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Brenntag opens the door to China

IN THIS ISSUE

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Brenntag has finally achieved a strategic entry into China. The Germany-based group is acquiring in two stages 100 percent of Zhong Yung (International) Chemical Ltd, a chemical distributor with expected sales of €255 million in 2011, thereby gaining market access to China, the world's fastest-growing chemical market.

Zhong Yung is focused on the distribution of solvents with established commercial and logistical infrastructure in the key economic regions in China. Management teams of Zhong Yung and Brenntag are now looking to bundle their respective distribution knowledge and market penetration to exploit growth opportunities.

The deal closing the first tranche is expected in the 3rd quarter of this year. Brenntag will hold a majority stake of 51 percent and will acquire the remaining stake in 2016. Entering into a joint venture for five years gives Brenntag the opportunity to use the experience and know-how of Zhong Yung and its management team to establish a solid business platform for Brenntag in China.

"This transaction strengthens Brenntag's growth strategy in the Asia-Pacific region," said Brenntag's new CEO Steve Holland. "It is a strategic investment for Brenntag in China and also a first step through which Brenntag demonstrates full commitment to build a solid distribution network in China. We are continuing to look for further opportunities to support our growth in Asia Pacific."

Henri Néjade, president of Brenntag Asia Pacific, added: "It is a significant milestone in Brenntag's Asian business development following the successful acquisition of EAC Industrial Ingredients in 2010. We are delighted to team up with Zhong Yung because it opens the opportunity for further growth in China. Zhong Yung is a major chemical distributor with about 2,000 customers, more than 100 suppliers and has an excellent infrastructure including laboratories, blending and storage capabilities."

Zhong Yung is a major chemical solvent distributor and serves all major solvents-applied industries such as paint and coatings, adhesives, printing inks, electronics and automotives with a large variety of solvent products. The Chinese company has a strong national sales organisation covering north, east and south China representing a large geographical coverage of the total domestic solvents market. The company is estimated to generate sales of €255 million in 2011.

De Dijcker returns to cement haulage

Bulk logistics operator De Dijcker NV based in Vlierzele, Belgium, has again become involved in European road transport of cement after an absence of some10 years. Until the end of the 1990s the company, which purchased its first truck in 1927, had been a major player in international transport of liquids as well as powders. However, at around that time the decision was taken to limit bulk road transport activities to Belgium and a small part of northern France as a result of squeezed profit margins caused by intensified competition and increased operating costs.

During the past decade the company has focused more on ready-mix concrete plants, recycling of concrete rubble and transport/storage of uncontaminated topsoil utilising barge transport on inland waterways. The return to cement logistics began at the end of 2010 when De Dijcker was presented with an unexpected opportunity to purchase a fleet of 30 cement road tankers. Thanks largely to its ready-mix concrete activities the company has in recent years formed a close working relationship with Holcim, Zurich, Switzerland, one of the world's largest suppliers of cement, sand and aggregates. The newly acquired cement trucks are expected to be mainly deployed in service to Holcim.

Dirk De Bruecker, CEO of De Dijcker, with one of his 30 newly acquired cement road tankers

Half of the new cement truck fleet has already been equipped with the revolutionary MH6 system, the world's first combination screw compressor/power take-off (PTO) which is specially suitable for dry bulk transport applications involving materials such as cement, fly ash, lime, flour and other powders. Developed by Mouvex of France working in association with Hydrocar of Italy, the light-weight MH6 offers a 70% weight reduction compared to existing equipment (see p10 for further details). Apart from being significantly lighter than competitive compressor systems, it is also faster. "Thanks to the MH6, we can carry larger loads per delivery more often, which ultimately improves our bottom line," said Dirk De Bruecker, CEO of De Dijcker. The remaining 15 cement trucks will all be upgraded to MH6s during the coming months.

www.dedijcker.be

Interbulk & Sinotrans – a strategic fit

Sinotrans' stake in InterBulk is not just a good financial deal for the Scotland-based bulk logistics specialist; it represents a highly significant development for the sector, as the company explained to *Bulk Distributor*

More than a few industry peers must have blinked at the announcement that InterBulk Group had agreed a deal with Sinotrans under which the Chinese logistics giant will take a 35 percent stake in the bulk logistics specialist.

Not only was it indicative of the new world industrial order; at 11p per share the Chinese company is paying a premium of 184 percent over the share price as it stood in mid-March.

Of course, it is not unheard of for a board to insist that its current share price undervalues the group. But the fact that Sinotrans, which is effectively majority-owned by the Chinese government, agreed on such a premium underpins that InterBulk had been seriously undervalued on the AIM market.

Announcing InterBulk Group's interim results, non-executive chairman David Rolph and CEO Koert van Wissen took time to explain to Bulk Distributor the background to the transaction and the implications for its future development.

A product of three acquisitions in 2006 and 2007 - when it raised more than £40 million at 20p a share - InterBulk also took on a large amount of debt. During 2009, InterBulk renegotiated the group's financing with Bank of Scotland, its principal banker, to ensure that these facilities were flexible enough to meet the challenges of the economic downturn. Nevertheless, the level of indebtedness combined with the high average interest rate had created an interest charge which substantially reduced net profit. At the same time, the balance sheet leverage remained well above the norms for the debt market. The board therefore considered how to address these two financing issues before the current bank facilities matured in September 2012.

To the board the answer seemed to lie in China. InterBulk's strategy for growth identified China as an area of opportunity owing to its fast growing chemical production and consumption in the country. Sinotrans and InterBulk have, over the past few years, worked together on a number of domestic Chinese chemical logistics projects. As a result of this developing relationship, discussions began between the two concerning Sinotrans investing in InterBulk and taking an equity stake. Both companies say they believe there are strong growth factors for bulk intermodal logistics solutions generally and that there are significant opportunities for expansion into the chemical market in China.

"We started our relationship with Sinotrans some three and a half years ago," explained Koert van Wissen. "European customers were asking us to offer a service in China. We provided the containers, the responsible care compliance, and we trained the drivers, and so on. So Sinotrans became interested in our company and the relationship became a very good one."

Thus a deal was agreed, and now the net proceeds of the Sinotrans placing will be used to repay to Bank of Scotland approximately half of the most expensive tranche of debt which carries an interest margin of LIBOR plus 12 percent. Bank of Scotland further agreed to reclassify £5.1 million of existing mezzanine debt to a Term B loan, extend the facility to 30 June 2013, cancel 3,028,920 Warrants and waive £0.471 million of a deferred fee owed to it. In essence, the package will have a positive impact on both the company's leverage, reducing its net debt by approximately 16 percent, and its cost of debt, achieving an annualised reduction in interest costs of around £2.8 million.

"Although it's perfectly correct to say there is a definite financial advantage to this relationship, I emphasise that it is also a great strategic fit for both of us," added van Wissen. "I'm convinced it's a major step forward for InterBulk as a group. Yes, (Sinotrans) paid a substantial premium, but we think it reflects the true value of our company."

Interbulk has enlarged its tank container fleet to over 9,000

Sinotrans has confirmed that its entire network and multiple business will be used to support InterBulk's development in China and in the rest of the world. A commercial alliance will be developed to ensure the company enhances its growth by drawing from both Sinotrans' and InterBulk's respective strengths. In addition Sinotrans has confirmed its support for the existing management team to develop the business.

This will entail expanding operations in the growth regions of China, the Middle East and Russia; increasing inter-regional and export liquid bulk activity in the Americas and South East Asia; establishing solutions for deepsea dry bulk and develop the company's network of terminals; and growing business in the food and minerals sectors.

"Chemical industry capacity has been added in China rather than displaced from Europe or North America, and this has been largely to meet the enormous local demand for chemical product," added David Rolph. "So while areas such as the Middle East are already an important market for InterBulk itself, for the time being the Sinotrans partnership will concentrate on China and the growth opportunities there."

In the past year InterBulk increased is tank container fleet by some 1,200 units, with a mixture of owned and leased assets. There have been some specials taken into the fleet, including baffled tanks for smaller loads. "We have also taken delivery of insulated and electrically heated tanks for the Russian market, which is an increasingly important one," explained van Wissen.

Developing dry bulk

But aside from developing the bulk liquid side of the business, InterBulk also sees growth prospects in dry bulk. When then parent company InBulk Investments bought UBC in 2007, the latter company was almost exclusively European in its focus. However, van Wissen believes there are many synergies to exploit between the two sides of the business. "Our tank container business is global and we have an extensive network and partners. So we see a definite opportunity to offer customers a dry bulk logistics solution profiting from our existing global network in liquid bulks."

InterBulk owns container liner manufacturer LinerTech, which has developed innovative polyethylene liner technology in the Fluidising Liner. Some difficult cohesive materials can clump together with conventional liners, but van Wissen says the Fluidising Liner is ideal for materials that do not normally flow easily.

The liner is made from food grade film, which meets all current UK, EU and FDA food legislation and is manufactured according to ISO 22000, making it ideal for food powders not suited to traditional liners, such as flour and starches. For 'dusty' products which pose a possible risk of explosion, electro-statically dissipative film can be used.

The main business on the dry bulk side is likely to be polymers, usually from the Middle East and China. "We can take part of the materials handling, debagging into silos or road tankers. We already have dry bulk polymers operations outside Europe, in USA, Canada and in several countries in Asia. We do believe there are significant growth opportunities for our dry bulk logistics concept in these and other areas outside of Europe," added van Wissen.

Revenues on the rise

For the six months to 31 March 2011, InterBulk Group posted 16 percent revenue growth compared with the first half of 2010. David Rolph said the financial results were in line with the group's plans and expectations. "InterBulk achieved a material reduction in its interest expense to deliver a profit before tax of £1.9 million, with increased earnings per share of 200 percent for the six month period," he said.

Global demand for chemicals and polymers remained buoyant which underpinned the group's revenue growth, he explained. However, rising fuel costs hit margins as the group had to shoulder shipping lines' bunker surcharges which will take some months to pass on to final customers.

"Although intermodal logistics has the advantage of lower specific fuel consumption compared with, for example road freight, the large increase in fuel prices, especially during the second quarter, has impacted margin performance, particularly in Europe. We expect these additional costs to be passed through to customers in due course," he continued.

The liquid bulk business continued to deliver a strong financial results with 17 percent growth in revenue compared with the first half of last year, added van Wissen. "Equipment utilisation remained high over the six month period. Since 30 September 2010 we have enlarged our fleet by 5 percent to over 9,000 tank containers."

In Europe, the group saw continued overall growth especially in intra-European activity. Deepsea growth was more modest with slower activity in the earlier months and a stronger finish to the half year. But of major interest, was the strong growth to and from Russia and the Baltic states with a 20 percent increase in revenue from this strategically important market.

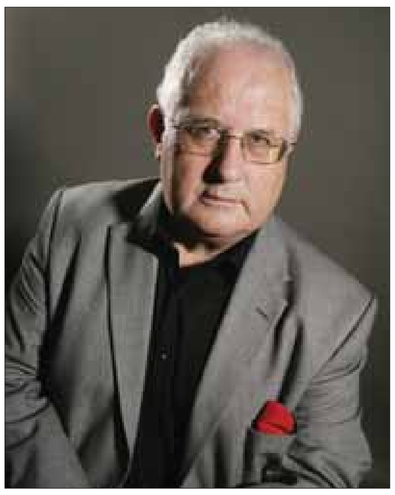
In Asia, and especially China, growth was described as "excellent", albeit tempered by lower margins due mainly to a lack of container shipping space for Asian exports caused by shipping lines reducing slot capacity. "This half year we have seen a more stable activity level and improvement in our margin as shipping capacity has been added to the market. The Asian business is well supported by our team in Europe and the Americas and our fleet remains well balanced."

Last year the dry bulk business, which mainly serves the European polymer industry, returned to revenue growth and this continued into the first half of the current financial year with a 13 percent year-on-year rise in revenue.

The company's ISO-Veyor business unit reported a small operating loss in the six month period. Up to now been this technology has been aimed at cement and associated products. But with limited growth opportunities, owing to the weakness of the construction sector, InterBulk started to look to other markets and has had some success in the upstream oilfield sector where units have been used as temporary storage and material transfer units for various well-drilling products.

The tank container: 'a big green re-usable drum'

The Asian Tank Container Organisation (@TCO) held its inaugural seminar on 23 June, in Singapore. The event saw 46 people attend the seminar to mark the official launch of @TCO which has been established to focus solely on the fast growing tank container markets in Asia.



Reg Lee – as emerging regions develop the benefits of the drum will diminish in favour of the tank container

The organisation's president Reginald Lee opened the seminar listing the benefits that @TCO will bring to the Asia Market. He outlined the need for depot audits and gave full details of what is the standard required by a tank container depot before @TCO would agree to carry out an audit. He further announced that two depots in Singapore had been selected for survey – Kerry ITS and OCWS.

There followed a presentation by Guy Bessant, regional marketing manager, Sasol Chemicals Pacific Ltd, entitled 'Asia Pacific Overview' in which he gave details of the important role tank containers will play in the company's distribution network and their increasing importance over the next few years.

Lee then gave a further presentation in which he looked at the relative merits of tank containers vs drums in the bulk liquids transport. Drums were the traditional method of transporting fluids on long haul and intercontinental routes before the advent of tank containers. Commonly, 55 US gallons (182 litres) drums were either stacked on pallets and packed in containers, or even loaded into containers without pallets.

Although the tank container may have become an everyday sight in Europe and North America, in many parts of Asia drums are still widely used for bulk liquids transport. There are several reasons behind this; limited capital for equipment investment, lack of infrastructure for discharging product and cleaning heavy equipment like tank, and even lack of proper lifting gear in depots or terminals.

But as Asian markets grow many of these obstacles are bound to be overcome, and so it could be that conditions will make the use of tank container more prevalent throughout the Asia region.

Lee pointed to a number of issues surrounding the stowage of drums in standard dry freight containers. Drums incorrectly stowed in a container can cause major problems, with cargo leaking from damaged drums. He demonstrated this by displaying a photograph of damage caused by drums leaking naphthalene, which severely degraded the metal interior of the container.

This is compounded by the difficulty of loading dry freight containers to capacity safely, he continued. A shipper may try to maximise the loading capacity of the container by placing the top row of drums on their sides, which is an unsafe method of loading as one bump or a severe braking can cause the drum to fall.

But aside from the safety issue a tank container can carry 40 percent more product in the same 20ft box, he stated.

Drum disposal in Europe and the USA is now a major issue. Regulations require the safe disposal of the drums and the residue which results in increased cost. And as environmental regulations and concerns come to the fore this will likely become a much more critical issue in the Asia region, said Lee, adding that as labour and landfill costs increase this will be a significant addition to the total cost of drum transportation.

There are safety issues when loading drums into a dry container

He summed up the disadvantages of using drums thus:

- Transportation of bulk liquids from the factory to the customer using drums is costly.
- Filling of the equivalent number of drums is expensive and time consuming with a risk of spillage.
- Storage of drums is expensive, and spillage is a danger if damage occurs.
- Disposal. Drums are difficult to clean, re-use is limited, "disposal is expensive and environmentally unfriendly"
- Unloading. Drums awaiting suitable transportation to the end user for unloading are prone to handling damage and possible tampering and contamination
- Shipping. "Difficult and costly. The potential for damage and spillage due to multiple handling is high."

On the other hand, maintained Lee, tank containers are "safe, efficient and cost-effective". "They offer a reliable factory to factory operation, simple efficient straightforward transfer between road, rail and sea, and above all the risk of loss or contamination is eliminated."

