-sweet theme, Smash combines milk chocolate with a salty corn-based snack.

Making the right choice

When choosing an FIBC supplier, focus on price alone can be costly. Quality and business ethics are equally important factors. For this reason EFIBCA has launched two initiatives to help FIBC users make a better informed choice.

The European market for FIBCs is more competitive and globalised than ever, with the majority of FIBC imports originating from India, Turkey and China. On the one hand, consumers of FIBC are cost conscious with an eye on the bottom line. On the other hand, compromising on safety or ethical principles is no solution.

Users who make poorly informed decisions when sourcing FIBCs put their company and personnel at risk – a non-conformant FIBC can pose risks to health, the environment, company reputation and not least, financial performance. To aide FIBC consumers in making well-informed decisions, the European Flexible Intermediate Bulk Container Association (EFIBCA) has started two new initiatives: the EFIBCA-Q Quality Pledge and the EFIBCA Code of Conduct.

Standards for quality and safety of FIBCs used in Europe have been a key topic at EFIBCA since the founding of the association in 1983. In fact, EFIBCA developed the first internationally recognised quality standards in 1985. These served as the foundation for the ISO 21898 standard which followed. Since then, further regulations have emerged for the transport of food, hygienic products and dangerous goods in FIBC and minimising the risk of electrostatic charge.

However, conformance with quality standards is not a given in a price-driven market. Practice shows that safety is still a concern – avoidable accidents occur too often. A poorly constructed FIBC or one not fit for intended use can tear, puncture or burst, putting operators in considerable danger.

Furthermore, human health and the environment can come to harm if inferior quality or not fit for purpose FIBC are used for dangerous goods. Similarly, quality and static protective standards must be upheld in potentially explosive environments and with powdery, dusty filling material. The consequences of accidents and incidents through non-conforming FIBCs can be great and the financial losses significant.

Quality and safety are highly regulated areas and difficult to navigate for those not immersed in the subject. Many end users of FIBCs lack this specialised knowledge. **EFIBCA-Q** aims to raise awareness among users of FIBCs about quality and safety standards relevant for different types of FIBCs. The initiative consists of a voluntary pledge by manufacturers and suppliers to conform with the EFIBCA-Q Quality Criteria, a list of specifications and requirements relevant for different types of FIBCs (see table 1).

Subscribers to EFIBCA-Q furthermore commit to provide their customers with detailed information on all quality requirements and to provide evidence of compliance on request. The EFIBCA-Q Quality Criteria as well as evidence can be requested from the FIBC supplier and are also made transparent to FIBC users through publication on EFIBCA's homepage. Users of FIBCs are encouraged to engage with their FIBC supplier on the EFIBCA-Q Quality Criteria and to include these criteria in their supplier audits.

Legal compliance and corporate social responsibility (CSR) are also areas of concern for users and suppliers of FIBCs alike. Conformity with fundamental legal requirements in the fields of competition and antitrust law as well as internationally accepted ethical principles are a prerequisite for doing business with many companies. A Code of Conduct is an efficient means for users to determine which business partners are committed to basic ethical principles. In dialogue with its members, EFIBCA has developed a code of conduct for its member companies to uphold in their business dealings.

The **EFIBCA Code of Conduc**t is a voluntary agreement, through which EFIBCA member companies guarantee the observance of globally recognised principles of ethical behaviour as well as the standards of proper business conduct in the areas of competition and antitrust law. This also means promoting fair and sustainable standards dealing with suppliers, customers and with company personnel as well. Respect for human rights and protection of the environment are at the heart of Corporate Social Responsibility.

An overview of references made in the EFIBCA Code of Conduct is given in table 1. Subscribers to the Code of Conduct also commit to take reasonable action to provide employee training with regard to the contents of the Code of Conduct, create accountability and internal procedures, where necessary, and aim for affiliates, subcontractors and other business partners to also accept the standards set in the Code of Conduct. In order to obtain a certification, subscribers must take part in a regular survey taken every two years.

Business partners may sometimes expect other companies to accept their code of conduct when a contract is concluded. If a company agrees to this, the business partner's code will form part of the civil law relationship between the parties. This may also involve consequences under liability law and should therefore be avoided. If both contracting parties have their own codes of conduct, the problem can be solved by way of mutual recognition. As a branch codex, the acceptance of the EFIBCA Code of Conduct on the market may be higher than of individual company codes.

EFIBCA-Q and the EFIBCA Code of Conduct are voluntary company commitments. No audits are performed by EFIBCA to guarantee that these commitments are adhered to per se, however non-conformance can result in exclusion or annulment of certification respectively. Both initiatives are intended to increase consumer awareness and transparency. EFIBCA strongly encourages all FIBC users to engage with their suppliers on these issues and to integrate the relevant standards in their supplier audits (see figure 1).

Further information on EFIBCA-Q and EFIBCA Code of Conduct as well as subscribing companies are available at **www.efibca.com**

EFIBCA-Q logo

MEMBER EFIBCA CODE OF CONDUCT

EFIBCA Code of Conduct logo

Table 1

Basic quality and ethical standards referred to by EFIBCA-Q and the EFIBCA Code of Conduct

Subscribers of EFIBCA-Q commit to adhere to:	Subscribers of the EFIBCA Code of Conduct commit to:
• Basic requirements, i.e. European Packaging and Packaging Waste Directive 94/62/EC and related harmonised CEN standards EN 13427 to 13432, product liability insurance and REACH regulation (EC) No 1907/2006 • Requirements for All Non-Dangerous Goods FIBC, i.e. ISO 21898:2004 and internal quality assurance programmes per ISO 9001:2008 or 22000:2005 • Requirements for FIBCs for the Transport of Dangerous Goods (UN Requirements), i.e. ADR, RID and IMDG • Requirements for Static Protective Bags, i.e. IEC 61340-4-4:2012 (Ed. 2.0): Electrostatics Part 4-4 • Requirements for Hygiene Bags, i.e. EN 15593:2008-05 or other globally recognised hygiene standards • Requirements for Food Contact Bags, i.e. Framework Regulation (EC) No 1935/2004, Regulation (EC) No 2023/2006, Regulation (EU) No 10/2011 and amendments, European Directive 82/711/EEC and amendments, European Directive 85/572/EEC and amendments	• General provisions, i.e. observance of the law and general ethic values and principles, such as integrity, fairness and honesty and preservation of trade secrets • Antitrust and competition law requirements • Global Conventions, such as the UN Human Rights Charter and ILO labour conventions regarding child labour, forced labour, wages, working hours, health and employment protection as well as environmental protection • Ethical and social principles at work, i.e. non-discrimination, non-molestation, freedom of opinion and privacy • Take reasonable action to provide employee training with regard to the contents of the Code of Conduct, create accountability and internal procedures where necessary, and aim for affiliates, subcontractors and other business partners to also accept the standards set in the Code of Conduct.

PET project

Starlinger is to show an FIBC made of PET tape fabric at this year's Interpack.

Machine manufacturer Starlinger and the petrochemical company SABIC have developed the technology for the production of fabric made of PET tapes. PET tapes stand out for their high tenacity and high creep modulus as well as low residual shrinkage, providing fabric and articles produced out of it with exceptionally high strength and long-term form stability.

A bulk packaging application in which these characteristics are especially important is FIBCs. FIBCs made of PET tape fabric are said to have superior dimensional stability due to their higher rigidity and higher creep modulus – they maintain shape and circumference during long storage periods and in hot weather.

Unlike the FIBCs currently on the market, which are mostly made out of polypropylene tape fabric, PET FIBCs are especially suitable for packaging and storing bulk materials with special characteristics. Content with little inter-particle friction, such as expandable polystyrene beads or polymer chips with slip additives can be filled into PET FIBCs and stacked for long periods of time. A polypropylene FIBC, on the other hand, will bulge after some time and drop from the stack if it is filled with slippery material.

Being dimensionally stable, PET tape FIBCs can replace expensive packaging such as cardboard octabins required for bulk materials with high flow tendency. They are also easier to fit into sea containers due to better shape retention.

www.starlinger.com

Rishi upgrades

Product contamination is perhaps the biggest issue in the food and pharma industry.

To this end India-based Rishi FIBC Solutions Pvt Ltd is steadily concentrating on improvements in machinery to avoid the possible contamination. As a standard practice the company uses only ultrasonic cutting in the entire food and pharma grade bags whether it is in the loom for length cutting or in the finishing for cross- and spout-cutting.

Recently it has developed an ultrasonic cross cutting machine for star closure cutting. With this development Rishi can avoid any possible tape frying contamination in the high end food or pharma grade bags.

In the past year Rishi commissioned a container liner factory fully operational in Mysore for making woven and LDPE container liners. It also added 25 Sulzer looms with which it can make ventilated bags and other special purpose bags with sulzer fabric both in polypropylene and polyester. Furthermore, it has added imported machines for making net baffle bags. With the addition of all these machines, Rishi makes all types of FIBCs, including types A, B, conductive (type C), dissipative bags (type D), FIBCs with EVOH and aluminium liner, net baffle bags, baffle liner bag, woven container liners, and LDPE container liners.

www.rishifibc.com

Innovative FIBC filling

For many users, FIBCs represent a convenient method of handling and transporting a huge variety of different products from cereals to cement and plastic pellets to chemical powders. Every year millions of tonnes of products are transported in these highly cost effective containers with capacities usually between 500kg and 2,000kg.

CBC based in Perugia, Italy, and a member of the Concetti Group of companies, has a wide range of products for filling these FIBCs from simple gross weighing systems for applications around 10 big bags per hour right up to high speed carousel units handling 100 bags per hour and more. Concetti says its long experience in 25kg bag filling transfers easily to their bigger counterparts in the FIBC world.

"From the feeding devices developed over years to cope with different products to the expertise in dynamic weighing and pallet handling, CBC and Concetti have both the experience and resources to provide FIBC filling systems that are reliable as well as easy and safe to use," the company says. The entry-level machine is the simplex gross weigher, where bag and product are weighed together. Depending on the product characteristics, be it granular free flowing, a fine powder or coarse and lumpy, the feeding system will employ a gravity, screw or belt type feed device. The FIBC is loaded by hand and unloaded directly by pallet and forklift truck. Various features can be fitted depending on the type of FIBC used and these include inflatable bag holder, fan driven inflation systems, devices to assist the operator in attaching and automatically releasing the FIBC loops and so on.

