

## MULTIMODAL CASE STUDY



TRANSMO is a Global transport company features by :

350 employees

A network of 24 agencies in France

Connecting more than 160 countries

Including 120 000 sqm of logistics warehouses

Main activities are :

Global European transport

Overseas (air, sea, clearance)

Logistics

The network in France is composed by :

7 main agencies (sea/air/customs clearance) located on main ports and airports

12 bonded warehouses

23 multimodal transport agencies covering France

Overseas service covers 120 appointed agents in 93 countries



**You are working in Clermont-Ferrand overseas service**

- 1) To assess your skill level you have to sum up the way to improve transport network in related countries of appendix 1 ; to consider possible investments after making an intermodal study.**
- 2) Your main task will be to manage the request of a regular customer, working in the paper industry and used to work in international trade.**

You will find hereafter (appendix 2) a quotation request of the customer

You need to consider documents of appendixes 3 to 10 :

Appendix 3 : containers availability and their characteristics

Appendix 4 : shipping schedules extracts of CMA-CGM

Appendix 5 : shipping schedule of Borchard Lines

Appendix 6 : possible itinerary from Clermont-Ferrand to Marseille

Appendix 7 : possible itinerary from Clermont-Ferrand to Le Havre

Appendix 8 : CMA-CGM price conditions

Appendix 9 : quotation offer from Borchard Lines

Appendix 10 : extra information

- a) Build an optimal offer to answer customer request
  - b) Calculate CIF Istanbul-Haydarpaşa (ICC 2000 incoterm)
  - c) Identify charges and risk to be invoiced to the customer considering its sales conditions
  - d) Write the offer to the customer including information needed to achieve export management
- 3) Your customer agreed your proposal. It is requested that you achieved the export file for your customer HPC.
- a. Determine statistic value
  - b. Complete Export file coverage (appendix R3)
  - c. Fill the bill of lading (Appendix R4)
  - d. Fill the ATR form (Appendix R 5)

## **APPENDIX 1**

The Netherlands, Belgium & Luxembourg : European champions of logistics

Belgium and The Netherlands form the wealthiest region of Europe and is a key platform of global trade thanks to the two biggest ports of Europe.

The Benelux benefits of a strategic location. Economic supports are Rotterdam port (NL) and Antwerpen (BE) represent 52% of transshipped volumes in the northern Atlantic range. The Netherlands has the ambition to become in 2020 the first European regulator of logistics supply chains. This port owns a huge oil port even if it lost 8.1% of transshipped volumes in 2009 however it is far ahead as the main European port with nearly 400 millions Mt before Antwerp with 157,6 million Mt and Hamburg (110,4 Mt). This domination puts pressure on natural and urban environment but also on area cost more expensive and an increasing bottleneck of accessing corridors. Antwerp is not so saturated and takes benefit of this situation and is developing areas situated near Germany and Wallonie part of Belgium where building costs remain affordable thanks to abandoned industrial estates.

In Rotterdam, a new building is connected to an engagement to reduce road modal part. Road modal part in Rotterdam is 56% and nearly 60% in Antwerp. After the renewal of Albert canal expected to be achieved in 2017, Antwerp expects also a better railway connection thanks to Liefkenshoek under Escaut river in 2014.

As in The Netherlands, Flanders and Wallonie prepared separate plans to support logistics development. The coming connection between Seine and Escaut rivers are attractive for Belgium and works to increase gauge in Flanders as in Wallonie are well advanced.

## **MF**

Luxembourg is targeting the development of logistics sector of high value goods.

In 3 years, Luxembourg moves from the 23<sup>rd</sup> position to the 5<sup>o</sup> position of Logistics performance indicator issued by the World Bank. This quality level does not only come from multilingual human resources and a privileged location between Belgium, France and Germany but also of a political willingness supporting it through attractive tax level, an increased efficiency of an already Luxembourg administration. This strategy developed before the crisis helps to attract not only big European groups of transport and logistics but also E-commerce majors such as with the Amazon or e-Bay.