Lee conceded that drums will still be used for the foreseeable future in parts of the Asia due to the lack of infrastructure in certain emerging markets. The storage of small quantities at remote sites will still be more practical in drums, he said, and those drums may have a re-sale or second use in these areas.

It is also fair to point out that for certain emerging regions, the logistics of round-trip tank container operations are difficult resulting in higher cost. But the point he wanted to make was that as those emerging regions develop the benefits of the drum will diminish. Environmental requirements will increase the cost of re-cycling drums for secondary use or disposal. And as labour costs increase and the logistics infrastructure develops the tank container will become the cheaper, greener option.

"The opportunities for converting from drums to tank containers are enormous in the new emerging markets," Lee concluded.

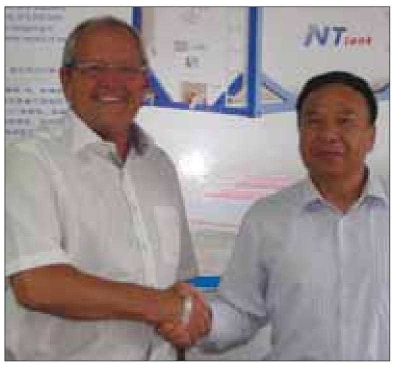
Photos of the seminar and further information developments at @tco can be found at

www.atcoasia.com

NT tank appoints Europe sales & service centre

Nantong Tank Container (NTtank) has announces that NTC Tankcontainer Services Botlek BV (NTC) has been appointed as the European sales and service centre for the tank container manufacturer. NTC, located in Botlek, in Rotterdam, is one of the leading depots in Holland and is well known for providing repair, cleaning and maintenance services to the tank container industry.

The new agreement between NTtank and NTC combines the advantages of both companies and the Botlek-based site will, in addition to the current NTC activities, now provide a more extensive service with the introduction of sales of NTtank new-build tank containers and a full after-sales service for all NTtank produced equipment.



L-r: Eric van Halewijn, NTC Tankcontainer Services Botlek with NTtank owner and president Huang Jie

The agreement exploits the synergy between the two companies and allows the NTtank and NTC alliance to offer a complete, in-depth service to clients in the tank industry. NTtank also wishes to announce that Maddox Quality will no longer provide the sales support service to NTtank after the end of June. NTtank expressed sincere thanks to Carol Maddox for her support for the company over the past three years and wish Maddox Quality every success in the future.

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Pelican achieves EN certification

Netherlands–based tank component manufacturer Pelican Worldwide has achieved certification for the company's valve line as well as its array of manhole equipment. The consequence is that the company is now completely certified according to new EN Standards: EN14432, EN14433 and EN14025 approved by three certifying bodies Lloyds, Bureau Veritas and TÜV.

These Standards became obligatory from 30 June 2011 and Pelican is confident that its customers will benefit from improved safety performance and added value.

In accepting the certificates, Pelican Worldwide Engineering/Quality Manager André van de Moosdijk said: "The achievement of the new EN Standards reflects our continuous efforts over the past year to achieve consistently superior product quality and reliability for our customers."

www.pelicanworldwide.com

Suttons on the investment trail

UK-headquartered bulk logistics specialist Suttons has invested in new equipment with a major order for UK trailers.

To support its expanding business, the company is spending more than three quarters of a million pounds in upgrading and buying new trailers for its fleet. This includes £500,000 on 35 new, slope frame ISO skeletal trailers from UK manufacturer Dennison and a further £300,000 in refurbishing 55 skeletal trailers.

The new trailers will be delivered in September and will operate in the UK on Suttons international business moving tank containers to and from UK ports and railheads and making customer deliveries. Earlier this year the company invested £9.5m in new tanks, the first of which have just been delivered.

Andrew Palmer, group managing director of Suttons, said: "This is another significant investment in new equipment as the company continues to win new business and grow. Our ability to deliver a safe and reliable service is recognised by our customers and throughout the industry."

In fact shortly after the announcement of the new equipment, Suttons was celebrating a double success at the 2011 Motor Transport Awards. The annual awards celebrate achievements in the transport industry and recognise innovation, outstanding service, efficiency and quality.

Sunny Zhu - Suttons new GM North Asia

At a ceremony with an audience of 1,500 at London's Grosvenor House, Suttons won the *Safety in Operation Award* and with customer Mexichem Fluor, the *Partnership Award*.

This was the fourth time in 10 years that Suttons has won the Safety in Operation Award, with praise from the judges for its "clear commitment to safety". Following its success in 2008 for the 'Think Safe' campaign, the company introduced a Felt Leadership initiative, a programme focusing on managers and supervisors taking personal responsibility for and visibly demonstrating high standards.

The Partnership Award recognises Suttons relationship with fluorine supplier Mexichem Fluor. The two companies have worked together for over 15 years with Mexichem's fleet of over 1,000 iso tanks being managed and operated by Suttons.

The trailers will operate in the UK on Suttons international business moving tank containers to and from UK ports

Andrew Palmer, who accepted the awards from comedian Michael McIntyre and broadcaster Chris Tarrant commented: "Both these awards demonstrate the outstanding commitment of Suttons people. It is their clear focus and drive that enables us to deliver a safe and reliable service which is recognised by our customers and by the industry.

"To win the safety award four times is a fantastic achievement, but going forward we are not complacent and will continue to work hard to improve safety performance. As a logistics service provider, building relationships with all our customers is key and the judges recognised the effectiveness and mutual success of our relationship with Mexichem Fluor."

Safety in Operation Award: l-r, Millie Clode, Sky Sports News; Martin Covington, Michelin; Suttons Group managing director Andrew Palmer; and Chris Tarrant

Partnership Award: l-r, Patrick O'Connell, Bandvulc; Christine Bond, Mexichem Fluor; Andrew Palmer, Suttons Group; and Michael McIntyre

Finally, Suttons has appointed a new general manager in North Asia. Sunny Zhu takes up the position after 14 years with the company in China, having held a number of senior operational and commercial positions.

Andrew Palmer noted: "Sunny understands our business and the markets in which we operate. This makes her the perfect person to lead Suttons' business in North Asia during this period of strong growth and investment."

Stolt utilisation up

Stolt Tank Containers' revenues were up 17.2 percent, or $40 million in the first half of 2011 over the first half of 2010, reflecting an increase in utilisation to 77.5 percent in the first half of this year. This represented a small increase from 74.4 percent in the corresponding period of 2010.

Shipment volumes increased 4.2 percent between the periods. This was mainly due to stronger market conditions and increased demand for tank containers. Stolt Tank Container's operating profit increased by $11 million while its operating margin increased to 13.7 percent in this first half, compared with 11.4 percent in the first half of 2010. The operating margin increased due to higher demurrage billings and increased rates from customers in late 2010 which related to freight cost increases experienced throughout the year. STC benefited from stronger market conditions in most regions due to strong demand in both major and developing markets.

Utilisation is expected to remain strong in the second half of 2011 but is expected to decline slightly as STC takes delivery of new tank containers at a record pace. Shipments during the first half of 2011 compared to the same period last year were strongest out of Europe, the Middle East and China while shipments out of the US, South America and the rest of Asia remained in line with volumes from last year. Demand for tank containers is expected to remain strong, with North American, Latin American, Middle Eastern and Asian demand continuing to rise while demand in Europe remains at its current high levels.

STC has also seen strong demand in the flexitank business with growing demand in Latin America, Taiwan and Thailand. Demand for flexitanks is expected to continue to increase throughout 2011 and 2012, although the flexitank business is still a relatively small proportion of the total.

The tank container division continued a limited off-hire programme of leased units over the past 18 months. This is part of an on-going effort to reduce fleet costs while maximising the efficiency of the entire fleet. Approximately 750 units were off-hired in the first six months of this year. At the same time, STC is actively purchasing new tank containers, taking delivery of approximately 1,800 new units during the first six months of this year.

ITCO technical group

ITCO has confirmed the composition of its new Technical Group, which will undertake the work previously done by the Technical Secretary.

The group comprises Stuart Johnson, Colin Rubery and Geoff Rogers, all of whom have many years' experience in the tank container business – operations, leasing, manufacturing, depot services and inspection.

The Group is undertaking a variety of tasks, while also developing a strategic ITCO Technical Plan for the board's approval. To achieve this, the group will speak with members, let them know that ITCO is active with technical matters and establish members' needs.

The group will also contribute a monthly report, updating members on the progress of its work.

Among the group's first tasks are dealing with upcoming regulatory proposals. The consultation document, US DOT HM-241, if implemented in the regulations, would de-harmonise with IMDG by requiring ASME XII vessels (currently ASME VIII) and require ASME inspections at time of periodic test. ITCO has written to the US Dept of Tranpsortation setting out objections to this proposal.

The European regulation, EN 14025, if implemented, would require international ISO tanks to come under the control of a European regulation and moreover would prevent the use of beam tanks. Again the Group has written to the EN Committee with ITCO objections and has arranged to sit on the committee in order to represent ITCO members' interests.

Promens scoops Award

At a ceremony of the World Packaging Association during Interpack, Promens MHP received a World Star Award. The global prize for packaging excellence was granted to Promens for the Drumtainer.

According to the citation, based on requirements of the market Promens MHP developed a new product which met 2 major requirements: making drums easier to handle and at the same time adding the benefit of integrated spill containment.

Research in the market involved extensive mapping of the usage of drums and the handling of drums so far. Interviews with major users, such as producers and users of detergents resulted in detailed customer needs.

A first prototype was created and presented to market participants. After extensive testing, moulds were made and parts ordered. In 2010 the product was first shown at exhibitions and introduced to major players. In 2010 the Drumtainer was also nominated for the Dutch Packaging Innovation Award Gouden Noot. Finally, the worldwide innovation award for innovative packaging WorldStar was granted to Promens for the Drumtainer on 17 May. Since 2004 Promens MHP has received four WorldStar Awards, two Dutch Gouden Noots and the ScanStar.

During its first Board Meeting of 2011, also held at Interpack, WPO elected its new president for the next three years (2012-2014). Thomas Schneider, from IoPP (Institute of Packaging Professionals), USA, has been an active member of the organization and one of its Vice Presidents for the past two years.

Tom Schneider is a Certified Packaging Professional, a member of the College of Fellows and Honorary Life Member of the Institute of Packaging Professionals (Iopp). He was active in IoPP's national organisation for many years, including serving as president and chairman.

Sotralentz launches 3ins conductive butterfly valve

For Interpack, France-based industrial packaging group Sotralentz Packaging launched its first 3ins conductive butterfly valve. The valve, designed for the storage, transport and handling of viscous or pasty flammable products, completes the existing range of screw-on and weldable 2ins conductive valves.

The valves possess a system connecting the contents of the container to the ground lead using a PEHD conductive gate. They allow the safe handling of flammable products with a flash point lower than 61degsC.

With an 80mm port size, the DN80 3ins conductive valve was specifically designed to allow the flow of viscous flammable products, such as paint for the motor industry. The existing 2ins conductive valves are only suitable for liquid flammable products.

The valve has been approved by the BVT (Bureau de Vérifications Techniques), for the transport of hazardous materials and the Dekra certification body, for the conductive connection between the product, container and valve.

Sotralentz can now address niche markets with storage, handling and transport solutions for all types of flammable products

Already acknowledged for its conductive IBCs, the Sotralentz Packaging subsidiary is now able to address niche markets by proposing adapted storage, handling and transport solutions for all types of flammable products, whether liquid or viscous.

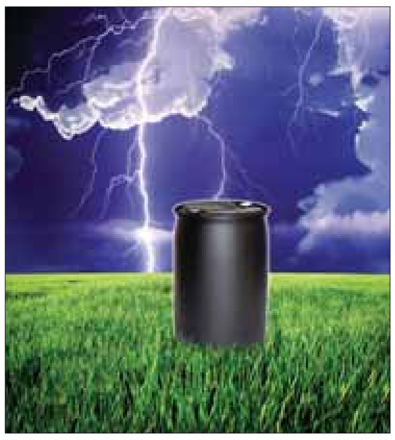
At the end of 2010 the company completed its range of MH drums with the launch of its first 220 litre conductive drum, produced from blow-moulded PEHD. The drum offers the same conductive performance as a metal drum, for the transport of flammable products.

Designed and developed internally by the company's own design office, Sotralentz claims its first MH range conductive drum combines two major innovations: the use of a black dye with special additives ensuring the electrical conductivity of the outer polyethylene layer; and the inclusion of a specific device in the bottom of the drum providing an electrical connection between the inside and outside of the unit.

The MH EX conductive PEHD drums were created in response to a strong demand by chemical industry customers. "Indeed, PEHD drums, known for their strength and durability, were up to now not really suited for transporting flammable products, which was the domain of metal drums only. Now, drums made from blow-moulded high-density polyethylene (PEHD) possess all of the required mechanical and conductive properties allowing industries to store, transport and handle all of their hazardous products," said a company statement.

Available in a single 220 litre capacity, the MH EX drum completes Sotralentz's UN-certified packaging product range. Indeed, the MH range has been restructured, now with a UN Hazard Group I certification.

www.sotralentz.com



The new MH drum offers the same conductive performance as a metal drum, for the transport of flammable products

Werit launches barrier-free flow

Werit presented its IBC innovation at Interpack: a new ball valve. The valve is a further development of the Werit slide valve. While the mechanism for opening and closing the slide valve and the closure plate caused slight turbulence in the fluid when emptying the container, the new ball valve offers a barrier-free opening to the IBC inner container.

The company also claims it has a 3ins emptying performance in a 2ins design. Development trials at Werit have confirmed significantly faster flow speed, particularly in the case of high-viscosity fluids. Both the ball seal and the grip seal of the new ball valve are made of PTFE, and therefore fulfil resistance requirements. The securing pin on the handle and the aluminium plate at the outlet guarantee the originality of the contents until the time of use, this is applicable to both valves.

All main components of the valves are also made in-house, where they are automatically assembled and tested.

The art of packaging

For a long time now, Werit has been offering its customers, under the title Werit IMAGEline, an attractive advertising area on the inner containers of their IBCs.

The solution has now undergone further development. Werit IMAGEline is now available in three variants, because the special frame construction of the IBC makes the additional benefits possible. Where conventional mesh designs leave no space available, the open design of the Werit tubular steel framework "positively invites its further use", said the company.

Many customers already use this opportunity to brand their industrial packaging. Presenting their corporate brand in this visual manner ensures their company is recognised wherever the product is purchased.

The new ball valve offers a barrier-free opening to the IBC inner container

The open design of the Werit tubular steel framework 'positively invites its further use'

Customers can now choose between three variants, the Label IBC, the Print IBC and the Colour IBC. The Label IBC is available in two sizes, and offers the possibility of an imprint, in up to four colours, with the corresponding company logo and/or other motif. The Print variant allows a direct, permanent, single-colour imprint of the brand symbol, the company logo or the corresponding contents in black, blue, red, yellow or white. Anyone choosing the third variant Colour IBC can have the complete inner container supplied to their individual requirements either in their own company colour or in a signal colour.

Werit claims advertising on IBCs is both cost-effective and eye-catching. Designed to appeal to a specific target group, it promotes the company image, and is individually usable for works transport, ideally suitable for safety and quality instructions of all types, and helps to increase the overall value of the company.