To this basic unit can be added conveying systems to allow the palletised FIBC to be moved to a convenient position after filling. Weighing is by precision load cells integrated into the frame and a controller allowing different set points to be programmed as required. If needed an empty pallet dispenser is supplied. Outputs up to about 30 FIBCs per hour can be achieved with gross weighing.

For higher speeds up to 60 FIBCs per hour, net weighing is the answer with the weighment being dosed at the same time as the FIBC is being attached to the filling spout and loop supports by the operator. Again, the feeding device is properly matched to the product.

"Of course, this product range does not truly demonstrate the innovative CBC approach to every project and the way systems are adapted to the final user's precise needs," CBC adds. "Examples of this are many and varied but considering just a few, a customer with a particular material wanted to seal the FIBC automatically for operator safety and transport security. So CBC supplied a strapping system, integrated into the spout so that after filling, the neck of the internal liner was closed tightly with no operator action and sealed to prevent any escape of dust from the. In another case, the client wanted to have up to three FIBCs stacked or overlaid on the same pallet to reduce handling operations and CBC was happy to provide a system that allowed this to be done easily and safely."

Fine powders like cement, present particular difficulties when they are highly aerated during and after filling, potentially giving a highly unstable load. This usually limits the overall output while the powder naturally deaerates until the FIBC can be safely moved. To overcome this problem and to achieve speeds of 25 x 1,500kg FIBCs per hour on cement, CBC designed a system to provide continuous support for the loops both at the filling point and during transfer to a second deaeration position where additional vibration helps to compact the load, quickly allowing the FIBC to be transported by forklift in complete safety without reducing output.

www.concetti.com

CBC has a wide range of systems for filling FIBCs

CBC's big bag strapping unit

To overcome problems with fine powders like cement, CBC designed a system to provide continuous support for the loops at the filling point and during transfer to a second deaeration position

Foiling vapour ingress

Barrier foil liner manufacturer Protective Packaging Limited is extoling the advantages of using liners with FIBCs. Combined with a liner, FIBCs can be used to pack bulk products that previously had to be shipped in sealed containers, such as steel, plastic or fibreboard drums due the FIBC's inability to provide complete climatic protection for very hygroscopic and oxygen sensitive materials.

PPL says not only does the barrier foil liner offer a material cost saving but shipping space efficiency can be improved by up to 40 percent over drums.

Barrier foils are a flexible barrier with low water vapour and oxygen transmission rates. Polythene liners let water vapour and aggressive gases seep through allowing deterioration of product to occur, but this can be eliminated by the use of a barrier foil liner, the company claims.

The liners are designed to provide total protection for dried products that have sensitivity to moisture, oxygen and other climatic and biological volatiles, and can also prevent odour transfer into or out of the product.

PPL liners are tailor-made to suit the dimensions and style of the FIBC. They can be made open-topped with flat base or with filling and/or discharge spouts, thus ensuring safe filling and emptying of the FIBC. The liners can also be fitted with valves that facilitate gas flushing of the liner allowing residual oxygen to be displaced, vacuuming of the liner and taking samples of the residual air in the liners for analysis, all without the need to open up the hermetically sealed unit.

Relevant industries include pharmaceuticals, foodstuffs, chemicals and polymers, or any product which may be susceptible to moisture.

www.protpack.com

'An examplary company'

Mrs Lilianne Ploumen, Dutch Minister for Foreign Trade and Development Co-operation (pictured) recently visited the headquarters of LC Packaging Nieuwerkerk aan den IJssel in order to learn first-hand how a sound corporate social responsibility (CSR) policy is implemented.

CSR is high on LC Packaging's agenda. The SA-8000 certification of its manufacturing plant Dutch-Bangla Pack is an example, but also in other countries, the company maintains it embraces good working environments for employees.

During the visit of Minister Ploumen LC established a live connection to Bangladesh whereby the company's local director could convey his vision and story to the Minister. This resulted in a substantive discussion and the Minister stayed even longer than planned.

Minister Ploumen reported on her Facebook page about the visit: "There is much to say about working conditions in Bangladesh. Today I visited a company that does quite well in this area. LC Packaging produces jute and plastic bags in Bangladesh. The company offers good wages, a safe workplace and also supports various social projects. LCP has the SA8000 certification which is based on the standards of the ILO and via a video link with the factory in Bangladesh, I was told how they work".

In January LC Packaging announced the acquisition of SG Baker Ltd from Friockheim, Scotland. With the acquisition LC Packaging consolidates it position as a producer and distributor of packaging for the agri-sector throughout Europe. It will enlarge its distribution network and improve service levels, the company says, due to the synergy of both parties to introduce new ideas and concepts.

LC Packaging will be displaying at Interpack with its FIBC division.

www.lcpackaging.com

Flexitanks raising the bar for standards

Flexitank manufacturers and service providers are still awaiting a new industry standard for manufacture and testing, progress towards which was first announced in April 2013.

The Publicly Available Standard (PAS) 1008 is being developed by BSI, the UK's national standards body and the launch was expected late 2013. However, the details have not yet been finalised

In the past poor quality manufacturing or a lack of testing has made some flexitanks more susceptible to damage, resulting in lost or damaged stock as well as the resulting clean-up. In addition to these concerns, some shipping lines have been reluctant to carry flexitanks. The pressure placed on the sidewall panels by incorrectly specified or loaded flexitanks can result in the container sidewalls bulging beyond accepted ISO tolerances leading to permanent deformation.

In 2009, the COA drew up a recommended Code of Practice to help improve standards in the manufacture and operation of flexitanks and following requests from its members for an industry-wide standard, the COA embarked with BSI on the project to develop a more clearly defined testing and manufacturing specification.

However, while the industry waits for this to be realised, leading flexitank suppliers report growing demand for their products as shippers look to containerise ever more volumes of bulk product.

Trans Ocean developments

Trans Ocean, which is part of the specialist beverage logistics group Hillebrand, says the key challenge facing the flexitank industry as a whole is the lack of a formally recognised standard of certification.

Alongside the COA and other industry leaders, Trans Ocean has for many years campaigned for and championed best practice in the flexitank sector. As of today, the 3rd version of the COA's Code Of Practice (COP), published in September 2011, remains the milestone that sets the standards and best practice for the Industry.

Trans Ocean, the first company to comply fully with the COP, believes that the development and implementation of a recognised, formal and stringent standard will further benefit all stakeholders in the global bulk market (including shippers, receivers and shipping lines); ultimately creating an even safer and more professional industry.

With this in mind, Trans Ocean fully supports the impending launch of the BSI (PAS) 1008, and is confident that it will raise standards in manufacturing, testing, and for the implementation of quality management systems across the entire flexitank industry. "We have been involved throughout the democratic and multiple stakeholder process of moving toward the PAS during 2014," the company states.

In terms of its own products, Trans Ocean recently enhanced its flexitank with a new and improved heater-pad system. The heater-pads were developed and engineered in-house, specifically to allow highly viscous products to be safely and rapidly heated to the viscosity levels required for discharge from the company's RhinoBulk flexitank.

"This service adds real value when transporting products such as oils and fats, sweeteners and organic compounds. Through the use of efficiently optimised heating circuits, our new heater-pads combine the latest engineering design to facilitate quick and safe unloading," the company states.

By positioning the heater pad beneath the RhinoBulk flexitank (prior to loading), the heat energy is effectively spread, eradicating 'dead spots' while maximising heat transfer. Trans Ocean says the equipment is easy and safe to operate using universal fittings for steam or water.

With the environment and recycling high on the agenda, indeed, it is becoming a prerequisite for doing business with many organisations, Trans Ocean reports, the company is increasing resources dedicated to flexitank recycling and bulkhead recovery.

"We have a proactive and long-term plan to leverage recycling opportunities, assisting our clients in design and implementation of local recycling solutions. In the past year we have developed new recycling facilities in Europe and Asia, enhancing our full end-to-end solution – from manufacturing to disposal and recycling – for a range of bulk customers around the world," it states.

As part of the Hillebrand Group, Trans Ocean forms part of a global network of over 83 offices worldwide, giving it global coverage with local office expertise involved at every stage of the supply chain. "We provide a true full-service solution, from manufacturing of flexitank products to logistics to recycling," the company states.

"We operate three wholly-owned manufacturing plants, located in China, Malaysia and South Africa. Owning and operating our own manufacturing facilities gives us complete control over equipment supply and quality, supported by our in-house team of technical experts and engineers.

"With our manufacturing facilities supplying a global network of hub depots, Trans Ocean has more than enough capacity to meet the rising global demand for flexitanks, while ensuring our customers of equipment and service supply."

All Trans Ocean factories have ISO 9001:2008, ISO 22000, and HACCP certification.

Trans Ocean fully supports the impending launch of the BSI (PAS) 1008

Continued on page 14

Ruscon ships drilling oil to Kazakhstan

Russian intermodal transport operator Ruscon has launched the country's first regular intermodal service to carry flexitanks in containers to neighbouring Kazakhstan.

During the first quarter some 40 containers arrived from Italy at the port of Novorossiysk on the Black Sea. From there, the containers have carried on Ruscon flat-car rail wagons to a bonded warehouse run by Kedentransservice in Mangyshlak, Kazakhstan. There the goods are Customs-cleared and transported by road more than 360km to Bautino, a supply and logistics base for the off-shore oil industry in Kazakhstan's sector of the North Caspian Sea and one of the largest producers of Kazakh oil.

For this launch shipment the flexitanks carried contain drilling oil, but Ruscon believes there is great potential to expand the service.

"We believe this concept of through-intermodal transport of liquids and bulk in containers equipped with flexitanks and liner bags to inland Russia and the CIS will see growing use in the coming years as more investment flows to the regions of Russia and Central Asia," said Gulvira Duanakulova, who leads the Ruscon team in Kazakhstan. "Our service is very cost effective because it allows companies to order only the quantities they need and have it delivered exactly when they need it."

Gulvira Duanakulova, who leads the Ruscon team in Kazakhstan

Ruscon also deals with the flexitanks after they are emptied, taking them to a toxic waste processing plant at Zhetibai, about 200km from Bautino for recycling.

Ruscon, part of the Global Container Service (GCS) Group, handles over 200,000 TEU a year and also offers freight forwarding, storage, terminal handling and bonded trucking. Based on a combination of GCS-owned facilities and co-operation with international and Russian logistics providers, Ruscon manages cross-border and cross-continent product flows to and from Russia.

Containers with the flexitanks arrived first from Italy to the port of Novorossiysk on the Black Sea

Braid meets new toughest standards

The Foundation for Food Safety Certification has set a new high standard for flexitanks to meet and Braid Logistics has, to the best of the company's knowledge, been the first to meet it.

