

# LOGO

THE FIEGE MAGAZINE

NO. 82 | 2014



## THE FIEGE GROUP BUILDS NEW LOGISTICS FACILITY IN DIEBURG



**FIEGE**

The World of Logistics

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About us:

# Combining the tried & tested with innovation

By taking over the logistical services for the tyre maker, Pirelli, and the respective construction of a new tyre logistics facility in Dieburg we have clearly advanced towards expanding our position as Europe's leading logistics service provider for tyres.

**T**his step simultaneously strengthens the "oldest" sector in which the Fiege Group has been operating as a contract logistics provider, as we signed as early as 1979 already the first Germany-wide logistics agreement with one of Europe's leading tyre manufacturers, Bridgestone – who has remained a loyal customer of ours to this very day.

This year will once again see us stick with the tried & tested, i.e. the expansion of contract logistics and the creation of large-scale supply chain solutions, such as in Dieburg, and the Neuss II logistics facility. We continue to bank on long-term partnerships with our clients that are highly resilient and which prove worthwhile for both sides, as seen with Haribo and TechnoCargo Logistik. Yet we also remain true to our tradition of remaining committed to associations, such as the German Logistics Association – BVL – whose advisory board appointed one of our board members, Felix Fiege, as a member. However, it

is our goal not to neglect new segments within this context that could reliably be considered a complement to contract logistics and which in the end further consolidate our position as a full-service provider and a specialist. Our commitment within areas such as call centres and customer service, for example, is new. By forming a new entity we strengthen our position as a provider of integrated international services for customers operating in a wide variety of industries and countries. The offer rendered by multi-lingual service centres is of major interest especially to customers operating in an eCommerce environment. And the eCommerce industry on the other hand is a segment that Fiege has been focusing on for many years already, in addition to contract logistics. By combining the tried & tested with all things new, and tradition with innovation, we boost the groundwork for our strategy, for today as much as for tomorrow.

Your LOGO editorial team ●

## Students from regional BVL group visit Bremen



Students at the Bremen location of the Fiege Group experienced logistics live and direct.

● Ten students from the BVL's regional Weser/Ems group took the opportunity to experience live and direct in Bremen what they cover in theory in the lecture hall: practical logistics on site. Following a general presentation of the Fiege Group, Timo Wedemeyer, Logistics Controlling Bremen, as well as the head of logistics, Matthias Dieckmann detailed the customer structure at the Bremen facility as well as the particularities which special transactions for individual customers require. During the following tour of the warehouse, it was especially the automated shuttle offloading process that captured the students' interest: here, a conveyor belt is used to offload an entire truck with 33 slots within five minutes totally automatically. What happens during incoming goods in detail, and once the shuttle has been offloaded, Timo Wedemeyer explained to the interested students. At the end of the visit, the high-bay storage was toured where automated pallet storing at a height of up to 25 metres as well as the succeeding route all the way to loading a truck was demonstrated to the students.

# NEWS

Dr. Jens Wichtermann, Director Corporate Communications, Sustainability Management and Policies of the Vaillant Group; Dr. Carsten Stelzer, Gregor Suwelack, Managing Director TechnoCargo Logistik; Jens Fiege, Heinz Gräber, members of the advisory board of TechnoCargo Logistik and Dr. Dietmar Meister celebrated TCL's anniversary with many invitees.



## Anniversary in Neuss

● TechnoCargo Logistik, the joint venture between Vaillant and the Fiege Group, celebrated its 20<sup>th</sup> anniversary in Neuss in January of this year. Heinz Fiege and Dr. Hugo Fiege as well as the board members Jens Fiege and Dr. Stefan Kurrle were also amongst the invitees. Vaillant's Management was represented by Dr. Carsten Voigtländer, Dr. Dietmar Meister and Dr. Carsten Stelzer. As a representative of the city of Neuss, the deputy mayor, the head of the district authority and his deputy were equally present, as were some clients and partners who had accompanied the joint venture's development over an extended period of time, made a point of personally extending their best wishes. During the celebrations Vaillant donated a heating system to the city of Neuss to be used for a social facility yet to be named.

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Takafumi Kido gave informative insight into the development of the shipping company.

## GLS celebrates its 40<sup>th</sup> agency anniversary

For 40 years, Fiege's Swiss subsidiary, Global Liner Services (GLS), has been representing the Japanese ocean shipping company "K-Line", Kawasaki Kisen Kaisha. This anniversary was celebrated in style by the agency jointly with long-standing customers and partners. Guests of honour that had come to Switzerland included representatives from K-Line London as well as K-Line Belgium. Fabio Crosilla, Line Manager of GLS, introduced those in charge of central management at K-Line London and K-Line Belgium to the visitors plus the entire Global Liner Services team. Markus Warnebold, Director GLS, presented an interesting historic retrospective to the invitees, from the early beginnings of the shipping agency to today. Takafumi Kido, Director K-Line London, rounded off the celebrations with an informative insight into the shipping company's development process.

## Students in Apfelstädt

● A group of students attending the Master course of studies in logistics at Münster's University of Applied Science and led by Professor Dr. Franz Vallée visited Fiege's branch in Erfurt-Apfelstädt on November 06, 2013. Following Michael Schirmaier's presentation of the company the students were given a comprehensive tour of the site and its segments dedicated to individual customers such as Media Markt, Toys "R" US and IC Company's. Especially the explanations detailing the particularities in e-commerce were very well received by the visitors. But even the tour of the new packing station for the Media-Saturn segment and the 2014 site plan featuring new customer business, expanded upon by a presentation on the project, provided background information for the following debate with and questions from the students.



A large group of interested students from Münster's University of Applied Science came to visit the Fiege Mega Center Erfurt.

## Award for TechnoCargo Logistik

● As the most "exemplary company with a vision" in the Rhine district of Neuss is how TechnoCargo Logistik GmbH u. Co. KG, a joint venture of the Fiege Group with Vaillant, was honoured. The award from the Rhine district's job centre is a firm element of the Federal programme that concentrates on employment opportunities for those aged 50+, titled *Perspektive 50plus – Beschäftigungspakte für Ältere in den Regionen*. The *Unternehmen mit Weitblick* award honours regional companies once every year which pursue a textbook policy on employing more mature employees, benefit from a successful co-operation between young and old at the company and are committed to employees aged 50+.



Eckhard Binner, authorised representative and Managing Director Gregor Suwelack (from left) accepted the award.

# “Gala Next Generation” at the Spiegelpalast

“Delight and Lightness”, so the motto of this year’s Fiege Gala in Berlin, promised to be a relaxed evening at the Bar jeder Vernunft for all guests. And this for the 19<sup>th</sup> time already!

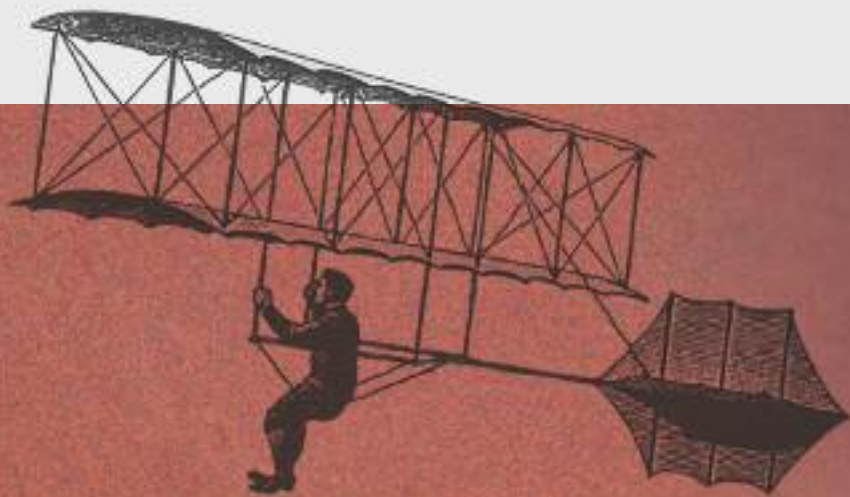
**B**ut this event promised to be slightly different, with a new, more relaxed concept that was more in line with the new generation of the company’s leadership.

Multiple cooking stations set up inside and outside of the festive tent lured guests to try a variety of delicacies from the region of Westphalia.

The evening’s musical accompaniment at the Spiegelpalast was a high-class walking band which meandered through the lines of invitees, entertaining the crowd in great style. The Walk-a-Tones, four professional musicians and a singer, performed right in the midst of an enthusiastic audience and spread a great ambiance and fantastic mood. The guests also participated as part of the new “Gala Next Generation” concept, as Jens Fiege emphasised during his welcoming speech, towards the evening’s success.

“No, one need not be a native Italian to make perfect Risotto”, said Holger Zurbrüggen, who as the “Risotto World Champion” enriched the live show with a cooking presentation on the stage of the Spiegelpalast. And everyone who tried his Risotto with fresh truffles was happy to confirm the validity of his statement. But even the cooking station for Töttchen, a speciality from the host’s home region, the Münsterland, as well as a BBQ station serving many delicacies much to the delight of the guests contributed to a traditional and yet totally new Fiege Gala 2013. ●







Marc-Stephan Heinsen, Alexander Brand, Dr. Thomas Frank, Dr. Stefan Kurrle, Stephan Meyer.



Welcome address by Jens and Felix Fiege.



Tobias Trevisan, Roland Fahrmeier, Marco Marioni, Jens Fiege, Dr. Karl-Rudolf Rupprecht, Stefan Horstmann.