Werit is now also working on a further development of the existing solutions: the complete printing of the inner container with 3-D, multi-colour photo-print on the container.

Italian recon bought by NCG

Mauser's reconditioning subsidiary National Container Group (NCG) has acquired the majority shares of Maider IBC, an Italian reconditioner of IBCs. For Mauser, Italy is a key market in the packaging industry. With this transaction, the company not only strengthens its overall footprint but also completes its Europe-wide presence. Additionally, Mauser sees the move as bringing it closer to customers in the Italian market, in line with the company's global sustainability initiative.

Maider IBC mainly offers new and reconditioned composite IBCs as well as cleaning of asset tanks. The company enjoys a good reputation and is the market leader in IBC reconditioning in Italy. By acquiring a majority of the shares of Maider IBC, Mauser accelerates its overall carbon footprint reduction strategy and is able to serve customers with sustainable packaging solutions in the region.

"Being part of a global player who puts life cycle management at its core business offers attractive synergies and new potentials for Maider and for our customers," said Marca Carrara, the founder and managing director of Maider IBC, who will remain in this position after the transaction. "Due to this partnership, we are able to provide customers comprehensive reconditioning services in combination with a bundled market expertise."

Peter Schaefer, global head of NCG, added: "We are delighted to add such a first class reconditioning company to our European NCG network. This further enhances our commitment to sustainability and to support the needs of our customer base in Italy."

• Mauser has adjusted prices for HDPE components in Europe to compensate for cost increases. Mauser said it was obliged to ask all customers of HDPE components to accept a price increase of 50/ton for HDPE. The new prices are effective as of 15 June 2011, or as contracts allow. All existing contracts will be honoured.

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

Earnings up for Greif

Greif posted second quarter net income of US$50.9 million from net sales worth just under $1.1 billion compared to $42.6 million and $836.6 million, respectively, 12 months previous. "Our strong second quarter operating results were primarily driven by sequential improvement in profit margins for our rigid industrial packaging businesses as cost pass-through mechanisms took effect; continued improvement in operating results for our flexible products businesses; and solid performance in our paper packaging businesses," said chairman and CEO Michael J Gasser. "During the second quarter, we continued to make significant progress integrating the businesses we acquired during 2010, including rapidly implementing the Greif Business System."

Greif was also a gold winner in the 23rd DuPont Awards for Packaging Innovation. The award recognises the Agribusiness Virtuous Cycle with Greif's Cimplast operations in Brazil, a full cycle recycling system that transforms plastic bottle waste into high-value plastic products. "The Packaging Awards programme is an opportunity to celebrate how collaborating throughout the value chain can bring cost-effective innovation to the market to help solve the big issues," commented Shanna Moore, global director, sustainable packaging, DuPont Packaging & Industrial Polymers. "The Agribusiness Virtuous Cycle captures the spirit of innovation to resolve complex global challenges." Cimplast, which makes plastic jerrycans and bottles, uses DuPont Fusabond, a polymer compatibiliser, to turn waste into lubricant bottles, rigid pipes and other products.

The Virtuous Cycle is a complete cycle approach that enables used multilayer agrochemical bottles to be diverted from landfills and remade into high-value products. Typically, most post-consumer multilayer recycled materials are used to make low-value products. The help of DuPont Fusabond makes it possible to reuse this mixed material waste for products such as rigid or flexible corrugated pipes and automotive lubricant bottles. Through this process, more than 150,000 tons of agrochemical empty plastic bottles have been collected from the field since 2002, saving an estimated 374,000 barrels of crude oil and more than 160,000 tons of CO_2 equivalents that were not belched into the atmosphere.

Schütz keeps on raising the bar

As with many times previously, Schütz had an array of new products and services to unveil at the Interpack trade fair in Düsseldorf. In the past five decades, the market for industrial transport packaging has developed dynamically, and Schütz has done much to shape that development.

Sustainability was one of the main themes for the whole trade fair. Schütz responded by presenting key data about the company's production and logistics processes to demonstrate how it has achieved substantially lower raw material consumption and a marked reduction in carbon emissions thanks to continuous investment in new technologies and products. In addition to this, Schütz has shifted much of its shipping from road to rail, developed ecologically and economically sound services and expanded its customer service network.

The handling properties of the new Schütz MX-IBC have been improved

Among the updated products shown was the latest version of the **Ecobulk MX**, which is claimed to have better handling properties and enhanced performance. Further developments based on experiences gained from real-world applications have culminated in steel corner feet with a new geometry, greater rigidity and better collision protection and handling. Improved vibration resistance is achieved by connecting the feet to the reinforced bottom plate. What's more, Schütz is working on further standardisation measures. This applies in particular to the gasket materials used for the ball valve (on HDPE) and the flange gaskets (on LDPE).

Automatic 4-point welding of the steel cage, thicker oval cross-braces and reinforced plastic inner bottles make for greater stability, for example, where formation of a vacuum is possible. The inner bottle's improved stability also reduces the risk of its sinking during transport. In order to improve long-term supply security and flexibility, Schütz plans to produce its inner bottles from different materials in future and has already obtained the appropriate certification for this.

A new top profile with a larger bearing surface also helps the make the unit more stable especially during nesting behaviour when stacking. The result, says Schütz, is a 20 percent improvement in section modulus. Thus equipped, the new MX generation can come through a three-hour vibration test without any problems. With its robust steel pallet and corresponding steel cage, the new Ecobulk MX is said to be ideal for multitrip use in combination with the Schütz Ticket collection and reconditioning services. Schütz plans to complete all modifications by the end of the year.

Pallet plans

But in addition changes to the company's IBC product portfolio, Schütz unveiled some significant developments in pallet design and safety. A **high-grade pallet** made entirely of plastic was on display. The material is claimed to be robust, shock-proof, resistant to mechanical, chemical and thermal influences and friction, and corrosion-proof. The pallet also offers convenient handling because it is not only designed for use on conveyor belts, but also stacks well, making it suitable for storage. Without fundamentally modifying its modular structure, Schütz has adapted the base to facilitate access for transport vehicles. The pallet height remains unchanged. The material's ribbed structure additionally improves deflection, while bore holes allow rainwater to drain off freely, preventing a build-up of moisture on the pallet base. The product is also easy to clean and is made of 100 percent recycled material.

The basic IBC model Ecobulk LX is now also available with a **plastic-composite pallet**. The timber content of the 4-way entry pallet has been reduced to a minimum in the interests of the environment and better handling. The pallet, with its three runners and corner feet all made of plastic, increases stability, which in turn means greater safety during transport, storage and on conveyor belts.

Due to the low wood content, humidity fluctuations result in lower tare differences than with conventional timber pallets. The remaining wood undergoes special thermal treatment required by the FAO/IPPC guidelines in order to comply with overseas goods transport regulations. All plastic elements of the pallet are fully recycled.

A new plastic pallet was shown designed especially for use in **ex-zones**. This application was previously reserved chiefly for steel pallets. Schütz

Simplified handling in ex-zones – the earthed plastic pallet from Schütz

solved the earthing problems connected with plastic products by integrating two earthing plates into the pallet. The plates built into the two middle blocks of each outer plastic skid, where they are well protected. A sufficiently large contact surface ensures a conductive connection from IBC to ground at all times.

Where containers are stacked, the earthing plates guarantee a connection from the top IBC to the bottom one, thus ensuring reliable earthing even in such cases. The development allows customers to benefit from the advantages of plastic pallets even in hazardous areas, where reliable explosion protection is required alongside further specific properties. For example, the pallet is resistant to the influences of chemicals and other corrosive media and therefore also suitable for use in particularly sensitive areas. It is more robust and durable than comparable steel products and is suitable for transport via conveyor belt.

Check valve

In the range of valves and components, a **fitting with a built-in check valve** was launched with two key functions that come into play when it is connected to a pump. First, the valve reduces to a minimum the risk of filling goods becoming contaminated and, second, it maximises residual drainage. The check valve is suitable for all non-viscous and non-sticky filling goods.

It has a flap that prevents unintentional flowback into the IBC when pressure differences occur while contents are being drained. If the suction pressure is interrupted during the emptying process, the flap automatically closes, preventing the filling goods inside the pipe, and with them any residues, dirt particles or other contamination, from flowing with the changed pressure gradient back into the IBC. This ensures that the product inside the inner bottle remains clean.

The metal-free IBC valve with moulded nanocomposite earth cable

In addition to this, the check valve's downward-curving spout is mounted right at the base of the container to ensure maximum product drainage. As a result, the level of filling goods inside the container falls below that in an IBC not fitted with a check valve before the air that triggers automatic pump switch-off is sucked in – as a result, the container is emptied as completely as possible, leaving only minimal product residue at the bottom. If an IBC fitted with a check valve is emptied without the aid of a pump, it still offers the same residual drainage capabilities as an IBC without a check valve.

In addition, a new, **metal–free conductive discharge valve** for IBCs was unveiled. The valve has a threaded flange with a moulded earth cable made of electrically conductive composite nanomaterial with integrated carbon nanotubes. IBCs fitted with the moulded earth cable are designed for use in ex-zones, hazardous areas with a high risk of explosion. The thread flange is welded to the discharge opening of the IBC inner bottle in the usual way and serves as a module onto which the fitting can simply be screwed. This means that, for the first time, ball-valve fittings with an integrated camlock adapter are also possible, which is why the newly developed nanoflange represents a number of marked improvements. Since earthing plate and earthing screw are no longer required, damage to the housing and the leakage such damage may entail as well as corrosion and its consequences no longer arise. The chemical stability of the flange is now absolutely identical to that of the IBC inner bottle.

The nanocompound valve is available only in black and complies with certification requirements as per 2002/72/EG, but is not suitable for IBCs with an EVOH barrier.

Last but not least, a relaunch of the **Schütz Ticket Service** was a key event. The result is a global system for the return and reconditioning of used containers that operates to a single global standard.

After registration, collection requests via e-mail, phone, fax or online results in the IBCs being picked up by one of the worldwide Schütz service stations. Personal service agents help to fulfil individual requirements – for example, with regard to collection times and additional logistics solutions. Empty IBCs are also collected free of charge from the end user and uniform process standards guarantee top service quality worldwide. All reconditioning units are certified in compliance with the highest safety and environmental requirements.

Components which come into contact with the filling goods are substituted (inner bottle, valve fittings, screw caps etc). All of the recycled material produced in the reconditioning process is reused to produce pallets, corner protectors and other product components.

Reconditioned IBCs are equipped exclusively with original Schütz components after which their UN certification is extended for a further five years.

A new plastic-composite pallet reduces the timber contents of the LX IBC to a minimum

Containerised bulk still in worldwide growth

The market for dry bulk liners employed to ship high-value or perishable bulk products continues to expand; here we focus on the current capabilities of four leading liner suppliers

Caretex

This Danish company has been manufacturing PE film dry bulk container liners since 1990. It operates a single manufacturing facility in Thailand and does not trade in any types of liner not of its own manufacture. It concentrates exclusively on dry bulk liners and does not get involved with flexitanks for transporting liquids. The company has sales and technical support centres in Europe, USA and Japan as well as at its manufacturing base in Thailand. It also has a sales office in Taiwan.

QA approvals: ISO 9001: 2008 – a quality management for design and manufacture of container liners; ISO 22000: 2005, GMP and HACCP food safety management system for manufacturing container liners.

Special liner features/recent innovations:

- A food-grade container liner which is ISO 22000, GMP and HACCP certified.
- Patented inflatable airbags and discharge system to ensure complete material discharge from the liner into the customer's process equipment without anybody needing to be in physical contact with the bulk material.
- Patented discharge spout used in combination with a liner equipped with inflatable airbags and off-centred discharge spout which enables the user to discharge bulk material in a controlled, dustfree and safe manner.
- One door closed/28 degree container tilting unloading: this is a safe system for unloading a dry bulk container liner; one door remains closed during the unloading of a container as an extra security for operators handling up to 27t of bulk material in less than one hour.
- Jet-Flow™ patent-pending fluidising discharge system is an option that can be incorporated into any Caretex container liner (20ft, 30ft, 40ft ISO standard container, or a 30ft top load container). The Jet-Flow system can be used to reduce the discharge time for products with poor flow characteristics. It can effectively and instantly cut the receiver handling and unloading costs without compromising safety during unloading.


The Caretex liner manufacturing facility in Thailand


The Caretex safe discharge method, with one door kept closed and the container tilted at an angle of 28 degrees

Contact: Mr Kim Henriksen, international sales & marketing director (kim@caretex.dk).

www.caretex.dk

CorrPak Bulk Packaging Systems

Based in Monroe, LA, this US company supplies a wide range of dry bulk container liners including PE film, woven PE, woven PP and thermal sewn liners, aluminium heat-sealed liners, conductive heat-sealed liners, wide-access liners in PE film and woven PE, fluidised liners in PE film for poorly flowing materials, and Type C PE film liners. The company, which started supplying container liners around the year 2000, owns a manufacturing plant in China and also trades in liners which are manufactured in India. Apart from its US head office it has sales representation in Buenos Aires, Argentina, and Abu Dhabi, UAE. CorrPakBPS concentrates exclusively on dry bulk packaging and does not get involved with flexitanks.

QA approvals: ISO 9000.

Special liner features/recent innovations: bar-less liners, food-grade liners and all types of fill and discharge chutes.

Contact: Andrew Lee Mintz, president (amintz@corrpakbps.com).

www.corrpakbps.com

ECEplast

This Italian manufacturer was founded by Giuseppe Altobelli in 1995 expressly to produce LDPE film liners for containers. Its core business is this type of liner for 30ft containers with top loading funnels, an area where it is confident it is the world market leader. The company's main focus is on dry bulk liners, although it is also active in the flexitank sector. It is additionally able


ECEplast staff on the company's stand at this year's Transport Logistic show in Munich; sales manager Nicola Altobelli is on the left

to offer woven liners supplied by selected partners.

100% of liner manufacturing is carried out at its Italian factory and ECEplast is believed to be the only major container liner producer still to be manufacturing in Western Europe. The company has no plans to relocate manufacture to a cheaper-labour country and states that over the years it has developed a specific production technology to make high-quality liners at a competitive price. This provides customers not only with the guarantee of 'liners made in Italy' but also the flexibility of fast deliveries and a high level of customisation.

Commenting on this local manufacturing policy, sales manager Nicola Altobelli said: "We are the only manufacturer that is still producing all its liners in Europe at our plant in Italy. In fact we believe that it is still possible to carry out manufacturing activities in the 'old continent' focusing on quality and continuously innovating processes and products. In this sense, for us the constant development of liner bags for new products represents a source of success and is the result of a real attention to market needs that we will always continue to have, as we believe it is the only way possible to stay competitive. Competition based only on price is driving companies to wrong decisions in the long term. At ECEplast the vision is clear, we are not just a packaging supplier, we are a consultant and a partner to work with, to achieve consistent savings in the supply chain."

In addition to its Italian headquarters, the company has a distribution point in Spain and a sales office in Germany.

QA approvals: The company has an integrated quality and environmental certification issued by DNV in respect of the following standards:
- ISO 9001: 2008
- ISO 14001: 2004
- ISO 22000: 2005

Special liner features/recent innovations:
- An oxygen barrier liner (specially designed for bio-polymers).
- A conductive liner, transparent and certified for food contact.
- An adhesive-free floor liner (to keep the base of the container clean).
- A sugar liner.
- A liner for products with poor flow characteristics (PVC, cement, starch, etc).
- A safety liner with anti-bulging protection.
- A cement liner.
- An open-top liner specially designed for disposal of contaminated soil.
- A reclosable open-top liner for disposal of dangerous goods.