A key element of Luxembourg logistics display is the Findel airport 5<sup>th</sup> freight airport in Europe, famous for its efficiency and main hub of Cargolux, one leader of this market. The sea/rail terminal of Bettembourg/Duddelange opened in 2007 is not concerned too by the crisis. A third round trip 7days a week has been launched for trailers till 44 Mt to Perpignan by Lorry Rail late April 2007. This rail motorway or rolling road is connecting the two locations in 15 hours for 10450 kms sparing people and material. It is now a key route for industrial or controlled temperatures logistics, from Norway to Marocco with a filled rate of 85%. Lorry Rail increased to 4 round trips a day in October 2010 and increased Le Boulou terminal.

Luxembourg is also improving road infrastructures with the neighboring region of Trier and to make an optimized use of the inlandwaterway terminal of Luxembourg. All neighboring regions are now developing infrastructures with Luxembourg as logistics main hub.

## **MF**

Poland : a desired land

Sustained by an internal demand and a solid economic growth, Polish transport market is one of the most attractive in Europe.

What is the common point between 2012 Euro cup of football and road transport ? The development of transport infrastructures accelerates thanks to this great event. 630 kms of motorways and more than 2000 kms of domestic roads have been needed. Till now the road network is insufficient, especially on international corridors crossing Poland and does not offer major connections to main urban centers.

The insufficient capacity till now has not prevented from a drastic increase of freight on the Polish territory. Between 1990 and 2006, traffic volumes have been multiplied per 6 and road represents now 70% of the freight traffic. Norbert Dentressangle has been attracted by the strategic position of Poland on East-West axis and also by salary level far cheaper than in other EU countries.

## **A H**

Spain and Portugal : obliged to revise transport approach

Spanish economic collapse has imposed a drastic economic plan as in Portugal. The situation pushes players to study possible alternatives thanks to port infrastructures as the location of Iberic peninsula.

Some economical bad news are directly impacting transport such debt interdiction for cities (as from 2011) or increasing VAT by 2%. Others as the drastic increase of salary of administration employees will generate a drop in consumption having a negative effect on transport and logistics too.

This might also help improved efficiency of transport sector, particularly ports. This argument is really attractive to European Union as pointed by Santiago Garcia Mila, co manager of Barcelona port. We can reorganize routes for freight coming from Asia to welcome these traffics in Mediterranean ports and we will save 700 Mt CO2 with more rational road traffics. The port platform of Barcelona is one of the most dynamic. Some Spanish shippers experiment short sea shipping such as Milk Asturian company trying it between Sevilla and Barcelona.

The relatively important weight of automotive industry in Spain and in Portugal is adapted to development of sea motorways, especially from Gijon to Saint-Nazaire where Gefco is situated. LD Atlantic sea company forecasts 25000 truck less on the road to reach 100000 less in 3 years. This connection shows an interest also for North Portugal shippers.

## **FM**

Czech Republic, Slovakia and Hungary : logistics bridges to Russia

After becoming industrial outsourcing destinations for western industries, these three countries intend to become a main logistics platform between Europe, Ukraina and Russia.

At the heart of Europe, Czech Republic, Slovakia and Hungary are expected to become a logistics crossroad. The today priority is to develop their road network and cross border links. The Czech and Slovakian road network can be compared with Western Europe network which is not the case of Hungary. Two main European corridors cross these countries and will help to develop the Hungarian road transport itself. The East-West links of M1 motorway connecting Budapest and Vienna and M3 to Ukraine will connect at the end Trieste (IT), Sarajevo (Bosnia) and Kiev (Ukraine). They are nearly achieved. The building of M5 to Romania is related to the main corridor of Europe connecting Berlin-Dresden-Praha-Budapest-Bucarest-Sofia and Thessalonique and is subsidized by European Union. It will create 1000 kms of high speed roads in the country. The Hungarian network has an advantage to be free whereas Czech and Slovakian networks support a Lorry tax similar to LKW Maut in Germany for vehicles of more than 7.5 Mt. In the same time, the three countries welcome now important logistics centers due to western European countries outsourcing moves.

The railway is more and more developed, creating rail/road intermodal platforms often dedicated to Russia. Hungary has modernized its own rail freight network and seems to make it a priority. The development of a new platform close to Budapest shows the willingness of authorities to develop the region of Zahony close to Ukrainian border as an intermodal platform preparing a large intermodal transshipment center for freight coming for instance from Asia and especially from China.