Felix Fiege, Christina Fiege, Lilly Möhring, Winfried Rübesam.







Dr. Jens-Jürgen Böckel, Gisela Horn-Moll, Prof. Dr. Peer Witten, Ralf Jahncke, Prof. Dr. Raimund Klinkner, Melanie Klinkner, Dr. Hugo Fiege.



Heinz Fiege, Hans-Peter Villis, Rita Villis, Gero Schulze Isford, Uschi Fiege.



Risotto world champion, Holger Zurbrüggen.



An enthusiastic audience at the Spiegelpalast.



Dr. Hans-Ullrich Förster, Björn Stammer, Peter Scherbel, Carsten Dietmann, Stefanie von Canal.



Dr. Hanspeter Stabenau, Alfred Messink, Dr. Norbert-Christian Emmerich, Christine Emmerich, Kurt Döhmel.

# Intensive communication amongst experts

For the 30<sup>th</sup> time now logistic professionals came together during the International Supply Chain Conference held in Berlin in October 2013. Since 1984 this meeting of experts has been staged annually by Germany's Logistics Association, and to this day has lost nothing of its appeal.

## Felix Fiege on BVL advisory board

The advisory board of Germany's Federal Logistics Association, the Bundesvereinigung Logistik e.V. advises and supports the board with its decisions. The advisory board is comprised of members from commerce, science and politics, mainly chairmen and managing directors with direct responsibilities within logistics. This is how personal networks and know-how are introduced. Since November 2012, Felix Fiege has been a member of the advisory board. He practically took over the baton from Dr. Hugo Fiege, with whom the BVL has held ties for over 20 years, with his commitment including a stint on the board in addition to chairing the advisory board. The BVL advisory board currently has 36 members, all of whom are highly valued advisors who back the board with their diverse expertise and many contacts. The committee members convene once every year for an intensive exchange.



Some 3,200 professionals from the fields of logistics and Supply Chain Management had flocked from all around the world to the anniversary congress held in Berlin, headlined "Inspiration, Ideas, Innovation". Around 100 contributors addressed participants, debated with them,

## Inspiration, ideas and innovation

shared information and gave inspiration. One of the highlights of the three-day event was naturally the presentation of the German Logistics Award, which in 2013 was bestowed

upon Lekkerland. 22 years ago, this highly-coveted prize honouring the world of logistics was awarded to the Fiege Group.

A highly acclaimed debate about the prospects of the world's economy in 2025, reports from professors Robert Handfield and Frank Straube about a study titled "Trends and Strategies in Logistics and Supply Chain Management" as well as the numerous presentations from top managers met with the visitors' interest.

Just as intensive and crucial was the communication for all parties involved at the stands of the roughly 200 exhibitors as well as at the lounges. And even the Fiege Group was present with a current stand which many attendees of the conference, customers, partners and other interested parties visited. ●



Many guests paid a visit to the stand of the Fiege Group during the three-day event.



# Complexity and co-operation will boost logistics in 2014

**AUTHOR** Prof. Dr.-Ing. Thomas Wimmer

Growing cost pressure and higher customer demands dominate the logistics sector in 2014 – so the outcome of a survey conducted amongst members of Germany's logistics association, Bundesvereinigung Logistik (BVL) during the first weeks of the year.

**A**t the same time those in charge are seeking solutions to counter these challenges: With standardised and automated process flows as well as a more intensive co-operation they aim to reduce the complexity of their business and lower costs. The economic outline conditions give rise to optimism and are likely to boost dealing with the tasks at hand. Global

sourcing, global production, global trading – from mid-sized enterprise to multi-national group, every organisation is part of an interconnected global economy. One requirement for the logistics sector is to keep transaction costs for world-wide material movements as low as possible. To ensure that the quality and dependability of supply chain services remain high, growing costs that are the result of more complex process flows need to be offset by a greater efficiency of optimised processes. A reduction of costs generates direct competitive advantages. If the complexity increases, the economic sector needs new tools

with which those in charge of logistics can control and optimise the processes within the network. A more detailed co-operation beyond department and corporate boundaries plays a vital role in reducing costs: significant efficiency gains are developed if those involved also integrate processes from outside of their organisation into their planning and control processes.

59 per cent of the BVL members interviewed see the growing cost pressure as a crucial topic this year. For >



56 per cent, it is the customers' higher demands to which they must answer in 2014. Ranking third on the logistics agenda is the lack of skilled workers, which 44 per cent consider to be one of the top topics. Logistical service providers, the industry and the trade possibly rate the topics differently. For those asked who operate in the industry, customer demands take up a more important position in 2014 than cost pressures. The trade and industry see the lack of skilled workers in a less severe light and place the standardisation of processes third in the ranking of crucial topics for them.

### Logistics think and act with a solution in mind

However, all replies make one thing very clear: The economic sector is faced with growing complexities. The

rise in customer demands, the globalisation of process flows as well as more extensive and sophisticated supply chains make operations within logistics much more complex. Classic supply chains become supply networks.

With this in mind, the logistics sector will be dealing with potential solutions in order to master growing cost pressures and customer demands in 2014. Hereby, process standardisation assumes the most important role (40 per cent) as does the digitalisation of work flows (38 per cent).

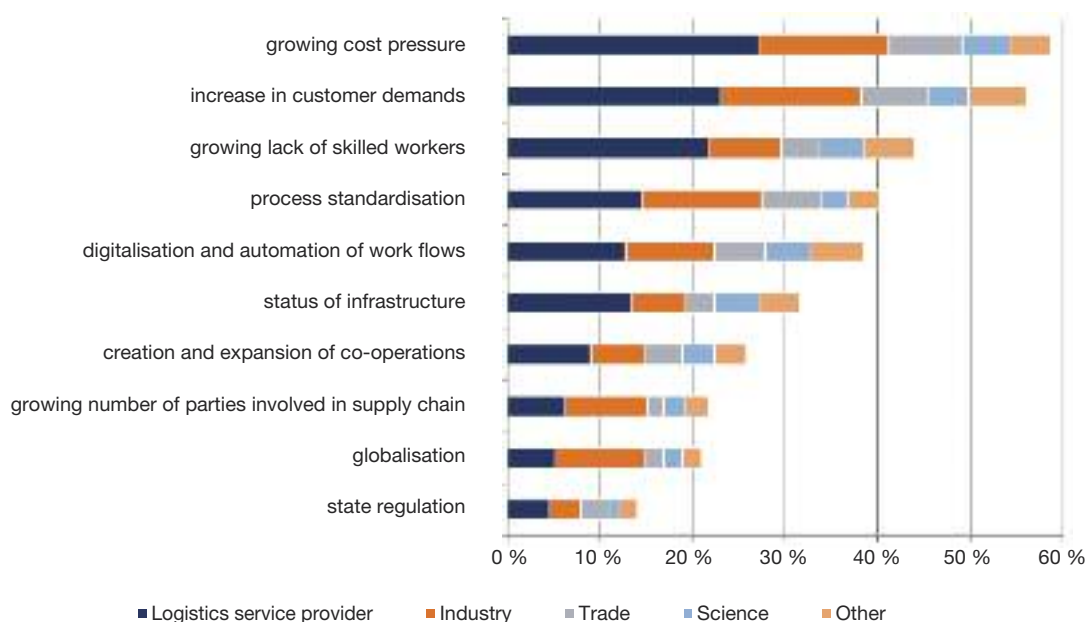
Not sufficiently taken into consideration to this day is the subject of co-operation. Currently, only a solid 26 per cent of those interviewed see co-operation as a top-ranking intra-company factor beyond corporate boundaries. It becomes clear that improving the offer for the customer and saving costs are no longer simply limited to one's own area of responsibility but

can be achieved increasingly through co-operation. Logistics as a cross-divisional function serves many actively involved parties and areas that are affected by the growing complexity and rising costs. It makes it possible to jointly seek solutions.

### Economic forecasts are positive

The BVL's logistics indicator for the month of December 2013 with an outlook on 2014 confirmed the expectations dominating the big conferences held in autumn as well as the results of the first week of the new year: the economic logistics sector entered 2014 with much zest. Roughly 95 per cent of logistics service providers and 85 per cent of supply chain managers from within the industry and trade expect the same

#### To your mind, which factors will the logistics industry have to deal with in particular this year?



good or even better trend in business for the first quarter of 2014. For the past year sales amounting to around Euro 230 billion in Germany seem realistic. Around half of some 2.85 million people are currently employed either with logistics providers or within logistics divisions of the industry and trade. With this, logistics in 2013 realised a solid sidestep on last year's record level. For 2014 expectations project a further increase of sales between one and three per cent. The indicator continuously reaches levels which were last reached two years ago. In relation to a one-year perspective service providers report subject to a good capacity utilisation, a distinct rise in incoming orders. They expect an expansion of capacities and further expansion of personnel. The logistics providers in the industry and trade are more reserved when it comes to their assessment of the situation and expectations. However, they anticipate a strong boost in demand at home, yet more subdued impulses for cross-border demand. These are likely to originate more so from USA or China than from countries within the Euro region beyond German borders. The mood in the American economy, compared to the purchase manager index, has clearly lightened up and China's business cycle maintains its verve at the end of the year – contrary to expectations. For Europe, the logistics providers who were interviewed for the indicator, have little hope only for rising dynamics. Especially the relevant markets in France and Spain are considered worrisome.

## Innovation as a growth driver

Beyond the economic consideration it is a positive sign that specific logistical innovation has been recognised as a growth driver. Four out of five logistics providers confirm this. In 2013 the BVL focused on inspiration for innovation within logistics and even gave its annual conference the same leading motto to jointly want to take on and generate ideas that lead to innovation which maintains the competitiveness of companies worldwide.

