"Choosing the Wilhelmshaven site has strategic significance for the Volkswagen Group."

Thomas Zernechel, Head of Group Logistics
THE HALF A MILLION TEU THRESHOLD HAS BEEN EXCEEDED

Container Terminal Wilhelmshaven benefits from the new alliance structure in international container shipping: For the first time, in 2017, more than half a million TEU was transhipped. With 2M and Ocean Alliance, two of the three largest shipping company alliances call at the German deep-water port, and use the world’s largest container ships in doing so. This meant monthly transhipment at the Container Terminal Wilhelmshaven could be doubled as of May 2017. “We are mostly happy with development in Wilhelmshaven, and hopeful as a whole,” says Michael Blach, head of terminal operator Eurogate. “Over the past two years, we have been able to develop a double-digit growth, and we are aiming for even further growth on a similar scale by the end of 2018.”

HEADING TO INDIA WITH SAFMARINE

Maersk subsidiary Safmarine offers an Indian service at Container Terminal Wilhelmshaven, the ME 1, which connects Wilhelmshaven to the Red Sea and the Persian Gulf. Recently, this service has become available as a booking service via Hamburg Süd. Transit time to Mundra in India, the final port in the rotation, takes 38 days. Neelam Choudhary (photo) is Container Terminal Wilhelmshaven’s on-site representative who has already organised several exhibition appearances and customer receptions on behalf of the German deep-water container port in India.

THE ROAD TO EXPANSION

The new deep-freeze facility in the Nordfrost Seaport Terminal in Wilhelmshaven, which opened on 22nd January 2018, is already running at 70 percent of its full capacity – with frozen goods, fresh meat and poultry products. In order to expand the capacities in this temperature range, Germany’s market leader wants to start building a 35-metre high, fully automatic high-bay warehouse in deep-freeze logistics this year, which will be directly connected to the new deep-freeze facility. Because of the increasing transhipment numbers at the Container Terminal Wilhelmshaven, the need for storage capacities for dried goods of all kinds is increasing, reports Head of Nordfrost, Horst Bartels. A 20,000 square metre distribution centre, which is currently under construction, is expected to be put into operation in autumn for these products.

Before the end of 2019, Nordfrost is planning to invest another 100 million euros or so in the Freight Village of the German deep-water container port. It will be used for the plot’s rail connection, an empty container depot including container repair and washing system, hazardous goods store construction as well as halls for seaworthy packaging and transhipment of heavy cargo, for which overhead cranes with a load capacity of 400 tonnes are used. As well as this, Bartels has announced that Nordfrost will enter into fresh food logistics with great fanfare. The company is also said to be setting up a comprehensive fresh food network with storage and distribution in Germany.
GOOD PROSPECTS FOR THE ENTIRE NORTHERN REGION

The Volkswagen Group has chosen Wilhelmshaven as the site for its new packaging centre. This will bring with it new jobs and hopes for additional liner services that will call in Wilhelmshaven. This is very good news for Wilhelmshaven and the entire maritime location of Lower Saxony – because it shows how Germany’s only deep-water port is an attractive offer for world-leading container shipping companies and export-oriented firms. Effective space marketing includes new-build programmes planned for shipping companies for more mega carriers and new hires that were announced at terminal operator Eurogate.

Despite market conditions that are still difficult, the continuous upward trend of our young deep-water port is reflected in positive development of liner services and container transhipment. The container ships, which are currently the largest in the world, have been calling at Container Terminal Wilhelmshaven since May 2017 as part of an Asia-Northern Europe service of the world’s largest shipping company alliance, Ocean Alliance. There is now a balanced offer of eight shipping companies in total in Wilhelmshaven, which offer liner services from and to China and to other Asian destinations.

After a six-fold increase in transhipment volume in 2015, and an increase of around 13 percent in 2016, the Container Terminal Wilhelmshaven grew by further 15 percent in 2017 with 554,000 containers transhipped – and thus achieved double-digit growth for the third year in a row. And so it is all the more important to drive forward the second expansion stage of Container Terminal Wilhelmshaven consistently as of now. For this reason, the new government agreed to immediately start planning for expansion in a coalition agreement. Those are good prospects for the entire northern region!
Audi plants like this one in Aurangabad, India, will receive vehicle components from the packaging centre at the Freight Village Wilhelmshaven from 2019 onwards.