Considering low salary level, transport costs remain 20% to 30% cheaper than in Western countries. In a country where service level is a standard one, with an adapted transport network they have now to reach a satisfactory operational level to gain market shares.

## **BM**

Bulgaria and Romania : a quiet bad road network

Romania and Bulgaria are lated in the development of their transport infrastructure however they are expected to become main crossing corridors for logistics flows of Europe to Turkey and Causasus countries. The two countries are in competition on that point

Transport costs in Romania as in Bulgaria are 30% to 40% cheaper than in France. Romania is subsidized by European Investment Bank with an expected amount of 1 billion € to finance the development of its motorways network. The road freight transport accounts for 73% of the total transport market. As for its neighboring countries, the transport need is driven by the implementation of international groups.

Romania intends also to develop railway infrastructures in its 2007-2013 plan for 1.4 billions € for modernization of infrastructures.

Romania and Bulgaria need an adequate road network to play a role between Europe and Minor Asia. Today 329 kms of motorways exist in Bulgaria and 323 kms in Romania, the two countries have the lowest level in Europe. The existing network is not really in a good condition. One of the priorities is 1500 kms of motorways between Bucarest-Cosntanta in the main corridor Berlin to Constanta. With such a corridor, Romania might become a key logistics platform between Europe and Black Sea countries.

Bulgaria is also interested by this corridor to Thessalonique and defends geographic position of Bulgaria as a key factor for transport to Balkans and to Asian countries. Bulgarian authorities request Euopean subsidies amount of 580 millions € to modernize railway network and 900 millions € for road network. An

intermodal rail/road terminal in Sofia is also expected for an amount of 26 millions €. An improved sailing project of Danuba is also expected. Bulgaria bets on Multimodal and Romania on road.

## **BM**

Turkey : 20 billions \$ of investment to achieve

A main platform between Europe, Asia and Middle East together with and opened sea coast.

The geographical position of Turkey shows big advantages. However, to use it infrastructures have to be strongly developed : road, rail and sea. It's a key point today to continue its economical development. About road transport, they expect to reach 15000 kms of high speed roads. 90% of the traffic is using road inland. Railway is another priority. Today only 25M of lines are electrified i.e. 2300 kms of lines. The privatization of ports revenue will be allocated to railway.

Turkey is opened on 4 seas and has the 17° position of world fleet and is showing 150 freight ports. The Dardanelles straits connects Egee sea to Marmara sea and Bosphore straits connects it to Black Sea. The south coast is on Mediterranean sea. Main ports are Istanbul, Izmir and Merzin. The two last are today privatized. The private ports (with better infrastructures) took more profit of the economical growth since 1990.

## **APPENDIX 2**

HPC paper specialist

63118 Cébazat

France

FAX

TO : Transmo                      From : Mickaël – Customer service

Re : Quotation request                      Date 7<sup>th</sup> February 20..

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We would be grateful to get a quotation regarding a CIF Istanbul-Haydarpasa (ICC 2000 incoterm) for a shipment from our warehouse located in Cebezat to Istanbul port (Turkey)

- Goods : 28 pallets of paper rolls packed on 80x120 cm pallets
- Non stackable – gross weight of one pallet : 700 kgs
- EXW = 30000 €
- Shipment : ready for collection on 9<sup>th</sup> February at 12 h
- Delivery to Istanbul-Haydarpasa port
- Delay of delivery : Friday 25<sup>th</sup> February before 4 pm

Your answer is expected to include total amount to be charged to us and will indicate main steps of your service.

Regards

Mickaël

### APPENDIX 3

#### Containers types

##### 20' dry

External dimensions 20'x8'0"x8'6"

6,058 m x 2,438 m x 2,591 m

Internal dimensions 19'4 13/16" x 7'8 19/32" x 7'9 57/64"

5,898 m x 2,352 x 2,385 m

Gross Weight	Tare	net weight	Door Opening	
52,910 lb	5,140 lb	47,770 lb	width	height
24,000 kgs	2,330 kg	21,670 kg	2,343 m	2,280 m

Volume in cbm 33,1

For all kind of commodities

##### 40' container

External dimensions 12,192 m x 2,438 m x 2,591 m

Internal dimensions 12,032 m x 2,352 m x 2,385 m

Gross weight	Tare	Net weight	Door opening	
30,480 kg	4,000 kg	26,480 kg	width	height
			2,343 m	2,280 m