A survey conducted in summer 2013 showed that innovation within the fields of processes, technology or for newly developed services have a particularly positive impact on the economic efficiency, sustainability and competitiveness of companies. Innovative approaches which improve organisational process flows are the most pressing matter for around half of those interviewed. Around one in four of those interviewed emphasised the need for innovative services offerings for customers. Ranking third is the call for IT innovation. The "Trends and Strategies within Supply Chain Management and Logistics" study commissioned by the BVL supports the outcome of the innovation survey even in a cross-border context. The main strategies of companies according to this study: further expansion of networks with horizontal and vertical alliances and the increased use of modern technologies, and here in particular in combination with IT and logistics. And to achieve this, the innovation of SCM and logistics can help! ●

## Particulars

Prof. Dr.-Ing. Thomas Wimmer did his doctorate after studying machine construction at Hanover University during extra-occupational studies at TU Berlin. Since 1984 Wimmer has been active within industrial logistics. In 1999 he joined Germany's logistics association, the Bundesvereinigung Logistik (BVL) in Bremen, as its managing director where he became the Chairman of the Managing Board in 2004. Next to his professional activities, Wimmer lectures Applied Procurement, Production and Contract Logistics at Bremen University and at Jacobs University. In 2009 he was appointed honorary professor at Bremen university.





## Tyre logistics: Fiege as an after-market specialist in Europe

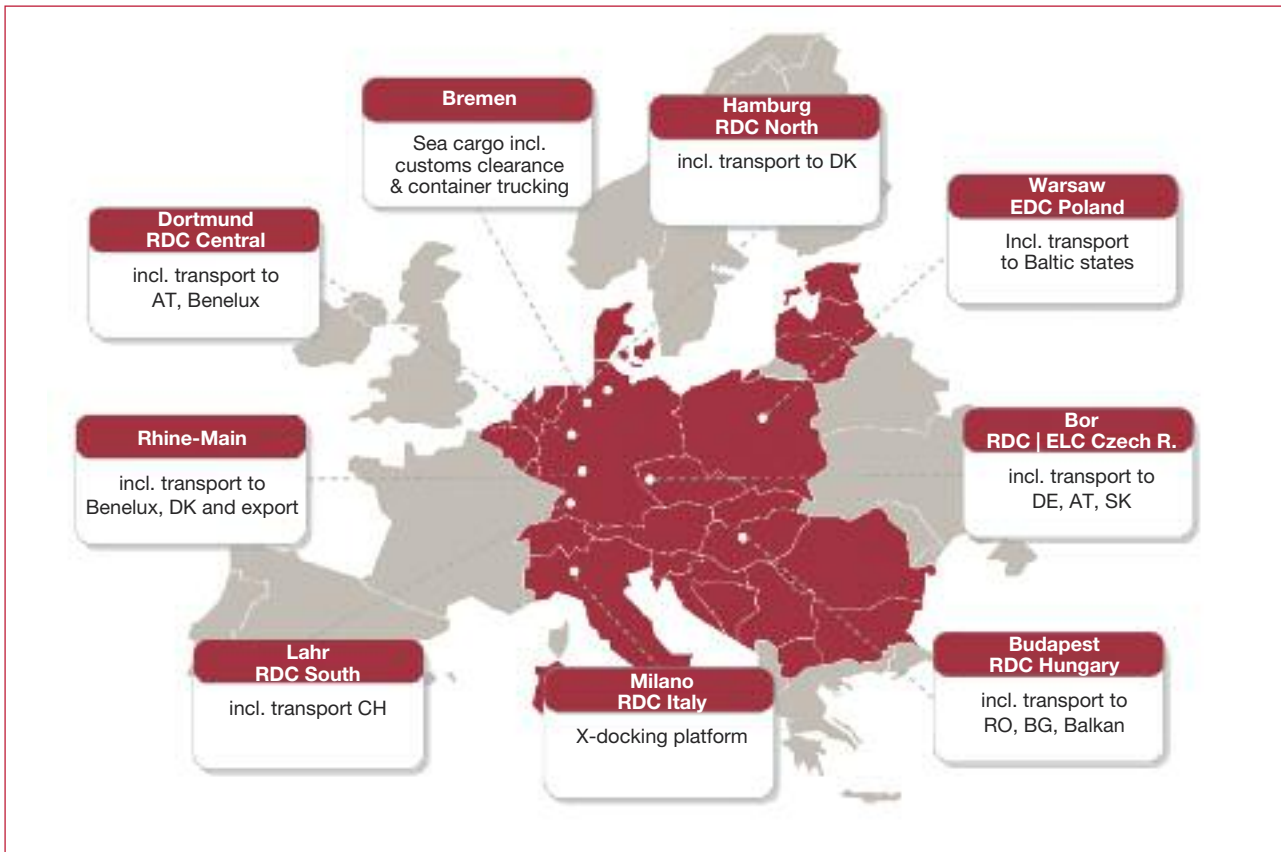


“We are the tyre logistics specialist for discerning requirements!” Fiege’s tyre logistics specialists have every right to emphasise their lead in the market. After all, Fiege has over 30 years of experience in tyre logistics.



**W**hen it comes to planning, building and running tyre facilities inclusive of all the services which this segment demands, as well as managing national and international tyre transports, Fiege holds a pole position in Europe: “Our tyre network helps our customers to maintain a competitive lead”, says Thomas Stokan, managing director of the recently formed Tyres business unit. “Decades of experience and the professional handling of some 30 million tyres annually are our hallmark. And the successful acquisition of Pirelli puts us for the first time in the position to implement with our current volumes our vision of a special tyre network in Germany which we have been aiming at for a long time.” The advantages that customers benefit from are clear: cost efficiency as a result of lower costs thanks to an optimised supply chain, securing liquid resources by lowering risks, flexibility as the result of individualised solutions that are based on a high level of industry know-how, as well as quality and security due to the optimised storing and dependable availability of products.

Up to 800,000 tyres are stored at times at the large warehouse of the >



Fiege's tyre network.





Thomas Stokan, Managing Director BU Tyres.

Fiege Group in Europe. At the Hamburg Mega Center with its roughly 30,000 square metres of storage space is where Bridgestone tyres are stored, picked & packed and sent out Europe-wide; in Dortmund with its 28,000 square metres of space, the main customers are Toyo, Falken, Yokohama and Pneumobil; the warehouse in Lahr – also a genuine tyres warehouse – with a dimension of

35,000 square metres is dedicated genuinely to Bridgestone products. Eastern Europe's three warehouse in Bor (Czech Republic) with 70,000 square metres, Mszczonów (Poland) with 45,000 and Budapest (Hungary) with 15,000 square metres cater logistically to tyres from Bridgestone, Pirelli, Continental, Apollo Vredestein, Hankook, Nokian, Falken and Delticom.

Supply chain processes include:

- Collecting the tyres at the manufacturers' production sites (Europe- and world-wide)
- Incoming goods inspection and DOT storage (manufacturer's date of production) using automated conveyor belts
- Storage using Fiege's own tyre racks or the manufacturer's racks
- Paperless order picking using cutting-edge lift truck control systems
- Loading using automatic conveyor systems
- Compensating for seasonable fluctuations with Fiege's own personnel services provider

- National around-the-clock service of Fiege tyre network as well as parcel service with late cut-off times and "same-day delivery" in certain regions.

Currently some 3.5 million tyres are stored with the tyre specialist Fiege Europe-wide, i.e. more than 30 million tyres are traded and distributed every year by specially trained Fiege staff. "To meet the constantly growing and changing customer requirements is our big challenge for the future", emphasised Christian Thiemann, Head of Business Development Fiege Tyre Logistics, "and that is why a constant process optimisation is indispensable." To adequately meet these challenges the Fiege Group has now established a Tyres business unit. The goal is to achieve an even faster further development within tyres and the close exchange between "professionals" beyond the location. This achieves maximum customer satisfaction through distinct market knowledge, major tyre logistics know-how and excellent support of customers. ●



# The Fiege Group builds new logistics facility in Dieburg

As of 1 January of this year, Fiege has become the logistics service provider for all product groups of Pirelli Deutschland GmbH. The contract logistics provider and tyre logistics specialist thus further enlarges its position as a leading tyre logistics company.

## Preserving the environment

Now that all the required permits have been obtained for the large construction project, preparations are underway at the roughly 160,000 square metres-large grounds located in the Dieburger Dreieck. In order to operate with as much respect for the environment as possible, the trench crossing the grounds will be restored to a flowing watercourse. In line with these measures the return of the "Banngaben Aue" to its origins will also be undertaken. For this, an independent water legislation procedure was carried out. What used to be a straightened trench is to become a meandering watercourse with steep and flat banks, and border strips with

biotopes are also planned. A further intended feature includes piles of stones and deadwood. By restoring the trench a natural habitat is created for many plant varieties and animal species, such as e.g. the reed bunting and the sand lizard.

This, in addition to further measures aimed at protecting many species which are implemented prior to the start of construction, serve the purpose of compensating for intervening with nature and the landscape associated with the construction. For example, to the east of the grounds, intensively used farmland will be converted into a green area to create a habitat for skylarks and opencountry species. And even the sand lizard will have its own habitat with

stone bars and piles of deadwood. To replace the copse on the building ground reforestation efforts co-ordinated with Hessen Forst will be carried out in the vicinity with endemic varieties of broad leaved-trees. As compensation, some 15 areas in the district of Darmstadt-Dieburg respect. in the forest district will undergo ecological upgrading. This area measures around 375,000 square metres in size. The plan is to cultivate new types of copse and forests and wooded areas, to design nature-like waters, to formulate the habitat for sand lizards and to upgrade forest areas through closures, thereby completely refraining from any use whatsoever.