Contact: Mr Nicola Altobelli, sales manager (n.altobelli@eceplast.it).

www.eceplast.it

LTS Plastics India

Based in Kolkata, India, LTS Plastics India has been manufacturing woven PP container liners since 2005 and started making PE liners as recently as 2009. The company has the capability to produce


A PE film liner undergoing final inspection at the West Bengal plant of LTS Plastics India


The patent-pending Jet-Flow fluidising discharge system from Caretex speeds unloading of products with poor flow characteristics

20ft as well as 40ft liners, with a capacity of up to 6000 woven liners per month and 2500 PE liners per month.

Its container liner manufacturing division is equipped with sophisticated production machinery and testing equipment. Liners are produced from virgin food-grade extruded PE. The company operates a dedicated high-speed monolayer PE liner plant which can extrude 50-800 micron, with a lay-flat diameter ranging from 2m to 5m. LTS has a highly trained workforce with wide industrial experience in bulk packaging and petrochemical companies. It has a hygienic production facility suitable for use with products such as PTA, carbon black, PET, etc.

LTS only trades in container liners of its own manufacture which comprise PE film, woven PE and woven PP categories. At present all container liners are sold from the company's head office, but it has overseas agencies for sales of its FIBCs. The company is currently seeking marketing partners in Europe, USA, Australia, and other major sales territories for its container liners.

QA approvals: ISO 9001

Special liner features/recent innovations: The company can offer container liners for food-grade applications as well as baffle liners in PE. These are especially suitable for PET, PTA and other polyolefin products.

Contact: Mr Prakash (prakash@ltsindia.net).

www.ltsindia.net

Advantages of form-fill-seal

FFS technology, whereby bags are formed by the bagging machine itself from a continuous roll of tubular film or fabric instead of filling individual pre-formed bags, can offer benefits of higher capacities, reduced consumption of raw materials and enhanced, weather-proof sealing of the bagged product. Here we focus on latest developments from Haver & Boecker, one of the pioneers and foremost exponents of FFS bagging, which in 2010 sold 28 such systems all for bag sizes in excess of 20kg.

As a packing specialist, Haver & Boecker headquartered in Oelde, Germany, offers a broad range of FFS machines in addition to its valve-bag filling systems. The company began manufacturing FFS bagging systems as early as 1978, the first of these machines being sold under the Rollosack and Rollopack names.

The current family of HAVER FFS machines use state of the art technology and are well suited for filling pelletised, granular and powder-type materials into plastic bags to produce a clean, tightly sealed and compact package. Typical bulk products bagged in this way include polyethylene, fertilisers, building materials, salt, wood pellets and many similar free flowing materials. Employing the FFS technique, each bag is formed from a continuous PE film tube in the machine. Packing speeds of over 2400 bags/h can be reached for granular materials. The filling machines are connected with high performance weighing scales, which have helped make Haver & Boecker a well-known name in weighing technology.

Incorporating HAP technology

Apart from the proven stationary FFS systems, THE ADAMS® is a rotating high-speed FFS packing system with 8 or 10 filling spouts that ensures clean, tightly shut and compact filling of powder-type products into PE bags made from a tubular film. Profitability and protection of the filled product for long storage periods are the fundamental demands placed on a bagging system when quality requirements are very high. With 1-4 filling modules, the BENJAMIN® is the compact variant of the successful ADAMS system and is especially suitable for filling mid-range capacities into PE tubular film bags.

A highlight at this year's INTERPACK was the ADAMS 2000. Since the introduction of HAP® technology – the environmentally gentle filling of powder-type products into weather- tight PE bags – the market has begun to recognise the advantages of optimum product protection, extended shelf-life capability, more cleanliness throughout the entire supply chain, and more durable packaging in general. Customers can profit from the significantly higher speeds of the ADAMS 2000, the latest member of the HAP® range.

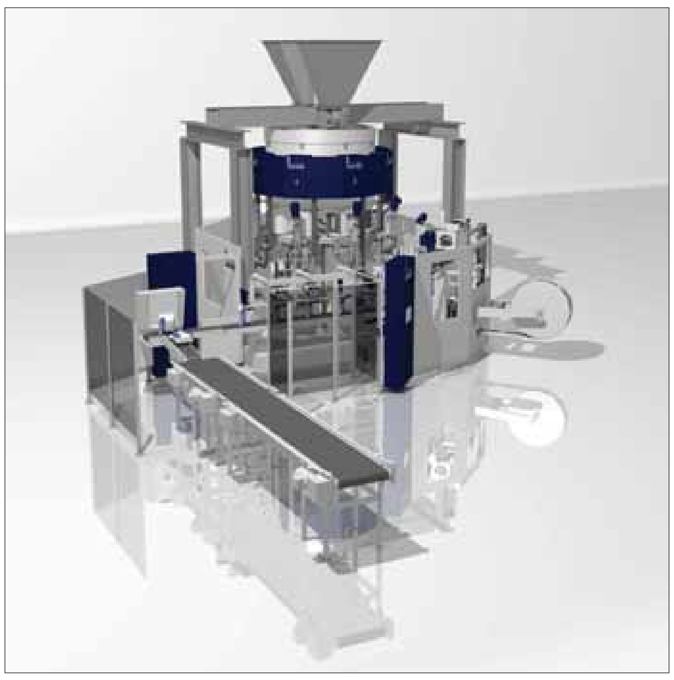
Now that market demands for weather-proof, compact PE bags for powder-type products at 1200 bags/h have been successfully fulfilled by the ADAMS and BENJAMIN systems using FFS bags, Haver & Boecker is now taking the next step towards high performance with the ADAMS 2000 which can handle 2000 bags/h. Bag application and removal are synchronised with the continuous packing operation.

Depending on specific requirements, the system can be equipped with up to 12 filling spouts. The challenge comes with handling highly flexible plastic films. The complete process, which starts with applying the empty bag to the filling spouts and ends with the removal of the filled sealed bag from the bag-sealing unit, is organised in such a way that monitoring the bag is possible at any point.

Ensuring reliability in high-speed filling

Transfer of the empty bags to the filling modules is achieved by a fully synchronised bag application module which automatically matches up with the packing speed, and so places the opened bags precisely on the filling spouts.

Air-filling or turbine units equipped with the gross-weight weighing system may be used as the filling system. For compacting the product, interior and bottom vibration units may be used and can be matched to meet product characteristics. Thanks to the linking between product compaction and the gross weigher, it is now possible to achieve outstanding weight accuracy. This all results in a package that is optimally filled using a minimum amount of film material.



The ADAMS 2000 is a new high-performance member of Haver & Boecker's HAP® range

Transfer of filled, compactly packed bags is also done via a fully synchronised system that removes the bags from the filling spout and transfers them directly to the sealing station. Here too automatic match-up to production speed has been integrated.

The sealing of vertically positioned bags is synchronised during conveyor transport, on the way to equalisation. During high-speed filling, two functionally proven, low-maintenance impulse welding systems work to ensure a tightly shut bag.

Breaking new ground

As a further extension of the company's FFS bagging capabilities, pastes and liquid products can now be fully automatically filled into PE bags made from a tubular film using the HAVER LIFFS – which is a joint development of Haver & Boecker and its subsidiary Feige Filling based in Bad Oldesloe, Germany.

Energy and raw material savings throughout the entire packing process of loose, bulk goods are at the forefront of a new jointly developed packing concept of Dow, Starlinger and Haver & Boecker. For filling on HAVER-FFS machines, rugged woven tape fabric is being used for the first time instead of traditional PE film (see November/December 2010 Bulk Distributor p13).

Woven tape fabric for this application can be thinner than most PE film currently used for FFS bagging, which results in reduced material consumption. It is also more resistant to tearing as well as being fully recyclable. A major advantage of FFS technology is that it employs a sealing process for closing the bags. These machines neither require needles, which incur the risk of breaking, nor sewing thread which has to be constantly replenished. There is therefore no risk of the bagged material being contaminated by thread ends. Moreover, the bags are hermetically sealed because there are no stitching holes.

The ASSAC M10 FFS bagging system from Payper, Spain, can achieve outputs up to 2200 bags/h

At the end of last year it was reported that a HAVER FFS Alpha was being successfully employed to bag natural stone including granite, quartzite, marble, slate and limestone, the first time that one of the company's FFS systems had been used to bag such abrasive, high-density and large-lump materials.

DELTA NT (New Technology) is the latest Haver & Boecker mobile FFS system for filling free-flowing loose products

Sabic Polyolefine invests in the future

The latest example of the HAVER FFS product line is the DELTA NT (New Technology). One of the first companies to invest in this most recent development is Sabic Polyolefine GmbH in Gelsenkirchen, Germany. The company was awarded the HAVER Innovation Prize in 2008 for its visionary and cooperative support in helping to promote use of modern technologies. With its investment decision taken in March of this year for the new DELTA NT FFS, this global leading manufacturer of chemicals, fertilisers, plastic and metals continues to set the pace and maintain technological leadership in its sector.

Here single or multiple-ply unprinted or printed endless side gusset film tube made of PE or PP film with a thickness of 80 to 250 microns can be handled. Also the high performance capability of the DELTA NT is complemented by its low noise level and minimal wear.

The system is highly flexible. Bag lengths from 600 to 950mm can be accommodated. Rapid problem-free loading and format changes are possible. Improved control and drive systems provide for product protection from feed-in to finished bag.

www.haverboecker.com

Other leading manufacturers of FFS bagging systems include Payper (Spain), Windmöller & Hölscher (Germany), Chronos BTH (Netherlands) and Concetti (Italy).

Safe and clean loading/discharge

Recent developments in equipment and components for transferring dry bulk products to and from road tankers

An important recent innovation in road powder tanker discharge has been the introduction of the MH6 screw compressor system, the outcome of a collaboration between Mouvex of France and Hydrocar of Italy. A catalyst in this development was the European Union's Euro 6 legislation which was introduced in June 2007 and will come into full effect in 2014. Euro 6 imposes stricter limits on exhaust, evaporative and crank-case emissions from road vehicles. For this reason, fleet owners are constantly seeking smaller equipment to install on their trucks.

The resulting MH6 is said to be the world's first combined screw compressor/PTO unit that is compatible with a truck's gearbox, making it especially suitable for dry bulk discharge operations. According to Mouvex it is 70% lighter than competitive screw compressor designs and it is also fast in operation. Belgium-based bulk logistics operator De Dijcker earlier this year installed MH6 units on 15 of its road cement tankers and a further15 vehicles are to be similarly equipped during the coming months (see front cover).

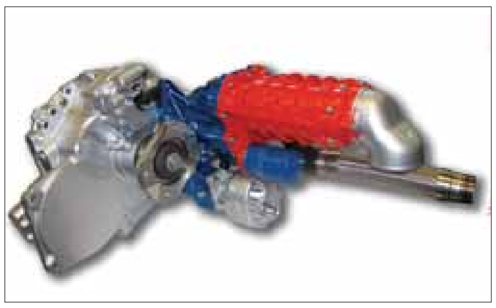
Stefan De Herdt, who works for Humblet Hydraulics, Kontich, Belgium, the firm which installed the MH6s on the De Dijcker fleet, commented: "The MH6 is unique because it is a close-coupled machine attached to a PTO that gives benefits today and in the future with Euro 6. It is possible to be installed on every type of truck: 4x2, 6x2, 6x4, 8x4 and short wheelbase."

He went on: "We were attending the unloading of a truck with the MH6 for De Dijcker and we spoke to the driver. He told us he was very satisfied with the results. He said the temperature was good, the noise was better than the others and the speed of unloading was the same as before. In fact, the noise level was so low you could speak while standing beside the truck without any interference. We even put our hands on the hose between the truck and the compressor and the hose was not too hot." The managing director of Humblet Hydraulics said that, in his opinion, the MH6 can pay for itself in four to five years, taking into account the increased payloads trucks can carry thanks to the 200kg weight reduction.

Abrasion-resistant suction/transport hose

Norres Schlauchtechnik, Gelsenkirchen, Germany, has just extended its range of suction and transport hoses with the introduction of the AIRDUC® PUR-INOX 351 MHF-AS hose grade which is capable of electrostatic discharge. Owing particularly to its electrical and surface resistance < $10^9\ \Omega$, it is recommended for transporting combustible bulk materials. The hose is at the same time well suited for use in hazardous areas.

This latest hose has optimised flow properties and a smooth interior as well as being highly abrasion-resistant. The hose is made from permanently antistatic premium ether-polyurethane and is capable of electrostatic discharge in accordance with TRBS 2153. It also exhibits approximately two and a half to five times



The MH6 from Hydrocar and Mouvex is the world's first combination screw compressor/power take-off unit that is compatible with a truck's gearbox

better abrasion resistance than most rubber materials and is three to four times better than the majority of soft PVC materials in this respect. The hose consequently achieves an optimal throughput of aggressive solids such as dust, powder, fibres or chips.

The hose wall is food grade in conformity with EU Directive 2002/72/EC – a vital prerequisite for applications in the food and pharmaceutical industries. In addition to this, the complete hose has been approved by an independent testing laboratory according to EU Directive 2002/72/EC, including amending Directive 2007/19/EC. Not only is it odourless and tasteless, it also contains neither softeners nor halogens.

The AIRDUC PUR-INOX 351 MHF-AS achieves excellent low-temperature flexibility – better than comparable ester-polyurethanes – and withstands any temperature from around minus 40° to plus 90°C. At the same time, the hose is resistant to microbial attack and hydrolysis as well as to oil, benzine and chemicals. Thanks to its good resistance to UV and ozone, it is also optimally suited for outdoor work. It is kink-proof in daily use and has a very small bending radius.

It is produced with a transparent wall as standard. Customer-specific product markings can be provided on request. The hose is identified with the GREEN icon, meaning it can optionally be made from a 'bioplastic' derived from renewable raw materials. In this case, the approvals may deviate from those for the standard types.

Retractable loading chutes supplied to Hungary

With regard to loading of powder tankers, Cimbria Bulk Equipment of Denmark has over the past few years delivered several loading chutes to Hungary in collaboration with its local partner, Holimex.

Magyar Cukor Zrt, which is part of Agrana, needed equipment for loading sugar into tankers and railcars. The solution was a delivery of two Moduflex loading chutes type S300 in AISI 304 grade stainless steel. The chutes are equipped with food-grade modules, and as the product has a high risk of explosion, the chute is configured for ATEX zones. The chute outlet is equipped with a FlexFill which on one hand optimises filling by spreading the material inside the tanks and on the other hand also functions as a closing cone, which

Compared to traditional screw compressors, the MH6 is quieter and generates less heat

Dino powder tanker loader from Van Beek

means that besides ensuring that no foreign bodies can get into the chute when not in use, it prevents residual material dropping out after loading. Furthermore, the chutes are equipped with a FlexVib, a vibrator that is activated after loading has stopped and which considerably reduces residual material in the chute.

Retractable Moduflex loading chute from Cimbria Bulk Equipment recently supplied to Agrana, Hungary

In another recent contract, the Hungarian company Hungrana Kft required discharge equipment for loading powder and gluten into both open and closed trucks from the same installation. Both products are fine powders which generate a lot of dust and are particularly difficult to load on to flatbed trucks. The solution was two Moduflex loading chutes type D300 with integrated filter. The chutes are equipped with a multi-outlet for both open and closed loading, and a rotating indicator mounted in the chute outlet acts as a level control. The chutes have a loading capacity within the range 100-250m^3 depending on the powder being loaded.