Volume 67,5 cbm

For all kind of commodities

### APPENDIX 4 SHIPPING SCHEDULE CMA CGM

Solution 1 Service FAL / Service FEMEX via MALTA

Port	Date 1	Date 2
LE HAVRE FR	11 February 2011	19 February 2011
From Terminal Cutoff	TDF	TDF
Ship	10 February 2011	17 <sup>th</sup> February 2011

Service	CMA CGM AQUILA	CMA CGM HYDRA
Voyage	FAL	FAL
To Terminal	FL731E	FL733E
MALTA MT	MLA	MLA
MALTA MT	17 <sup>th</sup> February 2011	24 <sup>th</sup> February 2011
From Terminal	18 <sup>th</sup> February 2011	2 <sup>nd</sup> March 2011
Ship	MLA	MLA
Service	KING BASIL	TAURUS
Voyage	FEMEX	FEMEX
To Terminal	FV229E	FV233E
INSTANBUL HAYDARPASA, TR	TER	TER
	22 <sup>nd</sup> February 2011	6 <sup>th</sup> March 2011
Transit time	10	15

Solution 2 Service FAL3 / Service FEMEX via ZEEBRUGGE

Port	Date 1	Date 2
LE HAVRE FR	7 <sup>th</sup> February 2011	14 <sup>th</sup> February 2011
From Terminal Cutoff	TDF	TDF
Ship	5 <sup>th</sup> February 2011	12 <sup>th</sup> February 2011
Service	CMA CGM OTELLO	CMA CGM PELLEAS
Voyage	FAL3	FAL3
To terminal	FM341E	FM343E
ZEEBRUGGE BE	CHZ	CHZ
	9 <sup>th</sup> February 2011	16 <sup>th</sup> February 2011
ZEEBRUGGE BE	12 <sup>th</sup> February 2011	19 <sup>th</sup> February 2011
From Terminal	CHZ	CHZ
Ship	KING BYRON	TAURUS
Service	FEMEX	FEMEX
Voyage	FV231E	FV233E
To terminal	TER	TER
ISTANBUL HAYDARPASA TR	28 <sup>th</sup> February 2011	6 <sup>th</sup> March 2011
Transit time	20	20

FROM MARSEILLES FR TO ISTANBUL HAYDARPASA TR

Departure between 8<sup>th</sup> February 2011 and 22 February 2011 – MPCDEL service / FEMEX Service via MALTA

Port	Date 1	Date 2	Date 3	Date 4
MARSEILLE FR	12 <sup>th</sup> February 2011	13 <sup>th</sup> February 2011	19 <sup>th</sup> February 2011	21 <sup>st</sup> February 2011
From Terminal Cutoff	22 -	22 10 <sup>th</sup> February 2011	22 -	22 17 <sup>th</sup> February 2011
Ship		DELMAS BONY		CMACGM
Service	WMED	MPCDEL	WMED	CORTES
Voyage		PT167S		MPCDEL



At the Terminal MALTA MT	MLA 19 <sup>th</sup> February 2011	MLA 18 <sup>th</sup> February 2011	MLA 26 <sup>th</sup> February 2011	PT169S  MLA 24 <sup>th</sup> February 2011
MALTA MT	24 <sup>th</sup> February 2011	24 <sup>th</sup> February 2011	3 <sup>rd</sup> March 2011	3 <sup>rd</sup> March 2011
From Terminal Ship Service Voyage	MLA KING BYRON FEMEX FV231E	MLA KING BYRON FEMEX FV231E	MLA TAURUS FEMEX FV233E	MLA TAURUS FEMEX FV233E
At Terminal ISTANBUL HAYDARPASA TR	TER  28 <sup>th</sup> February 2011	TER  28 <sup>th</sup> February 2011	TER  7 <sup>th</sup> March 2011	TER  7 <sup>th</sup> March 2011
Transit time	16	15	16	14

# SAILINGS CHEDULE January-March 2011



ANNEXE 5

Borchard Lines Ltd

BORCHARD LINES L TD  
 10 Chiswell Street, London EC 1Y4XY  
 Téléphone : 02076286961  
 Fax : 02075881884

