

# BULK DISTRIBUTOR

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May/June 2011

## Sinotrans buys stake in InterBulk

### IN THIS ISSUE

Tank Containers	2
Components	5
Rail Tanks	8
FIBCs	9
Dry Bulk Logistics	10
Logistics	13
Flexitanks	16
Terminals & Storage	17

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Chinese logistics giant Sinotrans has conditionally agreed to take up 165 million placing shares in InterBulk at a total cost of approximately £18.15 million. On completion of

the deal, this will give Sinotrans 35.3 percent of the enlarged share capital of InterBulk.

The proposed placing is a strategic investment consistent with Sinotrans' strategy to develop its

chemical logistics business, and will extend its reach into the international chemical logistics market, particularly in Europe.

The 165 million new ordinary shares are priced at 11p each and have been conditionally placed with Sinotrans (HK) Logistics Limited (Sinotrans HKL), a subsidiary of Sinotrans Limited.

The net proceeds of the Placing will be used to repay approximately half of the most expensive tranche of the company's debt which carries a bank interest margin of LIBOR plus 12 percent.

The company also announced that it has agreed revised banking facilities with its principal lender, the Bank of Scotland, conditional on the completion of the placing. The revised financing includes a reclassification of £5.1 million of existing mezzanine debt to a Term B loan and several other improvements.

The placing price represents a premium of approximately 184 percent to the closing mid-market price of 3.875 pence per share as at 19 May 2011, the last dealing day prior to the announcement.

The debt repayment and revisions to the banking facilities will have a "significant positive impact" on both the company's leverage, reducing net debt by approximately 16 percent, and its cost of debt, achieving an annualised reduction in interest costs of approximately £2.8 million.

Continued on page 3



### Huntsman tries inland shipping

Chemical company Huntsman is trialling inland waterway shipping to move its containers.

Around 50 containers a week – 52,000 tonnes a year – will be brought from the production location to the Waalhaven Botlek Terminal, Rotterdam. Huntsman wants gradually to increase the volume and also include tank containers in the trial. In the next phase, Antwerp will be added.

At the end of 2010, more than 90 percent of raw materials arrived at Huntsman via pipelines, and a significant proportion of outgoing products also leaves the factory complex via pipelines. In addition, around 50 percent of the product volume was already loaded in tank containers (as bulk) or in standard containers (with the product packaged) and transported to the client using intermodal transport. By 2012, Huntsman Holland wants to have reduced its CO<sub>2</sub> emissions by 5-10 percent.

Huntsman is the first company to switch to inland shipping as part of the 'Maatwerk' project by the Inland Shipping Information Agency (Bureau Voorlichting Binnenvaart). Besides the effect on the environment, roadworks on the A15 are a significant motivator for the trial. The conditions set by Huntsman are that inland shipping cannot be more expensive than road transport, and that they should not have to work with many additional parties. The company

provides raw materials for the polyurethane industry.

At the beginning of the year, Almatris, a producer of special alumina products, transferred its container flow of close on 4,000 TEU a year from road to water. The containers contain products for the flame-retardant industry, ceramics and polishing paste. Now, they are only transported 7km by truck from the factory on Theemsweg to the Botlek Barge Terminal (both in the Botlek). From there, virtually all of them travel by regular barge service provided by the Waalhaven Group to the Maasvlakte, about 25km to the west.

According to Almatris manager, Frank Kraaijenbos, transport by water to the Maasvlakte is cost neutral. For a hundred or so containers destined for Antwerp, there is an advantage of up to 92 per container. Previously, Almatris made between thirty and thirty-five trips to the Maasvlakte, some of which were during rush hour. An important consideration when choosing the new system was the more regular distribution of the outgoing trade over the day. Due to the almost three-quarter reduction in the distance to the terminal, fewer trucks are operating and at shorter intervals. As a result, Almatris can support the increase in production logistically with the same number of staff. A reduction in CO<sub>2</sub> was another reason behind the switch.

### Vos Logistics on path to full recovery

Vos Logistics reports that the upward trend in revenue and operating profit that began in the second half of 2010 has continued strongly into the first quarter of 2011. Revenue increased to 243 million euros in 2010, up 20% against 2009, while operating profit amounted to 0.4 million euros, compared with an operating loss of nearly five million euros in 2009.

In 2007 the company had been obliged to implement drastic retrenchment measures to reduce what had become an unsustainably high level of debt. From the second half of 2010, the Netherlands-based logistics service provider was able to profit from the growth in international transport. The company's cargo division recovered the most strongly with a 12.5% advance in revenue. The logistics services division also reported a clear upward trend from the second quarter of 2010, while the bulk division remained stable. In addition to the market recovery, the positive impact of the cost-saving programme implemented in the past two years fed through into operating profit. The company's flexibility has also been

Continued on page 12

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# Transport Logistic breaks visitor record

The world's largest logistics trade fair, held in Munich in early May, attracted more visitors than ever before, over 51,000 visitors from 134 countries.

This represented a seven percent increase over the previous biennial event held in 2009, and most of that rise was accounted for by visitors from outside Germany. In total the number of countries of origin represented among the visitors rose to 134 this year, from 112 last time. As Monika Ribar, CEO of Panalpina Welttransporte, put it: "Transport Logistic is more international than ever before. It is a

unique opportunity to meet up not only with customers and friends but also with our competitors."

Klemens Rethmann, CEO of Rhenus, agreed: "Our expectations of transport logistic were more than fulfilled. We were delighted at the large number of visitors, particularly those from abroad. The audience here was top class and they came along to Munich not only to gather information but also to discuss and take decisions on investment."

After Germany, the top ten countries of origin for visitors were (in this order:) Austria, Netherlands, Italy, Switzerland, Czech Republic, France, Belgium, Poland, Great Britain and Hungary. The next Transport logistic takes place from 4 to 7 June 2013.



The Suttons travelling tank gave visitors an inside view of the business



#### Village life

Of course, in the world of bulk liquids logistics the centre of attention was on the ITCO Village where the global tank container industry had its main focus. The ITCO Village was the largest ever and was deemed a great success for attendees.

UK-headquartered tank



Hoyer's new tank featured TRS EnergySystems' air-heating technology

container operator Suttons gave visitors an inside view of the tank container business – literally. The Widnes firm exhibited a complete tank with a cut-away door allowing visitors to clamber inside the tank and view the interior walls and units. In addition, visitors could climb up onto the tank's roof for a 'working-at-height' view.

The company explained that the training tank is used to give customers an understanding of the equipment used to move their products, as well as providing safety and maintenance training for Suttons' staff. The tank has already been used for the opening of Sutton's Antwerp office and the journey to Munich was its second visit to Germany.

On display next to the ITCO Village was a new tank container operated by Hoyer, featuring an air-heating system for constantly controllable, evenly-distributed temperature.

The heating system is manufactured by TRS EnergySystems, part of TRS Transportkoeling BV, of the Netherlands ([www.trs.eu](http://www.trs.eu)). TRS is a specialist in the design and production of silent, transportation temperature control systems for trucks, containers and controlled atmosphere transport.

The TRS system on display in the Hoyer tank comprises three separate vent-heat units. The particular benefit claimed is that heating is provided throughout the unit, heating all the product contained within, compared with conventional temperature-controlled systems that can leave a significant proportion of the product at different temperatures.



Fine wine and bonhomie flowed courtesy of Perolo

This, says TRS, means no more cold spots, or 'glycol channels' or glycol leaks. "Heating with TRS Air-Heating will provide the best distribution of heat available," says TRS. In addition, the dished ends are heated, and, if necessary, the manlids can be heated with the same air.

Fine wine and bonhomie flowed on Thursday evening in 'the Village' when leading components manufacturer Perolo invited guests to sample both red and white wine from the company's home region of Bordeaux, France.

A selection of wines, such as Côtes de Blaye, were offered together with cheeses & cold meats from France. To enhance the gallic atmosphere Perolo berrets were handed to visitors. A short video of the wine tasting is available on the Perolo website [www.perolo.com](http://www.perolo.com)

Finally, the 2011 ITCO Village was the first to be run under the presidency of Willy van Loon, who succeeded long-time former president Reg Lee in late 2010. Before opening the the Wednesday evening official ITCO reception, Willy van Loon paid tribute to Reg Lee for the all the hard work he put in to transform ITCO into the well-respected and broad-ranging organisation it is today.



L-r: ITCO secretary Patrick Hicks, president Willy van Loon, and vice-president Heike Clausen

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For further information visit [www.itco.be](http://www.itco.be) or contact [secretary@itco.be](mailto:secretary@itco.be)

# Peacock looks to brighter future

Peacock Container BV is now looking to the future after a few tough years in which the Rotterdam-based tank container leasing company saw a large part of its fleet sitting idle.

For Peacock's managing director Jesse Vermeijden the brighter prospects are the fruits of hard work to define a strategy for the company that has seen it focus on its core European market providing niche tanks specified to customers requirements.

Founded as far back as 1987, Peacock specialises in leasing tank containers to producers and transport companies active in the international oil, chemical and foodprocessing industry. It is a wholly owned subsidiary of Rotterdam-based Fluvia Holding, itself a relative newcomer in the European inland tanker shipping sector that was founded in 2004 by a group of former Vopak executives. The newly-formed Fluvia Holding BV acquired Fluvia AG, of Basel, Switzerland. Subsequently, Fluvia has realised substantial growth in the

European market for bulk liquid logistics, mainly through developing sizeable positions in European niche markets for bulk liquids logistics.

Today, Fluvia operates a fleet of 50 inland tanker barges, some 1,600 tank containers through Peacock, and liquid bulk terminals in both Rotterdam and Basel. The executive management is in the hands of Rick van Westenbrugge (CEO) and Roelof Hendriks (CFO).

Fluvia acquired Peacock Container in September 2007. There followed two or so years of less than successful times for the company, culminating in a particularly tough 2009. In addition to the general economic downturn the lessor lost several key staff and was one of the leasing companies with tanks and funds tied up in the failed Extar operation. As many as 300 tank containers remained idle for over a year, says Vermeijden.

Thus, Peacock effectively had to start over and rebuild not only the management team but focus on a

distinct strategy that would see it concentrate on the European market with a fleet of more specialised tanks appropriate to the needs of its customer base.

"There's not much point in us trying to compete with the bigger leasing companies supplying standard tanks to the deepsea markets," says Vermeijden. "We focus on European markets where we can supply customers with tanks that are highly specified according to customers' particular requirements and also giving those customers added value."

Peacock has an on-going newbuild programme with Singamas where it orders some 25 tank containers every three months. However, the specifications, particularly in size and capacity, can vary with each order, according to market demands. The programme is currently due to run to a total of 250 units.

In August this year, some 30 swap body tanks will be delivered. This is a prime example of Peacock's aim to cater for the European market as the swap bodies are designed to complement existing road tanker trailer markets. "Product leaving Rotterdam for destinations in Benelux or northern Germany is likely to be moved over the road," explains Vermeijden. "But for deliveries requiring two or more days driving, customers prefer to look for a multimodal solution, particularly over rail, and the swap body tank's flexibility makes it a good solution for this mode."

Another major customer is specialist bitumen container manufacturer TEC, for whom Peacock handles all lease enquiries for this equipment which requires specialist heating to ensure the bitumen is at the correct temperature for discharging.

This more clearly focused strategy is paying off for Peacock as leasing orders

have risen significantly. "From late February we saw a dramatic rise in business to the point where we are now witnessing a 98 percent utilisation rate, compared with an average of 70 percent last year." However, Vermeijden retains a note of cautious optimism, displaying a wise head given the tank container leasing sector's tendency to oversupply the market and thus drive down its own earnings ability.

"I think we are seeing more of a market recovery at the moment, rather than any new market growth. In general, we are confident of a healthy business this year. I am concerned about the number of newbuilds due to come onto the market, although this is more likely to affect the deepsea sectors. We could see lease rates in these markets come under some pressure and a significant number of these units remaining idle for some time," says Vermeijden.



## Sinotrans buys stake in Interbulk

Continued from p1

Additionally, InterBulk has now found a strong partner in its growth strategy in the Chinese and wider Asian market. "InterBulk's strategy clearly identifies China as a major opportunity owing to the fast growing chemical production and consumption in the country. Sinotrans and the company have, over the past few years, worked together on a number of domestic Chinese chemical logistics projects," read a company statement when the financing deal was announced.

Sinotrans was listed on the Hong Kong Stock Exchange in 2002 and is a 57.93 percent owned subsidiary of Sinotrans & CSC Holdings Co, Limited.

The InterBulk Board believes that it has secured an investment that will greatly strengthen the company as well as a strong partner for the development of the Chinese and wider Asian markets.

Subject to the admission becoming effective, dealings in the new ordinary shares were expected to start on 8 June.

InterBulk is one of the biggest providers of intermodal logistics solutions to the chemical, polymer, food and mineral industries. In addition to being a significant tank container operator, it is also one of Europe's leading providers of 'bag-in-box' containers for the movement of dry bulk products.

## @tco holds first board meeting

The Asia Tank Container Organisation (@tco) held its inaugural board meeting simultaneously in Shanghai and Houston using a teleconferencing link. The @tco board of directors identified a number of companies as the main stakeholders in the Asian tank container industry and who will now be invited to become members of the organisation. The meeting also established an @tco technical committee which will become operational on 1 June 2011.

@tco was established as a non-profit-making organisation by founder members Reg Lee and Graham Wood in February 2011 to help foster the safe use of intermodal tank containers throughout the rapidly developing Asian market. The Organisation's activities are guided by the @tco board of directors, with senior officers from among the leading tank container companies worldwide.

"Our intention from the outset was to limit membership to a number of leading companies whom we believe can help our new organisation to develop the use of tank containers in a safe and efficient manner to meet the needs of shippers in the fast-growing Asian market," stated Reg Lee, @tco president. "Our board has now identified these companies and they are being invited to join @tco."

The @tco membership will be comprised of a single division but members' needs will be serviced by the board of directors who, through their current roles, represent the full range of tank container disciplines, from operating and leasing to manufacturing, survey and inspection. The board of directors and their company affiliations are set out in the table below.

The board of directors consists of: Reg Lee, president; Graham Wood, Davlis

Ltd; Mike Kramer, Stolt Tank Containers; Li Jun, Sinochem; Jeremy Bergbaum, Exsif/Haite; Mike Broadhurst, Transamerica Leasing; Leo Yang, CIMC; Elton Liu, Fort Vale; Jim Silver, Silver/CIMS; Professor B Song, Shanghai Maritime University, @tco Special Advisor.