Moduflex 'plug and play' solution

More recently Cimbria Bulk Equipment was contacted by Aalborg Portland A/S, a worldwide leader in the white cement industry. The company needed a solution for its new outloading station in Korsør, Denmark. The station is unmanned and Aalborg Portland therefore needed autonomous outloading equipment that is easy to operate for the truck drivers.

The solution was the installation of a 'plug and play' system from Cimbria consisting of a Moduflex F300 loading chute. The F300 model is constructed with an integrated fully self-contained filter system that is equipped with its own fan with regulating valve and pressure tank ensuring that the filter is continuously kept clean. The filter module is retractable, and is therefore of compact dimensions. As a result the loading chute only requires a low headroom.

By means of standard parts the chute has been customised to allow it to meet the user's specific needs. It has been equipped with two NPG modules which have a working range of up to 130°C, good wear protection qualities and a high degree of chemical resistance. In order to ensure virtually complete dust-proof outloading, the chute was supplied with a FlexSeal, an inflatable seal mounted on the chute outlet for tanker truck loading which ensures an active sealing between chute outlet and tanker truck inlet. Furthermore, the chute is supplied with FlexClose in order to avoid dust emission when the chute is being retracted.

According to Portland, the company is very satisfied with the installation and the loading operation is running smoothly.

Mobile loading rigs

Van Beek of the Netherlands is continuing to achieve buoyant sales of its rubber-tyred Dino bulk loaders which provide a clean, fast and safe method for transferring bulk products from sacks or bulk bags directly into road tankers. With this system there is no need for workers to climb on top of the vehicle. Over 350 of these mobile truck loaders have been sold to date and each machine is tailored to suit the requirements of the operator in terms of capacity, dimensions and surface finish (food-grade, abrasion-resistant, etc). Units have even been supplied with integral sampling systems.

AIRDUC PUR-INOX 351 MHF-AS hose from Norres Schlauchtechnik

Van Beek	www.van-beek.nl
Cimbria Bulk Equipment	www.cimbria.com
Hydrocar	www.hydrocar.com
Mouvex	www.mouvex.com
Norres	www.norres.com

Antwerp GRP silo battery is dedicated to food

Spiromatic of Nazareth, Belgium, a leading European manufacturer of GRP (glass-reinforced plastic) silos, earlier this year successfully completed an important food storage project with outdoor silos in the port of Antwerp. The customer, Katoen Natie, is one of the largest integrated logistics service providers in the world and operates over 3000 silos globally.

This food application project consists of 12 GRP outdoor silos, each with a capacity of 300m^3. A wide range of food products (up to 1kg/dm^3) can be stored in these vessels. Each silo has a diameter of 4.2m and a height of about 24m. The silo cluster is mounted on a 15m high steel structure, divided into several levels which provide flexibility for further handling of the products. On top of the silos there is a platform to provide easy access for maintenance.

Spiromatic points out that an important feature of GRP silos is their excellent insulation properties and extremely smooth interior walls, essential for the storage of food products.

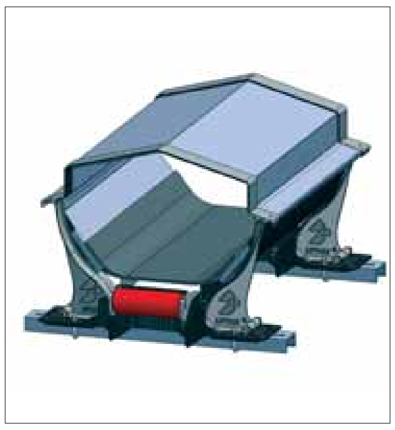
www.spiromatic.com

The Katoen Natie silo battery in Antwerp and (right) view of the discharge cones

Enclosed transfer prevents dust

Standard Industrie International, Roubaix, France, has introduced a high-temperature version of its LIFTUBE® enclosed belt conveying system. Specially designed to transport hot products at over 120°C, and with a capability to withstand short-term exposure to temperatures up to 300°C, this is believed to be the first concept to optimise the sealing properties of enclosed belt conveyors, while retaining the benefits of the standard LIFTUBE. The company has also unveiled a large-width LIFTUBE which can accommodate belt widths of 1000-1600mm.

www.standard-industrie.com



Standard Industrie's large-width LIFTUBE belt conveyor installed in the Netherlands and (right) schematic of the high-temperature version

Level indicators gain EHEDG approval

UWT (UK) reports that its German parent company has gained EHEDG (European Hygienic Engineering & Design Group) approvals for certain models within its range of Rotonivo rotating paddle level limit switches. The same applies to certain models within the Vibranivo range of vibration level limit switches. By installing these EHEDG-approved products, users are able to eliminate costs associated with cleaning, quality defects and production stoppages. "These are essential principles to adhere to when installing level control switches within hygiene and food standard sensitive application", said Graeme Hughes of UWT (UK).

www.uwtuk.com

Certain models from UWT's Vibranivo series (pictured) and from the Rotonivo series have gained EHEDG approval

Ellimetal silos now being marketed in UK

Reyam Ltd, a new venture headed by Paul Mayer previously sales director of Braby Ltd (see this page), has been appointed by leading European silo manufacturer Ellimetal as its exclusive distributor in the UK. Mayer stated: "With a vacuum in the market following the demise of Braby in this highly specialised field, we will be able to supply the UK's customers with superb products. We will not only bring value but innovative design driven by constant development – this is a fantastic opportunity."

The short period since the appointment has already seen the first order placed by VAK Conveying Systems for a flour silo to support one of its key customers. In addition to the Ellimetal agency, Reyam will also be actively engaged in silo relocation and modification work.

www.reyam.biz; www.ellimetal.com

interpack 2011 was one of the most successful

This year's interpack which took place 12-18 May at its usual venue in the Düsseldorf trade fair centre proved to be among the most successful events in the 53-year history of the world's most important trade fair for the packaging sector and related materials handling/processing industries. There were 2700 exhibitors from 60 countries occupying all of the 19 fully booked halls and the event attracted 166,000 trade visitors, with over 60% from abroad. Because of the Eurovision Song Contest, which took place in the arena in the immediate vicinity of the exhibition grounds, there was a shift in the pattern of attendance, with many important visitors only arriving after the song contest final on 14 May.

The next staging of the triennial event takes place 8-14 May 2014. Companies wishing to participate as exhibitors can register from autumn 2012 onwards.

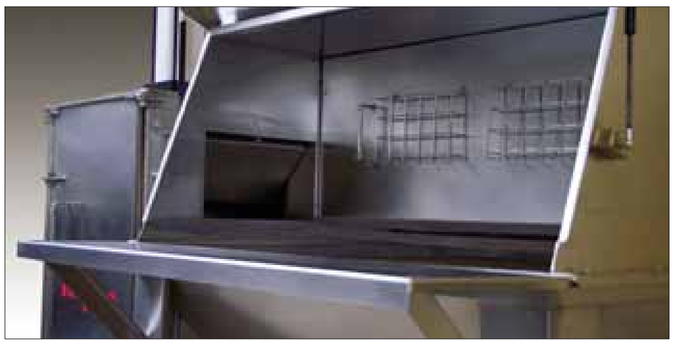
www.interpack.com

Braby to be closed down

Leading UK silo manufacturer Braby Ltd, which went into administration earlier this year, has finally lost all hope of finding a buyer and its remaining assets are to be sold. Nigel Morrison, one of the two joint administrators from the Bristol offices of Grant Thornton, had earlier stated: "We hope to be able to keep the business trading in the short term, enabling us to maintain goodwill and eventually to sell it as a going concern." However, no buyer was forthcoming.

The company was originally founded in 1839 by Frederick Braby, who operated from the same site in Marsh Road, Ashton Gate, Bristol, that it continued to occupy until this summer. For the year ending 31 March 2010 Braby Ltd reported sales of £4.35 million with losses of £324,000.

Bag compactor is now integral



The Flexicon bag compactor can be located to the left or right of the dump station

Flexicon Europe, Herne, UK, has developed a bag compactor as an integral part of its range of bag dump stations, allowing operators safely and cleanly to discard and compress up to 80 used bags into a neat, compact bundle for subsequent disposal. As each bag is split and manually emptied into the bag dump station, high-capacity vacuum fans automatically draw dust away from the operator on to two cartridge filters, protecting workers and preventing plant contamination.

With the new system emptied bags are now contained within the confines of the machine instead of being discarded into adjacent wire cages. Since the compactor forms an integral component of the bag dump station, any residual dust is contained within the machine structure preventing escape during the compaction process. The bag compactor and dump station are available as standard in stainless steel, but carbon steel versions are also available.

www.flexicon.co.uk

A better alternative to the bulk bag pallet

Sonoco Alcore has introduced the FirmaLoad bulk bag carrier which offers a cleaner, lighter and more cost-efficient alternative to traditional wooden pallets. They are made from 100% recycled paper and are 100% recyclable and repulpable. They offer two-way entry for forklift handling and are 82% lighter than comparable wood pallets.

We hope to report in more detail on this new product in the September/October *Bulk Distributor*.

www.sonocotranspack.com

One of the many advantages of FimaLoad is that it provides greater stability for stacked FIBCs

Time of re-appraisal for FIBC associations

In the beginning there was FIBCA (Flexible Intermediate Bulk Container Association), conceived by a group of bulk bag manufacturers and suppliers in the UK at the end of 1970s with the purpose of regulating what then was a fledgling industry. Apart from providing an important forum for discussion it was also instrumental in helping to shape codes and regulations governing safe use of FIBCs.

However, very soon FIBCA started to look very parochial in what was fast becoming a global industry and accordingly a European association (EFIBCA) was launched in 1983 by the same Scotland-based secretariat which was managing FIBCA. Shortly afterwards FIBCA was wound up because it had ceased to be relevant and many of its members joined EFIBCA. Meanwhile also in the 1980s a US FIBCA was launched to serve the interests of North American FIBC sector. Following the demise of the original British FIBCA, its US counterpart chose to adopt the FIBCA name.

During the 1980s and '90s various other FIBC associations were formed notably in Turkey, Australia, Japan and India. However, EFIBCA and US FIBCA remained the most influential, the former especially making a major contribution to the industry's safety. For example, the EFIBCA Standard published in 1985 was widely adopted throughout the world and remains influential even today. At that time the European association considered its main purpose was to uphold safety standards within the industry and all its FIBC manufacturing members were carefully vetted before being granted full membership to check that they were complying fully with EFIBCA's codes of safe practice. At around that time an EFIBCA member was even expelled from the association for non-compliance.

In more recent times the global FIBC industry, while continuing to expand, saw manufacturing move from Western Europe and North America to areas of the world where labour is cheaper. This inevitably led to a drop in membership for both EFIBCA and US FIBCA and as a result both associations within the last few years have spread their net wider and begun to welcome new members from all over the world. Nowadays both are effectively global associations and they are increasingly sharing their data and research, with every likelihood that at some stage in the not too distant future they will merge.

In May EFIBCA organised a well attended open meeting in Düsseldorf; among those attending were current EFIBCA president Dr Amir Samadijavan (left) and Michael Mapes, division president, Greif Flexible Products & Services

However, for the present they remain competitors and in their efforts to recruit new members they have, some would argue, lost sight of their original function: which is primarily to promote safety and technical progress within the industry. US FIBCA has always maintained fairly relaxed membership criteria and this association is widely regarded first and foremost as a club where its members have a forum for meeting to share information informally which would not otherwise be possible in the competitive realities of the outside world. EFIBCA members enjoy the same benefits but this association in particular is internationally respected for its reputation for a rigorous and uncompromising stance on FIBC safety. However, some long-standing EFIBCA stalwarts suggest that, in a dash to recruit new members, the Association has lowered its previous high standards and some new members would not have qualified for entry according to the membership criteria which prevailed back in the 1990s and earlier. Some point out, with justification, that there is little exclusivity in belonging to an association which is open to virtually any FIBC producer who is willing to pay the membership fee.

For many years EFIBCA had an affiliated test house advisory group which has now severed connections with the Association, although it is widely understood that these test houses have a vested commercial interest to ensure that very high safety norms are maintained. Three of these test houses – Labordata of Germany, Belgian Packaging Institute and OFI of Austria – are now proposing to launch their own global association called Q-FIBCA where top priority will be accorded to FIBC safety and members will need to attain the required standards to join.

Meanwhile EFIBCA is now also planning to impose more rigorous membership criteria not dissimilar from those appertaining up until the beginning of the new millennium.

Reliability has to become the new rate war

Shippers, carriers and industry watchers mull Maersk CEO's call to arms to revolutionise container shipping

Shipping industry leaders and watchers are still digesting the significance of Maersk Line CEO Eivind Kolding's call for a radical change in the business of container shipping.

In a keynote speech to the annual Terminal Operations Conference, held in Antwerp, Kolding said the industry "stands on the brink of an era-defining moment".

He argued that container shipping needed to upgrade its performance and end its dependence on "transactional shipping", and urged other carriers and liner customers to think about starting a revolution in the industry.

Presenting Maersk's manifesto 'The New Normal' Kolding said that the industry needed to address "fundamental structural issues" if container transport is to move on 50 years after its inception. "Globalisation and containerisation are both closely interrelated. One could not have happened without the other, but while our customers have become very sophisticated, we still operate in much the same way and same fashion as we did when the container was first introduced. We in container shipping have maintained a narrow transactional focus purely on freight rates, while we ought to be looking at the total cost of transport."

He said that key to reducing global transport cost was schedule punctuality, and stated that "reliability has to become the new rate war". Maersk statistics show that every second container arrives late, he claimed, and added: "I have been trying to think of an industry with a similar (reliability) performance but have given up."

According to the company's detailed analysis, a third of delays are a result of vessel operations and weather, while the remaining two thirds of delays are found in terminals: half of those the fault of carriers, and half of those the fault of terminal operators.

"We have quite a lot to do as carriers, but terminals also need to improve a lot," he maintained. Last year, Maersk unveiled a 'Terminal Partnering' agreement, rolled out in Asia, designed to address structural inefficiencies that can cause vessels to be delayed unnecessarily while in port.

Kolding claimed Maersk achieved close to 80 percent reliability, measured by container delivery, and said it aims to improve that to 95 percent by the end of 2012. However, he also challenged shippers, revealing that of the contract commitments of the company's 200 most important customers, only 44 percent delivered the volumes specified in those contracts.

"We have a huge issue based on customers' production and volume commitment, and there is a lot of area for improvement. The volatility of rates is not making value for anyone; we need to move to a system of long-term contracts and volumes. Customers need to understand what their forecasts mean for our costs. We have no ambition to achieve to 100 percent accurate forecasting because we can take some swings, just not as huge as they are today."

Aside from reliability, Kolding said container shipping lines need to focus on improving the ease of doing business. "Today, there are 19 touch points between the customers and carriers, so we need to keep that complication within our industry rather than transfer it to customers.

"Think of the revolution in aviation; 20 years ago you could hardly book an airline ticket without using a travel agent, but today there are hardly any intermediaries, it is far simpler and far more efficient and container shipping needs (something like) that."

He also pointed to the express parcel industry, revolutionised by FedEx in the 1970s and then "taken to the next level by UPS". The liner industry needed to learn from these other sectors in radically changing the way it interacts with its customers.