**T**he takeover of warehousing, order-picking and the Germany-wide distribution is designed to establish an optimal service level for the logistics chain of Pirelli Deutschland, a premier tyre manufacturer. Thus the emphasis is on providing the quickest possible service and responding directly to individual customer requirements. In order to achieve absolute availability with the greatest possible savings in resources and transport, Fiege's medium-term plan is to consolidate the existing small storage locations around Pirelli's production plant in Breuberg, Hesse, into a new Fiege logistics facility in Dieburg, Hesse.

Work starts on the building – designed to be a multi-user facility with a storage area of approximately 90,000 square metres in February 2014, and is slated for completion by late 2014 or early 2015. The new lo-

gistics centre will be one of Europe's most modern, sustainable logistics facilities, with environmental excellence certified by the German Sustainable Building Council (GeSBC). The total investment in the new building will be in the range of EUR 50 to 60 million.

Pirelli will occupy a considerable portion of the new building while the remaining space, in keeping with the multi-user concept, will be available for other customers from Fiege's eight core industries. "We're delighted that, with Pirelli, another leading tyre manufacturer has expressed such confidence in the quality and performance of our services. Beyond our extensive knowledge of the tyre industry, another critical success factor is the willingness to adapt our services to individual customer requirements." said Jens Fiege, Member of the Board. ●



## Trelleborg Wheel Systems

Trelleborg Wheel Systems, the world's leading manufacturer of tyres and complete wheel systems for agricultural and forest machinery, fork lifts and other transport vehicles, has also become a Fiege tyres logistics customer as of 1 January 2014. Currently all supply chain operations are handled by a Fiege team at the customer's warehouse. Once construction of the logistics facility in Dieburg has been completed, Trelleborg products will also be stored and logistically handled here. Distribution destinations include Germany, Switzerland, Austria and the Benelux states.

## Apollo Vredestein B.V.

Apollo Vredestein B.V. is a subsidiary of Apollo Tyres Ltd in India. Apollo Tyres is a multi-national group with offices and production sites located in for example, India, South Africa and the Netherlands. The main branch is domiciled in the Indian city of Gurgaon. Apollo Tyres Ltd is a young, dynamic enterprise with an extraordinary identity. Since January 2014 Apollo Vredestein, headquartered in Enschede in the Netherlands, has been a tyre customer of Fiege. The development, the production and the distribution of quality tyres under the Apollo and Vredestein brand names uses a

sophisticated and extensive network of offices throughout the whole of Europe and North America. Apollo Vredestein has been a client of Fiege's in Poland since 2007.

Today, the logistical processing of NL-based clients is handled at the existing facility in Eppertshausen near Darmstadt. The relocation to the newly-built Dieburg facility is planned for 2016 the latest.

# Logistics expanded for Falken in Hungary

Following the inauguration of the new Hegyeshalom tyre facility in Hungary for the tyre manufacturer, Falken, Fiege is once again demonstrating its outstanding competence in tyre logistics.

**F**rom October until the end of 2013 the central site of Fiege Hungary in Budapest was initially used, but at the turn of the new year the relocation to the Hungarian Fiege warehouse in Hegyeshalom took off. The facility offers around 3,000 square metres of space for logistical services in a multi-user facility. However, the plan is to expand this area soon in order to take into account Falken's growth. Hegyeshalom enjoys an extremely central location in the three-country border between Austria, Slovakia and Hungary – less than an hour's drive from Vienna. These are ideal requirements for serving spare parts to the Austrian and Hungarian market as well as for a warehouse for the VW

factory near Bratislava with original equipment. But even in terms of the distribution into other countries such as Slovenia, the Czech Republic or the Balkan region, Falken is ideally positioned with its warehouse in Hegyeshalom. This allows the Fiege site in Budapest to be used as a hub for the entire region – as is already the case for numerous other customers of Fiege.

The official starting date of the co-operation between Falken and Fiege was 1 January 2010 in Dortmund. The focal points at the time included the distribution of car tyres throughout Germany and the market with spare parts. In February 2012 the distribution to Benelux countries was added, and during the second half of 2012

and in early 2013 operations with original equipment were included.

In early 2013 the product portfolio was extended by truck tyres. Right up until autumn 2013 Austria and Hungary were supplied directly from the Fiege facility in Dortmund. By relocating its operations, Falken is responding especially to the growing relevance of the Austrian market. "Fiege supports Falken and its continued expansion in Austria with the opening of the new facility in Hegyeshalom. This allows us to serve an extremely important market with shorter delivery times even better", said Alexandra Lechermann, in charge of logistics and operations at Falken Tyre Europe GmbH, and Günther Riepl, responsible for Falken sales in Austria. ●



The new facility in Hegyeshalom also serves as the starting point for serving the Austrian and Hungarian market with spares.



The symbolic act of laying a foundation stone was performed by Frank Wolters, in charge of business development programmes of the city of Neuss, Ulrich Wippermann, Köster GmbH, Fergus O'Neill, Immobilien-Baumanagement Württembergische Lebensversicherungs AG, Thomas Nickel, deputy mayor of the city of Neuss and Jan Fiege, Fiege Director Real Estate (from left).

## Foundation stone laid for a second facility in Neuss

Roughly six years after laying the foundation stone for the Fiege Logistics Centre Rhine/Ruhr, the foundation stone was laid only a stone's throw away for Fiege's "Neuss II" facility on 13 February 2014.

**O**n an indoor area of some 20,000 square metres the Fiege Group intends to continue the successful development of the region once the work has been concluded, which is scheduled for late summer 2014. In future, the grounds located on Sudermannstraße will offer space for existing clients as well as new business.

"The property is by now most likely one of the best investigated plots in Neuss", explained Jan Fiege, Director Real Estate, in his address. With this he alluded to the find of twelve World War II bombs which had been un-

earthed during preparations for the construction site and removed by bomb disposal experts. In spite of a delay as a result of this, the work is still right on schedule. "That is also due to the excellent co-operation with the management which is marked by a high degree of pragmatism and reliability", says Jan Fiege. The city of Neuss was represented by the deputy mayor, Thomas Nickel as well as Frank Wolters, in charge of business development programmes. "As a city, Neuss has held a close business relationship with Fiege for over five years now, making us the longest-standing partner here. I can

tell you that we enjoy something of a friendship-like co-operation. That is the highest praise any administration can share.", is what Thomas Nickel

### Friendly co-operation

had to say about the good co-operation with Fiege over the past years. As a first-time investor in a construction project Württembergische Lebensversicherung was acquired, financing a double-digit million figure. The responsible general contractor is Köster GmbH from Bielefeld. ●

# New challenges for contract logistics specialists

Boldly headlined “Ready for anything – how contract logistics models are changing”, Stephan Meyer, Executive Director Business Development, Marketing and Communications of the Fiege Group, held a paper at TU Dortmund during the VDI Forum Transportlogistik in November 2013.

**T**he main topic of his presentation were in particular the special challenges that contract logistics specialists are faced with when planning supply chain solutions, and how the Fiege Group tackles these.

## Generalists with a penchant for distribution are called upon

The Business Development unit has assumed a special strategic role: in addition to its sales-related responsibilities and the design of the right supply chain solution for the customer, today's spectrum focuses much more strongly on analysing the customer's business model, its corporate and financial structure, the individual project approach in terms of the customer's "award philosophy" for contracts. Solid knowledge especially about customers' financing structures as well as correlations in the event of insolvencies have gained importance. More and more customers, for example, are held by investor groups so that it must be understood in detail how these companies operate and how the various groups differ even in relation to their philosophy. Therefore, genuine "distributors" are in-

creasingly less in demand, only to give preference to generalists that have a strong background in business administration, that know how to analyse business opportunities neutrally, but who must also provide a "large distribution network".

Taking business opportunities into consideration in these times is greatly influenced by strongly growing eCommerce activities, with the respective different group of customers compared to, for example, long-established customers with whom Fiege has been working at times for decades now. Especially so-called "pure eCommerce players" in this field tend to be fast, well-informed and demanding, in a positive way. At the same time, Fiege has reached a point of change in generation which is equally taking place at the senior management levels of most customers. Therefore, an entire new organisation is in the process of being established step-by-step, which caters to a new kind of operations, but also to a new style of interaction with one another.

The actual planning of supply chain processes is supplemented by new opportunities for which units like Engineering or Business Development on the one hand obtain information while on the other having to screen which innovations can assert

themselves and which ones actually make sense for supply chain systems. One of the major challenges in relation to comprehensive technical solutions right through to the high levels of automation in warehousing is, time again, the continuous decline of the planning horizon for operations. Major investments into technology with respectively long depreciation periods require the definitive planning of volumes and structural parameters for warehouse operations.

"But who can ultimately commit these days to what their business will look like in five or more years from now? Most operations that Fiege handles, however, live on continuous modifications to the business model so that even the supply chain solution must provide for the necessary flexibility. It is therefore even more important that we know our customer's business just as well as they do", says Meyer.