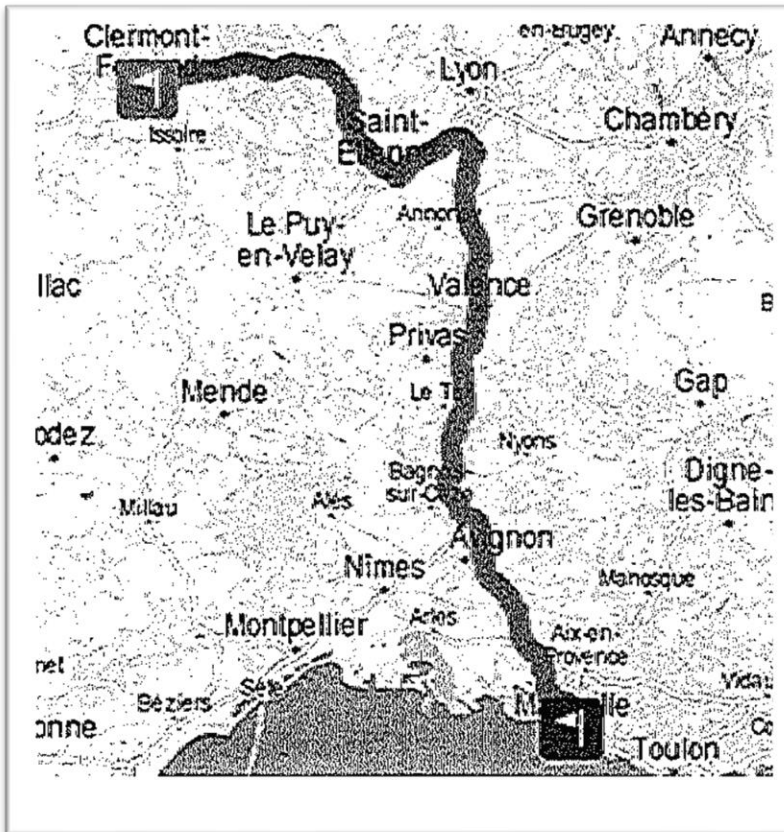
VESSEL	VOYAGE	Barcelona	Marseille	Genoa	Piraeus	Haydarpasa	Ambarti	Izmir	Barcelona	Marseille	Genova
SUSANBORCHARD	491/492	4/1	5/1	6/1	9/1	10/1	11/1	12/1	18/1	19/1	20/1
MIRIAMBORCHARD	517/518	11/1	12/1	13/1	16/1	17/1	18/1	19/1	25/1	26/1	27/1
SUSANBORCHARD	493/494	18/1	19/1	20/1	23/1	24/1	25/1	26/1	1/2	2/2	3/2
MIRIAMBORCHARD	519/520	25/1	26/1	27/1	30/1	31/1	1/2	2/2	8/2	9/2	10/2
SUSANBORCHARD	495/496	1/2	2/2	3/2	6/2	7/2	8/2	9/2	15/2	16/2	17/2
MIRIAMBORCHARD	521/522	8/2	9/2	10/2	13/2	14/2	15/2	16/2	22/2	23/2	24/2
SUSANBORCHARD	497/498	15/2	16/2	17/2	20/2	21/2	22/2	23/2	1/3	2/3	3/3
MIRIAMBORCHARD	523/524	22/2	23/2	24/2	27/2	28/2	1/3	2/3	8/3	9/3	10/3
SUSANBORCHARD	499/500	1/3	2/3	3/3	6/3	7/3	8/3	9/3	15/3	16/3	17/3
MIRIAMBORCHARD	525/526	8/3	9/3	10/3	13/3	14/3	15/3	16/3	22/3	23/3	24/3
SUSANBORCHARD	501/502	15/3	16/3	17/3	20/3	21/3	22/3	23/3	29/3	30/3	31/3
MIRIAMBORCHARD	527/528	22/3	23/3	24/3	27/3	28/3	29/3	30/3	5/4	6/4	7/4
SUSANBORCHARD	503/504	29/3	30/3	31/3	3/4	4/4	5/4	6/4	12/4	13/4	14/4