In terms of environmental performance, Kolding claimed that the industry is already widely recognised as being the most environmentally friendly mode of transport but said it needs to be far more transparent to customers. In short customers ask for reliability, ease of business and improved transparent environmental performance.

However, there was also an obligation on the part of shippers to help reduce industry waste. He said Maersk statistics showed that on average 30 percent of containers booked for sailing never show up. "Each week for each sailing we have to make an educated guess as to how many of the booked containers will show up; sometimes we get it right, sometimes not. We have to get to a situation where no-shows are a far, far smaller percentage than today."

Eivind Kolding - on average 30 percent of containers booked for sailing never show up

Reaction from the wider market was generally that of cautious welcome. UK-based Shippers' Voice, which speaks on behalf of many cargo owners, agreed that change in the liner shipping sector is long overdue.

"What Maersk says is nothing new: shippers and their representatives have been saying such things for many years," read a statement. "What we could applaud, however, is the fact that Maersk has gone public, on its own, heavily criticising the industry and itself. They must now surely change for the better – judged by their customers, or else face an onslaught of criticism from customers, the wider industry and the media: if they don't change the way they do business for the better, then no one will ever believe a word these people say again. The question now is just how long will people give them to change?

"Even if you think significant change cannot be achieved by Maersk alone, and that the rest (of the liner shipping industry) will make sure this becomes doomed to failure, you cannot but admire the nerve of Maersk. It is a big, bold and brassy initiative, and for that the Shippers' Voice applauds it; but it will be the results which count, and for those we must await the shippers' verdict."

The European Shippers' Council, which represents the freight transport interests of some 100,000 companies, also supported the drive for a new business model in the liner industry. The ESC agreed that reliability "is not good enough"; that container shipping is "too difficult" and complicated for customers; and for shipping to be more environmentally sustainable it must display greater "transparency", and to follow the adage "what gets measured gets done".

In fact, ESC maritime transport council chairman, Jean-Louis Cambon, told a liner shipping conference in London before the Maersk announcement that the sector "requires nothing less than a radical change of mind in container shipping".

Secretary general for the ESC, Nicolette van der Jagt, commented: "The 'radical change of mind' spoken of by Mr Cambon is what appears to be echoed by Mr Kolding. But Mr Kolding faces a heavy legacy to try and overcome. Schedule reliability has been getting worse in recent years; slow steaming has been introduced without discussion with customers and extended lead times have caused real problems for many shippers. Also the consequential equipment shortages and changes in services, often without warning, and often at times of rising demand have created difficult conditions for shippers and consignees.

"It will not be surprising that many shippers have become cynical about the true intentions of liner shipping operators when they speak of improving customer service and reliability. Maersk will no-doubt bear the brunt of this cynicism from many shippers as it finally espouses the sentiments shippers have been crying out for decades. But can they practice what they preach?"

According to shipping analysts at Alphaliner, Maersk now claims a market share of over 15 percent, while the top five carriers have a market share of over 40 percent. This represents a resumption of the trend seen prior to the recession as the larger companies gradually gain market share simply by growing faster than their smaller rivals.

It seems that the economics of container shipping are becoming increasingly clear: high volumes delivering low unit costs. The biggest ship companies can operate the biggest vessels and negotiate the best deals with ports. Consequently they will get the largest market share and the highest margins.

Could this give more pricing power to the big box liner companies? Such a development could turn the tables on the likes of freight-forwarders who presently benefit from the fragmentation of the market. Fortunately for forwarders this is unlikely to happen. As Alphaliner points out, the market for container shipping is still very fragmented. Therefore even if smaller container lines do disappear the larger ones will still compete vigorously.

Reading into Kolding's words some observers believe that the real significance is an attempt by Maersk to raise the service level bar such that it can drive out marginal competitors in the sector, including many non-vessel owning common carriers (NVOCCs) who are notoriously fleet in entering the market when rates move up, only to disappear when business turns down. This has the effect of increasing freight rate volatility which makes long term planning of supply chain costs difficult.

However, Maersk would not be the first major carrier to try and exercise such pressure on the margins of the industry. And indeed even when the deepsea liner business nosedived in the global economic downturn, not a single major carrier was forced into liquidation or into merger, despite recording losses of hundreds of billions of dollars. Perhaps the container liner business remains, in the words of at least one analyst, an industry with fundamentally bad economics.

More information about Maersk Line's manifesto for change can be found at www.changingthewaywethinkaboutshipping.com

Giants of the ocean

Maersk Line has signed a contract with Korea's Daewoo Shipbuilding & Marine Engineering to build 10 of the world's largest and most efficient vessels, with an option for an additional 20 vessels. Scheduled for delivery between 2013 and 2015, "they will entirely change the shipping industry's understanding of size and efficiency", claims the Danish maritime giant.

Called the 'Triple-E' class for the three main purposes behind their creation – Economy of scale, Energy efficient and Environmentally improved – these new container vessels do not just set a new benchmark for size: they will surpass current industry records for fuel efficiency and CO_2 emissions per container moved held by the Emma Mærsk class vessels.

Four-hundred metres long, 59m wide and 73m high, the Triple-E is the largest vessel of any type on the water today. Its 18,000 TEU capacity is 16 percent (2,500 containers) greater than today's largest container vessel, Emma Mærsk. The Triple-E will produce 20 percent less CO_2 per container moved compared to Emma Mærsk and 50 percent less than the industry average on the Asia-Europe trade lane. In addition, it will consume approximately 35 percent less fuel per container than the 13,100 TEU vessels being delivered to other container shipping lines in the next few years, also for Asia-Europe service, says the company. Each vessel will cost USD 190 million.

Maersk says the Triple-E class will produce 50 percent less CO_2 per container moved compared with the industry average on the Asia-Europe trade

Berlin readies itself for EPCA

EPCA is gearing up for its 45th Annual Meeting. This time the event returns to Berlin, taking place on 1-5 October 2011 at the Former InterContinental and Pullman Schweizerhof Hotels.

The United Nations have declared 2011 as the "International Year of Chemistry" under the patronage of UNESCO (United Nations Educational, Scientific and Cultural Organisation) and IUPAC (International Union of Pure and Applied Chemistry).

EPCA has been accepted as global partner for IYC 2011. For the occasion of the meeting, EPCA, UNESCO and IUPAC have jointly developed a film called "Chemistry: All About You". The film targets primarily young people but also the broader general public and is being distributed through the EPCA/UNESCO/IUPAC networks as well as via social media. It was launched in the UNESCO building in Paris at the official opening of the IYC in January 2011.

Following suggestions made by a large number of EPCA members, the Tuesday morning Supply Chain Session has been transformed into a Monday Evening Address & Happy Hour. Delegates will have the opportunity to listen to Marc Faber, internationally renowned economist and investment advisor. After the speech, a Happy Hour will allow participants to continue discussions during a short networking drink, before moving to their own activities.

The Pavilion, Garden Lounges and Winter Garden of the former InterContinental will serve as the "Logistics Village" and can be reserved in priority for logistics service providers. Meeting tables are available for rent in the Pavilion and Garden Lounge A in this hotel. For more information:

www.epca.eu

Rotterdam points to White Paper contradictions

Port of Rotterdam Authority(PoRa) has raised a number of issues with the European Union White Paper on Transport published in March this year.

While broadly finding that the White Paper is in line with Rotterdam's draft Port Vision 2030, the Dutch port does see some issues with the paper.

PoRa says the EC is too rigid in its approach to modal split. For example, the Commission finds that the distance between the port and final destination must be at least 300 km in order to develop initiatives for shifting freight transport from road to inland waterways or railways (so-called 'modal shift').

PoRa asks that the minimum distance be halved to 150 km. Currently, inland waterway transport is already competing with road transport by a distance of 50 km from the Port of Rotterdam, for example, to the inland port of Alphen aan den Rijn. In Rotterdam 'the' minimum distance for railway transport is 200 km. Cutting this official limit in half would mean that more initiatives would be eligible for support from the EU. PoRa supports the goal of the EC to shift 30 percent of overland freight transport to the railways and inland waterways by 2030 and 50 percent of this traffic by 2050.

The White Paper on Transport was presented by the European Commission to the European Parliament and the Council of Ministers on 28 March. Initiatives within it target the creation of a competitive, integrated transport system "that facilitates the growth of mobility and the removal of barriers between modes - a Single European Transport Area". At the same time, the initiatives aim for independence from fossil fuels and a CO2 reduction of 60 percent for the transport sector by 2050. This means a CO2 reduction of 40 percent for maritime transport and a reduction of 70 percent for road transport. In combination with a modal shift of 50 percent from road to rail and inland shipping for long-distance transport, "this will lead to a Low Carbon Economy in 2050".

The White Paper emphatically promotes the development and reinforcement of multimodal goods corridors. In the context of the Trans European Network for Transport (TEN-T) and its intended core network, the priority is to synchronise investments in transport infrastructure with efficient, innovative, multimodal transport services. The goal is a functional TEN-T network in 2030 and a high-quality TEN-T network with high, adequate capacity in 2050. A connection from all sea ports to the rail freight network and wherever possible to the inland shipping network by 2050 is targeted.

At the same time, the White Paper states that by 2050, the number of entry points (sea ports) in the European market must increase in order to spread land-side cargo streams across Europe and also to encourage a shift from intra-European land transport to intra-European sea transport (short sea shipping).

However, PoRa believes there is a conflict in the White Paper, between developing a multimodal core network and spreading cargo streams across an increased number of entry points.

"In order to transport more cargo to and from the hinterland via short sea, rail and inland shipping as the Commission proposes, a concentration of volume streams is necessary. The European Commission's idea to distribute maritime streams from outside the EU to many ports closer to the final destination is at odds with this and could lead to even more transport by road to the hinterland because the volume needed to make economically responsible intermodal transport possible would not be reached," says the PoRA response.

"Scale benefits can be offered through a concentration of cargo streams. In addition to economic effects, the negative external effects of transport, such as emissions, noise and safety, can also be better controlled, compensated and made affordable by concentrating volume streams. A European distribution policy, in contrast, could cause cargo transport costs to increase and impede and endanger the effort to make transport more sustainable via sustainable modes.

"Consciously and artificially creating and developing more so-called entry points goes against the very free market principles that the European Commission is striving for. History has shown that the market does not automatically follow the supply, but rather responds to an attractive combination of quality, cost and speed. Moreover, a policy of concentrating hinterland transport over a core network of hinterland connections via the large European sea ports is in line with the current structural trend of scale increase in (intercontinental) sea transport.

Results bounce back for Hoyer

Hoyer announced positive results for the 2010 financial year. The group recorded an increase in turnover due in large part to the marked improvement in economic conditions.

Thanks to a 16 percent increase in turnover in 2010, the annual sales figure of €990 million was the highest in the company's history. As a result, Hoyer was able to compensate for the decrease in turnover in 2009 and consolidate its position as a major global provider of logistics solutions, particularly for liquid products in tank containers, road tankers and IBCs. Earnings before taxes rose by 28 percent to €26.4 million.

Investment in 2010 amounted to just under €23 million (previous year: 33.1 million) and was funded entirely from operating cash flow. The group increased the size of its tank container fleet by 2,410 containers to 22,849. The equity ratio again rose and now stands at 36 percent.

"We had already begun to drive forward internal structural change in 2009," said Thomas Hoyer, chairman of Hoyer's advisory board. "The decision to pay down our debts and strengthen our cash flow rather than making investments has proven itself - as can be seen in our positive figures for 2010." Chief operating officer Ortwin Nast was pleased with the performance, adding: "These impressive results show that Hoyer has a strong foundation as a family enterprise and that our corporate strategy is on the right track."

The decision to pay down debts and strengthen cash flow rather than making investments has proven itself, says Hoye

The chemical industry, one of Hoyer's key customers, staged a recovery last year, as a result of which demand for the transportation of chemicals increased, particularly in Europe. Hoyer was also able to boost substantially the share of intermodal shipments and gain some major new business.

The **Supply Chain Solutions** (SCS) unit has become an important pillar of Hoyer's chemicals business. SCS makes it possible for Hoyer to act as a full service provider by offering a range of additional services to customers. These include contract logistics, plant logistics, storage, materials handling, and consulting services aimed at optimising services.

The establishment of a subsidiary in Russia marked yet another milestone for Hoyer's chemical logistics business. This will provide Russian customers and service providers with a point of contact in their own country. At the same time, Hoyer is strengthening its position in Russia and the CIS states.

In 2010, Hoyer also announced the acquisition of all shares in European Liquid Drumming (ELD), the joint venture in which Hoyer previously held a 50 percent share. ELD owns and operates modern filling and storage facilities for IBCs, drums and small containers in Oosterhout, Netherlands.

Gas logistics performed satisfactorily in 2010 and achieved further improvements in efficiency thanks to tight cost management. As a result, the company won a number of large tenders in the industrial gas cylinder business in Germany and Eastern Europe. However, overall capacity utilisation of the gas container fleet in Europe remained unsatisfactory.

In 2010, Hoyer also successfully established itself as an outsourcing partner for **tank container services** to the food industry, concluding new long-term contracts for silo and liquid products, particularly in the UK and south-eastern Europe. The company experienced strong growth in its business with heatable IBCs for the transport of temperature-sensitive products such as chocolate. Hoyer combined the marketing of bulk and IBC containers in 2010, which resulted in customers benefitting from being able to order transports from a single source. Hoyer has a total of 19,000 IBCs at its disposal for its food and chemicals business.

Market conditions put the margins of the **petroleum transport business** under considerable pressure. Nevertheless, Hoyer succeeded in stabilising turnover. This is due partly to the general economic recovery, which resulted in an increased demand for petroleum, and partly to the renewal of important major contracts. Bitumen transport is in the hands of specialist company Scharrer & Andresen. With a fleet of around 150 special vehicles, Scharrer & Andresen recorded stable turnover in Germany and in neighbouring markets.

In June, Telene SAS, the France-based supplier of specialty DCPD (dicyclopentadiene) formulated resins, concluded a five-year contract with Hoyer. The contract covers mixing, filling and distribution of special raw materials for the plastics industry.

(A fuller case study of this contract award will be featured in the September/October issue of *Bulk Distributor*.)

SABIC wins Responsible Care Award

SABIC has won the Responsible Care award for 2011. The announcement was made on June 15 during the annual meeting of the Dutch Chemical Industry Federation (Vereniging van de Nederlandse Chemische Industrie -VNCI) in The Hague. The company was chosen to receive the award because of its efforts to render the transportation of hazardous substances as safe as possible. SABIC has implemented a number of safety policies which go above and beyond the statutory and regulatory provisions. In addition, SABIC also actively involves its suppliers in safety improvements throughout the logistics chain.

Two tangible examples are the Rail Safety Policy and the Responsible Care requirement for hauliers. The judging panel decided that by introducing this new safety policy, SABIC had proved itself to be an "excellent example of how to implement transport safety".

Among other things, the Rail Safety Policy prescribes that the company only uses carriages fitted with crash buffers (pictured). The use of this safety feature ensures that the impact of a collision on the tank is smaller, thereby reducing the risk of a disaster. In addition, under the Rail Safety Policy the carriages used are no more than 20 years old. This is also beneficial in terms of transport safety. SABIC was presented with a trophy to mark the occasion and is now in the running for the European Responsible Care award.