## Establishing the level of automation jointly with the customer

Yet it is this very "right" degree of automation which presents a dilemma to contract logistics. The demographic



Stephan Meyer presented a paper at TU Dortmund.



development on the one hand and ever more distinct supply chain regions on the other greatly limit available labour resources in some regions – at times so much so that throughout the year, not all business peaks are covered by staff from the region around the logistics centre. Accordingly, the plans of contract logistics specialists change in light of a higher degree of automation, away from classic, i.e. primarily manual varieties. This is where the logistics specialist's expertise pays off, in order to establish jointly with the customer the "right" degree of automation. More and more often mixed forms are therefore implemented, meaning warehouse solutions that partially combine fully-automated processes, partially deliberately integrated manual process steps. "To bring all processes to the target performance is a genuine challenge during operational practice", emphasised Meyer.

Moreover, the past years have seen a much more open debate culture with customers regarding cross-border solutions. The advantages and disadvantages of e.g. warehouse locations in Germany compared to facilities in Poland or the Czech Republic are openly discussed here. "Even customers have long overcome the feeling in these discussions that they are being used as a guinea pigs. To prove

this point, there is already a large selection of operations that function extremely well. Generally speaking, when it comes to discussing the location with our customers, we have noticed a shift especially in relation to central warehouse solutions towards solutions based in the east", explained Meyer.

The overall consideration is drafted taking into consideration all factors, i.e. especially inbound and outbound transport costs, transit times, customs and fiscal issues, factor costs at the facilities, manpower availability but also the future change of customer business in regard to distribution channels and regions as well as sourcing strategy.

### Open debates about generating the best ideas

An absolute requirement for an operational new design by a logistics specialist is the type of co-operation with the customer. Both parties should join the debate with an "open" mind in order to generate the best possible ideas – and hereby it is crucial that many more issues have to be discussed than merely those aspects that are typically summarised in a tender.

For Stephan Meyer, the approach shown by potential customers within the scope of their search for service providers already produces the first important findings. "Those trying to purchase contract logistics services like tools, who moreover are looking for something of a supplier rather than a partner are unlikely to find a good supply chain solution." In the end a good contract logistics deal for both parties is based on a long-term commitment on behalf of both sides – similar to the decision to get married, which requires seeing each other eye-to-eye.

"Contract logistics specialists think differently!", is what Stephan Meyer acknowledges at the end of his presentation. Naturally, it is unbelievably valuable to see existing supply chain solutions of the most varied constellation almost daily and to deal with the structure of these processes. This tends to give much greater impulses and transparency as to potential solutions than what customers could generate prior to a project. "If a customer is as open-minded as possible, his knowledge is easy to profit from. However, it must also be clear that a complex supply chain solution within the scope of a new contract award should never be understood as complimentary advice", so Meyer's final words. ●



An exchange of information and a discussion covering the future co-operation are vital topics at the various Business Development Meetings, such as at this one in Warsaw.

## Fashion Logistics for SmartGuy in Poland

Fiege Poland added SmartGuy Group A/S, one of Europe's leading online shops for fashion, to its portfolio of new customers.

**T**he SmartGuy Group offers to its Europe-wide customer base around 1,000 different brands through its StylePit fashion portals – which are amongst Europe's largest fashion and online shops for men and women. Especially in the Nordic countries the online shop enjoys a top-ranking position. For this new task a large distribution centre at the Goleniów industrial park in Goleniów (near Szczecin/Stettin) took up operations.

### Tailored to individual needs

Fiege supported the SmartGuy Group A/S with the planning and commissioning of the warehouse. "We are happy to have found a highly dynamic new customer in SmartGuy whose rapid growth we can support with the

fashion and eCommerce expertise of our employees on site", so Piotr Kohmann, CEO Fiege Poland and Ukraine.

The warehouse was geared towards the individual needs of SmartGuy. Fiege handles all supply chain processes, from incoming goods inspection and quality control to storage and order picking, to the dispatch of the parcels to 17 countries. Fiege is also responsible for processing returns and the high standard of the quality control.

The challenge for Fiege lies primarily in the fluctuating volumes in the course of the week and the year, as well as the extremely large variety of articles. In addition to garments, footwear and accessories, skis and snowboards are also stocked. This is the reason why Fiege, in addition to quality and service, focuses especially on the greatest possible flexibility of storage and processing. ●

### International co-operation for Business Development

Exchanging information about customer projects, improving services as well as developing the co-operation at international level are just a few of the topics covered during Fiege's regularly held International Business Development Meetings. In Mszczonów, Poland in October 2013 as well as in Dortmund in February 2014 is where – in addition to information about current major projects – the above were the most important topics discussed during the meetings. Jens Fiege, member of the board, and Stephan Meyer, Executive Director Business Development, Marketing and Communications, presented the industry strategies and sales targets for 2014 and discussed cross-selling in particular, which refers to the further development of existing customer relationships. Amongst others it was discussed how Fiege, with the services it offers to customers, can solve additional challenges. An exciting issue in this context is the new competence of Fiege within the field of Customer Service Centres.



# Contract extension with Brown-Forman

The Fiege Group successfully extended their 2010 contract with Brown-Forman Deutschland GmbH at the Hamburg site. The decisive point for the continuation of the co-operation with the American producer of quality spirit brands was the high quality of service and expertise especially in the realm of Value Added Services (VAS).

**T**his includes the fabrication of sales displays, gift sets, promotion packs as well as managing a bonded warehouse for distilled products. Brown-Forman's product range in Germany includes, for example, such premium brands as Jack Daniel's, Southern Comfort and Finlandia.

The distribution centre for Brown-Forman's Germany market has been integrated in the Hamburg Mega Centre since 2010. Container collection services out of the Hamburg port, the administration process, importing, storage and delivery of various VAS as well as the nation-wide distribution of goods in Germany as packaged goods, LCL and complete load traffic are all handled from a single source. Duty-free customers in Germany, Switzerland and Benelux are equally supplied from the Fiege site in Hamburg Moorfleet. Ready-to-drink products are imported and consolidated with the remaining product groups in Hamburg.

Fiege also wants to grow in tandem with its customers through this newly-agreed contract extension. Brown-Forman Deutschland has ambitious growth targets: to further increase the current figure of 7 million bottles of Jack Daniel's sold per year. The Jack Daniel's brand is already growing faster than the market, and the new Southern Comfort campaign will further promote the development of the brand in Germany. "The scalability of



Jack Daniel, a premium brand, is just one of the well-known names in Brown-Forman's product range.

transactions and flexible, seasonal scope of storage can be ideally developed in the 70,000 m<sup>2</sup> multi-user centre, which was built in 2006," emphasised Fiege's Hamburg branch manager, Stefan Küster.

Felix Fiege, as a family member on the executive board of the Fiege Group, is very pleased about this extended collaboration. "Brown-Forman, with their complex requirements, fit in perfectly with our core competencies in the field of spirits and we are pleased to be able to

grow in tandem with our customer." Winfried Rübesam, manager of Brown-Forman Deutschland, is also convinced by the partnership to-date: "Fiege has been by our side and a flexible and co-operative partner in the construction and improvement of our successful business model ever since we launched distribution activities in Germany under our banner. The distinguished corporate culture suitable for Brown-Forman forms the basis of our long-standing and lucrative business relationship." ●

# A joint venture for integrated services

Fiege now offers to its customers an even broader spectrum of services: the acquisition of a stake in Cologne-based AIC Service & Call Center GmbH allows Fiege to fully integrate the quality capacities provided by AIC in the fields of call centre and customer service into its own comprehensive catalogue of logistics solutions, allowing Fiege to offer an even wider range of services in future.



**T**hrough the new joint venture, the company will further enhance its end-to-end service, especially in the field of eCommerce, where, along with general contract logistics, Fiege has been an established name for many years. Services provided by Fiege eCommerce cover the entire electronic trade processing chain, including order management, risk management, payment processing, debtor management, financial services, customer service, eCommerce and logistics, from storage and transportation, to returns management. "With the creation of this new joint venture, we have strengthened our position as a provider of integrated international services for customers from a broad array of different sectors and countries. And providing a multi-lingual service centre, we will be of particular

interest to our customers in the eCommerce sector," says Jens Fiege, member of the board of Fiege Group. AIC provides customer service centres in 20 languages and has enjoyed a strong presence in the tourism and airline industries, both of which demand top quality service centres. Fiege customers will now be able to enjoy this same level of service. According to Andreas Diederich, managing partner at AIC, the consolidation of the two companies establishes a basis for the expansion of business into new areas and service segments: "We believe we will achieve our ambitious growth targets swiftly and efficiently by joining our own range of quality services with the Fiege Group's customer network."

AIC's customers are: Germanwings, TUI, Koelnmesse and Europcar. Fiege, meanwhile, is actively involved with Bosch, Zalando, MediaMarkt, Saturn, daheim.de (Segmueller) and Esprit, amongst others. "This partnership will allow AIC and Fiege to closely and systematically coordinate the way they provide customer services. Consequently, they will not only be able to expand their customer base but will also offer customers genuinely integrated services from a single provider," say Andreas Diederich and Dr. Bodo Kroenfeld, Director Fiege Customer Solutions, who have assumed responsibility for managing the new joint venture. ●

## AIC – Customer Service Centre

AIC is a customer service centre that is able to offer German quality services in 20 languages at highly attractive rates. AIC was founded in 1994 as AIC Airline Industry Consultants GmbH and served as a representative for air carriers in Germany. Alongside these duties and its activities in sales and marketing, AIC also developed a comprehensive range of services for the airline and tourist industries. AIC specialises in meeting the needs and establishing lines of communication for mobile customers and is adept at facilitating customer contact – from low-cost to premium. Agents are native speakers in 20 different languages, possess familiarity with each respective culture and can speak at least three languages. As a German-based company, AIC provides exceptionally well-trained service centre agents, contractual reliability and legal compliance as well as maximum dependability in terms of infrastructure. All locations use the most up-to-date technologies to provide help-desk and reservations services.