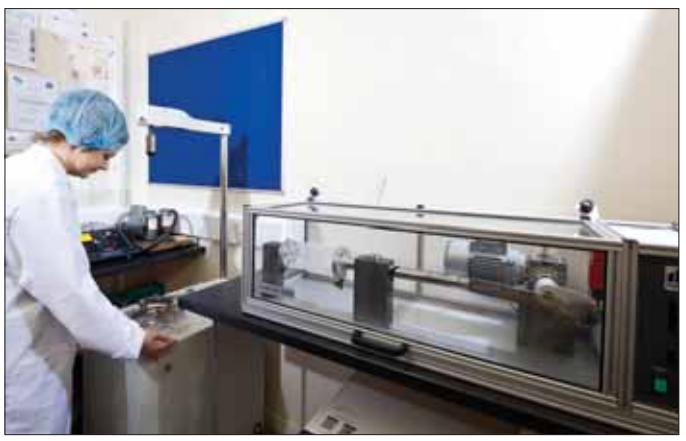
For years HACCP has been recognised as being the gold standard for flexitanks providing logistics managers with the confidence that flexitanks which meet HACCP standards are perfect for the job expected of them.

However, the Foundation for Food Safety Certification has raised the bar significantly. HACCP together with GMP and SSOP and some elements of ISO9001 make up the higher ISO22000 standard. This in turn has been combined with PAS223 to make a far higher standard specifically meeting the needs of the global food packaging industry and this is called FSSC22000.

FSSC 22000 now has full recognition by the Global Food Safety Initiative management board making it probably the most important advance in flexitank food product regulation for many years. Andrew Sangster, quality director of Braid Logistics welcomed it. "Anything which raises standards and gives producers and exporters confidence in this highly successful method of transporting liquid food grade products benefits the market and the responsible logistics companies that serve it," he says. "For the first time there will be a clearly defined differential and we're proud that Braid has already achieved this, the first global player to have done so. Anyone really concerned with the taint-free secure transportation of liquid foodstuffs should now be making sure nothing moves without being in a flexitank reaching FSSC22000."

The Foundation for Food Safety Certification goes back to 2004 and is responsible for improving standards across a wide range of food issues. The Foundation developed FSSC 22000 which is supported by the Confederation of FoodDrinkEurope and recognised by the Global Food Safety Initiative (GFSI). This is the nearest yet to a global benchmark for the best food grade flexitanks.

Testing equipment at Braid's UK production site



Braid's UK site laboratory

Braid's involvement in the flexitank market goes back to 2002. The company already had an established reputation in the global transport of liquid food and beverages through its ISO tank containers (a market the company first entered in 1982) and still invests heavily in them today, having one of the youngest dedicated food grade fleets.

Sensing that flexitanks offered an economical alternative option, Braid has been the leading major player to invest heavily in research and development at its production sites in the UK and China. At any one time it is thought that 10-12,000 Braid flexitanks are in use carrying wines, edible oils, other foodstuffs and industrial lubricants. With teams on the ground in the UK, Europe, Asia, Australia, USA, South America and South Africa, local contacts and infrastructure are strengths of a global player.

Flexitanks are not a one size fits all. Braid has a strong technological bias with in-house labs verifying quality right through the supply chain, and ensuring that the right material is supplied for each individual cargo – even for aggressive liquids filled hot – through to its latest Aquaflex totally taint free system for premium water brands. Andrew Sangster explains: "We have what we believe to be the strictest quality control in the business with every component traceable to source. We're obsessively risk averse."

An example of this is Braid's UK production facility which now has ultra-hygiene production zones. All staff and materials enter through decontamination chambers. It's an extra quality level which demonstrates the meticulousness of Braid and probably explains why the China production unit is "the world's first dedicated flexitank production unit" to meet the rigorous new FSSC22000.

DHL entered the flexitank market just over one year ago

Global majors

One of the most interesting developments in the flexitank sector has been the entry of full service logistics groups into the sector. DHL Global Forwarding launched its flexitank service in January 2013 as a means of simplifying the shipment of bulk non-hazardous liquids.

The group decided to launch the flexitank because of what it perceived to be issues with the use of tank containers, namely repositioning, long-term lease agreements and extensive cleaning in order to avoid cross-contamination. "The requirements for an efficient supply chain have increased steadily, especially where large-volume shipments are concerned," says a spokesperson for DHL. "That's why we developed a solution aimed at overcoming the problems associated with standard ISO tank containers, IBC totes and drums."

A key advantage is optimising container capacities, since it fills every cubic metre of container space available for transport. "In comparison with standard bulk transportation methods, this new solution enables customers to ship up to 31 percent more cargo. What's more, loading and unloading times are reduced by 90 percent versus IBCs and drums," the spokesperson continues.

The single-trip flexitanks can be disposed of or recycled by DHL, with the result that intensive container cleaning is no longer necessary.

The range of goods which DHL Global Forwarding looks ship with its flexitank includes not only chemicals but also consumer goods such as beverages and concentrates, forestry by-products (tall oil), parts of life sciences (enzymes), and energy (biofuels).

Prior DHL's entry, of course, Kuehne + Nagel was the first of the global logistics integrators to offer a flexitank service, setting up the division KN Drinks Logistics. Last year was another successful year in terms of development in KN Drinks Logistics' flexitank offering, reports Horst Mueller, global director Drinks Logistics (Seafreight). "Since its inauguration in 2011, the KN Blue Tank has enjoyed double digit growth every year," he states.

Being a multinational forwarder/NVOCC with its own bulk offering has proven to be a key advantage in the success of the product. "Our global drinks team has always been convinced about the success of the KN Blue Tank, and we are now seeing that our customer base appreciates our ability to deliver exceptional service through our global network," Mueller adds.

"We cannot underestimate the importance of trust when shipping bulk wine; we are talking about a foodgrade product requiring dedication, technical expertise and most of all collaboration across a variety of parties involved in a complex supply chain.

"Having our own product with a hands-on approach across the board has proven to be a successful model for us. Today our customers as well as our colleagues are identifying Kuehne + Nagel and the KN Blue Tank as a solid solution within the bulk shipping world."

KN is focusing predominantly on the wine, juice and mosto market when moving flexitanks, which is an even more specialised field than the general bulk market.

A KN Blue tank arriving in Belgium from Australia

"We are extremely proud on our achievement of trust with our customers, we do not take short-cuts on the quality of the raw materials used in the KN Blue Tank, which in a very price driven segment of the market is often tempting. We monitor our vendor-partners very closely to ensure that we receive what we expect," he continues.

"We have set ourselves a very ambitious target for 2014 in terms of flexitank shipments, and continue to work with our vendors, suppliers and customers to further strengthen our product offering. We've learned from the past, shipping wine in flexitanks is a very emotional process, we know that the wine producers/shippers pride themselves on making quality wines. KN Drinks is aiming to ensure that the product arrives sound and safe at its destination after often traveling many thousands of miles, crossing the equator, different temperature zones, etc.

"Price is an important factor, but at times we really need to ask ourselves, is it really worth it to play with the quality and integrity of the product and risk potential contamination to save what often amounts to less than a couple of cents per litre?"

A KN container inspection pictured in Chile. KN visits various depots and discuss with them which containers would be suitable for flexitanks

Continued on page 16

Trust obtains Russian rail permit

Trust Flexitanks has been granted a General Permit from the Russian Authorities to use its flexitanks on Russian rail. This is a milestone achievement as Trust Flexitanks as the company says it is the first non-Russian company to achieve this approval.

The permitting process is "extremely demanding" requiring multiple impact tests. Videos of the tests are available on the Trust Flexitank website.

Director Raf Herman commented: "This is a great result and would not have been possible without the invaluable support from Transregion, our agent in Moscow. We have proven to the Russian Authorities that the Trust Flexitank and its bulkhead system provide the necessary features and strength to withstand the often intensive and continuous impacts that occur during rail transport."

The certification is part of Trust's inclusive testing and R&D programme aimed at demonstrating achievable innovative improvements to flexitank technology.

Recent product development has seen the launch of a patented rectangular 'perfect fit' flexitank.

Trust has also made some basic yet important improvements to its bottom load flexitank

The Russian rail permitting process is 'extremely demanding' requiring multiple impact tests, says Trust

"After valuable customer feedback and collaboration, with Australian/New Zealand distributor and packaging specialist JMP Holdings, we were able to make some basic yet very important improvements to the bottom load flexitank," Herman continued.

"The valve is now fixed in the bulkhead panel through a flexible connection. This provides an identical filling process as other flexitanks but with the advantage of the rectangular flexitank shape that eliminates risk of film stress cracking and ultimate loss of cargo. With the expansion of JMP Holdings international network, this will ensure that the Trust patented flexitank will be accessible across the Asia Pacific region."

Trust Flexitanks says this R&D focus coupled with an ambitious and aggressive global growth strategy is positioning the company in an "enviable position for bulk operators seeking to partner with a progressive and innovative manufacturer".

"At Trust we pride ourselves on delivering innovation and improving the reputation of flexitanks. Through our growing network of agents, distributors and operators we are able to take a proactive approach that creates mutually beneficial outcomes for all stakeholders in the supply chain," concluded Herman.

www.trustflexitanks.com

KN's Horst Mueller pictured in Mendoza, Argentina during a client visit

Liquatrans on the rise

Turkey-based Liquatrans says it is pleased to see that the industry interest for its products is increasing. Complemented by the high quality standards certified with ISO 9001, ISO 22000 and ISO 18000, this in turn translates into growth and increased market share for the company.

The flagship product of Liquatrans, the E-Flex Easy Flexitank with no bulkheads and "no sidewall pressure", has seen continued growth. The particular advantages of E-Flex are the ability to fit in three minutes, which lowers operational costs, and higher loading tolerance up to 4,000 litres. "Shipping lines also appreciate E-Flex as it does not damage container sidewalls as is the case with many flexitanks in the industry," the company claims.

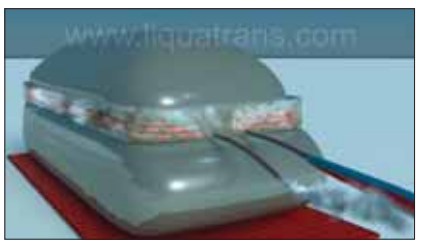
The R-Flex Reefer Flexitank has also appealed to the relevant niche segment of the industry. Applying the same principle as E-Flex, the R-Flex is specially designed not to bulge or damage the delicate walls of reefer containers.