The Responsible Care programme is a global initiative introduced by the chemical industry which aims to improve companies' performance in the field of safety, health, the environment and sustainability. On 1 April, SABIC became the first company in the industry to call for its hauliers to commit to Responsible Care. For this purpose, SABIC concluded three-year contracts with its road hauliers to reinforce the commitment to safety and sustainability throughout the entire logistics chain. This emphasises the importance of implementing measures in an efficient manner and of openly discussing not only the successes but also the failures. It is also important to work with the authorities and organisations in order to develop, attain and also to exceed safety standards.

New era for rail-sea container moves to Greece

P&O Ferrymasters has introduced a change of ferry route on its rail-sea operation moving containers between Italy and Patra in Greece.

From July Ancona has replaced Brindisi as home port in Italy under a renewed contract with private rail operator Crossrail that builds on the operation's success over the past two years.

"Overall transit times stay just as fast but Ancona takes us to new levels of current and potential service capability," said P&O Ferrymasters intermodal director Wim Blomme.

Apart from direct rail links, the port offers reefer and IMO reception facilities and major service partners. The rail terminal - within the port area and very close to the ship berths - is run by private operator Frittelli Maritime, while shunting and port formalities will be co-ordinated by Trans Ferry Spa.

Year-round daily sailings are provided by Minoan Line, part of the Grimaldi Group. The two newly-built Minoan ferries are the world's largest ro-pax vessels. With room for up to 170 freight units per crossing, weekly capacity to Greece will rise to some 1,200 units. The ships are also fully IMO licensed to carry most hazardous classes.

"The switch will bring more stability to our intermodal offering into Greece while also extending the options for value-added services," adds Blomme. "Furthermore, it will enlarge our product portfolio by underpinning the long-term development of services into Albania and Turkey."

Two newly-built Minoan ro-pax vessels have room for up to 170 freight units per crossing

Lehnkering and ADR-Logistics cooperate in Hungary

Lehnkering can now provide certified warehouse space for hazardous goods in Hungary as a result of a co-operation arrangement signed with ADR-Logistics Kft. As a result of the agreement, Lehnkering Distribution Logistics & Services division now has exclusive marketing rights for the arrangement alongside ADR-Logistics.

"Hungary is becoming increasingly important for the chemical and pharmaceutical industry. It is not only a growing market itself, but is also a distribution centre for Central and Eastern Europe. Being a 3PL services provider Lehnkering would like to accompany its customers there," said Uwe Willhaus, COO of the Lehnkering Distribution Logistics & Services division. "We have found a competent partner in the shape of ADR Logistics; it meets our high standards of quality and safety. And as a result of its expertise and the warehouse space that can be used by both parties, Lehnkering gains immediate access to the market in Hungary and neighbouring countries."

ADR-Logistics operates a hazardous goods warehouse in Budapest, located near the airport, for packaged items produced by the chemicals industry; the facility has the capacity to store 15,000 pallets. The centre, which can be expanded to accommodate an additional 10,000 pallets at short notice, if required, not only offers warehouse logistics services, but also all the standard value added services. With the exception of explosive, radioactive or infectious substances, the facility can handle all the VCI or ADR warehouse classes of goods. ADR also provides distribution services within Hungary and to Romania, Slovakia and other neighbouring countries.

"In line with this co-operation Lehnkering not only stocks our hazardous goods warehouse, we also benefit from the long-term experience as well as the network of warehouses and distribution possibilities of Lehnkering in Western Europe. The co-operation makes a whole new client market accessible to us," added Peter Kretschmayer, CEO ADR-Logistics Kft.

Lehnkering now receives the exclusive marketing rights for the hazardous goods warehouse alongside ADR-Logistics in order to be able to offer manufacturers in the chemical and pharmaceutical industry all the warehouse and distribution services from one source.

Warner takes up Qualcomm post

Former Den Hartogh director Mark Warner has joined Qualcomm Enterprise Services Europe as managing director. The company is a wholly-owned subsidiary of Qualcomm Inc which provides business-to-business wireless enterprise applications and services. Warner succeeds Bill Karnazes, who is returning to the US to take up other challenges within Qualcomm.


Mark Warner - transporters want cost-effective, safe and sustainable operations

On joining Qualcomm, Mark Warner commented: "I have two passions: transport & logistics and ICT. I've gained more than 25 years' experience at various transport and logistics firms in several European countries. Along the way, I've developed a reputation as a champion of telematics innovations designed to help these companies achieve performance improvements and acquire a better competitive position. What could be better than working with a company that is unrivalled in its understanding, approach to and optimisation of service in the sector that is closest to my heart? As far as I'm concerned, Qualcomm is synonymous with innovation."

In Warner's view, transporters want cost-effective, safe and sustainable operations in particular. "That's the key. Qualcomm telematics solutions enable fleet owners to take great strides in all those areas and to succeed in a competitive market. Unfortunately, there is still the commonly held view in the industry that technological innovation is an expensive and highly complicated affair and, as such, is only an option for major companies. Not all ICT solutions have to be so grand in scale, however."

Warner laments the inaccurate impression some have of the innovativeness of transport companies. "While the sector is much more innovative than many people think, journey and route planning is all too often considered a technical process. Operators should actually take a management approach to data use. There's a world of benefit to be gained in that area in particular."

In Warner's view, drivers can play a decisive role in the distinguishing features of a transport firm. "Their role and behaviour determine the future success of transport firms, but only if the companies ensure the drivers have the right means of communication at their disposal. These tools collect data and enable the firms to monitor constantly, and consequently optimise, driving behaviour and all other related activities of the drivers. The tools also identify potential risks and enable you to provide individual driver coaching and training. This is all made possible by the communication technology that Qualcomm brings to the world of transport and logistics. Qualcomm offers solutions the market didn't even know existed. That's not only leadership, for me, it's a tremendous challenge."

www.qualcomm.eu


Drivers can play a decisive role in the distinguishing features of a transport firm

The transport plan: on time and on budget?

Tank operators can manage anything from 10's to 1000's of jobs each month. For each one a transport plan must be produced to schedule out costs and highlight profitability. Many in-house systems record these financial details but can often miss items from the transport plan because it is not produced automatically using the stored costs.

Even missing small charges can have a significant impact. If a $50 cleaning charge is overlooked on 100 jobs, it equates to $5,000 of lost income. This is where Real Asset Management (RAM) says its Monitor4000 comes into the picture. Monitor4000 automatically produces transport plans based on pre-calculated costs. The system has numerous benefits for the end user as it assists with planning and ensures that jobs are performed on time and to the quoted amount.

In addition, Monitor4000 has a built in vendor tariffs database to record all of the charges from external suppliers, saving time when preparing a quotation and improving accuracy. If this accuracy is improved by 10 percent at the quotation stage then this can result in a greater improvement in profitability.

To generate these plans manually for each job would take an average of one hour to complete, argues RAM. Using a system like Monitor could therefore save around $10,000 per 1,000 jobs and can allow companies to increase their activity without recruiting extra staff.

Real Asset Management's software currently manages over 2 million TEU for both leasing and operating companies, including Blue Sky Intermodal, SeaCube Container Leasing Inc, Hoyer Global, Tankspan Leasing and Taylor Minster Leasing.

• In a recent business win, Équipe Container Services Inc, of Berkeley, CA, purchased RAM's Rental4000 software to manage its container leasing business. Headed by former CAI marketing VP, Fred Bauthier, Équipe was established in 2008 following the acquisition of the S/Trade business unit from Synchronet Marine, Inc. Équipe activities include container leasing, container trading and portable storage.

As a new leasing organisation, Équipe needed to put an effective IT system in place to manage the range of business activities and on-going plan to increase its fleet. "We wanted a tried and tested system that was rich with functionality and could grow with our organisation," explained Bauthier. "Real Asset Management is well known in the container industry; by acquiring its Rental4000 software, we are able to avoid the expensive and time-consuming process of developing an in-house system. With modules to manage leasing, trading and maintenance & repair, Rental4000 covers every area of our business and allows us to concentrate on generating profit rather than spending time on administration and managing IT staff."

www.realassetmgt.com

Portbase helps Evonik's exports

Infracor GmbH, a subsidiary of Evonik Degussa which takes care of the specialist chemical company's shipping needs, is now making use of the Portbase port communication system of the ports of Rotterdam and Amsterdam for its exports. Thanks to the connection, goods flows can be tracked in real time, and, when necessary, they can intervene in the logistics process.

Portbase is the neutral hub for all logistics information in ports of Rotterdam and Amsterdam. Via its port community system, companies can exchange information simply and efficiently with other companies and the public and private sector bodies.

www.portbase.com

India next stop for expanding Vopak

Vopak is set to add 7.3 million cbm to its total capacity in the coming years

Vopak's thirst for expansion seemingly shows no signs of abating. The Netherlands-based independent storage group is actively pursuing a growth strategy in many locations around the world. The group is set to add 7.3 million cbm to its total storage capacity for bulk liquids in the coming years, leading to a total capacity of nearly 33 million cbm by 2014.

The latest expansion move sees Vopak entering the fast growing Indian storage terminal market through the 100 percent acquisition of CRL Terminals Pvt Ltd in Port of Kandla, a privately owned facility. The terminal is one of India's largest independent storage facilities for chemicals and vegetable oils and consists of two sites with a total capacity of 261,600 cbm. Located on the west coast of India, the Port of Kandla is one of the busiest ports of the country and the largest for chemicals and vegetable oil imports. The port has good logistic connections with the hinterland of northern India and the Greater Gujarat area where most of India's chemical industries are located.

Vopak Terminal Kandla, as it will be named, consists of 121 tanks with connections to five shared jetties owned and operated by Port of Kandla. The terminal will continue to serve existing international and domestic customers offering a high and uniform service quality based on Vopak's global operational standards. At the same time, Vopak is now able to support its international customers that require independent tank storage and handling services to transport their products to India.

Eelco Hoekstra, chairman of Vopak's executive board commented: "India is seeing rapid growth in the production and consumption of petrochemicals and vegetable oils. The acquired storage terminal in the Port of Kandla is very well positioned to support the logistic product flows resulting from this growth. After establishing a strong position in rapidly developing economies as Brazil and China, this acquisition is another important step for Vopak in gaining an immediate presence in the fast growing Indian market."

The move into India was preceded by announcements of new terminals in Pengerang, Malaysia, and Bahia Las Minas, on the Atlantic Coast of Panama.

In Pengerang, Vopak and joint venture partner Dialog Group Berhad have taken the final investment decision to build and operate a terminal near the southern port of Johor.

The terminal will have an initial capacity of approximately 1.3 million cbm, which can be expanded by 1 million cbm in the future. The terminal will provide storage, blending and distribution services for crude oil and clean oil products.

Vopak holds 49 percent of the JV with Dialog. The two partners are forming a partnership with the State Government of Johor Darul Ta'zim, in which the JV will hold 90 percent. The decision follows the favourable outcome of the joint feasibility study announced in July 2009. The Pengerang region is located at the south eastern-most tip of Johor, close to international shipping routes and the international oil hub in Singapore. The terminal is expected to be commissioned in 2014.

The partners aim to serve the growing need for storage capacity in the main oil trading centre of Asia and to facilitate the physical transportation of crude oil and clean oil products. Dialog and Vopak are also equity partners in Kertih Terminals in Malaysia. This is a 395,900 cbm facility for chemical products and liquefied gas, located in Kertih, Terengganu.

At Bahia Las Minas, Panama, new facilities - including the enhancement of two existing jetties - are planned to be commissioned in the first half of 2013. Based on positive market demand, Vopak can expand its independent capacity by around 1 million cbm to 1.75 million cbm and build a new deepwater (post-panamax) jetty to support the site's operations.

Vopak has reached an agreement with Chevron Corporation, which provides a long-term development framework for Vopak to invest in the construction of independent storage capacity in Bahia Las Minas, adjacent to Chevron's site. In addition, the scope of the agreement covers Vopak assuming operational control of Chevron's current 470,000 cbm storage facility based on standards that meet both companies' safety and reliability requirements.

With projected global and regional logistic oil flows, Vopak wants the Bahia Las Minas facility to serve as a hub for both the bunker and inter-regional make/break-bulk markets of oil products, based on the benefits of its location at the crossroads of international trade.

www.vopak.com

Bangladesh to build 12 new tanks

The government of Bangladesh has begun a significant move to build a dozen new oil storage tanks at depots due to inadequate existing capacity compared with swelling petroleum imports for the newly set up oil-based power plants.

Energy division officials told Indian newspapers they would install 12 oil storage tanks with over 0.12 million tonnes capacity at four major depots across the country within the current fiscal year 2011-12.

"There is no option but to upgrade oil storage capacity at depots as fuel imports will jump to nearly five million tonnes next year from 3.5 million tonnes this year," a senior energy ministry official was reported as saying.

Oil demand has sharply increased as the government has set up dozens of diesel and furnace oil-based power stations within the past two years. Few other oil-based power plants will go into operation within the next couple of years. State-owned oil companies have inadequate storage capacity.

Energy ministry officials said three oil companies would set up nine oil storage tanks at three depots and the sate-owned crude oil refinery firm Eastern Refinery Ltd (ERL) will install three other tanks.

The state-owned oil supplier - Jamuna Oil Company Ltd - will install three diesel and furnace tanks, each with 10,000 tonnes capacity, at its Baghabari warehouse in Pabna by June next year investing Tk 419.20 million (4 million). Present capacity at Baghabari depots is 42,000 tonnes.

Meghna Oil Company will construct three tanks, having 10,000 tonnes capacity each, at Chittagong depots investing Tk 280.65 million. The state-owned oil refinery company Eastern Refinery Ltd. (ERL) will install 39,000 tonnes total storage capacity by June 2012 at a cost of Tk 473.6 million on its plant premises in Chittagong.

The state-owned Padma Oil Company will build a 7,000 tonnes capacity JET A-1 fuel and a total 15,000 tonnes capacity two diesel storage tanks at Godenail warehouse in Narayanganj investing Tk 271.1 million by June next year.

USDG doubles St James capacity

Houston-based developer US Development Group LLC (USDG) is expanding its St James Rail Terminal (SJRT), a crude oil and condensate handling and distribution hub located on the Gulf Coast in Louisiana.

Expected to be completed by Q4 2011, the expansion will double the terminal's current capacity to 130,000 barrels — or two unit trains — per day. SJRT is part of a nationwide network of crude oil/condensate facilities being developed by USDG, along with the recently announced Eagle Ford Crude Terminal in Gardendale, Texas, scheduled to open next month.

USDG, which pioneered the crude-by-rail/unit train hub concept, is actively developing several new origin and destination hub facilities. The company plans to construct five such facilities within the next 18 months in order to extend its leadership in crude oil rail network solutions. The expanding USDG network will offer capacity for significantly higher rail volumes of oil and condensate from the Bakken, Eagle Ford, Niobrara and other major production areas into refining and oil distribution centres on the East, Gulf and West coasts of North America.

"Since beginning operations in summer 2010, our St James terminal has experienced strong demand from producers and marketers looking to obtain the best value for their oil. In addition, the St James Rail Terminal allows our refiner/blender customers to benefit from a steady supply of high-quality sweet crude," said Mike Day, USDG vice president. "USDG continues to lead the industry in designing, developing and operating crude oil unit train hubs that give our customers maximum flexibility in moving oil and condensates to strategic markets."