@tco has established links with the Association of International Chemical Manufacturers (AICM) and the European Union Chamber of Commerce in China (EUCCC), two Chinese organisations representing a wide range of chemical company customers and end users of tank containers. Both associations have agreed to make presentations to their memberships on the safe use of tank containers and the role that @tco can play in Asia in achieving this goal.

@tco is also in contact with the Chinese government departments responsible for road, rail and inland shipping. In addition, Professor B Song, a logistics expert from Shanghai Maritime University, has been appointed to the @tco board. He will act as a special advisor as well as a facilitator in meetings with government and industry contacts.

• Before the Transport Logistic event, Reg Lee was presented with a carriage clock as an appreciation of his work for ITCO. Lee served unpaid as president of the organisation for seven years, during which time membership grew by over 50 percent.

Under Lee, ITCO made great progress in raising the profile of the global tank container industry and undertook many important initiatives which achieved common standards, as well as promoting the safe handling of tank containers worldwide.



Reg Lee (left) receives the carriage clock in recognition of his work as president of ITCO over seven years from ITCO secretary Patrick Hicks



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# Pirkl Gas turns valve upgrade into opportunity

With the National Fire Protection Association's (NFPA) Section 58 safety regulation coming into effect 1 July 2011, Owatonna, Minnesota-based Pirkl Gas, knew that an upgrade to its propane facility was going to be in order. The new regulation dramatically alters the types of equipment that can legally be used in propane-gas systems, requiring all bulk-storage tanks with a volume of more than 4,000 gallons of water capacity to have their storage tanks fitted with either internal valves or an emergency shutoff valve. With this in mind, Pirkl Gas realised that if it was required to upgrade the valves on its tanks, why not just install new pumps and motors, or even add new tanks, as well?

With the NFPA regulation deadline looming, Pirkl turned to LPG & NH3 Supply, Inc., of Buffalo, Minn., which has been supplying equipment and services to the propane and anhydrous ammonia markets since 1976, for the design and installation of the equipment that would help modernise the Pirkl Gas bulk plant.

Since the facility has a tendency to flood, the first order of business was raising the tanks off the ground and placing them on piers, before installing two new storage tanks. In order to increase the speed of the bobtail-

loading process, three pumps were included in the system to raise the loading capacity. Together, the three pumps have the capability of pumping 525 gpm, and lowered Pirkl's overall loading times from 40 minutes down to 13 minutes on its 5,000 gallon trucks. This also means that Pirkl gas can now turn over its product three times faster than it had been able to in the past, increasing the amount of propane it can sell in a shorter period of time.

To ensure that the new loading areas would function at maximum efficiency, LPG & NH3 Supply specified Blackmer 3ins LGL sliding vane pumps be installed. As a Blackmer distributor, LPG & NH3 Supply like the features of the LGL Series pumps such as their cavitation suppression liners that reduce noise, vibration and wear; replaceable casing liners and end discs; ductile-iron construction with internal relief valves; self-priming and dry-run capabilities; and vanes that can be replaced without removing the pump from the piping system.

"The Blackmer pumps have been a tremendous improvement to our bulk plant. They are reliable, very quiet and, thanks to their efficiency, have improved our load times dramatically," says Pirkl.



The result is a modernised-bulk plant with fast, efficient, cost-effective operation. Three Blackmer LGL 3ins pumps with 15hp motors and enhanced RPMs were installed. An outside firm was used to add more openings on the tanks so there's now a high-speed loading bulkhead off the

tail of two tanks with two 3ins loading lines and one vapour line. On the other end of the tanks is a lower speed bulkhead with one 3ins loading line and one 3ins Blackmer pump with a 15hp motor. The pumps on both ends are geared to pump 175 gpm, with the two pumps running in tandem at one

end capable of producing 350 gpm of loading capacity combined at that end.

In addition to the LGL stationary pumps, Pirkl Gas specifies TLGLF3 pumps on its rolling fleet because they provide the capacity that is needed and constant flow rates. They can also be used in tandem with Blackmer's 2ins external bypass valve, which increases their reliability and dependability. Pirkl's entire fleet has been built by Arrow Tank and Engineering, of Minneapolis, MN, a Blackmer OEM and distributor since 1957.

"We always look to partner with companies that have the same values and drive that we have," said Pirkl. "The proof that our relationships with LPG, Arrow and Blackmer are paying dividends can be found in the success of our recent plant upgrades, as well as the reliability of our delivery fleet. These are relationships that we can also build on into the future."

A video of the Pirkl installation has been created that can be viewed on Blackmer's YouTube channel ([www.youtube.com/user/BlackmerGlobal](http://www.youtube.com/user/BlackmerGlobal)).



Greg Pirkl activates the shutoff valves at the recently upgraded bulk plant

## Blackmer adds to pump line

Blackmer has added a new unit to its line of displacement sliding vane transport pumps. The STX1220A Transport Pump is designed for use in low-viscosity chemical-handling applications. It is a 316 stainless-steel pump that features PTFE mechanical seals compatible with corrosive chemicals.

What separates the STX1220A from other members of Blackmer's STX line is its capability to operate effectively and efficiently at lower flow rates from 42 gpm (159 lpm) to 92 gpm (348 lpm), which is a major consideration for many end-users who specialise in low-viscosity chemical handling.

Other key features of the STX1220A Transport Pump are: pushrod-free design that allows higher pump speeds from 700 to 1,200 rpm; maximum viscosities of 100 SSU (22 cSt); PTFE elastomers; 90 degs porting with weld flanges; dimensional interchangeability with Blackmer TXD2 and TXD1220 pump models; foot-mounting; standard duravanes; ball-bearing construction with PTFE

chemical mechanical seals; chrome oxide-coated stainless-steel heads; internal adjustable relief valve; three

drain ports to allow draining in any mounting position.

[www.blackmer.com](http://www.blackmer.com)



## True partnership with Tuesday's Children

Girard Equipment, USA announced its partnership with Tuesday's Children and Trans-Tech at the 2011 Atlantic Region Energy Expo (AREE) Convention. Teamed with Tuesday's

Children, Girard displayed its 9/11 Tribute Truck on an exhibition stand sponsored by Trans-Tech.

The Tuesday's Children Organization has made a long-term commitment to

help those who were directly affected by the events of 11 September 2001, as well as others impacted by global terrorism. The organisation has partnered with recognised leaders in the fields of child development and family advocacy to develop a platform of programmes designed to address the ongoing needs of thousands of children coping with this tragedy.

The exhibition stand sponsor, Trans-Tech Industries, was incorporated in Maine in 1984. With the main goal of designing stronger, more reliable tanks, Trans-Tech has become a premier tank supplier in the industry. Based in Brewer, Maine and now 17 years old, Trans-Tech boasts tanks "As Rugged as the Maine Coast."

The AREE Convention ran from 3-5 May. The convention was hosted at the Atlantic City Convention Center in Atlantic City, NJ.

[www.girardequip.com](http://www.girardequip.com)  
[www.tuesdayschildren.org](http://www.tuesdayschildren.org)  
[www.transtechtanks.com](http://www.transtechtanks.com)



Pictured at the AREE Convention (l-r): Joanna Polo, Timothy Girard, Ken Peters (Trans-Tech), Jody Sause, John Girard, Craig Marturano, Bob Cascone (Peterbilt)

## CPD forms alliance with Williams

CPD Limited, a British technology solutions company for the storage terminal industry, has entered into a strategic alliance with industrial fire fighting company Williams Fire & Hazard Control.

This transatlantic alliance will see both companies working together, creating a combination of software development and over 30 years industrial fire fighting experience.

Clients will be offered a 'total care package'. In the first instance, emergency management software iResponse can help 'manage the risk', improving emergency pre-planning, training, as well as aiding emergency response situations. The total care package also includes support services from Williams' experienced personnel, strategic incident command support, equipment hardware & fire fighting chemicals and global onscene response.

Ross Coulman, president & CEO of CPD said: "Williams Fire & Hazard Control are the best in their field and we are honoured to be working with them. Williams has over thirty years' experience of industrial fire fighting

and their endorsement of iResponse is very important to us. Both parties realise that by working together, we can offer clients the ultimate emergency management service."

Even Duncan, of Williams Fire & Hazard Control, added: "During major industrial fires, having the right information and data at the right place at the right time is critical to effective incident management, the iResponse system compliments our total care package allowing the customer peace of mind that should a situation develop on site, we can offer both the remote technical guidance and the personnel, equipment and fire fighting chemicals to successfully deal with the situation globally on site. By working with the customer we can pre-plan for any credible scenario whereby we can offer technical expertise based on a combination of many years of practical fire ground exposure. The iResponse system adds value to our commitment in managing the risk successfully and safely."

[www.cpd-limited.com](http://www.cpd-limited.com)  
[www.williamsfire.com](http://www.williamsfire.com)

## New break away couplings

A new range of safety break away couplings, offering "exceptional standards" of user protection by eliminating human error at the point of transfer, has just been unveiled at the ILTA event in Houston.

Developed by TODO, which manufactures Dry-Break couplings, they are designed to eliminate spillage and damage associated with drive and pull away incidents at the point of delivery.

Engineered to provide increased levels of flow capacity the new Safety Break-Away couplings are available in sizes from 2ins to 4ins, in stainless steel or aluminium and also available with a range of elastomers.

The couplings work by using an

advanced double valve design. They will immediately react if the hose or the loading arm is subject to an excessive load by closing both valves automatically and then permitting disconnection in total safety and without spillage of potentially hazardous liquids. They can operate independently of other safety systems without an external power source and are easy to reset on site by just one person.

Suitable for a wide range of applications including tank trucks and rail tankers the new couplings are marketed by Emco Wheaton USA, Inc. and Emco Wheaton Corp, Canada.

[www.emcowheaton.com](http://www.emcowheaton.com)



## L&J Engineering announces evo 2600 radar gauge

L&J Engineering has released the evo 2600 Radar Gauge. The gauge is a part of L&J's new Evolution Series of Radar Level Gauges. Compact in nature, the evo 2600 Radar Gauge is an easy to handle, highly reliable radar gauge that can be used in a wide variety of applications. Using L&J's latest and most technologically advanced radar technology, the evo 2600 uses FMCW (frequency modulated continuous wave) technology operating in the 26GHz frequency band to ensure that it delivers high quality precision with  $\pm 3\text{mm}$  standard accuracy.

One of the features of the evo 2600 is the new e.WAVE graphical LCD display. The e.WAVE display provides a vast array of detailed information for the user including level, temperature, discrete status, and a magnitude of diagnostics. In the case of special applications or circumstances, the e.WAVE display provides a graphical profile of the tank to ensure there are no unforeseen obstructions or intrusions in level gauging applications. The e.WAVE allows user to fine tune the radar unit to cancel out disturbances in the tank. All programmed and processed information can also be displayed on the radar's e.WAVE display.

"The evo 2600 Radar Gauge is another example of how L&J Engineering continues to evolve its product offerings with new features

and benefits not found in other products," product manager Jim Jannotta said. "The evo 2600 is designed to be user friendly as well as to ensure maximum reliability in a

wide variety of level gauging applications."

The evo 2600 uses L&J's e.CAL Intuitive Setup Wizard to assure setup of the radar gauge in minutes without violating explosion proof environments. As with all the L&J's state of the art level gauging solutions, the evo 2600 is configured via infrared technology by using the MCG 2150 Handheld Infrared Calibrator. There is also an optional ground level display unit which allows users to program and setup the radar gauge at ground level without having to climb the tank. By configuring the radar with the handheld infrared calibrator, there is no need to violate the explosion proof environment by removing the cover.

The evo 2600 is designed, tested and manufactured in the USA. With communication options, the evo 2600 has the ability to support a variety of digital protocols and analogue outputs which ensures compatibility and installation flexibility.

The evo 2600 Radar Gauge can be used in a number of applications including powder and bulk solids, petroleum, chemical, petrochemical, pharmaceutical, paraffin, molten sulphur, phosgene, latex, polyethylene, limestone rock, liquefied gases, etc. Some antenna options for the evo 2600 include conical horn antenna, a planar antenna, and a parabolic antenna.

[www.ljtechnologies.com](http://www.ljtechnologies.com)



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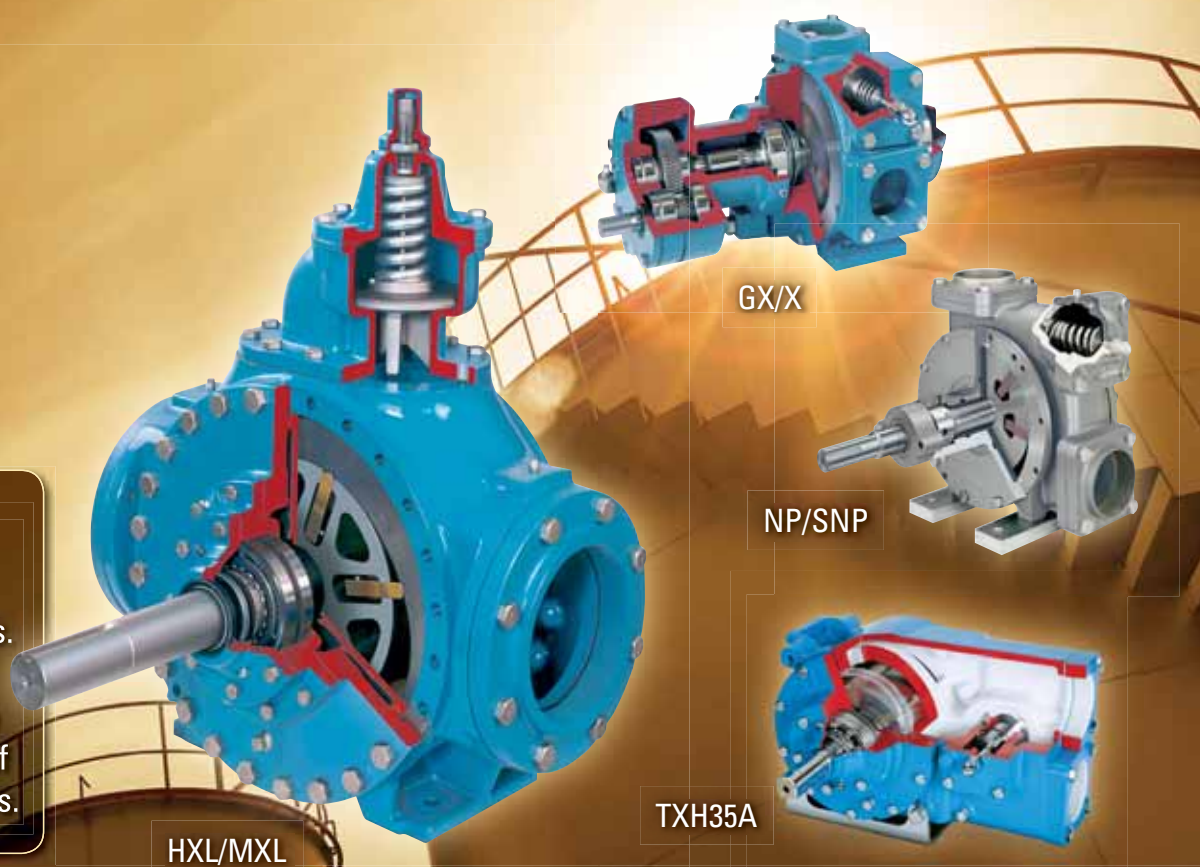
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### Sliding Vane Pumps in Transfer Operations

Blackmer is the global leader in transfer, transloading and blending solutions for various chemicals and liquids. Designed to run dry for short periods and perform self-priming and line-stripping duties, Blackmer sliding vane pumps are highly energy-efficient and eliminate many of the maintenance concerns inherent in other pump styles.