Meanwhile, Liquatrans says its T-Flex Trailer flexitank continues to be the only flexitank in the industry for specifically designed for road transport, with advanced technology of integrated wave breakers to minimise the movement of the liquid contained within. Certified by Dekra Germany, there has been significant growth for that product in Europe, the company reports, and after an adaptation for trailers in North America, Liquatrans recently launched the product in the North American market.

The newest addition to the Liquatrans product range is the H-Flex Heater Flexitank. The H-Flex is able to melt and discharge its cargo up to seven times faster than conventional flexitanks, Liquatrans states. H-Flex integrates a heating system inside the flexitank. The design is such that there are two bags on top of each other. The heating is made possible by inserting a sleeve in between and around the two bags. At time of discharge, steam is blown into the sleeve and thus the cargo in the flexitank is heated from the core of the H-Flex.

Depending on the climate of the discharge location and the nature of the product, a standard heater pad underneath the H-Flex might be used. "It makes a big difference for consignees who sometimes wait up to a week for discharge, to finalise the process within the same day instead," states Liquatrans. "We have seen great interest for this product from palm oil producers in Malaysia and glycerine producers from various parts of the world."

Liquatrans has a network of distributors in 40 countries, and claims its products have "the lowest carbon footprint in the industry". "The highest volume product of the company E-Flex Easy Flexitank does not need bulkheads unlike its counterparts in the industry," the company says. "Bulkheads leave a lot of carbon footprint starting from production stage of metal bars, wood or carton barriers and other accessories until their transport to worldwide destinations. This does not exist for E-Flex and leaves E-Flex with 40 percent less carbon footprint compared with its counterparts. The significantly lower carbon footprint has become a major decision making factor especially for multinationals which have strict environmental targets."



Liquatrans H-Flex Heater flexitank

The company is also looking forward to getting its products certified according to the new PAS 1008 as soon as it is finalised.

Fluid cargo

Based in Bangalore, India, and set up in early 2012, Fluid Cargo's says it Fluid Tank cleared the 2g rail impact test conducted at TTCI, USA. The tanks are manufactured in a state of the art ISO 9001:9008 and HACCP accredited facility. "Fluid Tanks are made from premium grade materials sourced directly from the best manufacturers in the world," the company states. "Compatible with non-hazardous liquids, all material undergoes strict adherence tests internally and sometimes externally."

Fluid Cargo states: "When a customer chooses a Fluid Tank for their bulk liquid transport they not only choose a state of the art tank that ticks all the right boxes but also choose to put their faith in the endless research, design and dedication that went into it."

www.transoceanbulk.com
www.braidco.com
www.dp-dhl.com
www.kuehne-nagel.com
www.liquatrans.com
www.fluidcargo.in

Give longitude more latitude

Flexitanks on freight wagons appear to be most influenced by longitudinal forces.

The most recent Surge Research Update from the Flexitank Technical Advisory Group (TAG) of the American Association of Railroads (AAR) states that during impact testing, surging generated by longitudinal forces tends to stress and weaken the bladder.

Train action induces almost constant lengthwise forces, it continues. Therefore it has been recommended that simulation test procedures be modified to include 'longitudinal excitation' simulating train slack action. The impacts at the beginning of each sequence would remain unchanged, the update notes.

"The goal of this research was to simulate harmonic surge motion within a flexitank: to identify critical input frequency(s) and amplitudes and to evaluate its influence over a sustained period of time," it states. "It is assumed that the input cycle that would generate the most severe response will be in the very low frequency range, below 2 Hz.

"Using water as a baseline (with a specific gravity of 1), it would stand to reason that higher density/viscosity liquids would have a lower response frequency, while lower density/viscosity liquids would have a higher response frequency. Train buff and draft motions are similarly in the very low frequency range."

Testing was conducted at the Transportation Technology Center, in Pueblo, Colorado, during the week of 11 March 2013. A series of impacts were conducted followed by simulation testing on the Vibration Test Unit (VTU). The purpose of the impacts was to measure the characteristics of the surge induced in a flexitank bladder. Accelerometer data was gathered and used to determine the frequency ranges of the surge waves. Longitudinal inputs were then developed and run simultaneously with the traditional VTU run files.

The preliminary testing demonstrated that the longitudinal inputs greatly increase the vertical accelerations of the surge wave when incorporated into the simulation. Because of the constraints placed on the movement of a flexitank due to the container walls and bulkhead, the vertical component is the most significant stressor that acts on a flexitank. In order for the VTU to be a valid method for evaluating the performance of flexitank systems, a significant longitudinal input must be present.

A report documenting this research is to be presented to the Flexitank TAG with the recommendation that simulation testing of flexitank systems incorporate longitudinal inputs as defined by this research.

Protect-a-tainer

Protective Packaging Ltd, based in Sale, UK, has produces the ProtectAtainer, a barrier foil ISO container liner designed to allow the user to move from individually packed quantity of product, to shipping in bulk.

In this way, says Protective Packaging, shippers can increase volumes shipped in from 15,000kg to more than 20,000kg.

The company adds that as some products are more climatically sensitive than others, polyethylene liners are not always suitable. "Container liners manufactured from aluminium barrier foil laminates provide total climatic protection for any product which may be susceptible to damage caused by moisture, oxygen, UV light, temperature extremes and odour transfer," it states.

Liners are tailor-made to suit 20ft, 30ft and 40ft container liners and the bulkhead is designed to individual customer specification.

www.protpack.com

A quick word with...

Salvatore Romano, Chemical Express

Salvatore Romano, Managing Director, Chemical Express

Please, tell us a bit about the history of Chemical Express and the recent decision to change the company name from Chimical Express

Chimical Express was founded in 1979; the company made its first steps in the chemical transport market with a limited fleet of vehicles, offering domestic and local transport services.

The company had a deep crisis in 1992, when it's most important customer, Mobil Chimica, closed its Napoli refinery and Chimical Express lost the biggest part of its business.

After, thanks to new management, the company started to explore new markets expanding its traffic in Europe, but the big change was represented by the purchase of its first tank container, that meant a new transport concept making intermodal the preferential way for transport.

Over the past 20 years the company grew, obtaining a significant increase in business volume, fleet (we plan to reach this year a container fleet composed of 1,000 units), customers, employees, drivers, etc.

On 1 August 2013, we decided to confer just the Chimical Express branch transport activity into a new company called Chemical Express. The new structure given to the company, allowed us to offer more flexible and efficient transport services, counting always on big know-how inherited from Chimical Express.

What encouraged Chemical Express to focus solely on the transport of chemicals rather than bulk liquids as a whole?

Starting from its own name, it is easy to understand that company activity is focused on chemicals transport. The reason for that dates from the birth of the company, the headquarters were located in Napoli's old industrial area with refineries and chemical plants (unfortunately most of them are now closed or transferred). During the past few years we have been receiving requests from our customers to transport food stuff, animal feed or pharmaceutical products, therefore it could be possible that in the near future we will start to operate into this new (for us) market using brand new tank containers to transport those kinds of product.

Has focusing on chemical transport allowed you to provide a better service to your customers?

Of course, being specialised just on chemicals transport (even if there is a wide range of chemicals that we transport, for example, paper mill products, oil additives, lubricant oils, solvents, detergents and surfactants, paraffin wax, resins) we can count on recognition for transporting chemical products resulting from many years of experience in this sector and thanks to this, we are able to offer to our customers a skilled and expert service.

What significant changes have you noticed within the chemical transport industry over the last few years?

Customers have requested to the chemical transport company's higher specialisation level, focusing on 'on-time delivery', quality, safety and correct price level. During the past five years, due to the financial crisis too, some operators disappeared from the market, leaving good growth opportunities for the remaining ones. Moreover, technological innovation is giving logistics operators sophisticated tools to increase and improve control throughout the transport process.

Where are your clients mainly located? Which geographical areas do you cover?

Up to 10 years ago, our customers were located throughout Italy while now customers are evenly divided between Italy and Europe (mostly Benelux, France, Spain and Germany). We offer our transport services in all European countries, including Northern Europe, Russia, and Eastern Europe) but also for countries like Brazil, Mexico, and US, etc.

What are the main trends in bulk logistics in Italy? For example, do you see product increasingly being transported in tank containers rather than road tankers?

During the past 10 years in Italy, thanks to European funding for intermodal transport, there has been significant development in domestic railway connections with, in some cases, very good results. Lately, due to reductions in funding and the financial crisis, there has been a rationalisation of rail connections and cancellation of minor routes, but at the same time a strengthening of some lines thanks to new railway operators starting to work in this market.

What are the plans for Chemical Express in the near future?

The most important goal for our company in the next 3-5 years is to follow our European commercial expansion policy, in three main areas: increasing transport activity in Europe by new customer acquisition; modernising (and increasing) our own vehicles, mainly the tank container fleet; and finally opening new branches and commercial offices across Europe (Poland, Germany, France and UK) in addition to the existing ones in Spain and Belgium.

Italy slows Hupac growth

Swiss intermodal operator Hupac achieved a 1.7 percent increase in transport movements in 2013. The weak economy, particularly in Italy, continued to impact market demand, the group said, although a significant shift effect is expected from the opening of the Gotthard base tunnel and the construction of the 4m corridor.

During the year, Hupac transported a total of 656,877 road consignments by rail. Italy is the major recipient market for Hupac's operations and so continued weakness there has a significant impact on business.

In its core business of transalpine transport through Switzerland, Hupac was able to boost volumes by 1.9 percent to 380,502 transported road shipments. On many routes, a frequency of five departures a day was offered in each direction. An important new development in transalpine transport via France is the connection between Busto Arsizio and Barcelona, which went into operation early in 2013. The number of movements via Austria fell by 2.1 percent to 52,288 road consignments.

Developments in the Antwerp area were particularly positive. In April, a new link between the Antwerp Combinant and Busto Arsizio terminals was started up with four round trips a week. On the Antwerp-Barcelona and Antwerp-Verona lines the number of weekly departures was increased. In response to rising demand higher frequencies were also introduced on the Singen-Busto and Singen-Duisburg routes. Overall non-transalpine transports in east-west direction grew by 0.9 percent.

The opening of the Gotthard base tunnel in 2017 and the Ceneri base tunnel in 2019 will offer new opportunities for shifting freight from road to rail. "We welcome the recently signed agreement between Italy and Switzerland regarding the building of a 4m corridor to the Italian terminals via Luino and via Chiasso," said Hupac managing director Bernhard Kunz. "A high-capacity railway infrastructure improves productivity, reduces costs and strengthens the ability of the railways to compete in the transport of freight."