**BORCHARD LINES L TD**  
 10 Chiswell Street, London EC 1Y4XY  
 Téléphone : 02076286961  
 Fax : 02075881884

VESSEL	VOYAGE
SUSANBORCHARD	491/492
MIRIAMBORCHARD	517/518
SUSANBORCHARD	493/494
MIRIAMBORCHARD	519/520
SUSANBORCHARD	495/496
MIRIAMBORCHARD	521/522
SUSANBORCHARD	497/498
MIRIAMBORCHARD	523/524
SUSANBORCHARD	499/500
MIRIAMBORCHARD	525/526
SUSANBORCHARD	501/502
MIRIAMBORCHARD	527/528
SUSANBORCHARD	503/504

**APPENDIX 6**

A7	N102 A7	A75 N106
Vehicle Trailer + Truck more than 12t Distance 476 km whose 467 kms of motorways Transit time 6h08 Gazoline 211,04 € Toll 96,80 €		

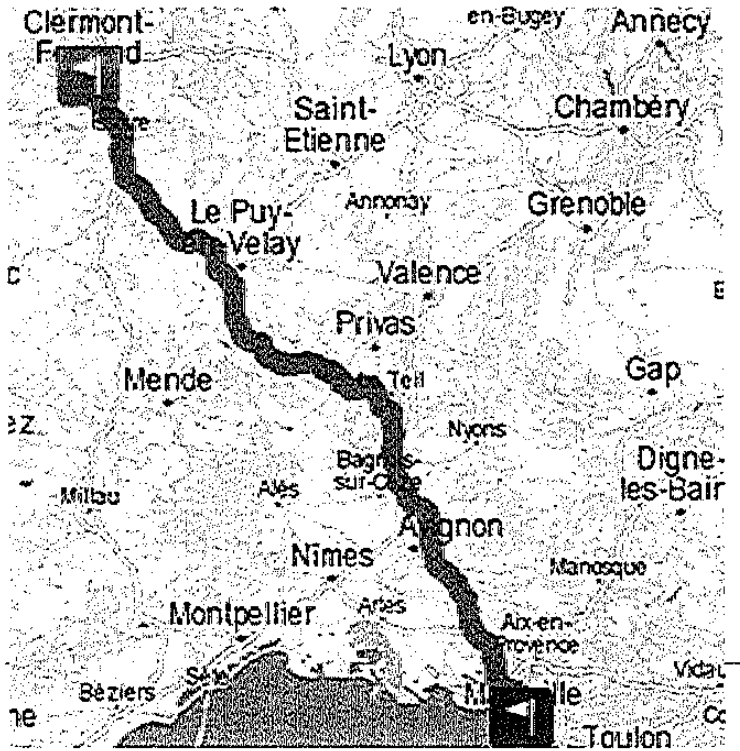


A7

N102 A7

A75 N106

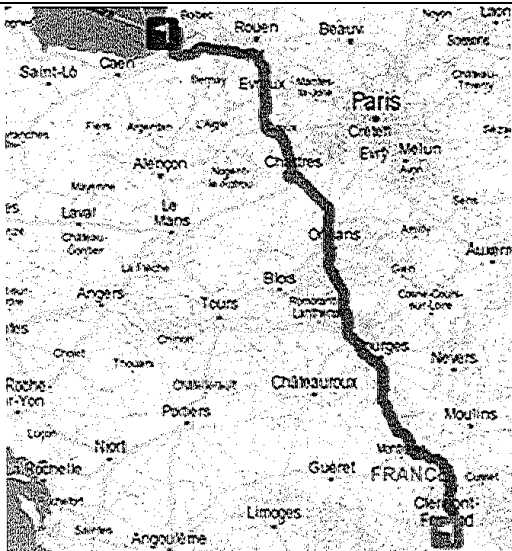
Vehicle Trailer + truck more than 12t  
423 kms whose 213 kms on motorways  
Transit time 6 h 11  
Gazoline 180,05 €  
Toll 21,50 €



A7	N102 A7	A75 N106
<p>Vehicle Trailer + Truck more than 12t  Distance 492 kms whose 368 kms on motorways  Transit time 7 h 01  Gazoline 218,19 €  Toll 28,90 €</p>		



A 71	A71 A28
<p>Vehicle Trailer + Truck more than 12t  Distance 565 kms whose 479 kms on motorways  Transit time 7 h 38  Gazoline 262,65 €  Toll 123,90 €</p>	