OVERSEAS FROM CONTAINER TERMINAL WILHELMSHAVEN

In future, car parts from suppliers all over Europe will be trucked to Container Terminal Wilhelmshaven, which will be used as a starting point for journeys to overseas production sites. Thanks to this, the deep-water container port in Wilhelmshaven not only gains further export cargo, but also registers a success that sets an example beyond city and county borders.
In material logistics, Volkswagen shifts millions of parts on a daily basis to keep vehicle production in its plants running. The car manufacturer will process individual components from its new site in the Freight Village Wilhelmshaven in future. The spectrum covers many parts which are built into cars - or rather components that have been pre-fabricated by the supplier - and ranges from simple screws and more complex electronics and body parts to complete engines. In the packaging centre at the Wilhelmshaven deep-water port, the parts are first stored before being repackaged in containers suitable for overseas based on customer orders, and are then loaded into containers.

"The deep-water port presents a sustainable offer – both for world-leading container shipping companies and for our export-oriented companies," says Lower Saxony’s Minister of Economy, Dr Bernd Althusmann, and stresses: "We have an opportunity to make the Container Terminal Wilhelmshaven a new success story, and, as the leading state in the field of maritime trade, we will take it." Althusmann seems confident that Volkswagen’s new packaging centre will not only create new jobs, but that even more liner services will also call at Container Terminal Wilhelmshaven from 2019 onwards.

Wilhelmshaven’s significance as a container port increased

"The fact that the number of shipping companies increased from two to eight in 2017, meaning that two out of three large alliances call at Wilhelmshaven, surely contributed to Volkswagen seeing the advantages of this location," says Head of Eurogate, Michael Blach, adding: "We hope that the Volkswagen setting up here has increased the opportunities for new liner services in Wilhelmshaven, and we will work vigorously to convince other shipping companies of the benefits of Germany’s only deep-water port." It is clear for Mikkel Andersen that, with the further cargo exports overseas, it is not only Wilhelmshaven’s significance as a container port that will be increased. "It is also a clear sign when an internationally known German brand and very large and successful exporter sets up in Wilhelmshaven," says the manager of Eurogate Container Terminal Wilhelmshaven.

"A big deal for the city and the region"

"We are very happy that more and more companies are recognising the enormous potential and expertise to make use of Wilhelmshaven's advantageous location," explains Wilhelmshaven’s mayor, Andreas Wagner, with a view of the VW site, which is "a big deal for the city and the region". Wagner is sure that the transhipment numbers at the Container Terminal Wilhelmshaven will be driven up even more and also expects positive effects on other companies wanting to establish themselves there. The city’s business development and Container Terminal Wilhelmshaven JadeWeserPort-Marketing GmbH & Co. KG have been in close contact with different project developers since mid-2017, and had offered the Volkswagen Group various plots and properties for the new packaging centre.

"This is another important milestone for the port, and for Panattoni a confirmation of our expertise in the automotive sector," say Fred-Markus Bohne, managing partner of logistics and industrial real estate developer Panattoni Europe. The earthwork for building the multi-brand packaging centre will commence in June 2018, completion is planned for the first quarter of 2019.
Ms Lühring, Volkswagen delivered more vehicles than ever before in the 2017 financial year: 10.74 million. In which markets has the demand increased particularly?

Compared to the previous year, the number of shipments in the Asia-Pacific region in 2017 increased by 4.3 percent to 4.5 million vehicles. 4.2 million new cars went to customers in China during this time, which is an increase of 5.1 percent. In the North America region, we saw a increase of 4.0 percent with 976,400 shipments, and in Europe we were able to achieve a growth of 3.3 percent with 4.3 million shipments. The historically good shipment result is mainly due to a strong team performance from all group brands and employees.

The increased demand for vehicles also sees an increase in the need for car parts, which need to be shipped to production sites in the respective countries. Why did VW decide to build the new packaging centre for car parts at the Container Terminal Wilhelmshaven?