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# Fort Vale goes above the norm

Product safety, performance and reliability are paramount to its range of products, says leading manufacturer Fort Vale. These core principals are reflected in every step of the company's design and production process, which is why it has taken a thorough approach to the testing of its range of valves to satisfy the EN Norms to ADR regulations Ch.6.8.

Rather than to apply for approval on a generic range of valves, Fort Vale has separately tested and applied for the approval of each valve configuration that has a significantly different geometry or construction method, for example a cast rather than fabricated body or a different shear groove location.

However, Fort Vale has gone above and beyond the test parameters of the EN Norm requirements, in particular with primary closure valves (footvalves).

Fort Vale's design & development director, David Bailey explains: "While the EN Norm test requirements cater for the rigours of operation on a road tanker, some of the valves covered by the testing are used on tank containers where dual approval may be required. Rather than testing our valves only to meet the minimum EN Norm requirements, we have also subjected our footvalves to a bottom impact test. We designed a rig to replicate the action of a tank container being lowered onto an uneven surface and rupturing the footvalve from underneath. In our experience, this is the most common type of impact damage caused to a footvalve on an ISO tank container. Our footvalve shear grooves break safely in 'real world' applications, leaving the closure poppet liquid-tight, so our customers can be confident that they are buying the best possible protection for their cargo in road tankers and ISO tank containers."

Testing and proving the performance and integrity of valves, both for existing and new designs, is part of the production and development strategy of the company. Fort Vale customers can view the new test facility at the company's headquarters, a number of whom have already visited. Over 200 Fort Vale valves

and manways have already been approved by Lloyd's Register. Plans are in motion to continue with at least another hundred products.

Already approved to BS EN 14432:2006 are a number of airline ball valves and butterfly valves and secondary (discharge) ball valves and butterfly valves, including the Tankpro and Unifly road tanker models. A range of 300mm inspection hatch assemblies and 500mm manlid assemblies to suit 3 and 4 Bar MAWP have been approved to BS EN14025:2008. Footvalves compliant with BS EN14433:2006 include 3ins 30deg and 45deg Highlifts, 3ins and 4ins 45deg Cleanflows (both manually and pneumatically actuated), 3ins and 4ins 90deg Cleanflows and 3ins 105deg Cleanflows. The combination footvalve/butterfly valves such as the Univalve and Uniflow qualify for dual approval to EN14433 and EN14432.

[www.fortvale.com](http://www.fortvale.com) Dual EN approved Uniflow combination valve



## Cable reel grounding option

Newson Gale has introduced a self-retracting cable reel option for its range of hazardous area static grounding systems. The VESM02 is claimed to provide a rugged and versatile alternative to spiral (retractable) cable for the Earth-Rite range of systems, which are typically used to ground road tanker trucks, railcars, mobile tanks, IBCs, drums and other conductive plant items especially in outdoor locations where the cable may be exposed to rough treatment when not in use.

The VESM02 reel has been assessed and approved in accordance with European ATEX requirements for installation in Zone 1 (flammable gas/vapour) and 21 (combustible powder/dust), when connected to any Earth-Rite Grounding System with certified Intrinsically Safe monitoring circuit output. The unit is also suitable for use in conjunction with Earth-Rite systems with certified Intrinsically Safe monitoring circuit outputs according to North American NEC Class/Division approvals.

The VESM02 has a durable lightweight, all-steel housing with powder coated finish, suitable for use outdoors or indoors (NEMA 4 / IP 56 environmental / ingress protection). The reel is fitted with 50ft / 15.2m of Cen-Stat(tm) Static Dissipative Hytel protected cable with adjustable ball-stop which is held under constant tension via a spring/auto-locking ratchet device, and also comes pre-terminated with a 10ft / 3m length of two-conductor connection cable, making it simple to wire in to the Earth-Rite Grounding System, irrespective of local wiring preferences (flexible cable or conduit).

The precision slip-ring assembly has a special 'ultra-low-resistance' design making it suitable for monitoring extremely low earthing and bonding resistance values, which should be maintained at less than 10 Ohms as recommended by all major international static

control technical standards and industry guidelines.

The VESM02 may be specified with Newson Gale's ATEX and FM approved 2-Pole grounding clamps – for example the VESX90-IP Universal Heavy-Duty Clamp with Tungsten Carbide Contact Points which is commonly used for Road Tanker Trucks, Railcars and Mobile Tanks. Useful options include a Pivot Swivel Mounting Base which allows for up to 345 Degree Reel Rotation in areas where the reel must have a wide angle of use. The VESM02 forms part of the Earth-Rite range of static grounding and bonding equipment available from Newson Gale.

[www.newson-gale.co.uk](http://www.newson-gale.co.uk)



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# Rail wagons roll back into life

The rail tank wagon business in both North America and Europe seems to be on the up, but it remains difficult to spot any steady trends.

In the USA, the Association of American Railroads (AAR) reported that April's chemical carloads results was the 18th straight monthly increase. Nevertheless, wagon leasing companies still show a mixed bag of results.

Chicago-based tank wagon lessor GATX Corporation reported first quarter profit of US\$19.9 million, compared with \$18.7 million in the first quarter of 2010, although the results include positive after-tax fair-value adjustments of \$6.4 million related to certain interest rate swaps at GATX's European rail affiliate, AAE Cargo, while the 2010 first quarter figures included negative adjustments of \$0.8 million related to the AAE interest rate swaps.

However, Brian A Kenney, president and CEO of GATX, stated: "As we expected entering 2011, rail market conditions continued to improve. In North America, fleet utilisation increased to 97.8 percent, compared to 97.4 percent in the prior quarter. As the number of idle railcars in the industry continues to decline, our commercial team is focused on improving lease rates. These efforts are reflected in GATX's lease price index (LPI), which improved to -0.5 percent during the quarter. In March, we also ordered 12,500 new railcars that will be delivered over a five-year period. Coupled with the sizeable existing railcar investments made in the past two years, this order enables us to serve our customers with attractively priced, high quality railcars."

Rail segment profit was \$51.6 million, compared with \$49.3 million in the first quarter of 2010. At 31 March, rail's wholly-owned North American fleet totalled approximately 110,000 cars, and fleet utilisation was 97.8 percent compared to 97.4 percent at year end and 96 percent at 31 March 2010. The market showed signs of tightening as car loadings continued to improve and idle railcar capacity in the industry continued to decline significantly. GATX's LPI was -0.5% in the first quarter, compared to -14 percent in the fourth quarter of 2010 and -15.2 percent in the prior year period. Average lease renewal term for cars in the LPI was 41 months compared to 36 months in the 2010 fourth quarter and 31 months in the prior year period.

In Europe, the wholly-owned tank car fleet totalled some 21,000 cars and utilisation was 95.8 percent compared to 95.7 percent at year end and 94.4 percent at 31 March 2010.

Europe is also proving a fruitful territory for expansion for GATX. GATX Rail Europe announced in April that it is entering the Turkish market. The equipment leasing company is deploying newly-manufactured 95cbm rail tank wagons, designed to carry a variety of petroleum products.

The units are being manufactured for GATX in Turkey by RAIL Tur, based in Kayseri. However, GATX is leasing the

wagons to BP Turkey who will use them to move refined products on the Turkish Railways network (TCDD). GATX has arranged for TRANSTUR in Kayseri to provide management of the rail wagons' logistics operations.

Earlier this year GATX entered into an agreement to purchase 12,500 newly built railcars for the North American market to be delivered over a five year period. The order encompasses a mix of tank and freight cars that will be manufactured by subsidiaries of Trinity Industries, Inc.

Kenney added said: "Coupled with our extensive activity in acquiring railcars in the secondary market and consistent placement of spot orders for newly built railcars, this order enhances our ability to serve our customers and continue growing our North American fleet."

## VTG goes shopping in Italy

Back in Europe, Hamburg-based rail logistics giant VTG has taken over the vehicle fleet of some 300 wagons of Italian competitor Sogerent, a transaction company of Sogetank. By doing so, VTG says it is continuing its course of growth and expanding its market position in Italy. The two agreed not to disclose the purchase price.

"The acquisition of the business from Sogerent clearly shows that we are pursuing a path as market consolidator and using the opportunities to make purchases of various sizes to strengthen our business. Furthermore we have trust in the Italian market and see potential for the future throughout the whole region," commented Dr Heiko Fischer, CEO of VTG AG.

Besides several freight wagons, the acquisition mainly involves rail tank cars for mineral oils, chemical products and compressed gases, which are hired in Italy, Switzerland and Eastern Europe. The Sogerent business will be completely integrated into VTG Italy in Milan.

VTG performed well in all divisions in the first quarter of 2011. Revenue increased by 20.4 percent, from €154.8 million to €186.4 million. Operating profit (EBITDA) increased by 10.5 percent, from €37.3 million to €41.2 million.

"We have succeeded in getting the year off to a good start, increasing business in all our divisions and continuing with the clear upward trend of 2010," said Fischer. "Moreover, the new financing structure finalised in early May gives us the opportunity to implement new projects for growth."

VTG continued growth in the wagon hire division in the first quarter of 2011. The purchase of Sogerent increased capacity utilisation as well as orders for the construction of new wagons.

Orders for newly built wagons rose from approximately 300 at the end of 2010 to nearly 1,000 by the end of March 2011. These orders were primarily for wagons transporting

mineral oil, chemical products and compressed gas and are being built both at VTG's own manufacturing plant Graaff and by other European providers.

Revenue in the wagon hire division fell in the first three months by 4.4 percent, to €70.7 million (Q1 2010: €74.0 million). This drop was due to a major contract awarded to the manufacturing plant Graaff in 2009, and the positive impact of this on the VTG Group's external revenue continued into the first quarter of 2010. By contrast, EBITDA rose by 5.5 percent, from €35.9 million to €37.9 million. The EBITDA margin related to revenue equalled 53.6 percent, up on the previous year's figure (48.6 percent).

Overall, wagon hire reported continued, broad-based demand at a high level for the first quarter. Capacity utilisation rose again, continuing with its upward trend for the fourth consecutive quarter. As of 31 March 2011, it had reached 90.1 percent (Q1 2010: 87 percent).

In the rail logistics division, demand for transport services remained high, so high that group conceded it could not always meet all customer demands. Revenue in rail logistics rose in the first quarter of 2011 by 54 percent to 77 million (Q1 2010: 50 million). EBITDA stood at €3.3 million, a rise of 61.4 percent on the previous year's figure (€2 million). The EBITDA margin on gross profit increased from 50 percent to 50.2 percent.

The results of the rail logistics division were primarily due to the acquisition of the rail logistics company TMF in 2010 and the number of entities to be consolidated. The increase in cross-border transport to and from eastern and south-eastern Europe was also positive. The expanded operations in rail logistics meant that numbers of qualified staff is being increased at the company's Hamburg headquarters.

The good results seen in the first quarter confirm the forecast for the year said the VTG board. VTG expects a fundamentally positive trend in capacity utilisation in the wagon hire division as well as continued growth in rail logistics and tank container logistics. Based on these trends, the executive board expects to achieve revenue of €720-760 million and EBITDA of €165-170 million in the financial year 2011.

At Transport Logistic VTG's wagon hire division presented its new gas tank wagon 'Volume112' for the first time. The new tank has an increased potential load volume from 110-112cbm without increasing the overall length of 18m from buffer to buffer.

Another innovation was the prototype class Facnps freight wagon. This wagon has two special features: the goods can be unloaded central to the track line, and not just to the right or left; and with a load capacity of 48cbm and a length of 12.5m, it is very short. This means that more wagons can be integrated into the block train, and larger loads transported correspondingly.

## Wascosa unveils 'safe' tank car

The first series of 80 Wascosa 'Safe Tank Cars' was recently delivered and is being used for transporting sulphur dioxide. The safety and labour protection package that was developed together with customers, freight car and component manufacturers, experts for crash and simulation technology and not least the German Federal Railway Office has been in use since the summer of 2010.

The safety concept for the car covers all requirements related to the transport of hazardous substances by rail and



VTG displayed its new gas tank wagon 'Volume112' at Transport Logistic

extends to transporting chlorine by rail, where the design at the same time defines a new standard.

"With its various safety elements and optimised brake platforms at both ends of the car, it epitomises the hazardous substances tank of the future," claimed Philipp Mueller, CEO of Wascosa.

A customer invited tenders for a fully equipped chlorine car that would offer much more in the field of safety than other cars that had previously been available on the market. "A comprehensive safety concept was drawn up for the hazardous substances tank car together with various partners. A completely new rollover protection (patent pending) was developed, for example," explained Irmhild Saabel, project manager for the Safe Tank Cars and member of the management committee of Wascosa.

A further safety element that has its origins in locomotive construction is the EST Suprabuffer G2. The strength and deformation behaviour of this buffer have been optimised on the basis of the latest findings to protect the car

with a reinforced undercarriage far beyond the level required by RID. The car is equipped with two mechanical derailing detectors to prevent any serious damage in the event of derailing.