# eCommerce solution for the Chinese market

The Fiege Group is enabling European customers to enter online commerce in this huge growth market with a new full-service eCommerce solution for China.

**T**he flexible, highly-integrated eCommerce concept offers customers a full range of services from a single source. Whether it be order management, handling payments, debtor management, customer service or logistics fulfilment, including air and sea freight, Fiege adjusts all processes specifically to the conditions prevailing in China and to Chinese customer behaviour. With this new product, Fiege is responding to China's growing significance as a sales market and the demand of European customers for a high-performance solution.

## Partner for entering the Chinese market

Fiege has been present in China since 1981 and sees itself as a logistics partner for companies wishing to enter the Chinese market. European companies can receive optimum support thanks to high-performance, scalable e-commerce processes, a strong local partner and carrier network and professional project management. Fiege also fulfils specific requirements which need to be complied with when importing European goods, and supports customers with clearing the goods through customs, compliance

with special import regulations and obtaining certain certifications etc. Entering Chinese online commerce is a complex process for European companies due to legal, cultural and economic peculiarities. For example, the Chinese rarely use credit cards, giving preference to cash on delivery (the most popular payment method). Furthermore, the bulk of online transactions take place in online C2C (customer-to-customer) market-places, in which Chinese customers can interact and build trust directly with other buyers. Conducting eCommerce in China therefore requires specific solutions attuned to customer preferences and market circumstances.

"We have already been very successful in Europe with our eCommerce concepts. We are delighted to now be able to combine that success with our many years of experience in the Chinese market. China is a very dynamic market which is growing rapidly in the area of eCommerce. With our new solution we offer to our customers the opportunity to benefit from this huge potential," explains Felix Fiege, executive board member and Managing Director of the Fiege Group. By taking charge of the entire eCommerce process chain, Fiege provides the customer with space to focus fully on its core business as it expands into the Chinese market. ●



For its European clientele Fiege has developed a new eCommerce solution in China.

## Fiege eCommerce

Having initially established itself as a contract logistics specialist, Fiege combines virtual and physical processes with high-performance eCommerce solutions. Customers benefit particularly from the highly-developed logistics expertise of the Fiege Group with regard to complex multi-channel solutions. As a full-service eCommerce service provider, Fiege handles the entire ordering process, whether in the form of a highly-integrated full-service solution, or as a modular solution, depending on the customer's needs. From order management to handling payments, risk management and customer service to storage, transportation and the professional handling of returns, Fiege eCommerce offers unrivalled expertise at an international level.

# Fiege provides warehouse services for Bosch in China

Fiege China is now providing logistics services to Bosch Automotive Diesel Systems in Wuxi, China.



goods and raw materials for Bosch Automotive Diesel Systems. This includes services such as storage, re-packaging, quality control, pick & pack, spare parts handling and shipping preparation for the supply of several production lines of Bosch's customers. "We're delighted that Fiege has been selected by Bosch as their service provider for its fast-moving, quality-driven automotive business. This collaboration with Bosch is an important step for Fiege and our strategy of creating industry-specific, value-adding supply chain solutions," said Hannes Streeck, CEO of Fiege Far East.

The recent successful partnership with Bosch in the Chinese market is a further milestone in the two companies' many years of successful collaboration. In Germany for example, Fiege has been operating an international distribution centre for the Bosch Power Tools Division in Worms for over twelve years.

Following the take-over of the Wuxi warehouse, Fiege now operates a total warehouse space of 15,000 square metres in Wuxi. The Group is constantly recruiting and training logistics specialists in the local market. Fiege has been delivering warehousing and pan-Chinese distribution services from Wuxi for a leading German heating technology company since 2012.

Thanks to its favourable location in the heart of bustling Jiangsu Province Wuxi is becoming more and more of a highly sought-after location. ●

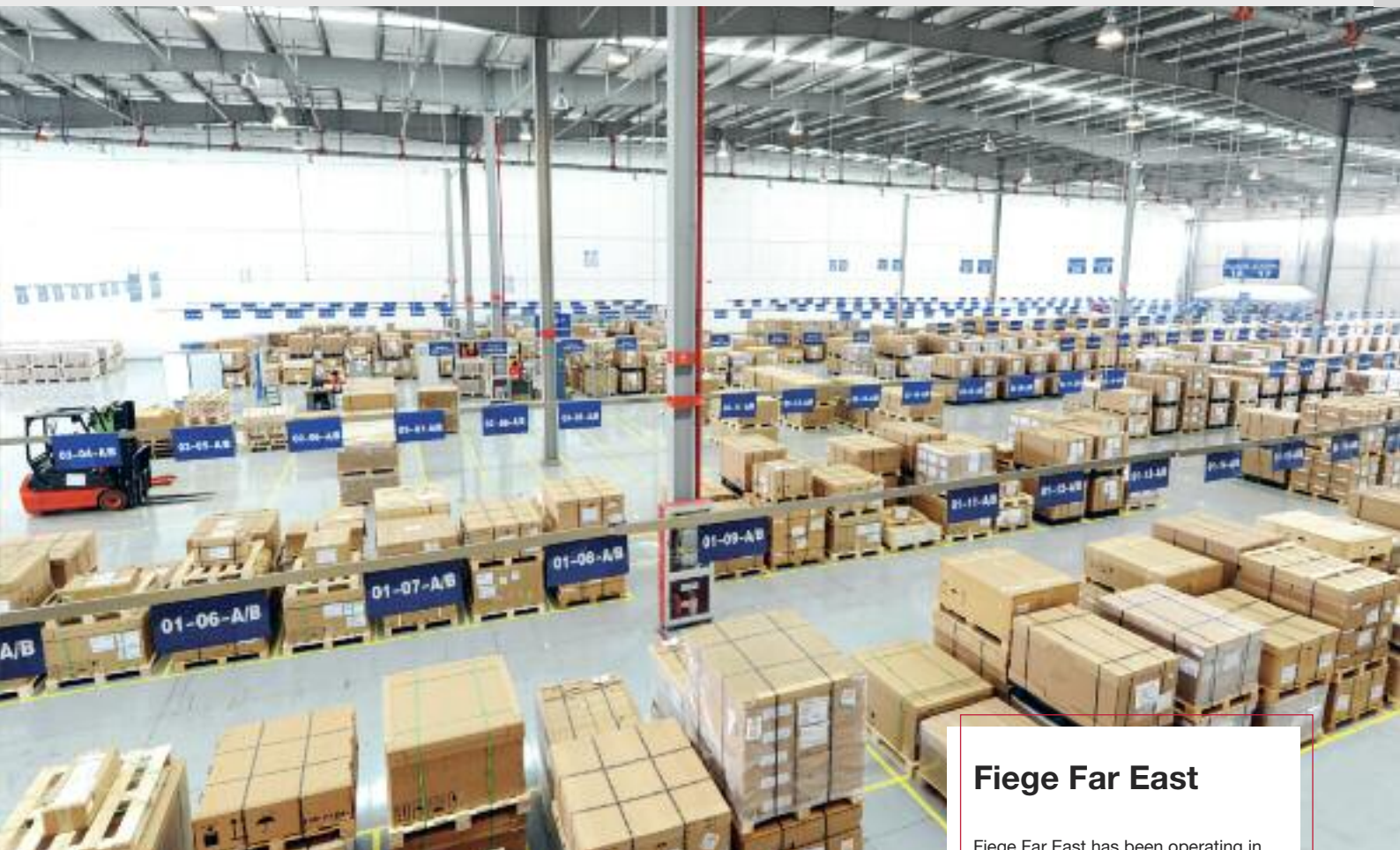
**T**he recently signed contract provides for the complete take-over of the 5,000 square metres-large warehouse in the Chinese province of Jiangsu, and came into force when Bosch handed the site over to Fiege on 27 November. Fiege will convert the site into a multi-user warehouse, where it will also handle other customers from the automotive, machinery and high-tech sectors, as well as Bosch.

By converting it into a multi-user facility, Fiege can exploit synergies for Bosch and other customers, whilst significantly increasing productivity. Fiege plans to develop the warehouse

in Wuxi into a service hub for the manufacturing industries in Wuxi, Suzhou and the Changzhou region. The hub will provide procurement

## Co-operation with Bosch in China is an important step for Fiege

logistics, production supply, warehousing and distribution services for aftermarket businesses. Fiege is taking over the warehousing of finished



The warehouse recently taken over in Wuxi will be converted into a multi-user centre.

## Fiege Far East

Fiege Far East has been operating in China since 1981, and has a great deal of contract logistics and forwarding expertise. With a total of 12 sites in China, Fiege offers export-oriented and domestic supply chain solutions. Most recently, Fiege Far East launched eCommerce fulfilment successfully in China. Their 250 local employees ensure smooth operations and provide the Fiege Group with considerable local market knowledge. Fiege holds an A-Licence in China, which officially allows the Group to operate its own contract logistics business. Thanks to its system integrity and close collaboration with other Fiege sites, customers may manage their entire international business with Fiege.



The official handing-over of the new centre by Dr. Hans-Henning Toepper (left), Vice President Diesel Systems (Robert Bosch Diesel, Wuxi) to Hannes Streeck (right), CEO Fiege Far East in November of last year.