Investments in the Italian railway network also pay dividends for Switzerland since they will allow a reduction in current operating subsidies to combined transport. "Today, the federal government lowers the cost of production of combined transport by subsidies and tomorrow we are able to operate self-sustainably on a modern infrastructure. So investments in Italy will have a quick payback also for Switzerland," explained Kunz. "We assume that the Luino line will be expanded first because it is not dependent on the completion of the Ceneri base tunnel. This will allow road freight transport to be shifted as quickly as possible to the new railway infrastructures."

Saudi tank movements hit by delays

Export licences had to be approved by authorities and required verification by Saudi Aramco

Delays on tank container movements continue in Saudi Arabia due to port congestion and the new inspection procedures implemented as a result of the alleged smuggling of diesel.

Leslie McCune, managing director, Chemical Management Resources Limited says that in March 2013, Saudi authorities identified discrepancies in the product specifications for certain refined petroleum products being exported from the country in tank containers. This resulted in all tank containers carrying refined petroleum products (and even some general purpose dry freight containers) being inspected before being granted export licences. Licenses had to be approved by the authorities and required verification by Saudi Aramco.

The delays caused by the new, but temporary procedures, caused hundreds of refined petroleum product tank containers to remain unloaded. Export licence approvals are being given on a company-specific basis, with priorities being given to well-known producers and better known tank container operators. Spot cargoes for traders, for example, appear to have lower priority.

The problem covered the period leading up to the year end when import duties on chemicals shipped into the European Union from the GCC increased from 3 percent to 6.5 percent as changes to the EU's Generalised System of Preferences came in effect.

The logjam of tank containers in Saudi has forced many operators to reposition tank containers elsewhere, either into other global flows or to Europe or Singapore for full standard off-hire repairs. The GCC tank container depots currently have relatively limited capability for anything other than in-service maintenance and repair. While the depots perform statutory periodic testing, including the 2½ year hydrostatic and pneumatic test, any tank container with significant damage when off-hired has to be sent outside the region to return it to full off-hire standard.

Depot code published

The 'ITCO Code of Practice: Guiding Principles of Tank Container Depot – Client Management' has now been published and is available to download from the ITCO website.

The Code of Practice was published as a result of the break-out meeting in the Hamburg October 2012 general meeting. Work on the publication was carried out during 2013 and the various sections were discussed in detail at the ITCO Meeting in Rotterdam in September 2013.

The purposes of the document are to:

- Assist stakeholders from each of the industry sectors to develop standard depot operational procedures
- Enable stakeholders to be aware of the others constraints and to organise their procedures within the standard to alleviate inefficiencies
- Provide a benchmark to facilitate operational discussion
- Highlight operational issues that may not be readily apparent from a remote office location
- Provide an awareness training reference for new recruits.

Feedback on the document is welcome. Please send to **rubery@itco.be**

Kerry opens in Tianjin

Kerry-ITS has opened a new depot in the Chinese port city of Tianjin. Kerry-ITS Terminal (Tianjin) Co., Ltd began operations in February and is the group's 6th ISO tank depot.

The depot is strategically located 10km from Tianjin port and has facilities for tank cleaning, plus minor and major repairs. It covers an area of 10,000 sqm, with storage capacity for 400 TEU. There are eight cleaning bays and lifting equipment includes a 3-high single-lift empty stacker, and 3-ton forklift for IBCs.

Repair capabilities include in-service minor & major repair, off-hire repair, interior polishing/grinding/infill & reweld, structural repair, and modification.

A fully automated cleaning and bio-reactor waste treatment system with touch-screen PLC for proper cleaning water residue disposal has been installed. Waste settlement is put into filter press and the cake sludge is sent for incineration.

Back in the company's Singapore base, Kerry-ITS Terminal Pte Ltd, has been officially approved as an Ordinary Member of Container Depot Association (Singapore) (CDAS).

Hoyer's E-learning

Hoyer has revised its ADR training. Now, company employees can brush up on their knowledge about dangerous goods through several online training units. There is even a green side effect: by using the program Hoyer saves CO2 because trips to external training locations are rendered unnecessary.

The basic idea behind the e-learning platform is learning 'just what is important, just when it is needed'. Thanks to an IT solution and the internet, courses take place at employees' workspaces where staff are free to pick the most suitable times for the training. Presently, drivers too will be able to use the online courses.

The e-learning program for chemical logistics consists of six units and conveys the most important regulations of dangerous goods law.

Hoyer is currently implementing the program in English so that in a few weeks' time all Hoyer employees worldwide have access to it which will allow the training to reinforce the uniform quality standards of the company. Additional e-learning courses about topics like equipment, handling of special products and quality standards are in the works.

Training at the workplace is increasingly replacing face-to-face-instruction. This way, Hoyer saves time and CO2, which is in line with the company's sustainability strategy. "We always make sure that our employees are brought up to date", says Günter-Friedrich Maas, director Chemilog business unit. "It is a welcome bonus that the new e-learning program also allows us to save CO2 by making trips to external trainings unnecessary."

In the meantime the Schkopau intermodal terminal (KTSK) and ValuePark in Sachsen-Anhalt (Germany) have opened a new entrance to Hoyer Group's terminal. The new entry point gives vehicles direct access to the container terminal, and dispenses with an intermediate stop. As a result transit times for drivers have been substantially shortened.

Uralcryomash will launch an LNG tank production line later this year

LNG production line

In the second half of this year OJSC Uralcryomash plans to launch an LNG tank production line.

The company, part of OJSC Research and Production Corporation Uralvagonzavod and located in Nizhny Tagil, Russia, says the line will produce tank containers (model KTSM-40/0,8) and rail tank cars (model 15-712).

At present the documentation for these products are awaiting approval. It is scheduled that production capabilities of Uralcryomash will amount to 20-30 units a month.

The tank container is meant for LNG loading, storage and release, and serves as a vessel for intermodal transport, ensuring integrity and quality of the product. The design has allowed an increase transport time without drainage up to 79 days (the current maximum time for similar equipment is 15 days). The rail tank car, model 15-712 has an enlarged tank and is meant for LNG storage as well as transport.

At present Uralcryomash is said to be the only producer of LNG tanks in Russia & the CIS. Between 2014 and 2017 the company plans to extend a product line, designed for LNG use; tank containers, rail tanks, standard and transport tanks, gasifiers, and modular LNG/CNG fuelling stations.

Onwards and upwards for Suretank

Suretank has celebrated the official opening of its new corporate centre in Ireland. The Irish Minister for Jobs, Enterprise and Innovation Richard Bruton TD officially opened the new building.

The multi-million euro investment at the group's head office in Dunleer, Ireland, marks an important stage in the company's history. Suretank is ramping up its organic and acquisition-led growth to strengthen its market reach as a provider of specialist equipment to the offshore oil & gas industry.

Patrick Joy, founder and chairman of Suretank, said: "This is an important day for us and one that we are delighted to be able to share with our customers. We're very proud of our achievements over the past 20 years and our new corporate centre is befitting of the high quality engineering solutions provider that Suretank is today. This is an opportunity to showcase our people, capabilities and expertise."

Significant change has taken place within Suretank in recent months as it looks to expand into new markets and continue to grow. HitecVision, an investor in the international oil & gas industry, became the majority shareholder in the business in July 2013 and John Fitzgerald joined the company as the newly appointed CEO.

Commenting on plans for the future, Fitzgerald added: "We have a very clear organic and acquisition-led growth strategy to help us achieve our vision to become the world's leading provider of engineering solutions to the offshore oil & gas industry. Our focus will be on developing new market territories and deeper market penetration in our markets in Asia, Africa and the Americas, while continuing to focus on our customers in the North Sea with an absolute attention to customer care. Acquisitions will be targeted to areas that offer product extension possibilities and new market positions. We will continue to champion product development and innovation initiatives."

Philip Murphy was recently appointed director of customer care. He explained: "We're committed to ensuring that all our clients receive a world class customer experience through our problem solving and service, product quality and design, value for money and overall customer care. That's why today is so important to us to enable customers to meet with our team and see for themselves how we operate."

Suretank is the world's largest manufacturer of tanks and cargo-carrying units for offshore oil and gas installations. All of its products are produced to DNV 2.7-1 certification as standard.

The company supplies tanks to most of world's major oilfields, including the North Sea, West Africa, Gulf of Mexico, Brazil, Canada, Caspian, Sakhalin Sea, India, Australia, Middle East and Far East. Its product range includes chemical and acid tanks, helifuel tanks, offshore containers (workshops, A60's and reefer containers), baskets, mudskips and cryogenic tanks.

Trimble trims five minutes per order

Plant logistics are subject to various challenges: deliveries must be registered, loaded, co-ordinated and transported within short time periods.

To meet these challenges Chemion Logistik has been using the fleet management system of Trimble Transport & Logistics in carrying out the movement of equipment, including tank containers, within chemical parks.

Using Trimble's CarCube system is reckoned to lead to savings of up to five minutes per order. Overall, 25 CarCubes are deployed. The system automates dispatching and significantly reduces empty trips, an important factor given that Chemion is responsible for the plant logistics of Chempark sites at Leverkusen, Krefeld-Uerdingen and Dormagen.

Previously, the rate of empty trips was very high as orders were transmitted via outdated technology that used text messages. A real-time system was needed to overcome the challenges of plant logistics; namely, a high order frequency, short distances, slow vehicles. "We experience up to 30 transports per shift per Mafi trailer, so the transmission of orders must be done efficiently and in real-time," explained Michael Richter, IT project manager at Chemion.

"Thanks to the CarCube, we are now able to dispatch the different orders in an efficient and completely automated manner. This way, we reduce empty trips and save up to five minutes per order."