In addition, the car has four ride-up protection modules which prevent the buffers of one car riding up over the buffers of the neighbouring car in the event of an accident. This protection for the first time meets the RID special regulation TE25 section (a) which requires that not only should the bottom of the tank be protected against penetration by riding-up opposite buffers but also that riding up be prevented in the initial phases.

An optimised brake platform with a continuous, unrestricted passage width and additional handrails on the side ladders contributes to more safety at work. Whereas new constructions up to now only had a brake platform at one end of the car, the Safe Tank Car gives personnel a safe chance to cross from one side to the next at both ends of the car.



GATX enters the Turkish market



Wascosa's safe tank car was also in Munich



# Japan retains allegiance to PVC-type big bags

Whilst in Europe and North America PVC-type heavy-duty big bags account for a very small and diminishing share of the overall market for bulk bags, in Japan the situation is entirely different. Here the FIBC market continues to be led by Taiyo Kogyo Corporation, the country's foremost producer of heavy-duty type big bags made of PVC, EVA and CR tarpaulins that are widely used by companies with a requirement for semi-bulk transport of powdered and granular products. The company retains almost half of the domestic market share and has been producing this type of bag in its own factory for over 40 years.



Heavy-duty Taiyo Kogyo baffle bags

Because of the much longer service life of the PVC type of bulk bag, Japanese companies that want to reduce packaging costs as well as waste volumes tend to prefer this type of product rather than traditional woven-PP FIBCs. Especially in instances where a closed-loop pattern of distribution is adopted, it can prove both safer and more economical to employ heavy-duty, multi-trip big bags rather than single-trip or limited-trip woven-PP equivalents. This longevity also brings with it major environmental advantages in terms of reduced packaging waste. Taiyo Kogyo reports that most of its PVC-type big bags are used by customers for more than 10 years. Thanks to their welded construction these bags are also waterproof and can offer total protection from the weather or moisture ingress without need for an inner liner. Unlike woven-PP FIBCs they can if necessary also be safely patched and repaired.

Taiyo Group, which operates six maintenance plants located around the country (in Ibaraki, Aichi, Osaka, Okayama, Fukuoka and at two locations in Chiba), is in a position to provide overall support for its customers'

complete nationwide FIBC requirements, including collection, washing and repair of used bags.

As market leader, the company was the first FIBC producer in Japan to hold a seminar for electrostatic safety of FIBCs under the direction of the Technology Institution of Industrial Safety (TIIS) when IEC standards were issued in 2005. Since then, it has given several seminars to local FIBC users encouraging the safe handling and selection of the most appropriate bulk bag for a specific task in full compliance with the Japanese standard for FIBCs (JIS Z1651) revised in 2008, which is equivalent to ISO 21898.

Taiyo Kogyo offers various types of heavy-duty FIBCs to fulfil different customer needs, including baffled, electro-conductive (Type C), and heat-resistant FIBCs. It has recently developed rat-proof and anti-microbial FIBCs for food and animal feed industries.

The heavy-duty FIBC market in Japan had in recent years remained stable with an annual production of 400,000 units; however, the economic depression in 2008 had a significant adverse effect, causing national production to fall in

2009 by over 40%.

The recovery started in early 2010, and rapidly returned to 85% of the earlier market size before the depression. The recovery looked set to continue during the early months of 2011, but the recent earthquake in north-eastern Japan has almost certainly had a negative effect on the market.

What is less well known is that Taiyo Kogyo is also one of the leading distributors of conventional woven polypropylene FIBCs in Japan.

In the immediate aftermath of the earthquake there was an urgent national shortage of PP-type FIBCs. However, thanks to considerable cooperation from its overseas manufacturing partners, Taiyo Kogyo was able to maintain a regular supply of FIBCs to those industries which were worst affected."

[www.taiyokogyo.com](http://www.taiyokogyo.com)

# Structure-flex sells woven-PP FIBC division

Earlier this spring Structure-flex of Melton Constable, Norfolk, UK, sold its woven polypropylene FIBC division to Cliffe Packaging based in Stoke-on-Trent. Structure-flex's managing director Ian Doughty explained that the sale was a strategic move to allow his company to focus on further growth in other divisions of its business centred around products manufactured from heavy-duty reinforced PVC-coated fabrics. He said: "We will now be concentrating on the design and supply of reusable bulk containers for demanding applications and an increasingly diverse range of customer

led specialist products. We will also continue to supply commercial vehicle curtains, vehicle graphics, as well as outdoor and indoor signage and point-of-sale materials."

Cliffe Packaging is one of the UK's leading producers and suppliers of flexible packaging materials and the acquisition enhances its already extensive portfolio of products which include single-trip disposable and multi-trip reusable woven-PP FIBCs, stretch film, sacks and pallet covers. Managing director David Dawber, himself a previous Structure-flex employee from the 1990s, commented: "Over the past 12 years we have built a business with an enviable reputation for the provision of first class products, accompanied by an extremely high level of customer service. Structure-flex has a similar reputation and we believe the acquisition of its polypropylene FIBC product range provides our business with a springboard for significant global expansion."

At any given time Cliffe Packaging has over £1 million-worth of finished goods stocked in its UK warehouse. As well as enabling the company to provide a just-in-time delivery service demanded by many of its customers, this stock also enables it to satisfy instant supply opportunities from companies which have, more often than not, been let down by their traditional suppliers.

[www.cliffeindustrial.com](http://www.cliffeindustrial.com)



Cliffe Packaging managing director David Dawber (right) with Structure-flex's Ian Doughty

# Starlinger equips UAC's new Jeddah FIBC plant

Austria-based Starlinger has won a contract to supply production machinery for a new state-of-the-art FIBC manufacturing plant which has been set up by United Accredited Company (UAC) in Jeddah, Saudi Arabia. The new venture is expected to create employment for over 300 people and in its initial phase will have production capacity of more than 1000t/month (PP and PE). The company's strategy will be to continuously increase production capacity during its first year of operation, thereafter starting up production facilities in other countries. Equipment supplied by Starlinger



Tapes running over godets on a Starlinger starEX tape extrusion line of the type delivered to the new UAC plant in Jeddah

includes a tape extrusion line, winders, heavy-duty and standard circular looms, and a printing line. The plant, which

has already started production, will provide other types of flexible packaging apart from FIBCs such as dry bulk container liners, flexitanks and small size bags. UAC has also purchased from Starlinger an FIBC test rig for use in its own test laboratory to check the quality of the fabric and the converted bulk bags. In-house waste will be recycled on a recycling line also supplied by the Austrian manufacturer.

UAC is a subsidiary of Alamoudi Group (MIDROC) which was established in the 1980s and currently operates more than 40 enterprises within different sectors of industry.

[www.starlinger.com](http://www.starlinger.com)

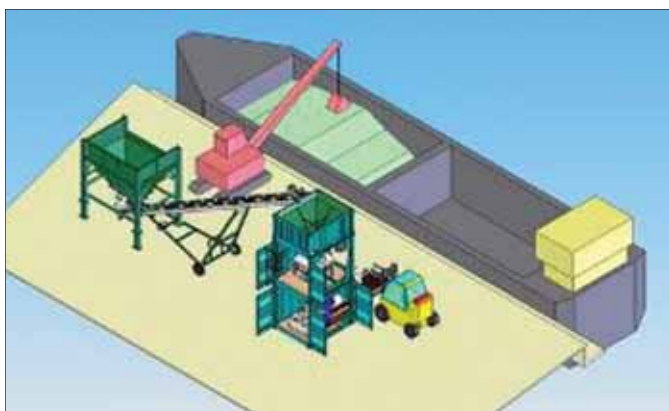


Taiyo Kogyo's main factory

# Victam prize given to portable bulk bag loading system

In early May European Machine Trading, of 't Zand, the Netherlands, won a bronze award at the Victam trade fair in Cologne, Germany, for its novel, demountable bulk bag filling rig. Working on the principle that the machine comes to the product that needs to be bagged, rather than vice versa, the system provides significant savings in transport and handling costs with reduced risk of damage to the product being bagged. Filling rates of around 70t/h are possible, allowing 140 FIBCs of 500-600kg capacity or 70 FIBCs of 1000-1500kg capacity to be handled per hour. The entire filling line is integrated into just three 10ft containers and the system can be operated by one person. It can be quickly set up and relocated by a forklift truck which is also used to remove the filled bags.

[www.e-m-t.nl](http://www.e-m-t.nl)



European Machine Trading's portable FIBC filling rig

isbir means "BigBag" in all languages...



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# Chronos BTH to supply eight flour bagging lines to Australasia

Netherlands-based bagging equipment manufacturer Chronos-BTH announced in May that it had won a major order to deliver a total of eight CHRONO-BAG™ OML BF Series open-mouth bagging lines to Australasian milling specialist Weston Milling. The contract, valued at over six million euros, includes palletisers and stretch hooders.

Following extensive trials and a two-year technical collaboration, the first two bagging lines are now factory accepted and ready for shipping to Weston's flour mills in Sydney, Australia, and Auckland, New Zealand. These first two installations represent the first part of a major upgrade programme for Weston involving its five mills in Australia and three in New Zealand. The Weston project incorporates a combination of OML-1030 BF single spout lines, OML-2060 BF dual spout lines and OML-3090 BF triple spout lines.

Weston Milling is one of the oldest and largest cereal processors in New Zealand and Australia, with a milling heritage dating back over 100 years. The company is committed to retaining



Chronos BTH OML-1030 BF single spout bagging system; dual spout and triple spout versions are also being supplied to Weston Milling



Novel dust-free bottom-up filling technology

its reputation for being the leading cereal conversion business in Australasia by fulfilling customers' needs through the supply of reliable, high quality products and services.

As a result Weston Milling has exceptionally high expectations from its milling plant equipment and this investment with Chronos BTH is the first major change in bag packaging equipment at the mills since the mid-1980s.

Divisional engineering manager Craig Gough is clear on his company's philosophy: "We certainly don't make decisions to upgrade our plants lightly and only expect to change-out critical equipment every 25 years or so. We have gone through a dedicated and

exhaustive decision process over the past two years to evaluate the best technical solution available on today's market. A critical blend of factors is reviewed in this decision process including reliability, performance, future proof capabilities and support, both local and remote. Technical merit is considered first and then cost. We are prepared to pay a premium for the best technical solution for Weston's requirements. Ultimately Chronos BTH were selected from a shortlist of four international companies. Chronos BTH personnel have been very professional in understanding our requirements and the extensive trials carried out at their plant in Holland were extremely successful."

The extensive project has gone beyond the bagging lines to encompass a complete redesign of Weston's bag styles and types. Joint collaboration has also seen the evolution of Chronos BTH's new and highly innovative BlockTop™ bag closing technique for flour and other food related industries.

Chronos BTH's sales director Robbert van den Biggelaar has worked closely with Weston personnel throughout the project and is extremely positive about the partnership. "This has been a challenging, yet highly rewarding two-way experience for our engineers and other team members. In parallel Paul Woosley and his team from our exclusive agent in the region, Australian Prime Fibre Pty Ltd (APF), have played a pivotal role throughout the project. We are delighted to have met or exceeded all Weston's criteria and their input to the project has been invaluable. Their decision process and strategy dovetail



BlockTop bag closing technique

perfectly with our philosophy of ensuring we design and develop the world's most technically advanced, high-reliability bag packaging equipment. It is very reassuring and encouraging to be working with a company which recognises the importance of technical endeavour and expertise."

The OML BF bagging system features highly effective, dust-free 'bottom-up' filling techniques. Chronos BTH has pioneered developments in this type of filling for dusty powdered products such as flour and this proprietary technique ensures high accuracy, whilst also achieving important reductions in bag costs. For further details see March/April 2011 Bulk Distributor p30.

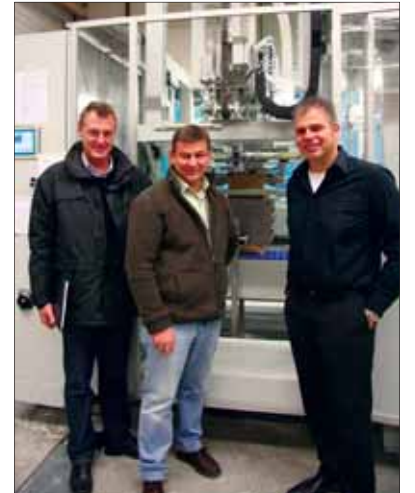
At the start of the filling process an empty bag is automatically placed on the filling spout, which houses a vertical dosing screw. The spout then moves progressively up the bag during the filling cycle. This controlled process, which maintains a minimum distance between the spout and the product in the bag, significantly minimises dust emission and reduces product aeration. The vertical screw is frequency/servo control driven, allowing all powdery

products to be filled hygienically, accurately and quickly.

Another key advantage of the OML BF product range is its cost effective, modular design, offering the capability of one, two or three filling heads per line with corresponding bagging speeds of 300, 600 or 900 bags/hour. Depending on customers' current and future requirements, lines can be built with redundant filling head frames allowing potential for highly cost effective future upgrades, if required.

The bagging lines form a critical part of the Weston operations and as Craig Gough concludes: "Our mills operate almost continuously throughout the year and therefore technical support is a very important part of the overall project."

[www.chronosbth.com](http://www.chronosbth.com)



Chronos BTH sales director Robbert van den Biggelaar (right) with Tim Howell and Craig Gough from Weston Milling

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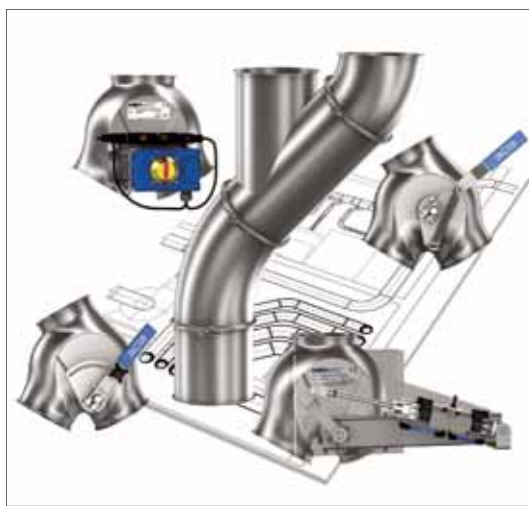
[www.caretex.dk](http://www.caretex.dk)

## Pipework specialist introduces sophisticated two-way valves

Jacob Söhne, Porta Westfalica, Germany, has brought out a series of two-way valves to complement its modular pipework systems which are widely used for dust extraction, air conditioning plants and pneumatic conveying. Design of the valves, which have set new market standards, incorporates in-house expertise in press-moulded half-shell production. The extended bulging shape, produced using precision tools developed by the manufacturer, has made it possible to construct an inlet collar that is large enough to prevent any reduction in cross-section. This also provides wear protection, particularly advantageous where sensitive products are being conveyed. The form is pressed flat from the sides, which allows the inner flap to close more effectively.