# Corporate security put to the test

“The goal of the recently formed new Corporate Security department is to further improve the security of our enterprise and significantly reduce the financial loss caused by economic crime, especially with the interests of our customers in mind.”



## The aim of Corporate Security

**S**o the statement of Wilhelm Kemper a good year ago when Fiege launched its professional security management unit. Wilhelm Kemper worked within police investigations for twelve years and has comprehensive professional experience in this field. The central goal of the Fiege Group is to maintain and increase the company's value. This includes, amongst others, the protection of all physical and logistical assets such as buildings, individuals, information and goods. To ensure such comprehensive protection a company-wide and effective security management was needed and introduced.

The main responsibilities within Security Management include the conceptual advancement of security standards, supporting the branches in identifying and evaluating weak points and recommending as well as implementing preventive measures in addition to raising employees' awareness for security-relevant issues with appropriate training and sensitisation measures; but also the verification, control and co-ordination of operations handled by factory security and external security services are part of Security Management, as is the identification of the perpetrator in the event of suspected crimes, and here in particular of crimes against property, with the aim of improving control and preventive measures.

“Corporate security”, so Kemper, “includes the deliberate acceptance, prevention and fight against risks or jeopardies which interfere with the company's operations or which may even interrupt these. Security forms the basis, to safeguard our profitability, our stability and our business success long-term and to support values such as trust, service and dependability.”

## Successful security concept

One example of a successful security concept was seen during the take-over of supply chain operations for the tyre manufacturer, Pirelli. Jointly with the customer the Security Unit worked out an integrated security concept for the

supply chain. This concept not only covers security for the logistical facilities, but also the performance of transports and scheduled service all the way to the selection of forwarders and carriers. During the planning of new logistical facilities already and even during construction, the Security unit gives advice, as was also the case during construction of the new logistics facility in Dieburg. To name a few examples, this included the protection of the perimeter around the grounds using an access control system and the installation of early warning systems including video surveil-

lance cameras. An effective, risk-based and process-oriented security management means in particular:

- Transparency of company risks and associated opportunities;
- setting up a Security Management unit as a managerial process in the company in order to achieve the required transparency regarding the organisation, responsibilities and competencies as well as standards, plus the necessary managerial and employee responsibility through policies and sensitisation;
- creating quality and security principles as a guideline for decisions and personal conduct as well as

drafting a framework for action for security-relevant processes;

- communication between specialist departments and those responsible for security with a shared understanding of business requirements and security objectives;
- optimal implementation of security issues by choosing appropriate, effective and sustainable security measures and adapting these especially in relation to usability regarding company and employee needs;
- differentiating and assigning responsibilities in relation to new risk fields and avoiding security measures for subjectively- >



Access control and video surveillance at large facilities like Neuss are elements of Security Management standards.

perceived threats that do not constitute a particular risk to the business.

### **Integrated and continuous**

As an experienced practitioner Kemper focuses on the implementation of the necessary measures and their usability. A crucial aspect here is an integrated and continuous security concept which should efficiently demonstrate and implement the entire security management process. "The concept must be translated from the flip chart and screen in a conference room to the warehouse, it must

be lived", says Kemper. "Every Fiege employee is called on here."

Such a concept serves the purpose of safeguarding security on the basis of economic efficiency as the joint denominator, for the company to tolerate an acceptable risk. At the same time it serves the purpose of supporting intra-company policies and thus becomes the basis for risk minimisation, cost reductions and savings. It is equally needed to build and expand effective and efficient security processes as it is to stabilise corporate values, to secure competitiveness, to support business flows and to comply with legal or internal framework conditions. All security measures are continuously adapted to the changing

conditions and processes and are improved accordingly. Every business must take risks, in order to generate values from opportunities for the company. Excessive security standards can prevent the exploitation of competitive opportunities and turn into a risk per se. Finding the right security standard is a complex matter, which must be continuously pursued due to the changing dynamic of the company framework. The level of security should be adapted to the company's security needs with sufficient flexibility, so that risks – in spite of changing security requirements – always remain within an acceptable range and consequently, remain controllable. ●



Wilhelm Kemper, Security Management, tours the large hangars of the logistics facilities almost daily to check the optimal implementation of security measures.





# Fiege joins forces with Work Service

The Fiege Group formed a joint venture for the German market with Work Service S.A. Capital Group headquartered in Wroclaw, Poland in February 2014. The new enterprise, Work Service GmbH & Co. KG, comprises of the Fiege subsidiaries, Fiege uni/serv and Fiege worksess and all German business entities of Work Service S.A.

## About Work Service S.A. Capital Group:

Poland's largest HR company provides innovative workforce solutions ranging from permanent placement and temporary staffing, to outplacement and outsourcing services throughout Central and Eastern Europe. Since 1999, its dedicated consultants have earned the trust of more than 2,200 companies. Work Service supplies and services an average of 21,000 workers daily to its preeminent partners. The solid partnership secures meaningful employment for more than 150,000 people annually. Work Service SA Capital Group is listed on the Warsaw Stock Exchange. The active consolidation and expansion into new markets will continue to establish and consolidate their product range and related success in the European market even in future.

**F**iege Logistik Stiftung & Co. KG will hold 49 per cent of the shares of the joint venture, with Work Service S.A. Capital Group holding 51 per cent of the shares. The newly formed company will take its place among the leading temporary staffing and personnel outsourcing agencies in the German market and targets a turnover of about 100 million Euros in 2014.

In 2013 the Fiege Group had announced that it will concentrate their services on Central and Eastern Europe as well as India and China. The now formed joint venture is the latest step in pursuing this strategy. Work Service is one of Poland's largest HR companies providing innovative workforce solutions ranging from permanent placement and temporary staffing to outsourcing services throughout Central and Eastern Europe. Fiege uni/serv and Fiege worksess were established in 2002 as specialists for personnel logistics concepts for the retail and logistics industry. Currently Fiege uni/serv is listed in the Top 25 of German temporary employment agencies. Work Service's service portfolio has a focus on HR services for banks, insurance companies and the IT industry.

"The joint venture is a great opportunity for both partners. We con-

tribute our motivated and skilled German team, a great customer base and our excellent German business network. Work Service brings along great know-how, new services and customers like banks, insurance and IT companies. This enables us to broaden our market offer. The partnership will further strengthen our market position in Germany not only for temporary staffing services but also for HR services.", said Felix Fiege, board member of the Fiege Group.

Apart from occupying new markets, both parties agreed that the joint venture will be the preferred partner for temporary staffing business services of the Fiege Group in Germany. The strategic objective of the new company is to achieve a prominent position among the Top 10 biggest companies offering personnel services in Germany.

"We are entering into a business partnership with a strong German player. This co-operation will give us tremendous access to the attractive German market. On the other hand, we will recruit employees for demanding German customers not only from German resources but also from Central Europe as a qualified personnel source." said Tomasz Hanczarek, CEO of Work Service S.A. ●



# Learning logistics: new challenges for the logistics specialist in a globalised world

**AUTHOR** Prof. Dr. Sebastian Herr

Companies operating in a globalised world strive to assert a competitive lead. The relocation of production sites and the reorganisation of divisions are the result of such a goal.

## Particulars

Sebastian Herr studied "Transport Industry" at the TU Dresden. He then obtained his doctorate from the Chair of Prof. Peter Klaus in Nuremberg with a thesis on "National General Cargo Networks". After working within central Supply Chain Management for a large industrial company he joined the Worms University of Applied Science in 2010. This is where he taught international logistics and Supply Chain Management as a professor. In 2011, jointly with Michael Suden, Fiege Executive Director, he initiated the Logistics Lab which was called to life as a co-operation between Worms University and Fiege in Worms.



**T**he contribution of value chains to greater quality and performance is influenced primarily by two factors. One such factor is the logistical hardware, i.e. infrastructure, equipment and resources. A number of determinants, including fiscal restrictions, customs and trade barriers, also play a vital role here. The second factor refers to the competencies of employees who create the supply chain processes. The skills called for in a complex world by far exceed the usual spectrum and include professional competence, team spirit and mobility. Which skills and competencies does a logistics specialist require to stand their ground within the global com-

## Future logistics specialist

petition in future? According to Thomas Friedman's book about a globalised world, there are nine core qualifications that are of specific relevance to the logistics specialist. (Thomas Friedman: *Die Welt ist flach: Eine kurze Geschichte des 21. Jahrhunderts*, Suhrkamp, 2008.)

### 1. Do you know how to co-operate and organise?

Global value chains integrate many suppliers and service providers from many different regions. Even customers are based around the world and their demands must be met. This, however, can only be achieved through close co-operation between the parties involved. These customer-supplier relationships must be developed, consolidated and organised.

### 2. Do you know how to interconnect?

It is in this context that the ability to network knowledge should be understood. It does not suffice to master the original specialism alone, but the restrictions and influencing factors of adjacent fields must also be known. As already mentioned initially, often there are customers and trading obstacles that obstruct the most reasonable network configuration within logistics. Consequently, the solutions need not only comply with logistical optimisation criteria but also with foreign trade restrictions, or the IT structure must be taken into account. Only an integrated approach makes a solution viable.



### 3. Are you good at explaining things?

Logistics remains a “people business”. When it comes to convincing others it is, understandably, crucial to motivate employees in a foreign language with technical terms inherent to the respective business unit while taking into account cultural sensitivities, in order to acquire partners and to overcome resistance.

### 4. Do you know how to optimise process flows?

Optimising process flows is one of the most intrinsic tasks of the supply chain manager. Within the supply chain network any waste must be avoided, throughput times must be reduced and interfaces need to be harmonised.