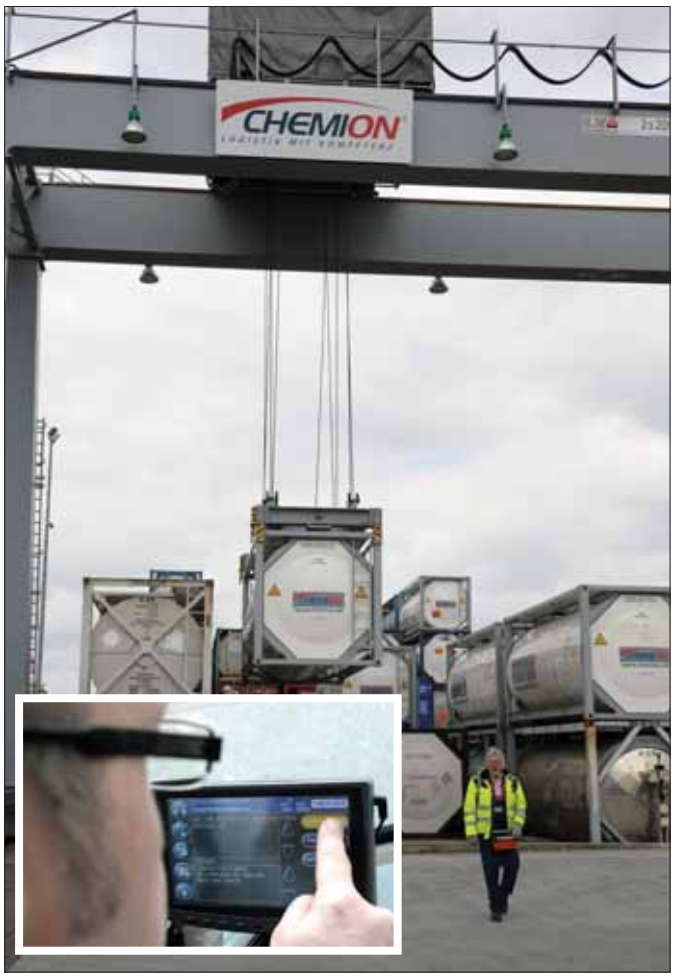
With a total surface area of 11 sqm across the Chempark sites and the Mafi vehicles' maximum speed of 25kph, an optimal utilisation of resources is crucial for the cost effectiveness of the transport movements. Now, the dispatcher only has to intervene in cases of extraordinary events, such as an interruption in production or if the fire department is called out. Other than that, the telematics system runs completely autonomously.

Another benefit of Trimble's solution is the system's openness. It allows the customer to connect with his own stock management software. Different orders are processed and monitored via the SAP module 'Yard Management'. Moreover, entering orders can be performed via a web portal. In this case, the customer enters the starting point and the destination as well as the time window for the delivery. "Trimble's solution always determines the best route and the sequence in which orders are executed. Now we are able to respond to all customer concerns in a flexible manner," explains Richter. Since the commissioning of the system, productivity has improved at least 10 percent. Likewise, the feedback by the Mafi drivers has been positive throughout.

Chemion also performs the internal distribution of mail and packages as well as internal services, such as printer maintenance for the Chempark sites. In order to display them efficiently, Trimble's mobile telematics solution FleetXps was introduced. "The FleetXps application can also be integrated into our workflow," added Richter.

As a full-service provider, Chemion Logistik covers the entire range of logistics services in the chemical industry and related industry sectors. Since its de-merger from the Bayer Group as a 3PL in 2001, the company has offered individual logistics solutions to its customers. As a specialist for handling hazardous materials, Chemion provides equipment and infrastructure and offers storage, transhipping, transport and added-value services, and management of corporate departments with production-related logistics processes as well as training services at Chempark sites.

www.trimbletl.com



Chemion needed a real-time system to overcome the challenges of plant logistics, like high order frequency, short distances and slow vehicles

MBO leads to Yellowfish

Telenor Traxion AB has been renamed Yellowfish AB after a management buyout (MBO) from Telenor. The company's services are now provided under the brand name Fleetmonitor.

In 2007, Telenor Group decided to commercialise a business model presented by two Telenor employees, Jonas Svensson and Fredrik Ohlsson. After commercialisation, the company Telenor Traxion AB was established in early 2009 and acquired customers mainly in Scandinavia during its first year, but expanded to other European countries from 2010. Today, customers from Sweden, Germany, Switzerland, Slovakia, Netherlands, Belgium and other countries are benefitting from the company's services.

During 2013, Telenor Group decided to focus more on generic services and less on dedicated vertical solutions in the machine-to-machine (M2M) and telematics sectors. This led to a unanimous decision to carry out an MBO in Telenor Traxion. Both parties agreed that this was the best for the business and Telenor continues to be a partner to the new company, Yellowfish.

In 1 November 2013, Fleetmonitor became the new name of the managed services solution. "The service portfolio continues to grow and develop as we continue helping our customers to achieve their logistic goals, focusing on developing advanced business intelligence," read a company statement. "Our analytics service is a new, ground-breaking tool in telematics solutions. Based on BI technology, customers can analyse all aspects and tracking and monitoring data in real-time over the internet.

"We are happy to see that more and more customers value our managed service concept, Fleetmonitor, and choose us for monitoring their fleets. Over the past six months the installed base has grown considerably, especially with new customers in the chemical and dangerous cargo segments, both rail and intermodal."

www.fleetmonitor.com

Booming shale drives search for greater tank safety

Canada's tar sands and America's shale oil revolutions have boosted rail transport across North America in recent years. Delays in approving and constructing new pipeline infrastructure to deliver crude oil to coastal refineries has provoked a dramatic rise in demand for rail tanks simply to get the feedstock to where it is needed.

However, this rush to move product out of mid-continental regions, such as Alberta province and North Dakota's Bakken region, has been accompanied by a number of high profile rail accidents, the most deadly of which was the disaster at Lac-Mégantic, Quebec, last July, in which a runaway train carrying Bakken crude derailed and exploded in the middle of town, killing 47 people.

That and other accidents have focused attention on a number of safety concerns; notably, the seemingly high flammability of shale oil and structural integrity of older DOT-111 tank wagons which in many cases seem to have ruptured with worrying ease.

Nevertheless, the demand for rail transport is set to keep growing, with or without major pipeline development such as Keystone XL, and so the search is on for new technologies to make tank wagons safer.

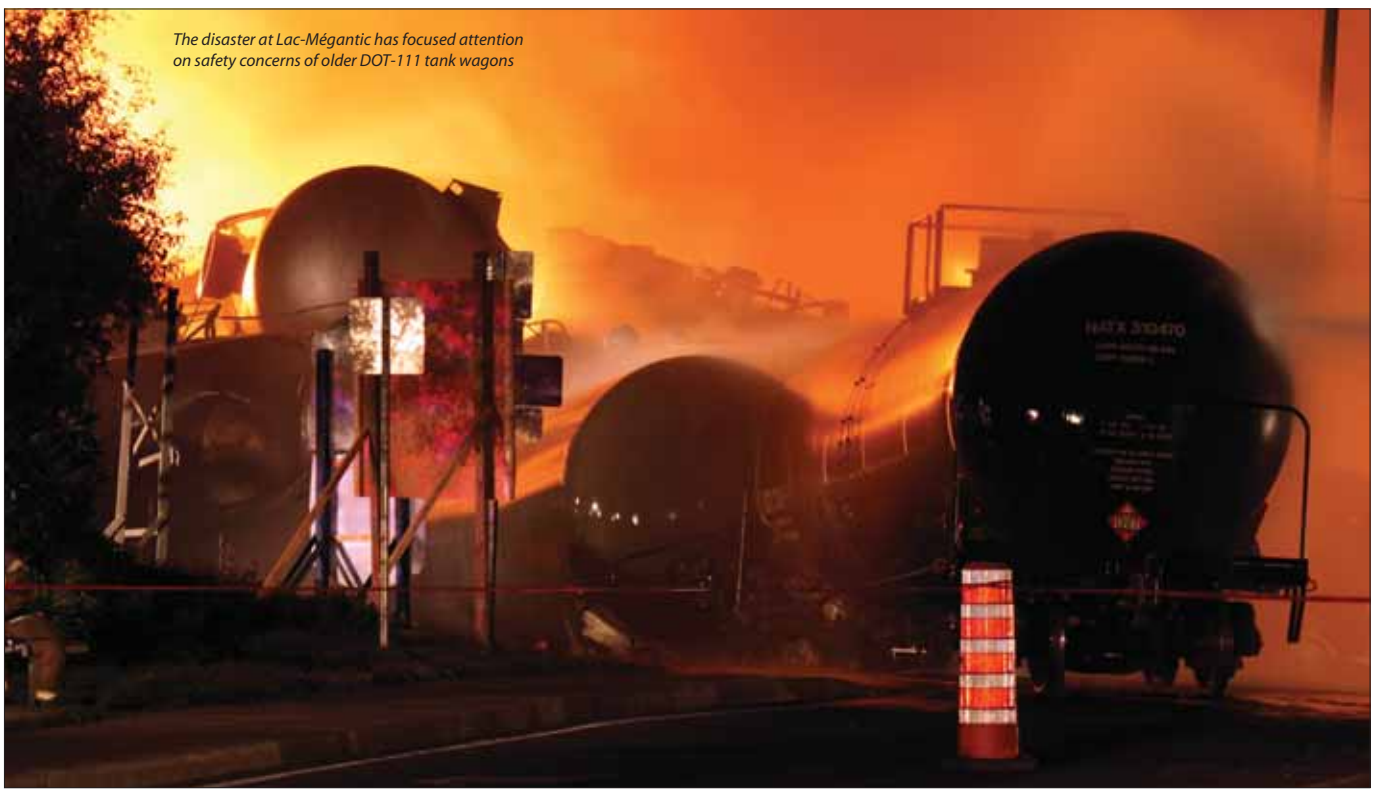
One of America's largest manufacturers of rail freight cars, Greenbrier, has announced that it will design a new generation 'Tank Car of the Future' for rail transport of hazardous freight, including flammable crude oil and ethanol, that can better withstand the additional demands associated with operating unit trains.

The new design will also respond to safety criticisms of the existing legacy fleet of older DOT-111 tank cars. The design is intended to meet expected new industry and government standards for tanks transporting certain hazardous goods. Greenbrier is also introducing retrofits for tank wagons already in service or now being produced, significantly enhancing the safety of existing cars, the company stated.

"Statistics from the Association of American Railroads (AAR) show that 99.9977 percent of all rail-carried hazardous material arrives at its destination without incident. However, recent high-profile derailments have clearly demonstrated the need for updating the North American tank car fleet to the highest practical safety standards," explained Greenbrier chairman and CEO William Furman. "Greenbrier is addressing the tank car safety issue on two fronts - by supporting a 'Tank Car of the Future' and through offering retrofit alternatives for the legacy fleet, including our most recently built CPC-1232 tank cars, as may be appropriate.

"This allows the industry to take immediate steps to improve public safety. It also preserves the massive investment in tank cars now in service, by extending the time these cars could be used in hazardous material transportation as they ultimately transition over time to less hazardous service.