Other noteworthy features include accuracy of fit, greater leak tightness, wear-resistant design, together with straightforward disassembly and replacement of parts.

[www.jacob-rohre.de](http://www.jacob-rohre.de)



Jacob's new two-way valves

## New chief technical officer at Starlinger

Earlier this year Anton Huber was named CTO (chief technical officer) at Starlinger & Co GmbH, Vienna, Austria, and has now assumed full responsibility for the company's overall technical management. His role is to support the newly appointed management team – consisting of managing partner Angelika Huemer, sales director Herman Adrigan and chief financial officer Wolfgang Stidl – in the areas of engineering and production.



Starlinger's Anton Huber

"In Anton Huber we have found a new technical director with proven expertise in the field of plastics machinery. His know-how and experience will help us to further improve production structures and to expand our market advantage with strategic product initiatives and machine developments", stated company owner Angelika Huemer.

Huber, who holds a graduate engineering degree in plastics technology from Austria's Montanuniversität Leoben, has more than 30 years management experience. Starlinger, the world market leader in the

field of machinery and complete lines for woven plastic bag and FIBC production, enjoys an export quota of more than 99.5%. The establishment of branches in Chicago and Greenville (USA), New Delhi (India), Moscow (Russia), Surabaya (Indonesia), Peking and Taicang (China) as well as in Sao Paolo (Brazil) underlines the company's emphasis on customer-oriented service.

[www.starlinger.com](http://www.starlinger.com)

## Load cells for arduous applications



AXH and AXL single point load cells from Scaime

Scaime, Annemasse, France, has introduced the new AXL and AXH single point load cell series offering capacities of 15-75kg and 100-500kg, respectively. They are well suited for use in scales, checkweighers and dosing machines. Thanks to a new patented measuring principle they are said to offer an unrivalled combination of compactness, accuracy and environmental protection. Fabricated entirely of stainless steel with complete hermetic sealing, they are rated to IP69K protection level for continuous operation in harsh environments. As well as being suitable for high-pressure and high-temperature washdown regimes, they are also ATEX certified for use in hazardous environments. They are certified to OIML (International Organization of Legal Metrology) R60 for devices up to 3000 divisions and are especially suitable for applications in food, beverage, pharmaceutical and chemical sectors.

[www.scaime.com](http://www.scaime.com)

## Bag closing with PP tape – plus optional sewing

Stotec Binder, Gleisdorf, Austria, has unveiled a newly developed bag closing system for woven PP bags, whether with or without PE inner liner. With this new concept, after the bag top has been trimmed, woven PP tape is applied to provide reliable closure without the need for sewing. Where requested an optional sewing head can be included, resulting in bag top trimming, followed by bag stitching, followed by the tape overseal. This solution ensures secure, sift-proof bag closure and is expected to appeal especially to Asian customers handling dusty materials and food products, including pet foods.

[www.stotec-binder.com](http://www.stotec-binder.com)



Stotec Binder has developed a new bag closing system employing PP tape, with sewing additionally on offer if required

## Guided radar revolutionises interface measurement

The German branch of Endress+Hauser reports that the company is gradually implementing a new concept based on two-wire technology for measuring the parameters of flow and level. The new Levelflex FMP55 level probe is according to the Switzerland-based equipment manufacturer the first multi-parameter transmitter for interface measurement in the world. The distinctive feature of the device is that it combines two measuring principles: guided radar and capacitance.

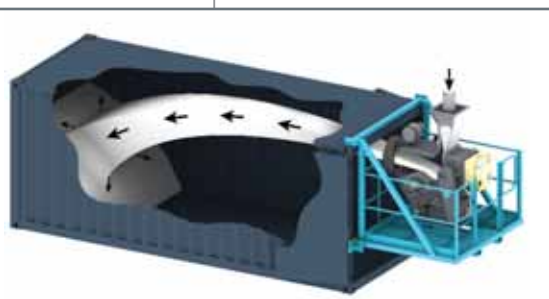
This device thus combines all of the advantages of the two previous measuring systems. The result is an exceptional degree of reliability in recording measured values for the interfaces which often occur in chemical and petrochemical processes. The device itself decides which measuring principle to use - guided radar for clear interfaces or capacitance where emulsion layers occur - without the need for additional settings by the operator.

[www.de.endress.com](http://www.de.endress.com)

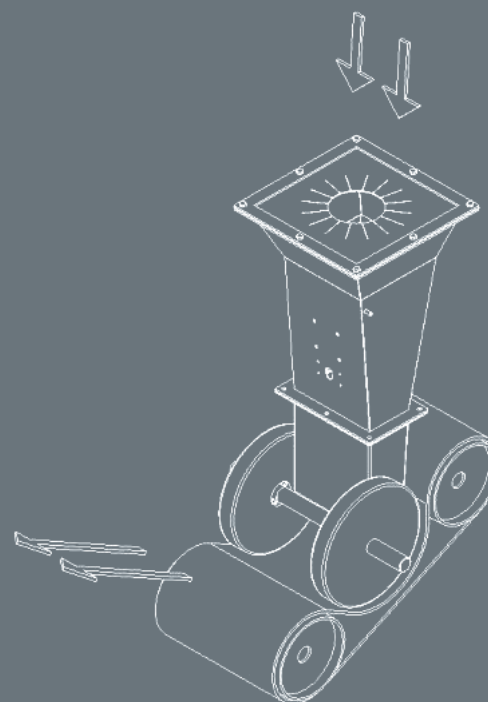


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we make processes work

Continued from p1

significantly improved by a mix of fewer group-owned vehicles and the use of more flexible capacity operated by subcontractors and multimodal solutions with a competitive cost structure. The proportion of subcontracted work (including multimodal transport) increased to 30% of revenue.

The cost base was reduced further in 2010 on account of efficiency gains and the further optimisation of the company's international haulage capacity, with trans-European haulage operations increasingly being carried out by staff from eastern Europe. Moreover, in the second half of 2010 Vos Logistics began to complement and replace part of its own capacity with that of subcontractors. On an annual basis this is expected to generate savings of 5.5

million euros.

Chief financial officer Ben Vos commented: "We are looking forward to 2011 with confidence. In the first quarter we increased our revenue by about 10% in comparison with the first quarter of 2010. The operating profit and cash flow are also continuing the upward line that set in during the summer of 2010 and were distinctly positive in the first quarter of 2011. The fixed cost base has been cut substantially and we have got our costs firmly under control now."

CEO Frank Verhoeven said: "The direction the company wants to take is also clear. We are going to focus more on customised services in warehousing, transport and regional distribution, including solutions for businesses that still operate their own vehicle fleets or logistics centres. The use of train and boat will also be expanded to meet

customer mobility requirements. This is an excellent match for our 'Ecosafe Logistics' strategy for sustainability. The investments to renew our own fleet are also an example of this. In the next two years, approximately 600 tractor units will be replaced with Euro 5 and 6 trucks and about 500 new trailers will be brought into operation that better meet the current demands being made on road transport and multimodal solutions."

Vos Logistics is active throughout Europe and in the bulk and volume transport markets ranks among the largest road hauliers in Europe. With 1850 employees (down from 2300 two years ago), the company operates a modern fleet of 1200 Euro 4 and 5 vehicles, 2500 loading units and 125,000 sqm of storage space.

A recent example of the company's Ecosafe Logistics ongoing sustainability

programme is an energy neutral logistics centre which has just been developed in Belgium. Here solar panels mounted on the roof will provide an anticipated output of 725,000kWh, sufficient to meet the energy requirements of the entire facility. Vos Logistics thereby expects carbon dioxide emissions to be reduced by 375,000kg annually.

This logistics centre at Oevel-Westerlo is favourably situated on the axis of the

Antwerp-Ruhr region, with the E313 on one side and the Albert channel on the other. The Euroports container terminal is situated no more than 7km away, offering the opportunity to organise green freight movements through the Albertkanaal seamlessly connected with the just-in-time pick-up and delivery service of containers by Vos Logistics Belgium.

[www.voslogistics.com](http://www.voslogistics.com)



Despite recent cutbacks, Vos Logistics remains one of Europe's largest road hauliers

## High-speed FFS bagging

The latest development of the HAVER form-fill-seal (FFS) product line is the DELTA NT (New Technology). This system was developed by Haver & Boecker for filling free-flowing bulk products at a rate of over 2400 bags/h.

One of the first companies to invest in this new technology is Sabc Polyolefine GmbH in Gelsenkirchen, Germany. The company was awarded the HAVER Innovation Prize in 2008 for its visionary and cooperative support in the development of modern technologies. With its investment decision for the new DELTA NT FFS in March, this global leading manufacturer of chemicals, fertilisers, plastic and metals continues to set the pace and maintain technological leadership in its sector.

The DELTA NT ushers in the era of truly high-speed FFS bagging. It is based on the reliable HAVER platform strategy and can handle more than 2400 bags/h. FFS technology components were selected that have a proven track record for reliability dating back several decades. 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.

In addition to higher productivity, this improved FFS system is especially easy

to maintain, thanks to more space between stations and easy access to filling spouts. Another positive point is the reduced cleaning work required by the machine. This is thanks to the enclosed design of supply lines and open access to the underside of the discharge belt.

The DELTA NT 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.



DELTA NT (New Technology) shown here is a mobile FFS system for filling free-flowing loose products

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# InlandLinks signifies Rotterdam's watery ambitions

During Transport Logistic, Port of Rotterdam Authority launched its latest project InlandLinks, a web-based initiative for shipper and transport providers to discover more about inland terminals and related logistics.

To begin with only Dutch inland terminals have been listed, based on six qualitative criteria (accessibility & connectivity, services, safety & security, ICT, customs and sustainability). The terminals are audited by Lloyd's Register, and the website is available in English, Dutch and German.

InlandLinks was developed on the initiative of the Port of Rotterdam Authority, in collaboration with the Association of Inland Terminal Operators (VITO). The assessment criteria were tested in the market by shippers, carriers, deepsea and inland terminals. The port authority said shippers and transport providers have often indicated the need for more information on intermodal services and options, and to have better access to it.

With InlandLinks, the website ([www.inlandlinks.eu](http://www.inlandlinks.eu)) maps out Rotterdam's hinterland network and provides information on the package of intermodal services on offer, and so insight into the container terminals' facilities and the option of comparing terminals with each other.

Users can select a terminal that best fits in with their cargo flow and specific needs. The selection criteria are:

- Service provision: pre- and post-transport; depot functions
- Accessibility and connectivity: frequency of service and schedules; how the terminal is connected to Port of Rotterdam and the transit times
- Safety and security: security facilities, procedures and safety protocols
- ICT & Customs: presence of facilities relating to Customs and ICT
- Sustainability: policy and procedures relating to sustainability and the environment

In addition, there is also general information about the terminal, such as its opening times, size and facilities. Users can also search for a terminal based on location alone.



Rotterdam believes inland shipping has to make 'a quantum jump'

In order to be listed on InlandLinks, an inland terminal must meet certain criteria, such as:

- The services offered by the inland terminal must include at least the transfer of containers, swap bodies and/or trailers to/from inland shipping and/or rail
  - The terminal must have an intermodal connection with Port of Rotterdam
  - The terminal must commit itself to InlandLinks for at least five years
- Terminal will be tested at least once a year (for five years) on five quality criteria by Lloyd's Register.

Inland waterway transport is to become the most important inland transport mode to ensure future traffic growth and accessibility of Rotterdam, according to port director Hans Smits. Outlining Rotterdam's PortVision

2030, Smits said the port is aiming for a transshipment goal of 750 million tonnes by 2030 (430 million in 2010). To reach this goal, inland shipping has to make "a quantum jump" to play a central role in the port's hinterland connections, as road and rail expansion capacity expansion is limited.

The long-term development strategy of the port goes much further, Smits added. Rotterdam wants to become the leading global hub "in terms of efficiency and sustainability" and Europe's premier industrial cluster. "The refining and chemical industry are on the threshold of a transition to more bio-based production, energy will be generated more cleanly in 2030 and from a wider variety of sources, and the container will become increasingly important in transport," he predicted.

[www.inlandlinks.eu](http://www.inlandlinks.eu)

## Flooding on the Mississippi, drought on the Rhine

Flooding on the Mississippi river has badly hit barge traffic leading to delays of up to two months for some deliveries of back up chemical supplies to Houston. Several chemical plants and refineries are on the lower Mississippi river in Louisiana. Houston is the petrochemical hub of the US.

Newsires reported brokers as saying shipments were being delayed or cancelled in some cases because of the surging river. One broker said customers in Houston who get monthly barge loads from the Mississippi had to delay May and June cargoes to July or August.

The shutdown of terminals and ports and partial closures along the river has made the shipment and distribution of goods difficult and, in some cases, impossible. Fertiliser traders said that urea barge prices had jumped about \$15/ton (12/tonne) in the course of a week because of river terminal and port closings.

Back in Europe, the river Rhine is facing the opposite problem – too low water levels. An exceptionally warm and dry start to 2011 has resulted in falling average water levels on certain parts of the river, to the point where some barge operators say they have had to halve their loads in order to keep a sufficient draft.

Dry bulk carryings have been particularly hard hit with reduced coal



Additional container carrying equipment had to be provided for boxes unable to be loaded onto barges for carriage on the river Rhine.

transports from Rotterdam to Duisburg. Trimodal operator Contargo laid on extra train services to haul containers between Rotterdam and the Swiss border for customers who could not get a slot on one of the usual barges plying the same route. Other rail operators also provided extra container carrying equipment to meet demand. Earlier this year, downstream navigation on the Rhine was closed for four weeks after the capsizing of the TMS Waldhof near Bingen.

## Lehnkering expands in Hamburg

Lehnkering is taking over the hazardous goods warehouse operations of K+P Gefahrgut Logistik in Hamburg. The operating site with a capacity of 15,000 pallets will become part of the company's distribution logistics & services (DLS) division. Lehnkering is also taking on the staff previously employed there. However, the company emphasises that it is not the legal successor to K+P Gefahrgut Logistik GmbH.

"This acquisition enables us to pursue our growth strategy in order to expand

our market position in warehouse logistics at one of the most important European chemicals ports," said Uwe Willhaus, COO of Lehnkering DLS.