Served by the Union Pacific Railroad, the St James facility is currently receiving manifest and unit train shipments of crude oil, condensate and related products from the Bakken and Eagle Ford Shale plays. SJRT is connected via pipeline to an adjacent crude oil/condensate storage terminal operated by Plains Marketing, LP. The expanded SJRT unit train facility will consist of approximately seven miles of rail track and a fully automated 52-spot high-speed railcar offloading rack.

Sunoco Logistics on the rise

Sunoco Logistics Partners reached agreement with Sunoco, Inc to purchase the Eagle Point tank farm and related assets, located in Westville, NJ, for approximately $100 million in deferred distribution units. Sunoco Logistics anticipates additional capital spending of approximately $90 million to provide for operational flexibility and to meet regulatory requirements.

In a separate transaction, Sunoco Logistics announced that it has signed a definitive agreement to purchase a refined products terminal located in East Boston, Mass, from ConocoPhillips for $56 million plus the fair market value of inventory. This transaction is expected to be financed with borrowings under Sunoco Logistics' revolving credit facilities pending more permanent financing.

Both transactions are expected to be completed in the third quarter of 2011.

"The sale of the Eagle Point storage assets to Sunoco Logistics unlocks value for Sunoco shareholders. At the same time, it demonstrates Sunoco's commitment as general partner to support the growth of Sunoco Logistics," said Lynn L Elsenhans, chairman and CEO of Sunoco, Inc and Sunoco Logistics Partners LP. "As the market for transport fuels continues to evolve, Sunoco Logistics' ability to aggregate various types of fuel components, provide advanced blending services at the terminal level, and get products to market becomes even more valuable."

The Eagle Point tank farm consists of approximately five million barrels of active storage for clean products and dark oils, with the potential to expand storage capacity in the future.

"Together with our existing pipeline connectivity, dock space, and refined products rack at Eagle Point, the tank farm establishes this location as a major terminal operation on the East Coast with import/export capabilities and room to grow," added Michael J Hennigan, president and COO of Sunoco Logistics.

The East Boston terminal, with storage capacity of approximately 1.2 million barrels, is the sole service provider of Logan International Airport under a long-term contract. The terminal's truck rack serves local markets.

"This acquisition enables us to expand our geographic and customer base as we enter the New England terminal market," said Elsenhans. "It will also continue to grow our rateable cash flow."

Oiltanking launches MLP vehicle

Oiltanking Partners, LP, a subsidiary of Oiltanking Holding Americas Inc, is going ahead with its initial public offering of 10 million common units. The shares will be listed on the New York Stock Exchange and traded under the symbol 'OILT'.

Oiltanking Partners is a recently formed Master Limited Partnership holding the shares in the Oiltanking Houston and Oiltanking Beaumont storage facilities. The terminals are located along the upper Gulf Coast of the USA in Houston and Beaumont (Texas).

The common units being offered represent a 26 percent limited partner interest in Oiltanking Partners. Citi, Barclays Capital, JP Morgan and Morgan Stanley act as joint book-running managers for the offering. Raymond James, Deutsche Bank Securities and Stifel Nicolaus Weisel act as co-managers.

The registration statement is available on the SEC's web site at www.sec.gov under 'Oiltanking Partners, L.P.'

Meanwhile, parent company Oiltanking has commissioned of 450,000 cbm capacity for clean petroleum products at its terminal in the Port of Sohar, Oman. The completion of this new expansion increases the total capacity of the terminal to more than 1.3 million cbm. The new capacity caters for middle distillates and gasoline and comprises 15 tanks, a new jetty, four new jetty lines and an additional pump station. First product into the tanks was received in April 2011.

Various pipeline connections link the terminal to adjacent petroleum and petrochemical facilities. The six jetties are able to handle vessels of up to 120,000 dwt. The terminal is strategically located in the proximity of major international shipping lanes just outside the Strait of Hormuz.

Oiltanking Odfjell has commenced with the construction of additional chemical capacity. Twelve tanks with a total capacity of 27,300 cbm are being built to accommodate base oils and a wide range of chemicals, such as solvents, glycols, iso-cyanates and acrylic esters. This capacity is due to come on stream by mid-2012.

Oiltanking Odfjell Terminals & Co LLC is a joint venture of Oiltanking Odfjell Oman BV (70 percent), Oman Oil Company (25 percent) and a private investment company (5 percent). Oiltanking Odfjell Terminals Oman BV is itself a JV registered in the Netherlands between Oiltanking GmbH (42.5 percent), Odfjell Terminals AS (42.5 percent) and Star Energy Group Limited (15 percent).

www.oiltanking.com

Oiltanking Sohar will see capacity expand to more than 1.3 million cbm

TSA 2011

TSA's Conference and Exhibition is the UK's leading event for the bulk liquid storage sector. The annual one_ day event will be held on Thursday 22 September 2011 at the Hilton Hotel, Coventry. The venue is located just off junction 2 of the M6 and is easily accessible by road, rail and air.

The event has a track record of successfully bringing together people who care about safe and effective bulk liquid storage operations. This year's conference programme will comprise presentations from the Health & Safety Executive, the Environment Agency and industry experts who will talk on the following topics:

– The Competent Authority's approach to inspection of process safety management systems
– Using performance indicators to drive improvement in process safety performance
– The Environment Agency's role at COMAH incidents
– Innovative solutions using bentonite materials to address secondary and tertiary containment issues
– Condition monitoring solutions for storage terminals
– Supply chain issues for bulk liquid storage terminals
– Current developments in the global bulk liquid storage industry

The exhibition will feature thirty companies showcasing their industry related products and services. For further information, including the detailed conference timetable, list of exhibitors, delegate registration details, venue location and accommodation information visit the Conference & Exhibition pages of TSA's web site.

www.tankstorage.org.uk

Stolt buys Aus/NZ assets

Stolt-Nielsen has agreed to buy a majority stake in Marstel Terminals, a privately held network of nine bulk-liquid storage facilities in Australia and New Zealand, with a total combined storage capacity of approximately 177,000 cbm.

On the completion of the transaction, SNL will own 70 percent of the business, with the remaining 30 percent of the equity to be held by the founders, Graham and Anne Catley, who will continue as managers. The acquisition is expected to be completed by late summer 2011, subject to certain government approvals. Following the acquisition, the company plans to expand the business, both by adding capacity at existing terminals and by developing new locations.

Niels Stolt-Nielsen, CEO of Stolt-Nielsen Limited, said: "We are pleased to be adding these terminals to the company's global storage and distribution network, complementing our regional tanker operations in Asia Pacific."

Marstel's assets include tanks in the Wynyard Precinct, Auckland

ILTA hits record

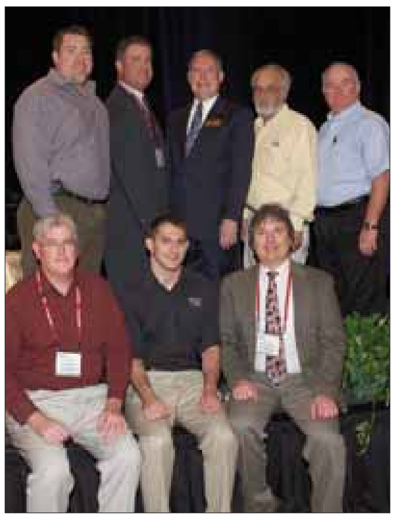
The International Liquid Terminals Association (ILTA) held its 31st Annual International Operating Conference and Trade Show on 6-8 June, in Houston, Texas. The event included more than 30 conference presentations, two evening networking receptions, three training workshops, a day-and-a-half trade show, and a golf tournament. More than 3,450 people attended, an 8 percent increase over 2010 registrations.

"The ILTA conference and trade show is recognised as the premier annual event for the terminal industry," said ILTA President David Doane. "The record attendance this year demonstrates the tremendous value that ILTA brings to the industry, and we are pleased to host an event of this calibre year after year."

In the opening session of the conference, Bryan Shaw, Chairman of the Texas Commission on Environmental Quality, spoke about the on-going conflicts between Texas and federal regulators, including EPA's takeover of greenhouse gas permitting authority in the state. The conference presentations throughout the remainder of the day focused on a variety of operational, business, and environmental, health, safety and security topics. Seven presentations were included in the full-day Spanish track.

The conference concluded with the keynote luncheon. Former Blue Angels pilot John Foley gave a dynamic presentation on achieving high performance and creating a culture of excellence. He used high-energy video footage from the Blue Angels to show how companies can unify their teams behind shared goals and learn valuable lessons for continuous improvement.

A total of 12 terminal companies were recognised during the safety awards breakfast. Hess Corporation was awarded the 2011 Platinum Safety Award for its safety performance and exemplary safety culture. Westway Terminals received a Safety Improvement Award for demonstrating significant improvement in its safety record over the past three years. In addition, the Safety Excellence Award was presented to 10 companies that achieved a safety record of less than one injury per 100 workers in 2010. The companies were: Asphalt Operating Services; CITGO Petroleum Corporation; Flint Hills Resources, LP; International Raw Materials; JIT Chemical Corporation; Murphy Oil Corporation; NuStar Energy, L.P.; Petro-Diamond Terminal Company; Sunoco Logistics Partners, L.P.; and U.S. Venture, Inc. Three of these companies, Asphalt Operating Services, Flint Hills Resources, and JIT Chemical Corporation, were further recognised for achieving and maintaining safety excellence since 2006. They were presented the ILTA Five-Year Safety Milestone Award.



Hess Corporation received the 2011 Platinum Safety Award, ILTA's highest safety award

The sold-out trade show was the largest in ILTA history. More than 280 companies exhibited. Of these companies, 49 were exhibiting for the first time at the ILTA event. Attendees at the trade show were able to compare products and meet with hundreds of suppliers from all over the world.

The 32nd Annual ILTA International Operating Conference and Trade Show is scheduled for 21-23 May 2012, at the Hilton Americas-Houston and the George R Brown Convention Center in Houston.

www.ilta.org

New terminal for Mombasa

The Kenyan government has licensed Nile Petroleum East Africa to build an offshore multi-products landing stage and onshore storage terminal in Mombasa.

The company, a joint venture between local investors and Nile Petroleum Company – wholly owned by the Sudan government – said the project would alleviate storage shortage at the port.

It is estimated that oil importers lose about $200 million annually as demurrage fees charged by ship owners if cargo is not offloaded during agreed times.

The Kenyan Energy ministry said the construction of the jetty and onshore oil storage facility for all petroleum fuels, including cooking gas, automotive gas oils and heavy fuel oil, would guarantee security of supply of the products.

"In addition to enhancing efficiency in handling imports and turn-around of imports, it will reduce costs through elimination of demurrage,"

In a statement, Nile Petroleum East Africa managing director, Nasr Eldin Elhussein, said the license to construct the storage is the culmination of long talks between Nile Petroleum and local partners to set up a company in Kenya to serve the region.

He said that the company had looked at the bottlenecks choking the terminal at Mombasa, and proposed the construction of the storage terminal to aid the situation.

"We look at what we can offer the Kenyan market and what we can do to the whole country by providing high-quality products that meet or exceed customer satisfaction," he said. "Also, we want to inculcate health, safety and environment best practices among company's employees, vendors and contractors."

He added that the company would also open filling stations, sell lubricants and cooking gas in addition to storing products. "We are not looking at competition and we are not coming here to take business from others but to give more services to Kenyans," he said.

Kinder Morgan expands petcoke network

Kinder Morgan Energy Partners has acquired a newly constructed petroleum coke (petcoke) terminal in Port Arthur, Texas, for approximately $67 million from TGS Development Group.

KMP will operate the facility, which handles petcoke from Total Petrochemicals USA, Inc's recently expanded Port Arthur refinery, and provide conveying, storage and ship loading services to Total under a 25 year contract. The refinery is expected to produce more than 1 million tons of petcoke annually. The transaction, which was developed in partnership with TGS and Total, is expected to be immediately accretive to cash distributable to KMP unitholders.

"We are pleased to expand our large petcoke handling network and look forward to providing superior service to Total through this long-term contract," said Jeff Armstrong, president of Kinder Morgan's Terminals segment. Kinder Morgan is the largest handler of petcoke in North America and expects to handle more than 13 million tons in 2011.

Martin to build at Corpus Christi

Martin Midstream Partners is to build a new terminal at Port of Corpus Christi, Texas to receive crude oil from the Eagle Ford shale via the recently announced Harvest Gardendale Pipeline.

As part of the project, the partnership has entered into a long-term lease with the port at a new location adjacent to its existing terminal. In conjunction with the new terminal construction, the partnership also announced the execution of a long-term contract with a major integrated oil company for the initial capacity of the newly constructed asset.

Over 300,000 barrels of crude oil storage are planned for the new facility. In addition, the partnership has the ability to expand capacity by an additional 600,000 barrels. The terminal will be connected via a 24 ins pipeline to both a barge dock and a deepwater marine tanker dock at the port. A marine delivery system will be constructed with initial loading rates up to 15,000 barrels per hour.

As crude production and storage volumes increase, MMLP will expand the capacity of the delivery system to 30,000 bph. The total project cost is estimated at $25 million and is an expected to be in service by late 2011. Initial receipts of crude oil will arrive via truck until the Harvest Gardendale Pipeline becomes operational in the first half of 2012.

Ruben Martin, president and CEO of Martin Midstream's general partner, said: "We are (also) to announce…a long-term terminalling agreement with a major integrated oil company. MMLP, with these new assets, will seek to meet terminalling demand from the growing Eagle Ford shale production. This new facility is well-positioned for significant fee-based cash flow growth as Eagle Ford activity continues to gain momentum."

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Pertamina needs capacity to hedge

Indonesia's state-owned oil and gas company PT Pertamina will build more crude oil and crude products storage across the country to hedge against fluctuating oil prices.

Speaking to news agencies Pertamina's CEO Karen Agustiawan said that by having more storage tanks, Pertamina will be able to buy more crude oil and oil products when prices are cheap. "Once we have storage, it's like saving," she added. The company might even sell back the crude and related products in the market when prices are higher if it still has surplus.

Although a producer of crude and oil products, Pertamina still has to import products to meet domestic demand.

The new tanks are likely to be in Sambu Island near Singapore, Tanjung Uban in Bintan Island and Lawe Lawe in East Kalimantan. "Our current storage capacity currently is not enough," the CEO noted.

From oil to homes

UK Property investment company Northern Trust has submitted plans to redevelop the former BP/Castrol oil storage and processing site in Hyde, Tameside, UK.

Northern Trust, which is based at Chorley, acquired the site last year and has since then demolished most of the buildings and carried out an investigation into potential development options.

It has now applied for permission to build up to 100 homes. Northern Trust's proposals also include landscaping, an acoustic fence to minimise noise disturbance from trains passing along a nearby railway line, parking and footpaths.

Ready, set, change!

It's been called the box that changed the world and yet the industry that transformed the face of global trade and transport in the space of just 50 years now stands on the brink of another era-defining moment: whether to continue with entrenched habits, or rediscover its desire and capacity for innovation and change.

Our industry and our customers benefit every day from the time, effort, money and sheer belief in the future that went into building the global container transport system as we know it today. When containers came along, we had to change everything and we believe the time has come to make that change again.

Maersk Line has identified three key challenges that we believe the whole container shipping industry must now address to ensure that it has a prosperous future:
on-time delivery,
ease of business and
environmental performance.

We want to start the debate that will redefine our future and help us add tremendous new value to our customers' supply chains worldwide. We have to become an integrated part of our customers' promise to their customers to act as responsibly as possible in the marketplace. But why wait to be asked? Why not lead the way?

Join the debate on

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