"The Department of Transportation (DOT) has yet to rule on industry recommendations to adopt the newer and safer CPC-1232 standards submitted to them in March 2011. These were subsequently mandated by the AAR on tank cars ordered after October 2011. When Greenbrier builds railcars, our top priorities are to ensure our workers' and the public's safety while protecting the natural environment."



The disaster at Lac-Mégantic has focused attention on safety concerns of older DOT-111 tank wagons

Retrofitting

In order to respond to immediate safety concerns, and in anticipation of future action by the DOT, Greenbrier is also introducing retrofits for legacy DOT-111 cars and newer cars that meet the current CPC-1232 standard mandated by AAR. As of November 2013, there were 272,100 DOT-111 tank cars in service in North America of which 255,000 were of the older legacy design. Among those tank cars, 170,000 were in hazardous transport, with 68,000 tank cars in crude oil and ethanol service.

Retrofit options for the legacy DOT-111 tank cars will include high-flow pressure relief valves, head shields, top fittings protection and thermal protection. It is expected that appropriate retrofit choices could allow extended service for DOT-111 tank cars as these cars are placed in lower risk service over time. Industry research has shown that bottom and top appurtenances on the legacy DOT-111 tank cars are impacted in high speed derailments. Greenbrier's proposed retrofit is targeted to improve these tank car features, and adds head shields, to achieve better performance in a derailment.

Greenbrier will also provide retrofit offerings for newer tank cars built under the AAR's CPC -1232 standards, which applies to all tank cars ordered after October 2011. The manufacturer's retrofit package for newer CPC-1232 cars includes high-flow pressure relief

Continued on page 22

Greenbrier will design a new generation 'Tank Car of the Future' for rail transport of hazardous freight

valves and improved bottom outlet valve handles for any CPC-1232 cars in crude and ethanol service which were not originally equipped with these features.

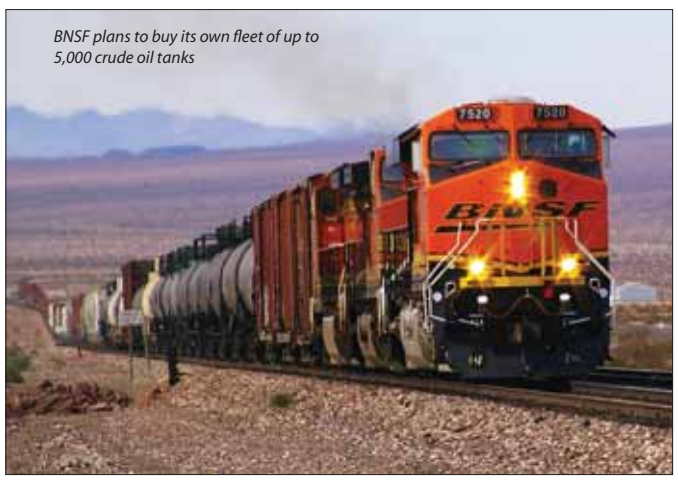
Combined, these retrofits can meaningfully improve the safety performance of both car types in continued service, Greenbrier says. It also expects 'Tank Car of the Future' and retrofit offerings will comply with anticipated Class I rail carrier requirements as well as pending regulatory actions by the US and Canadian governments. The company's retrofitting work, as part of its Wheels, Refurbishment & Parts division, will not materially affect production rates for new builds as part of its manufacturing division.

Furman continued: "Greenbrier has a rich history of designing and building the world's most durable tank cars for delivering sensitive materials. For over 30 years our Wagony Swidnica facility in Poland has built all types of pressure tank and specialty cars for the Western European rail system. European tank car service is highly regulated, and typically consists of shorter, faster trains than in the US and North America, with many advanced safety features and an excellent safety record for hazardous materials service.

"We are prepared to respond in part as the result of an order to build 500 pressure cars in North America. Currently, pressure cars are used to transport hazardous freight other than crude oil and ethanol. These cars exceed current tank car standards for cars transporting crude oil and ethanol, as well as all new tank car standards recently considered by AAR.

"Our pressure car experience will aid our design effort on the Tank Car of the Future for non-pressurised hazardous service, including the transport of crude oil and ethanol," Furman added.

In North America, Greenbrier can build tank cars at a rate of 4,000 cars a year, and is increasing its capacity in light of higher demand for tank cars related to the energy renaissance in America. As of 30 November 2013, 47 percent of Greenbrier's backlog consisted of tank cars which are almost entirely the more advanced and safer CPC-1232 tank cars and pressure cars. Greenbrier no longer produces the legacy DOT-111 tank car for use in flammable service.



BNSF plans to buy its own fleet of up to 5,000 crude oil tanks

Rail companies have already addressed operating practices to improve safety, while energy and chemical shippers are evaluating the content of their commodities to verify proper packaging to protect the public and the environment. Greenbrier says it will collaborate with "industry leaders to achieve a shared goal of providing the safest means of transport of crude oil and ethanol by rail".

BNSF Railway Co, which is owned by Warren Buffett's Berkshire Hathaway investment group, plans to move into rail tank ownership and buy its own fleet of up to 5,000 new crude oil tanks with safety features that exceed new industry standards.

Bulk liquid rail tanks are usually owned by shippers or leasing companies and hauled under contract by the railway companies. But BNSF, a significant carrier of crude by rail throughout the USA, plans to seek bids from railcar manufacturers for up to 5,000 new tanks with thicker walls and ends, increased protection of safety and pressure valves, and other features that "go beyond industry standards".

Saint John, New Brunswick-based Irving Oil also announced plans to convert its older DOT-111 tank cars used in crude-by-rail by the end of April.

Irving Oil also will also ask its suppliers to adhere to CPC-1232 by the end of the year, president and CEO Paul Browning said in a statement. In fact, said Browning: "We have made substantial progress in converting our fleet of crude oil rail wagons to meet this enhanced standard," adding that 88 percent of Irving Oil's fleet already complies with the standard.

PHMSA investigation

Meanwhile, the US Department of Transportation's Pipeline and Hazardous Materials Safety Administration's (PHMSA) ongoing investigation has shown that Bakken crude sometimes lacks proper testing and classification.

In February, PHMSA announced the first results from its 2013 investigation into the transport of Bakken oil, known as Operation Classification, which showed that crude oil taken from cargo tanks en route to rail loading facilities was not properly classified. PHMSA has issued three Notices of Probable Violations to the companies involved as a result.

Shippers are required to use nine hazard classes as a guide to classify their hazardous materials properly. "Proper classification will ensure that the material is placed in the proper package and that the risk is accurately communicated to emergency responders," the PHMSA said. "Shipping crude oil – or any hazardous material – without proper testing and classification could result in material being shipped in containers that are not designed to store it safely, or could lead first responders to follow the wrong protocol when responding to a spill."

"Transport has an important role to play in helping meet our country's energy needs, thanks to the increased production of crude oil, but our top priority is ensuring that it is transported safely," commented Transportation Secretary Anthony Foxx. "The fines we are proposing today should send a message to everyone involved in the shipment of crude oil: You must test and classify this material properly if you want to use our transportation system to ship it."

In response to recent accidents involving crude oil shipments by rail in the US and Canada, secretary Foxx issued a 'Call to Action', calling on rail company executives, associations, shippers, and others to discuss how stakeholders can prevent or mitigate the consequences of rail accidents that involve flammable liquids.

The Department's action plan includes efforts to ensure shippers and carriers are taking all of the required precautions to transport flammable liquids safely. In 2012, PHMSA and the Federal Railroad Administration began focusing on the safe transport of crude oil produced in the Bakken. After the formation of PHMSA's Bakken Field Working Group and FRA's Bakken Rail Mitigation Project, PHMSA and FRA launched Operation Classification in August 2013 to verify that crude oil was being properly classified in accordance with federal regulations. Activities included unannounced spot inspections, data collection and sampling at strategic terminal and transloading locations that service crude oil. PHMSA and FRA have also issued several safety announcements about the safe transport of crude oil by rail, including a recent 2 January Safety Alert.

Beginning in August 2013, PHMSA inspectors tested samples from various points along the crude oil transport chain: from cargo tanks that deliver crude oil to rail loading facilities, from storage tanks at the facilities, and from the pipeline connecting the storage tank to the rail car that would move the crude across the country. Based on the test results, eleven of the 18 samples taken from cargo tanks delivering crude oil to the rail loading facilities were not assigned to the correct packing group.

"These initial findings remind us how important it is to follow the hazardous materials regulations and to do it in the proper sequence," said PHMSA administrator Cynthia Quarterman. "The process begins by testing, characterising and then properly classifying the hazard and putting it in the kind of container that will offer the highest level of safety."

As a result of the findings, PHMSA has expanded the scope of Operation Classification to include testing for other factors that affect proper characterisation and classification such as Reid vapour pressure, corrosiveness, hydrogen sulphide content and composition/concentration of the entrained gases in the material.

PHMSA will also move forward with the Notices of Proposed Violations totalling US$93,000 that were issued to Hess Corporation, Whiting Oil and Gas Corporation, and Marathon Oil Company, and will continue working with the rail and oil industry based on secretary Foxx's Call to Action, including sharing of additional data, and recommendations for future safety initiatives.

CEFIC adopts Wascosa design

The European Chemical Industry Council, CEFIC, published a new version of its recommendations for the construction of tank wagons to transport chemical products and liquid gases in the second half of 2013.

Apart from other measures to improve safety, such as equipping wagons with crash buffers, CEFIC now also recommends the wagon undercarriage with 2 brake platforms developed by Wascosa. This concept, which was first presented in 2010 with the Wascosa safe tank car, offers the operating personnel a safe place to work at both ends of the wagon. Today there are already more than 700 safe tank car wagons being delivered or in use in both the chemicals and petrochemicals industry.

VTG, Evonik in low noise test

VTG has begun to convert the first wagons to low-noise brake blocks as part of a pilot phase for the chemical company Evonik Industries. Both companies are looking to extend their dedication to noise protection and gain experience with the new brake blocks. The conversion could enable rail traffic noise to be reduced by up to 50 percent.

The test phase is with a set of chemical tank wagons equipped with LL-brake blocks (low noise, low friction). The pilot is an opportunity to collect information about kilometric performance and any additional maintenance requirements.

"We are very pleased to be able to commence the test phase with our partner Evonik Industries," said Dr Heiko Fischer, CEO of VTG. "Noise reduction is a social responsibility to which we have committed ourselves. This project demonstrates that we are able to find effective solutions for this issue, together with our customers."