Lehnkering has been operating three business sites in Hamburg since 2009. The additional site is designed to serve Lehnkering's international customers as an industrial warehouse for imports and distribution. Its proximity to the major container terminals and the comprehensive storage capacities are certified for almost every class of hazardous goods.

"We were able to draw up a solid solution for the future of the business site at Altenwerder with all parties involved within a very short time," added Stefan Fischer, Lehnkering branch manager (DLS). It forms an ideal supplement to our other Hamburg branch operations. By expanding our capacities and taking on the additional specialist personnel, we will be able to establish existing and future business at Port of Hamburg."

[www.lehnkering.com](http://www.lehnkering.com)

## Spain accepts lorry charging

Spain is developing a plan to introduce a distance-based charge for lorries.

The move indicates the perceived need for stricter economic measures to drive a new wave of environmentally beneficial policies. The news comes as the European Parliament's transport committee reached agreement on a revision of the Eurovignette directive that will allow EU member states to charge for air and noise pollution in road tolls.

Representatives of Spain's three biggest parties – the PSOE, PP and Catalan CiU – said at a seminar last month that an analysis of developments on road freight charging led them to recognise that Spain would have to accept the new Eurovignette directive, and that such a move will "necessitate a revision of the current tax regime in the transport sector". They said a charge would be introduced in Spain to come into effect by 2016 for all heavy vehicles.

The socialist PSOE party's spokesperson Rafael Simancas said the country's current road infrastructure was costing €6 million a day to maintain, and that "we must think about other models of financing the infrastructure". He added that Spain risks becoming an island in Europe if charges are not introduced.

Charging lorries for the distance they

travel will bring in anything from €1-5 million, depending on roads included and the level of charge set.

The terminology being used in Spain for the new charge is 'applying the Eurovignette'. The directive does not force member states to charge lorries for use of roads: it simply sets rules and parameters for those countries that do wish to charge.

Nina Renshaw, deputy director of Transport & Environment, which

campaigns for sustainable transport, said: "Spain is the latest in a long line of countries to announce a lorry charge, but it is a highly significant development. As a peripheral nation with a lot of small road haulage businesses, Spain has been strongly opposed to road charging and has lobbied against the revision of the Eurovignette directive. But we have been saying for a long time that an environmental approach to transport is

good for the economy in the long term, and with the current economic downturn, it's not surprising that all governments are embracing road charging. By the end of this decade, we are likely to see lorries all over Europe paying some sort of distance-based charge, and possibly all road vehicles, including cars."

Up to now, the Eurovignette directive has banned member states from charging for 'external' costs of road use, such as accidents, noise disturbance, air pollution and greenhouse gases. Last month's clear vote by MEPs was to approve ending the ban on air and noise pollution, but it would not allow for greenhouse gas or accident charges. The legislation now goes to a plenary vote in June or July.

MEPs voted to allow lighter lorries (3.5-12 tonnes) to be exempt from any charges, and to allow temporary exemptions for lorries meeting Euro V and VI pollution standards. They also voted to insist that revenues from lorry charges must be used for the transport sector rather than for general use, and that 15 percent of all revenue should go to trans-European network transport schemes.

Spain has given no indication whether it would include an element for air pollution or noise in its new charge, if the revision of the directive is approved.



Spain is the latest in a long line of countries to announce lorry charging

## Lorry-Rail runs to Sweden

Lorry-Rail is extending its reach from this autumn. A new service will run all the way from the Spanish border to southern Sweden, via Krefeld and Hanover.

The combined transport system currently runs from Perpignan in southern France to Luxembourg. The new service offers, partly operated by Swedish railway undertaking Green Cargo, makes it possible for carriers to load trailers, containers and swap bodies on trains. Lorry Rail will start the service with three round trips per week.

By next autumn, the link will bridge 2,000km distance within 48 hours, compared to three days minimum of road transport. Since 2010, Lorry Rail has been controlled by SNCF Geodis.

# Technology, sustainability define 21st century supply chains

EPCA's 2nd interactive Supply Chain Workshop took place in Brussels earlier this year. For this workshop, EPCA decided to explore opportunities and challenges for the chemical industry's supply chains in the 21st century, focusing on the potential for technology and sustainability to transform the relationships between producers, logistics service providers and customers and, ultimately, operational efficiencies and environmental footprint

Philip Browitt, chairman, EPCA Supply Chain Programme Committee and CEO of Agility Logistics Solutions, reviewed the conference after the event in a special report published by the association.

The first session looked at Technology Development and New Generation Supply-Demand Chains for the Chemical Industry. Speakers looked at "the heart of transformational data utilisation" and management through the "Internet of Things" and the application of business analytics systems. The emphasis was adding value.

"It is clear that the Internet of Things – a multitude of web-enabled connections between devices, people, businesses, cities and communities – is offering a plethora of real time contextual data to access and use in new ways to enhance businesses, services and our societies," commented Browitt. "We also gained insights into the power of predictive analytics to improve every aspect of our business activities through combinations of route-cause analyses and real time data access that can transcend inter-functional barriers and drive optimisation across companies and business networks."

The key messages Browitt identified were that:

- The Internet of Things is happening now in some industries and is likely to spread across most. It will provide a deluge of data which needs putting into context to make decisions through predicting forward and by using real time dashboards.
- The Chemical Industry has good examples of information exchange but it needs to remove "mind set" barriers regarding sharing information to make current technology effective before progressing to new innovations in a step-by-step approach.

The second session focused on the need for innovation and agility in 21st century supply chains, with one speaker highlighting the need for increased flexibility and responsiveness in an increasingly uncertain and volatile world where the centre of gravity is moving east. "Economy of scope rather than economy of scale, bringing supply closer to demand, postponement, small footprint manufacturing, response based network design may be the future of supply chains," was the principal take-away message.

Before opening proceedings, Browitt said a straw poll of delegates indicated increasing internet use for doing business. Some 78 percent indicated 2-6 hours of weekly personal internet usage, and the survey also revealed rising utilisation of real time systems and data in business decision-making. So far, however, industry's use of social networks to enhance business remains limited. This, said Browitt, was a good point from which to launch a session devoted to exploring the power of the internet and how to apply its benefits along the chemicals supply chain.

## Internet of Things

Usman Haque, director of Haque Design & Research, CEO

Connected Environments, and founder/CEO of Pachube addressed four questions: What is the Internet of Things (IOT), why is it important, where is the value, and how can it be used?

"Today," he said, "we are transitioning from machine-to-machine (M-to-M) data systems to the IOT." With M-to-M, system value is linear, and scales according to the number of devices. IOT's key characteristics are cross-industry horizontal, rather than single industries using individual platforms, enabling very different or related industries to share data, to the extent that they want and choose.

"Often IOT will be based on many-to-many connections. It's not just about many devices responding to a single one. The IOT also facilitates ad hoc connections, so a user may not know in advance of employing a device the things to which it will be connected. There are all sorts of different sensors and actuators out there."

IOT is important because it will touch every industry, said Haque. "Today's low hanging fruit is being harvested in energy, buildings and home automation. By getting buildings to perform better, particularly in terms of energy, we're increasing sustainability. Soon it will be industrial process monitoring, to ensure factory performance is related to the price of energy, which in turn may be related to weather analysis, or real time updating of a logistical process relating to delivery of goods. To work, this will require real time data sharing between many companies across different industries."

The value in data comes from adding context: knowing that a data point is from a particular unit at a geographical and time location, and near to other devices where something similar or slightly different happened offers a stream of changing values. "Ideally, most value will be extracted from these cross-domain real time data sets that have rich contextual metadata. Content brokering will give real value."

Haque offered examples of how IOT is being used. In one such case using anonymous data pinpointing the location of Vodafone phone customers, TomTom is providing traffic flow reports to satnav customers. Vodafone had the data and this was an example of one company accessing, repurposing and repackaging another's data.

## Analytics

Jeroen Dijkhoorn, business development manager, EMEA technology practice at the SAS Institute went to explain how supply chain analytics could be used to maximize the value of technology.

Data analytics can help by identifying the sensors that provide insights, identify data coming from a realtime context, and pinpoint data coming from consumer and community connections. "It can allow us to identify information that enables us to organize for efficiency and cost savings," said Dijkhoorn.

For India's Jaypee Group, SAS helped combine optimisation, project scheduling and simulation techniques to identify action options and scenarios to optimise transport logistics through better route

allocation and resource management. This "cut costs, raised profitability, and quickened segmentation analysis speeds". Overall, speed and reliability of logistics decision-making was improved.

The real value – 96 percent - of predictive analytics technology, Dijkhoorn argued, is in driving productivity and business process enhancements. He also noted that the median ROI for projects including predictive analytics was 145 percent versus 89 percent for those that did not.

## Lean and green

The official dinner speaker Dave Meyer, vice president, Sustainable Economic and Environmental Development Solutions (SEEDS) Global Alliance argued that sustainability is really about managing resources. "Each year, we are over consuming earth's natural resources by 30 percent, and we've used 30 percent of the earth's total resources in the past 30 years. If this continues, we'll need another two earths to support 6 billion-plus people."

In the supply chain, Meyer noted that changes were accelerating, particularly in the chemical industry. "You have growing customer concern, public-driven mandates, product preferences, and growing demand for supply chain transparency. Customers and consumers want to know what's in that product, its environmental footprint, what chemicals it contains, the carbon emissions generated in manufacture."

He acknowledged the role of Responsible Care in safeguarding materials transport and driving innovation in manufacturing, and making safer products. Meyer also pointed to more environmental and "greener" specification in logistics, and the expansion of communications such as safety data sheets relating to hazardous materials. Now, the industry is seeing the growth of environmental indexing, environmental footprints and benchmarking in response to the demands of consumer-facing customers, such as WalMart and other major retailers.

Globalisation is opening up new markets, but also increasing price pressure and the external costs to environment and infrastructure. Government-imposed penalties for "empty truck miles", mileage and tonnage tolls, carbon-related taxes – all of these could drive up logistics costs. But it is pointless and dangerous for long-term business sustainability to ignore these pressures. Failure to change could result in business failure. The right response, Meyer insisted, is to create an innovative, sustainable supply chain that takes a creative approach to the challenges.

In the US, for example, some intermodal transporters have been redesigning operations and equipment, seeking enhanced fuel and mileage efficiency. Returning to supply chain transparency, Meyer noted 2010 had proved a watershed year in terms of the number of announcements of supply chain accounting and sustainability initiatives by sector-leading companies across industry.

This process, often led by consumer-facing industries, is pulling in suppliers and driving sustainability partnerships through the supply chain. "But instead of the mantra of mandate, these industry leaders are promoting the idea of collateral action to achieve win-win outcomes throughout the chain."

For logistics companies, the way forward is likely to be the pursuit of a three-legged business offering based on cost, service and environmental footprint, Meyer argued. They are applying a sustainability lens to their operations and working co-operatively within and across industry organisations to address issues relating to air cargoes, ocean shipping, rail and road transport. "They aren't waiting for governments to tell them what to do. They are innovating, acting as leaders," Meyer said. He suggest that an "old idea of the 1990s - co-opetition" is worth revisiting. "It's a business strategy based on a mix of co-operation and competition: co-operative competition. Based on an understanding that business competitors can benefit from working together, it's a plus sum game. What's gained by all players is greater than the combined sum of what each player had when they entered the scenario. We hear a lot about collaboration, but really it's co-opetition."

Working with competitors can be particularly beneficial for small-to medium-sized businesses lacking economies of scale available to larger service providers. "Cluster, form alliances, trade, swap," Meyer urged. "The basic premise behind high co-opetition is finding value and leveraging alliances, partnering with other shippers, even trading to control logistics and transportation costs. It's a little audacious, but sometimes we need to think heretically to change the way business operates."

## Sustainability

On Day Two, Paul Gooch, member of EPCA Supply Chain Programme Committee & CEO of The Logical Group noted that a quick survey of delegates indicated that in 2010, the "old chestnuts of speed of service and resource and asset availability" were still key drivers within the supply chain. "Another clear message is that there is still a lack of energy and will to make supply chains greener because of cost. Like last year's discussions, there is still a sense that



Industry is seeing the growth of environmental indexing, footprints and benchmarking in response to demands of consumer-facing customers, such as WalMart and other major retailers

you have to be rich to be green."

But not all sustainability news is bad, he added: "Last October, a Chemical Week article on sustainability said key players in the chemical industry are re-orienting product portfolios and supply chains to respond to environmental demand from consumers. There is lots of life-cycle analysis going on in companies, and it's healthy to identify where biggest sustainability and financial gains can be made. Energy and carbon management makes good business sense."

This theme was then taken up by Professor Martin Christopher, Emeritus Professor of Marketing & Logistics, at Cranfield University, who looked at the 21st century supply chain.

There are new competitive realities," Professor Christopher began. "Input costs are rising - particularly raw materials - and will continue to rise. There are new sources of low cost competition, and pressure on price is going to continue. There's a double whammy: costs increase, but it's not always easy to pass on higher prices. The reason is the continued concentration of buying power in markets, through merger, acquisition and growth. Consumers are getting more powerful and more demanding, in terms of service and delivery."

His conclusion was that conventional market strategies are no longer working in traditional ways: "In this time sensitive, resource sensitive world, a world of increasing uncertainty, we have to find different ways to compete. One way is by focusing on creating a supply chain which is much more flexible, responsive, and can deal with uncertainty."

"Other things are happening on the global stage," he added. "Population growth could mean we have 9 billion people by 2050. This has all sorts of implications for supply chains. We will see changing age profiles, changing differentials between countries. There are implications for the sort of skills and talents that we have access to. There's a trend to urbanisation. Already 50 percent of the world's population live in cities. We're seeing the growth of mega cities with more than 10 million people. There are infrastructure and logistics challenges in serving those cities. And it's not just population growth we need to consider: it's the income growth that goes with it, and the increasing pressure on resources. This has implications for the price of sustainability."

For example, in the future, India will have a consumer market larger than the combined markets of the USA and Europe, he noted. The West's best practice supply chain solutions will be transferred to Asia, while new supply chain solutions unique to Asia will also be developed locally and successfully deployed. "This represents the changing centres of gravity in our supply chains, driven by population and discretionary income, which alter demand patterns. On the supply side things are changing, too. Where is available supply? What are the costs of transport? They are in a state of flux."