The new packaging centre for car parts at Freight Village Wilhelmshaven will become an integral part of Volkswagen’s global logistics. As well as financial aspects, strategic development prospects speak in favour of Wilhelmshaven as a location, says Astrid Lühring, head of VW material logistics, in the TIEFGANG interview. In her opinion, the possible uses, which are independent of the tide, and the trend towards increasingly larger ships, highlight the potential of the German deep-water container port.

The Volkswagen Group has a number of plants overseas which build vehicles and aggregates and can be supplied from Wilhelmshaven, for example to China or India. The overall aim is to supply around 30 customer plants from Europe. To make their supply even more flexible and efficient, our packing station supports the efforts of Container Terminal Wilhelmshaven in terms of gaining more ship owners who use the Wilhelmshaven port.

What developments do you think the comparably young Container Terminal Wilhelmshaven is capable of?

The Volkswagen Group attaches great strategic significance to Container Terminal Wilhelmshaven. The possible uses, which are independent of the tide, and the trend towards increasingly larger ships, highlight its development potential. We want to actively use and support this opportunity.
The development of the Freight Villages in Germany is a success story: 35 sites – eight of which are in Lower Saxony – are home to around 1,500 companies in total with more than 60,000 employees.

The Deutsche GVZ-Gesellschaft (DGG), which supports cooperation of German Freight Villages, is celebrating its 25th anniversary this year. Since the DGG was founded on 22 June 1993, Freight Villages in Germany have seen rapid development. This can be seen in the excellent positions of German sites in the European freight village rankings, amongst other things. “The DGG’s participation in two research projects in the areas of ‘Business process digitisation’ and ‘Digital learning’, which are very important for future development of the freight villages, will be able to make a significant contribution to consolidating this position,” said DGG Managing Director Dr Thomas Nobel.

There is also positive news from the comparably young Freight Village Wilhelmshaven: Nordfrost, one of the first firms to establish itself there, is currently expanding the capacities and services in its sea port terminal considerably, and has already announced that it will invest another 100 million euros or so in the site by the end of 2019. As well as this, the online trader AE Trade Online is situated directly next to the container terminal, and the Rhenus Group has put a modern container warehouse into operation.

With the new packaging centre for car parts of the Volkswagen Group, development of Freight Village Wilhelmshaven will now pick up more speed.
MARITIME LIGHTHOUSE ON THE NORTH GERMAN COAST

The 21st of September 2012 will go down in history in the German port industries. It is now over five years ago that the courageous Container Terminal Wilhelmshaven project began. However, the opponents to building the port at Geniusstrand beach initially seemed to be proved right with their criticism: The new deep-water container port started slowly. But it must have been clear that it takes a few years to lead such an investment to success.

Most importantly, the job of shipping companies is to adapt their logistics transport models to the deep-water port with completely new comparative advantages. The benefits of Container Terminal Wilhelmshaven are indisputable. This port, with its sea depth and independence from the tide, offers huge transhipment benefits when processing mega carriers. As well as this, connection to the hinterland in Wilhelmshaven was expedited in an impressive feat. There’s also the goal of increasing the share of local container cargo. This includes companies on the commercial premises of Container Terminal Wilhelmshaven that secure regional value creation by processing imported and exported goods. Together with the other firms in the Freight Village, VW’s packaging centre for car parts will be setting benchmarks as of 2019 for a stronger port industry.

On its sixth birthday, it’s clear: Container Terminal Wilhelmshaven is developing into a success story, which will, however, change the structures of port transhipment.

Lower Saxony, and most importantly Bremen with its port facilities in Bremerhaven, were well-advised to plan and implement Container Terminal Wilhelmshaven as a joint project. Hamburg would do well to rethink its previous withdrawal from the port city triad for Container Terminal Wilhelmshaven. Eventually, clarity concerning the division of work between Wilhelmshaven, Bremerhaven and Hamburg must be provided by the maritime cooperative. Only when the current location provincialism has been overcome do the chances increase – not only for the Container Terminal Wilhelmshaven, but also for the future of port transhipment in the German North Sea.