A 71	A71 A28
<p>Vehicle Trailer + Truck more than 12t  Distance 670 kms whose 650 kms on motorways  Transit time 8 h 40  Gazoline 310,62 €  Toll 113,60 €</p>	



## APPENDIX 8

### CMA CGM - CONTAINERIZED CARGO TARIFF

#### 1- FCL/FCL

Rates are said FAK freight all Kind, i.e. per box for non hazardous dry goods

- a- inland container positioning, might be round trip or one way
- b- export customs clearance 60 € per form
- c- THC
- d- Bill of lading cost 40 €
- e- Freight FAK
- f- Port security cost 15 €

#### 2- Consolidation

No positioning cost, freight rates are calculated by payload (t or cbm). Stuffing cost has to be added and extra costs

#### 3- Liner terms

Freight rates are from departure port on board to port of arrival on board.

Engaged costs till 'on board' port of loading and after 'on board' port of discharge are charged as extra costs at place.

#### 4- LCL Loading

Rates are indicated W/M and are applicable at the Ship advantage :

120 € W/M

#### 5- FCL load

Freight rates are calculated as CBR (Commodity Box Rate) according to the link : port of loading / port of discharge for standard containers.

#### 6- Weight rules

We have to add the container tare and the goods mass and the result has not to be superior to total authorized weight of the container.

#### 7- Goods loaded in FCL

Dry and specialized 20'	Dry and specialized 40'	Insulated 20'	Insulated 40'
600 €	850 €	800 €	1 200 €

Extra size containers :

40' high cube container is overcharged an amount of 50 €

#### 8- Bunker Adjustment Factor

20'dry	40'dry	20'dry	40'dry	Month (Bill of Lading date)
157 € per container	314 € per container	180,55 € per container	361,10 € per container	December 2010
159 € per container	315 € per container	185 € per container	362 € per container	January / February 2011

#### 9- CAF is non applicable

#### 10- Port handling charge

	20' FCL and 40' FCL	LCL per tonne
LE HAVRE	170 €	17 €
MARSEILLE	180 €	25 €

#### 11- Freight and other charges settlement

Charges till port of loading on board are payable at departure and these since on board port of discharge are payable at destination

#### **APPENDIX 9 – BORCHARD LINES LTD Quotation**

From : Borchard Lines Ltd – Nicolas

Re : quotation from Marseille-Fos/Istanbul-Haydarpasa

Date : 7<sup>th</sup> February 2011

To : Overseas service

Good morning,

We propose the following conditions for the link Marseille-Fos/Istanbul-Haydarpasa :

	20' dry container	40' dry container	40' dry HC container
Freight	400 €	700 €	700 € + 10% HC overcharge
BAF	107 €	214 €	214 €
DEPARTURE THC	180 €	180 €	180 €
ARRIVAL THC	230 €	230 €	230 €

Bill of lading cost : 40 € per B/L set

ISPS cost : 12 E per container

Available ships are :

M/S SUSAN BORCHARD

M/S MIRIAM BORCHARD

Tariff validity till March 2011

A weekly departure, each Wednesday

Settlement conditions : 15 days after ship departure

Yours sincerely,

Borchard Lines

#### **APPENDIX 10**

- Road transport

Trucking cost is agreed with Norbert Dentressangle transport and is amount of 1.95 € per km and for one container

Positioning is included. The shortest distance has to be considered. The distance between the place of loading and Clermond-Ferrand is 10 kms.

Authorized stuffing delay without penalties is

For 20' container 2 hours

For 40' containers 3 hours

Penalties amount is 65 E per hour per container

- Sea freight service

Closing date of booking with Borchard : 24h



Closing date with CMA-CGM : RORO/breakbulk : 2 days before departure ; container : 4 pm the day before

Sea insurance is 0.30% of EXW value increased by 10% . Cargo is covered since the place of loading at the factory.

- Other costs

Export customs clearance 60 € per form

Delta tax 8 €

Transmo margin on transport service is 10%

- Other information

Fumigated pallet under NIMP 15 rule

The customer has stuffed the container within 2 hours

Goods classification is in paper and cartons

Customs code is 48 04 41 91 00

Insurance cost splitting is 50% in France