"In our position as one of the leading speciality chemical companies in Europe, rail is one of the safest and most environmentally-friendly methods of transport and we intend to promote noise protection through this project," added Matthias Heil, vice president logistics procurement for Evonik. "We are convinced we have found the right partner in VTG, not only because of the company's longstanding expertise in wagon construction but also owing to the extensive experience VTG has gained through operating thousands of freight wagons."

The first converted wagons will be up and running from the end of March 2014. A total of 12 wagons will be in operation over the next one-and-a-half years and will provide the necessary empirical values. The experience collected over the course of the pilot project shall determine whether it is possible for additional wagons to be equipped with LL-brake blocks.

Noise reduction is one of the most important environmental issues in rail freight transport. The Federal Government has made it its goal to halve rail traffic noise by 2020. VTG has already been equipping its new build wagons with noise-reducing K-brake blocks since 2005 and 20 percent of the entire VTG fleet is now fitted with low-noise braking blocks.

In addition, VTG tested other noise-reduction measures in 2011: wheelset coating, low-noise wheelset discs and a noise damping bogie running gear. The current pilot project is another of VTG's steps towards further reducing noise emissions from freight wagons. "However, funding conditions for noise reduction have to be improved in order to achieve significant results," added Fischer. "This is a task for Europe and we need the regulations and support programmes to benefit directly wagon keepers on a European level in order to achieve a reduction in noise emissions. To this end, all parties involved have to be brought together: governments and associations, network operators, wagon keepers and the customers."

In the US, VTG has expanded its wagon fleet, adding some 350 jumbo covered hoppers for dried distillers' grains (DDG), acquired by the US subsidiary VTG Rail. The wagons have an average age of six years.

"This acquisition is an important step on the way to significantly rejuvenating and diversifying our US fleet," explained Fischer. "Furthermore, with this purchase, we are gaining an important new customer who requires the wagons for product distribution both in and beyond the US."

Chris Schmalbruch, president of VTG Rail, said he was pleased with the opportunity the acquisition provides to grow the fleet and profitability, adding: "With the purchase of these wagons, we now have access to another promising market, where our team can provide top level service to the leader in the premium DDG market."

VTG entered the North American market in 2008 with the acquisition of Texas Railcar Leasing Company and its fleet of 1,000 wagons. In the two years that followed, the company doubled the number of wagons with further acquisitions. In 2011, VTG Rail once again doubled the size of its fleet by adding another 2,400 wagons with its acquisition of the fleet owned by SC Rail Leasing America. VTG Rail now operates in the North American market with a fleet of more than 4,000 wagons.

Preliminary figures for 2013 show that VTG increased both revenues and earnings. Group revenues climbed by 2.2 percent to €783.7 million in comparison with the previous year. Operating profit (EBITDA) also rose by 5.7 percent to €183.8 million.

"We were able to continue to improve despite the economically challenging year. This was especially driven by the railcar division, which has benefited from disproportionate results through further investments in our diversified fleet," explained Heiko Fischer. "In comparison, our logistics divisions had to struggle with continuing pressure on margins and a partial downturn in demand."

In the railcar division, approximately 1,300 new build wagons were added and went directly to customers as part of long-term rental contracts.

Events

Multimodal 2014
29 April - 1 May 2014
Birmingham, UK
www.multimodal.org.uk

Interpack
8-14 May 2014
Düsseldorf, Germany
www.interpack.com

Logichem
20-22 May 2014
Antwerp, Belgium
www.wbresearch.com/logichemeurope

FECC Annual Congress
26-28 May 2014
Rome, Italy
www.fecc-congress.com

Transport Logistic China, Shanghai
17-19 Jun 2014
Shanghai, China
www.transportlogistic-china.com

Powtech
Nuremberg, Germany
30 Sep - 2 Oct 2014
www.powtech.de

EPCA Annual Meeting
4-8 October 2014
Vienna, Austria
www.epca.eu

ITCO General Meeting
20-21 October 2014
Vienna, Austria
www.itco.be

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American crude boosts GATX

GATX Corporation reported net income for 2013 of US$169.3 million or $3.59 per diluted share, compared with net income of $137.3 million or $2.88 per share in the prior year. The 2013 and 2012 results include benefits from tax adjustments and other items of $4.5 million and $3.5 million, respectively.

Brian A Kenney, president and CEO, said: "During 2013, we capitalised on the exceptionally strong demand for tank cars in North America by locking in historically high lease rates for very long terms. This strategy caused a positive 34.5 percent renewal rate change in GATX's lease price index (LPI) for full-year 2013, while the average renewal term for cars in the LPI was 62 months. We achieved these results despite the challenging freight car market, as weakness in demand persisted for certain freight car types such as coal.

"Fleet utilization was approximately 98 percent throughout the year, and our renewal success rate was just over 80 percent. We grew the North American fleet with railcar investment of over $500 million through select opportunities to purchase railcars in addition to investments made under our existing supply agreement. We also optimised our fleet by selling targeted car types, and in the process generated more than $50 million in asset remarketing income. As we expected entering 2013, compliance-related maintenance activity increased in North America, driving maintenance expense higher by 13 percent from 2012.

"GATX Rail Europe (GRE) performed well in 2013's weaker European railcar leasing market by scrapping older, less efficient tank cars and replacing them with newly built cars, which resulted in reduced maintenance expense as well as increased utilization of 96.8 percent at year end. GRE's 2013 investment volume exceeded $160 million.

"As we enter 2014, we expect an increase in profit in Rail North America as lease revenue continues to increase. Lease rates on most tank car types are at record highs and the environment currently appears stable. We plan to capitalise on the continued high demand by placing railcars on very long-term leases. The growing lease revenues should more than offset a modest decline in remarketing income and increased maintenance expense as we work through the tank car compliance cycle.

"We expect a slight increase in GRE's profit in 2014 due to slowly improving market conditions. Investment volume at GRE in the past two years was at the highest level since we made our initial investment in Europe nearly 20 years ago, and we anticipate another strong investment year in 2014. This reflects our commitment to assist our customers with the fleet replacement that must occur in the European tank car market."

Road charging for the UK?

Is it time for the UK to move towards a form of road user charging similar to that in Germany?

The Chartered Institute of Logistics and Transport (CILT) recommends such a move in its new report UK Freight Planning to 2035. As part of its series on the future of the UK's transport infrastructure – Vision 2035 – Transport, Logistics and the Economy - this first publication examines the challenges facing the future growth of logistics capability of Britain.

The report has four key observations, including a re-examination of freight vehicle taxation ideally to be replaced by a lorry-user charging system based on road occupancy.

This would be a way to develop congestion management and encourage the desired supply chain redesign, argues CILT. As well as taking the externalities of freight transport into account, it would also create a level playing field between UK-registered and foreign trucks since the charging would apply to the latter as well. "In the context of the RAC Foundation's findings that fuel duty revenues will fall, the case for road-user charging for all traffic is an inevitability that will need to be addressed. This change should be linked to regulation on telemetry to create an industry-wide system to upgrade performance of the national fleet," the report states.

It also argues that planning for urban hubs should be made a priority under national guidelines, and local authorities given powers to purchase land and determine its use for such schemes: "This would provide necessary consolidation and relieve congestion in our cities and major towns".

In addition, major distribution parks should be planned with "a presumption of rail connection" and suitable sites identified and facilitated by local authorities. This measure would bring down the high cost of development and make a more effective market where national need is balanced with local interests, says CILT.

Another major concern which the report addresses is the frequent conflict between planning for infrastructure considered of national importance and the obstacles placed in front of developing such infrastructure by local authorities.

Too often, high-profile transport initiatives are stalled by local councils giving into 'not-in-my-backyard' (NIMBY) protests from local residents. "The devolved governments should be engaged in the UK planning process to ensure that regional and national policy developments are aligned," the report says.

The report was drawn up by a team of senior transport and supply chain professionals, headed by Professor Alan Braithwaite FCILT, and makes the case that the importance of the UK's freight infrastructure is of such magnitude that it requires "strategic national direction". This applies particularly in the case of multimodal rail interchanges, which are currently considered a political 'hot potato' because of local opposition.

CILT chief executive Steve Agg commented: "The UK is already congested and we cannot rely on market-driven solutions alone, we need direct policy input to facilitate engagement. This is about giving industry the confidence to invest to serve supply chains and meet the needs of local communities and national interests."

The report concludes that adopting these measures will form an integrated policy that will in turn drive investment and growth and ensure the UK's economy has the infrastructure it needs moving towards 2035 and beyond.

The full report can be viewed online at **http://ciltuk.org.uk/ukfreight**

Talke buys Kruse

Talke has acquired a majority stake in Friedrich A Kruse jun. Logistics Services, which runs facilities at the Chempark sites in Leverkusen and Dormagen, Germany.

The acquisition strengthens Talke's position as a specialist in on-site logistics for the chemical industry and by extending its reach into two of Germany's most significant chemical industry sites, has come even closer to its partners in the chemical sector.

"The expansion means that we can provide our own customers at the Chempark sites and their business partners in the whole world with an even broader range of chemicals logistics services," said group managing director Alfred Talke.

"The experienced teams in Leverkusen and Dormagen are an ideal addition to our own team and skill set. Once again, Talke Group has reinforced its position as a European leader in chemicals logistics."

In February, Talke bought the shareholding of Friedrich A. Kruse junior, leaving Dirk Emmerich holding a minority share. He will stay on board as managing director of the new Talke-Emmerich GmbH & Co. KG.

Apart from the storage and shipment of dangerous and non-hazardous chemicals, Talke can now offer services such as blending, grinding and sifting, packing, filling and refilling of solids and liquids. Hot melts and powders with a minimum ignition energy below 3mJ can also be filled or refilled. Packaging unit sizes range from test or sales samples to cartons, bags or drums and up to big bags, tank containers, full truck loads or railway wagons.

Moreover, as part of its specialised on-site services, Talke can also operate customers' filling and logistics plants. The company ensures the supply of source materials just in time for their feed into production. Finished products are filled into the required packing unit and prepared for shipment or bulk shipment. Storage capacity in Dormagen and Leverkusen adds up to about 50,000 pallet spaces in block and high-rise rack storage areas. In addition, there are special warehouse facilities for technical gases, samples, small packs and cold storage areas for products that require temperature control.

Talke's majority stake in Friedrich A Kruse jun. Logistics Services strengthens its position as a specialist in on-site logistics for the chemical industry