This shift in gravity has lots of implications for where we locate production and distribution facilities, and how we connect supply and demand in a differently configured world. "The cost of making things, not materials, but actual manufacturing cost, is as low as it has ever been," he continued. "But the cost of moving things, from manufacture to consumption, that's high and getting higher."

One of the things that sustained 20th Century global trade was the falling cost of moving things, but this process has stalled and may even be reversing. "I don't know where the crossover point is, but in some places we are getting pretty close to it. Maybe we need to move to a local-for-local supply model? The past was about central production, seeking economies of scale, centralising distribution facilities. Does supply (now) need to move closer to demand?" asked Christopher.

This could happen by using techniques such as postponement to enable late stage configuration and customisation, but this requires a 'mindset change', from the idea of economies of scale and 'big is better', to economies of scope. How can we do more things with fewer resources?

A significant example of this is the steel industry. "We've always thought of the steel industry in terms of big, integrated mills. But increasingly we're seeing mini-mills, using electric arc furnaces rather than blast furnaces, and using scrap iron. They're more flexible, and cheaper. There are lots of things happening in rapid manufacturing, such as additive layer manufacturing, and 3D printing, that are enabling remote production to order. Ideas like this will change the way we think about supply and demand, and might enable us to move to small scale, small footprint industry."

Professor Christopher suggested that in a volatile world we should really be seeking to improve responsiveness: "Can we move more quickly, and respond to unexpected changes? I'm not saying 'throw out all our ideas on running lean', etc. But today's world presents us with a rather different challenge."

Some enterprises don't have any dynamic flexibility, and have to plan months ahead. As a result, they are continually hit by market fluctuations. Through lean supply chains, many companies have been able to adapt to achieve dynamic flexibility. But the big challenge is to move to structural flexibility - "to achieve an adaptable supply chain dynamic in the face of structural discontinuities, and disruptions in technologies."

There are many ideas and options, he suggested. "I see that within EPCA there is talk of collaborative working and asset sharing. We can go way beyond that into manufacturing and contract manufacturing. There the notion is that we don't need to own

assets we just need to access them. There are similar options for inventory with swap arrangements. We need to act, not just talk."

Professor Christopher commended the idea of the "Triple A" supply chain developed by Hau Lee of Stanford University: "Agility: it is agile, capable of moving quickly. Adaptability: it can change in line with shifting centres of (market) gravity. Alignment: the ability to create seamless connections. If we're not collaborating and aligning, that stops us progressing. We need to keep our focus on that distant goal."

Finally, he addressed skills needs: "What sort of people are we going to need who can do all these things? Effective process management requires significant cross-functional skills. Managers will need in-depth expertise in one discipline combined with enough breadth to see the connections with others." In closing, he reminded the audience that Darwin had not predicted survival of the fittest. "In fact, what he said was: 'It is not the strongest of a species who survive, nor the most intelligent. It is the one most responsive to change.' I think we should put this on a sign above our desks!"

## EPCA back in Berlin



After visiting the Hungarian capital Budapest last year, EPCA is gearing up for its 45th Annual Meeting. This time the event returns the familiar base of 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.

The theme of the Annual Meeting "The Chemical Industry: Over 95 percent of the World around Us" is directly linked with the film as both aim to increase public awareness and understanding of the many contributions that the chemical industry makes in people's daily lives in developing a more sustainable world and future.

In Berlin, the IYC film will be shown, during the four days of the EPCA Annual Meeting, to delegates at the meeting, as well as to the general public on a giant screen at the Sony Center, a business/

commercial complex located at Potsdamer Platz, and via the "Berliner Fenster", the Berlin metro diffusion system, the biggest mobile medium in Germany.

The Monday morning Business Session will start off with an introductory speech by Jeroen van der Veer, chief executive Royal Dutch Shell (2004-2009), followed by a panel debate on the "End-consumer Awareness about Chemical Industry Supplies in Daily Life". Cefic President, Giorgio Squinzi, & CEO, Mapei, will participate in the panel, as well as Ines Kolmsee, CEO, SKW Stahl-Metallurgie Holding AG and Timothy Hanley, Global Chemical Industry Group Leader, Deloitte Touche Tohmatsu.

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](http://www.epca.eu)



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# COA Flexitank Code – positive progress at London meeting

In the first of two articles, Chris Thornton, flexitank manager for the Container Owners Association, reviews the recent COA Flexitank Meeting in May, where a number of amendments to the COA Flexitank Code of Practice were agreed

The COA held its 5th Flexitank meeting on 19th May at the Crowne Plaza Hotel in London Docklands. The meeting was well attended with over 70 delegates and proved to be very successful with a number of significant steps forward being made.

The meeting was opened by Patrick Hicks, secretary of the Container Owners Association, who gave an overview of the history, aims, achievements and current projects of the COA as a whole. Chris Thornton, the COA's flexitank manager then outlined which parts of the COA Recommended Code of Practice for flexitanks were being reviewed and why. Detailed presentations covering the rail impact testing, materials testing, incident management and insurance sections of the Code of Practice were given later in the day.

In the first part of the meeting, the benefits of the Recommended Code of Practice to various parts of the industry were explained. Andrew Watson, a director of The Braid Group, gave the audience a perspective from the flexitank manufacturer and operator's perspective. They believe that the Code of Practice identifies standards and gives a basis for regulation, which enhances safety and quality for both products and service. By following the Code of Practice, companies not only improve their own standing, but also enhance the standing of the industry as a whole. Captain Per Heintz, from Hamburg Sued's cargo care management then gave the shipping line view. The Code of Practice promotes quality and thereby reduces incidents through safe operation of flexitanks. This in turn protects the environment. The Code provides standards which enable shipping lines to compare the various

products on the market and promote the good, while avoiding the bad ones. Capt Heintz also gave some examples of what happens when the Code of Practice is not followed and some dramatic examples of the conditions that containers and their contents have to withstand.

The meeting then progressed to the details of the proposed revisions to the Code. The first point to be reviewed was the rail impact testing. Chris Thornton explained the current status of reporting and the difference between the container wall deflection results reported from TUEV Sued Rail in Germany and the Association of American Railroads Transportation Technology Center. As there was a clear difference between the two and no obvious way of harmonising the results could be found, it is evident that a new universal criterion is required.

Peter Hartwig, from Technische Universitaet Dresden, confirmed that the difference in the deflection results is due to the different accelerations imparted to the containers at the two test centres. To overcome this, a criterion that stipulates the acceleration imparted to the container was proposed. Taking into account the accelerations used in swap body testing, tank container testing, the convention for safe containers and container wagon testing a figure of 2.0G was proposed. After some discussion about whether all the current test centres would be able to carry out this testing and if 2.0G was the correct level it was decided to proceed with this proposal from 1st September 2011.

Andrew Watson then spoke on the importance of manufacturers conducting their own testing of the materials used for the construction of their flexitanks, because even the best suppliers can



have a "bad batch" and manufacturers need to be able to detect this before their tanks hit the market. It was explained that the tests recommended in the Code are generic film tests and therefore do not impose any constraints on the design of flexitanks. The standard report form has been adjusted so that no values need to be recorded thereby protecting the confidentiality of the manufacturer's specification. The form just provides an audit trail to confirm that testing is being carried out and whether or not the materials meet the manufacturer's specification. There was some debate as to whether this was an area that the Code should be involved in. A significant majority of delegates confirmed that it is a positive initiative and should be included in the COA recommended Code of Practice.

Rounding off the presentations on the existing sections of the code practice were John Leach, Senior General Manager, Cargo Management at Maersk Line and Peregrine Storrs-Fox, Risk Management Director at the TT Club. They gave a presentation on the revised Incident Management

and Insurance section of the code of practice. This section now explains the relationships and responsibilities of all the different parties in the transport chain. It also explains, in general terms what should be done in the event of an incident. Finally there is an improved wording for the recommendation on the insurance cover required for flexitank shipments.

Further information on the COA Code of Practice can be found at

[www.containerownersassociation.org](http://www.containerownersassociation.org)

To contact the COA about flexitanks:

[flexitanks@containerownersassociation.org](mailto:flexitanks@containerownersassociation.org)

In the next article, Chris Thornton will review the future development of the COA Code of Practice. This will include discussion on the process to ensure that hazardous or unsuitable materials are not shipped in flexitanks, the establishment of an internationally recognised standard for flexitanks in containers and the launch of a dedicated Flexitank division within the COA.



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# Velocity ramps up Eagle Ford projects

Velocity Midstream has secured long-term commitments from Shell Western E&P for the transport and terminal services for Shell's light oil and condensate production from the Harrison Ranch (also known as the Piloncillo Ranch) in Webb and Dimmit counties, Texas.

Shell has significant long-term development plans for their 100,000-plus contiguous acreage, which lies in the liquids-rich Eagle Ford Shale. Velocity has begun construction on the 12ins Gardendale pipeline, which will transport product through Webb, Dimmit and La Salle counties, terminating at Velocity's Gardendale Hub near Gardendale, Texas. The Gardendale pipeline and hub are scheduled to be operational in the autumn of 2011.

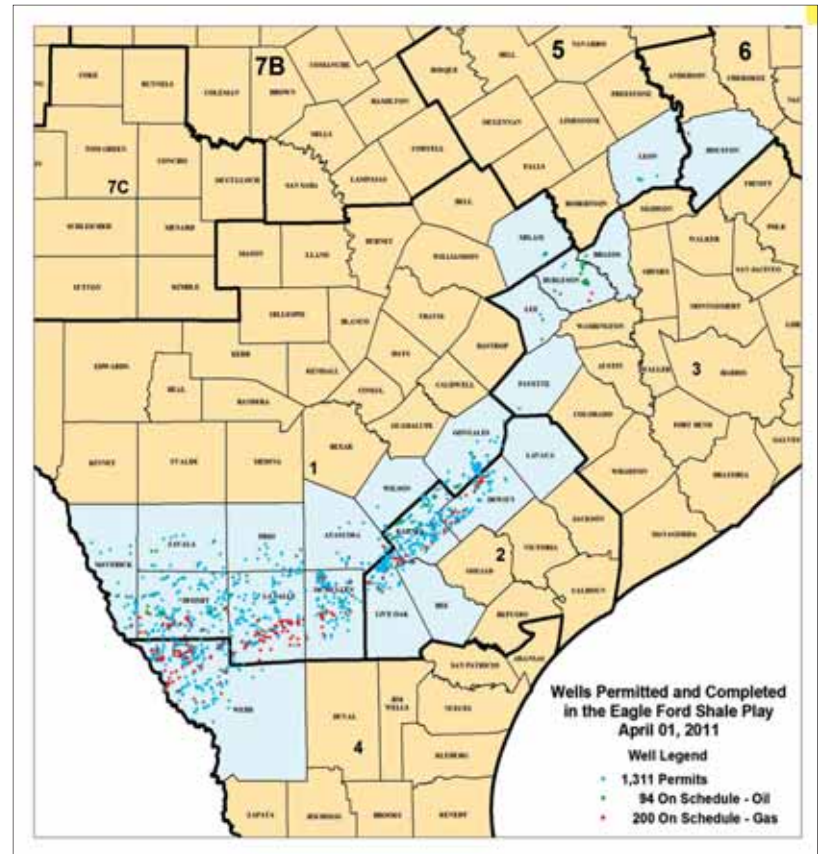
The Gardendale pipeline will gather and transport a rapidly growing volume of light oil and condensate

from several large producers and deliver that production to Velocity's Gardendale terminal. The Gardendale terminal and hub will have 100,000-plus barrels of initial storage and will provide access to downstream take-away pipelines, truck loading and unloading facilities, as well as US Development Group's rail loading facilities adjacent to Velocity's terminal. The Gardendale pipeline will also serve as an extension of Velocity's Catarina pipeline and terminal located in Catarina, Texas, which were established to provide transport and terminal services to several large producers in the area.

At the Gardendale terminal, Velocity is formalising interconnection agreements with several downstream pipelines including Enterprise Products Partners and Plains All American Pipeline. Enterprise recently announced an extension of its Eagle

Ford Shale crude oil pipeline system which offers access to Cushing and the Houston area refining complex. Plains has announced a commitment to construct a crude oil and condensate pipeline from the western region of the Eagle Ford Shale to a marine terminal in Corpus Christi.

Additionally, Velocity is finalising terms with active drilling producers to gather and transport pipelines serving Eagle Ford Shale's lower API gravity oil play. The company plans to build its Eagle Eye oil pipeline both west and east of the Gardendale hub. With crude oil and condensate being transported to the terminal, the facility has been designed to provide segregated services for both higher and lower gravity products allowing producers and purchasers the ability to sell and/or transport specific products or blends of products in a way that creates the highest market value.



Production from the Eagle Ford Shale play is some 100,000 bpd ???

# Everglades open to tender



Port Everglades is seen as the gateway to Miami and Fort Lauderdale on the Atlantic coast

A public tender for the construction of a new 1.68 million bbl/oil/ethanol terminal at Port Everglades in Florida has solicited letters of interest from two new contenders, Vitol and TransMontaigne, according to Broward County purchasing division.

This is the third time the Broward County Commission has issued this tender to build a new terminal, following numerous delays associated with debates over economic benefits and tender process in the past two years.

Following presentations to the Commission, the selection committee will then rank these proposals according to economic feasibility for the county. Both companies are already major players in the southeast US fuel supply market.

Vitol owns and operates a 2.8 million bbl oil/ethanol terminal at Port Canaveral, and TransMontaigne is a major player in the southeast fuel supply market. TransMontaigne has existing storage tanks in Port Everglades. Last year, it constructed some new tanks there, totalling 438,000 bbl, for storing cutterstock and fuel oil. Previous companies interested in building a new terminal at Port Everglades included Magellan Midstream Partners, Oiltanking Houston and Nustar Energy. Last May, Magellan won the previous tender, but it pulled out of the \$80 million project in December 2010.

Port Everglades is seen as the gateway to Miami and Fort Lauderdale on the Atlantic coast. It has about 12 oil terminals and a total storage capacity of about 11 million bbl. Capacity has increased 29 percent or 2.5 million bbl from two years ago. Vecenergy commissioned a 1.35 million bbl terminal in 2009, and another 1.15 million bbl of capacity was added in the past two years.

TransMontaigne and Amerada Hess built new tanks last year. Terminal owners at Port Everglades include BP, Chevron, Citgo, Marathon, Motiva and TransMontaigne. Petroleum accounts for approximately 20 percent of Port Everglades' total revenues. In the latest tender, Broward County, FL, tweaked its requirements, possibly to adjust to the different economic environment compared with two years ago.

The lease is for a period of 20 years with the option of up to 10 additional years and to have it redeveloped to maximise the future value as a liquid bulk terminal facility as quantified by a combination of annual rental payments to the county and proposed capital investment in terminal infrastructure. Broward County lowered the minimum annual rent from \$1 million to \$850,000 for the original 12.56 acre site. The minimum annual rent for the 13.79 acre option was lowered from \$1.2 million to \$1.05 million.

Also, the terminal owner would need to maintain inventory and provide the county with the option to purchase during hurricane season up to 420,000 gallons of gasoline and 420,000 gallons of ultra-low-sulphur diesel fuel per storm event, either from the leased terminal or a suitable alternate located within Port Everglades.

The county has reduced the requirement that respondents demonstrate the ability to finance a minimum of \$40 million in fixed capital investment to \$15 million. The working capital requirement has been reduced from a \$50 million level to \$20 million.

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## Vopak decides on new China terminal

Royal Vopak and the State Development Investment Corporation (SDIC) of China have taken the final investment decision to build and operate an independent storage terminal for crude oil and oil products on 58 ha of land in Yangpu, Hainan, China.

The two have established a joint venture in which SDIC holds 51 percent of the shares and Vopak 49 percent. The terminal will have two jetties and a storage capacity of 1.35 million cbm, and is located within the Yangpu Economic Development Zone. One of the jetties will accommodate VLCCs.

Vopak and SDIC recently obtained approval from the NDRC to develop the terminal and are completing the final preparation phase to start its construction. The joint venture aims to develop Vopak SDIC Terminal Yangpu into a break bulk and blending hub terminal. With a VLCC jetty and natural deep water access, the terminal will be the first independent third party oil storage facility in South China that can receive and handle crude tankers of up to 375,000 dwt. The joint venture plans to commission the terminal, of which the storage capacity can be expanded up to 5.2 million cbm in the future, by the end of 2013. For the development a project financing agreement has been signed with a syndicate of six Chinese banks, led by Agricultural Bank of China.

Hainan is strategically located along important shipping lanes for crude oil that connect the Middle East, South America and Africa to the Far East as well as to the West Coast of the USA. The crude oil shipped into this South Chinese region is expected to grow considerably in the coming years.

With this new facility the storage capacity of Vopak's Chinese terminal network will increase from 1.2 million cbm today to over 3 million cbm by 2013.

# Odfjell finds partner for terminal expansion

It looks as though Odfjell has found a partner for its tank terminals in Rotterdam and Houston. The company informed the Oslo Stock Exchange that it has entered into a letter of intent to form a strategic partnership with affiliates of US-based private equity firm Lindsay Goldberg LLC.

According to the proposed transaction, Lindsay Goldberg will acquire a 49 percent interest in each of Odfjell's tank terminals in Rotterdam and Houston as well as in its greenfield project in Charleston. Odfjell will retain 51 percent ownership. Lindsay Goldberg would furthermore become Odfjell's partner in developing new business in the European and North American tank terminal markets.

The news follows a stock exchange announcement 13 December 2010 in which Odfjell said it was evaluating strategic alternatives for its Rotterdam tank terminal. Odfjell says it sees strong growth opportunities in both Europe and North America. The purpose with the proposed partnership is to capitalise on these opportunities by establishing a platform for future investment and consolidation.

Lindsay Goldberg can help fund its ambitious growth plans and provide strategic insight into the energy infrastructure industry, according to Odfjell president and CEO Jan A Hammer. "Lindsay Goldberg is a strong financial investor with a long-term approach to developing businesses and creating value. The firm has extensive experience within the energy infrastructure industry in addition to strong financial backing. Odfjell believes that the proposed partnership will be well positioned to secure further growth and enhance value for Odfjell's shareholders."

Lindsay Goldberg manages approximately \$10 billion of equity capital and is active in Europe through Oslo-based Lindsay Goldberg Nordic and Duesseldorf-based Lindsay Goldberg Vogel.



Odfjell sees strong growth opportunities in both Europe and North America

The proposed transaction values Odfjell's assets at approximately 10 times EBITDA. In addition, immediately after closing the parties intend to

invest €25 million as new equity into Odfjell Terminals (Rotterdam) to fund the company's capacity expansion plans.

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## Petrobras founds ethanol logistics operation

Brazil's oil major Petrobras has set up a special logistics company, Logum Logistica SA, to transport and store ethanol. It will be a private limited company, comprising ordinary registered shares with no face value, distributed to stakeholders in the ratios: Petrobras, 20 percent; Copersucar SA, 20 percent; Cosan SA Industria e Comercio, 20 percent; Odebrecht Transport Participacoes SA, 20 percent; Camargo Correa Oleo e Gas SA, 10 percent; Uniduto Logistica SA, 10 percent. The new company has initial capital of R\$100 million.

Logum Logistica will build, develop and operate the entire logistics system, comprising loading, unloading, transport and storage, and operation of ports and waterway terminals, with multipipeline networks, waterways, highways and coastal shipping.

With investments of R\$6 billion, the system will extend over some 1,300km and pass through 45 municipalities, linking the main ethanol-producing regions in the states of Sao Paulo, Minas Gerais, Goias and Mato Grosso to the Paulinia Refinery (Replan) in Sao Paulo.

Part of this integrated system will consist of a long-distance pipeline between Jatai (GO) and Paulinia. Work on the first section between Ribeirao Preto and Paulinia was begun last November when the initial contracts were awarded, covering services, projects and facilities. This section will be integrated into the existing waterways transport system in the Tiete-Parana basin. Carrier convoys made up of barges and

pusher craft will be built and operated by Transpetro, which will also operate the system pipelines used by Logum Logistica SA.

The aim of combining pipelines and waterways is to rationalise ethanol transport and reduce costs. The integrated system will consist of a pipeline network extending as far as Barueri and Guarulhos, in Greater Sao Paulo, and Duque de Caxias in Rio de Janeiro state. From these terminals, ethanol will be transferred directly to fuel service stations using short-haul road transport.

To ensure that the ethanol reaches other markets in Brazil, the delivery system will include coastal port terminals in the states of Sao Paulo and Rio de Janeiro to facilitate coastal shipment. The system will also speed up the ethanol export process. At present, most of the ethanol produced is transported by road tanker to port facilities.

On completion, the project will have an annual installed transport capacity of up to 21 million cbm of ethanol. More than 10,000 direct and indirect jobs will be created and part of the labour force required will be recruited locally.

Most of the system will be constructed along existing pipeline routes. This, it is claimed, will minimise environmental impact on local communities and native vegetation. In addition, the project will reduce traffic on major highways and in urban centres. Reducing the number of trucks in circulation will result in less wear and tear on highways, increased safety and speed, and reduced emissions.

## Blackwater to buy in Maryland

Blackwater Midstream has entered into a Letter of Intent to acquire a liquid terminal facility in Salisbury, Maryland for US\$1.6 million. The acquisition is expected to be completed in the third quarter of 2011.

The Salisbury site consists of 177,000 barrels of storage capacity situated on six acres of property located along the Wicomico River. The site is accessible by inland barges and tank trucks. There is a three-bay automated truck loading rack equipped for bottom loading with vapour controls. In addition, there is ample property within the fence line to expand the capacity at

the site.

Mike Suder, Blackwater Midstream's CEO stated: "The Salisbury acquisition a continuance of our business plan to acquire and grow under-performing assets." Frank Marrocco, chief commercial officer added that the company believed it could add significant growth to the facility, which serves the petroleum supply chain in the Delmarva region. "We will accomplish business growth at the Salisbury terminal by forming strategic partnerships with petroleum refiners and distributors that service this area," he said.

# Simon adds to UK sulphur capacity

Simon Storage Ltd has increased its owned storage capacity in the UK with the purchase of two tanks from the Pan American Sulphur Company (PASCo). The tanks, which are located on land adjacent to Simon's Immingham East Terminal on Humberside, were previously leased to Simon to supplement the terminal's capacity. The steel tanks are currently being or have been used by Simon to store sulphuric acid and heavy fuel oil on behalf of two existing customers. Designed and constructed to a high specification, the tanks provide Simon with additional owned capacity which can now be modified, as required, to meet the storage demands of a range of other products. Simon has proven engineering expertise in tailoring liquid storage solutions for a wide range of customers, industries and products.

The two tanks acquired by Simon from PASCo have capacities over 11,750 cbm and 11,350m cbm. Initially specified for storing molten sulphur, the tanks have been built to a strengthened design and are rated to a specific gravity of 1.8. Simon has since converted one of the tanks to fuel oil storage, which included upgrading the existing insulation, for a leading bulk fuel supplier. Fuel oil is received by sea at Immingham's East Jetty for storage prior to onward distribution to local refineries. The other tank has stored imported sulphuric acid, also received by sea. This tank was extensively modified, including the installation of a new floor to accommodate the storage of acid. Existing lagging was removed and the shell exterior was reinstated to a painted finish. The sulphuric acid tank has access to a dedicated sulphuric acid road export gantry and each of the two tanks is connected to pipeline links for transporting products from storage at the terminals to local refineries.

Simon's East and West Terminals at Immingham are the UK's most comprehensive independent storage facility with a combined capacity of 623,000 cbm in 243 tanks. Bulk liquid and gas products can be stored and distributed by ship, barge, rail tanker,



Simon's Immingham East Terminal

pipeline or road vehicle, providing the flexibility to develop an optimal combination of viable transport modes. The terminals are ideally placed for receiving product shipments from continental and eastern Europe, and have a logistical advantage over the UK's West Coast facilities in terms of shorter and more direct routes to Europe's ARA Ports (Antwerp, Rotterdam and Amsterdam) and to Hamburg, as well as easier access to the developing transit terminals of Eastern Europe.

Simon Storage also announced two new additions to the company's team

with the arrival of Shireen El Menabawey as sales manager, northern terminals, and Steve Shaw in the role of group HMRC compliance adviser. In addition, commercial manager Chris Tanner now takes overall responsibility for the commercial function of Simon's Seal Sands, Riverside and Tyne Terminals. This follows the retirement of Rex Bradshaw as commercial manager, Teesside Terminals, after 20 years of service with Simon. Reporting to commercial director Paul Oseland, Chris will be supported by Shireen El Menabawey as the newly appointed sales manager for the area.

# Verwater to build St Eustatius capacity

Dutch terminal engineering and construction company Verwater has signed an EPC contract with Nustar for the construction of new storage tanks for the existing terminal on the Caribbean island of St Eustatius. This project includes the installation of five new storage tanks in the upper terminal. Two tanks with capacity of 25,700 cbm. And three tanks with capacity 36,000 cbm. The three large tanks will be used for high sulphur diesel storage. The two smaller tanks will be designated for low sulphur diesel storage. The tanks will be equipped with transfer piping, transfer pumps, and associated instrumentation.

In addition, Verwater Group is to build 10 million barrels of multipurpose storage at an oil terminal in St James Parish, LA, US. The storage will be owned by Petroplex International, and Verwater will use new construction methods that have never before been used in the US.



The tanks will be built horizontally into the soft soil of Mississippi and will have cheaper maintenance although at the same time will enable the tanks' economic lifetime to be extended, says Verwater.

All the tanks will be hurricane proof and the first building phase will create 4 million barrels worth of storage.

# Dunkerque LNG confirmed

Electricite de France, Europe's biggest power generator, has confirmed its investment in the Dunkerque LNG terminal project. Via its subsidiary Dunkerque LNG, EDF will build the terminal at the Le Clipon site in Loon-Plage, near Port of Dunkerque. The announcement follows the decision by the Grand Port Maritime de Dunkerque to approve the project in May 2010.

The terminal, expected to come into service by the end of 2015, will have an annual regasification capacity of 13 billion cbm of gas boosting France's capacity to import natural gas by 20 percent.

It will give EDF a balanced and diverse portfolio of sources for the supply of natural gas, allowing the group to meet the needs of its final customers with dual energy offerings (electricity and gas) and optimising supplies to its gas-fired power stations. The facility is strategically located to serve all the markets of northwest Europe.

Within the Dunkerque region the project will have a formative impact on



Port of Dunkerque will build the port infrastructure

employment, recruiting up to 1,850 people during construction work on the terminal between 2012 and 2015. Once in operation, the facility will create around 250 jobs in either direct operation of the terminal or other port professions.

Total investment in the project will be €1.5 billion. Three project managers will be jointly responsible for carrying it out: Grand Port Maritime de Dunkerque will build the port infrastructure, EDF the industrial installations and GRTgaz the connections to the gas transport network.

## Advertisers Index

APC .....	7
Blackmer .....	6
Buescherhoff .....	17
Caretex .....	10
Eceplast .....	15
Girard .....	4
Grindrod .....	12
Isbir .....	9
ITCO .....	2
LC Packaging .....	Front Cover
Redler .....	11
SAFI .....	16
Starlinger .....	Back Cover
Telenor Traxion .....	3

# Solventas invests

Turkish operator Solventas is continuing to invest to improve its facility and raise standards as one of the leading storage terminals in the region. Solventas has completed the construction of new loading racks to enable more accurate filling with scales, improve the traffic flow of the terminal and increase the efficiency of operations.

As the first phase of the project, Solventas has completed the construction of four loading racks, which enable the loading of 32 tanks. All loading racks provide services from two sides and as they are equipped with scales they allow filling operations to be conducted accurately. Both the in-line blender and the loading lines, which are all renewed have electrical heat tracing. In order to minimise

emissions, during closed circuit loading, an electronic unit is used to send signals from the truck to the loading rack to alert grounding and over fill alarms. During open circuit loadings, gas aspiration and scrubber system is used to achieve the same goal.

The loading racks are also equipped with grounding systems, overflow prevention alarms, driver life jackets, eyewashes and emergency shut down valves in order to ensure human and environmental safety. There are optical acoustic alarms and heat detectors for emergency situations, which are also connected to the central computer system. The connection to the system is critical for warning related people and directing them to the source of the problem immediately.

All operations in Solventas Terminal

are fully automated and a web based online and real time continuous information flow has currently been set up for the terminal staff, customers and other business partners. The operating interface units on the loading racks enable the connection to the SCADA system. Thus, detailed terminal operations are controlled and managed by the terminal staff by the help of the real time automation system. Also, customers and other business partners can give their orders concerning all types of terminal operations that they request and can collect reports regarding their inventory and operations online and in real time through Solventas Terminal website via the browser based web application that can also be accessed from any smart phone.





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