### 5. Are you flexible and can you adapt?

Configuring a supply chain network is nothing static and feeds on a strong dynamic which demands continuous improvement. The goal here is to be prepared for risks, for interferences and interruptions in the supply chain while keeping an eye on the customer's interests.

### 6. Are you concerned about our environment?

Especially in light of a scarcity of resources on the one hand and growing environmental sensitivity of customers on the other, supply chain networks must also comply with sustainability aspects. The carbon footprint is just one focus here, as is an objective comparison

and evaluation of the impact on the environment of transport carriers.

### 7. Do you have personality?

In order to satisfy such diverse customer expectations in relation to efficiency and sustainability the constant striving for improvement is decisive. Implementing an innovative approach paired with the continuous pursuit leads to characterising the logistics provider as someone who “remains curious”, has “visionary mindedness” and “triggers enthusiasm”.

### 8. Do you love maths?

Next to innovation and sustainability, the directly measurable and quantifiable benefit is what counts the most. Network optimisation must be in harmony with computable economic effects. Mathematical skills are indispensable in order to take the best possible decision with transparent, objective and economically recognised indicators in mind.

### 9. Do you know how to bring the world to your home?

This last question refers to the ability to identify new and innovative solutions of the IT sector and to use them. Especially innovation leaps as a result of the world's growing interconnectedness and digitalisation promise clear improvements and call for a deep un-

derstanding of possibilities and restrictions associated with new technology.

The complexity demonstrated here and interdisciplinary aspects mark the logistics provider's field of action. Conventional educational and progressive concepts in companies as well as at universities have their limits. Worms University of Applied Science is taking promising steps here with its “Internationale BWL und Außenwirtschaft (IBA)” course. Next to classic lectures students learn during a “Learning Workshop for Logistics and Commerce” about process flows and challenges within logistics through play. Moreover, the Logistics Lab has been in place since 2011, where students – in co-operation with the logistics provider Fiege and the support of mentors – have to face operational challenges in projects. This is how students gain an insight into an exciting industry and can directly gauge their newly acquired skills. Fiege equally benefits from this co-operation: talents are spotted and viable solutions are worked out. In addition, networking between the departments is improved.

These are promising steps to qualify young people for logistics and to trigger their enthusiasm that support employees and companies in their efforts to meet the growing demands of the future. ●

## “Für Küche und Genuss” in Ibbenbüren



● After four weeks only, the project phase was successfully completed and the new business with Springlane, the “Für Küche und Genuss” online shop dedicated to all things culinary and cuisine, moved from its current location in Düsseldorf to the Fiege Multi User Center in Ibbenbüren. The reason for moving was insufficient storage capacities at their own warehouse in Düsseldorf as a result of their above-average growth. Over a period of four months, the stock in Ibbenbüren had tripled – and this year too, the online shop continues to head for expansion. Currently, over 300 orders are processed daily and sent out; during the Christmas period, the order volume was many times higher than that.

## windeln.de relocates to Großbeeren

To continue to fully meet the constantly growing business volume of windeln.de, Germany’s large online shop for everything for infants and babies, Fiege relocated the logistical tasks for the shop’s online operations from Erfurt to Großbeeren. windeln.de has a comprehensive product range for baby products needed every day at reasonable prices. Not only nappies inclusive of accessories such as disposal bins and nappy changing pads, but also a large selection of baby food, care products, baby bottles and dummies, and even baby phones are included in the product range. The volume to be moved includes some 27,000 different items which were stored on around 45,000 shelf spaces in Großbeeren. Until today, the volume of items has grown to over 40,000 already – stored on roughly 70,000 shelf spaces. The portfolio is to be expanded further, so the customer.

# NEWS

## TÜV-certified training establishment

● The Worms branch of the Fiege Group is the very first logistics company to become an accredited “TÜV-certified Training Establishment”, a certificate awarded by TÜV Saarland. “For us, this certificate is like an award and a milestone for our company”, said Michael Suden, Fiege Executive Director Germany South. In the region of Worms, Fiege is currently training 70 youngsters in six different fields. 40 young people will start their training in August 2014. During the certification process, the entire training establishment was carefully examined, from the description of the vacancy to the graduation. “A logistics company must prove its worth each and every day”, said Hans-Dieter Flesch, head of sales at TÜV Saarland during the handing-over of the certificate, “as the achievement does not show itself in a specific product, but in processes. And these very processes we have now extensively scrutinised for their training model.” The evaluations of the trainees and of the works council were also included. A particularly positive criterion mentioned was “good team work”. The certificate as a TÜV-accredited training establishment is already the second certificate for the Worms facility: in 2011, the Rheinhessen Chamber of Industry and Commerce already distinguished it for its good training model.



Michael Suden and the head of training, Ramona Henter (centre) accepted the certificate from Hans-Dieter Flesch (2<sup>nd</sup> from right). Equally pleased were the head of training, Walter Schneider (!) and the chairwoman of the works committee, Nicole Ellenberg.



A large buffet, dance and many games were the highlight of the summer festival staged on the occasion of the anniversary.

## Ten years of Haribo and Fiege

Ten years of a shared collaboration, partnership and effective business relationship produce a record that has become rare in today's fast-paced times.

Last year saw Fiege and Haribo celebrate their ten-year old co-operation with numerous invitees, employees and friends of the house. Klaus-Peter Walscheid, branch manager in Cologne, Michael Lorca, regional manager Rhineland, and Jens Fiege, member of the board of the Fiege Group, had invited all on to join them for a summer event on September 14, 2013. Michael Phiesel and Arndt Rüsgen, managing directors at Haribo and representing their company at the summer festival, accepted the gift from Fiege on the occasion of the anniversary: a glass sculpture with "10 years Haribo – Fiege" engraved on it. A large buffet, dance and various games rounded off the successful festivities. ●

### The partnership

The co-operation between Haribo and Fiege has existed since September 2003. What started out with genuine warehousing services in two hangars in Cologne these days includes in addition to warehousing, stock management, the fabrication of displays, order picking, distribution and transport, managing Haribo's vehicle fleet and disposing of factory waste by shuttle. The central warehouse is 25,000 square metres in size; add to this the external warehouse (export warehouse) with 9,800 square metres of space. Transports move around

55,000 pallets of Haribo products every month, handled by a team of 130.



# Haribo – a unique success story

For over 90 years, the unique success story of Haribo has been marked by tradition, high quality, trends and especially a contemporary and dynamic identity.

**W**ho is not familiar with the popular world-famous slogan “Kids and grown-ups love it so, the happy world of Haribo”? There could not be a more perfect definition of the brand, which embodies values like joy, indulgence, fun and variety. The founder, Hans Riegel sen. had Haribo GmbH & Co. KG entered into Bonn’s company register on 13 December 1920. HARIBO is an acronym for HANS RIEGEL BONN. After his father died in 1945 his sons, Dr. Hans Riegel († October 2013) and Paul Riegel († August 2009) took over the helm of the company in 1946. In the mid-30s, Haribo introduced the easily and brilliantly memorable slogan “Kids love it so, the happy world of Haribo”. This high-tradition slogan was successfully added by “and grown-ups” in the sixties and managed to expand the reach of the target group. Over the years, the popular slogan has been translated into many other languages.

The “Tanzbär” (dancing bear) gummy bear created in 1922 has become

Haribo’s cult product and is known around the world as the “Golden Bear”. A first legendary base for international success was formed and received major support three years later with the launch of a liquorice roll, which would also reach notoriety. Some 100 million golden gummy bears are produced daily around the world. The continuous brand management in combination with the highest possible quality control and consumer trust are the main reasons for the company’s success, which has 15 production sites in ten European countries with over 6,000 staff.

**An international colourful  
product variety right  
to the 21<sup>st</sup> century**

The history of Haribo is a unique record of success. What started out in a backyard laundry room in Bonn’s suburbs with a bag of sugar evolved over decades into one of the most popular and well-known quality



The founder, Hans Riegel sen.

“Kids and grown-ups love it so ...



brands in the confectionary industry. Especially the popular golden bears have in the meantime become an internationally top-selling product and Haribo is the world-market leader in the fruit gum and liquorice segment. Haribo products have always enjoyed a strong following. Naturally, many a celebrity could not resist the lure of the sweet temptation. The millions of aficionados around the world include, for example, also Germany's last Emperor Kaiser Wilhelm II., Nobel prize winner Albert Einstein, the actresses Sandra Bullock and Megan Fox as well as the singer, Rihanna. A special "Hearts & Rings" blend was created for the wedding of the English royal couple – and avowed Haribo fans – Kate & William.

**Excellent quality  
paired with dynamic  
innovative strength**

Generations have grown up with Haribo treats. It has always been the

top priority to meet the high quality demands of consumers, which Haribo clearly proves with the award of numerous prizes, such as

- in 2013 and for the eleventh consecutive time the award as the "most trustworthy confectionery brand in Germany" according to a Reader's Digest consumer survey;
- the "Brand of the Century" award from Deutsche Standards in 2007, 2010 and 2013;
- multiple DLG gold medals from the Deutsche Landwirtschafts Gesellschaft, Germany's agricultural society, for Haribo and Maoam products, are awarded every year;
- in 2010 the company was awarded the industry's highly coveted 'Oscar' from the Food journal "Goldene Zuckerhut" for outstanding achievements in the German food industry.

With brilliant products, creative packaging and special concepts the success story continues. The brand's strong innovative strength continues to flourish even in the 21<sup>st</sup> century! ●



**... the happy world of Haribo™**

## Relief campaign for the Philippines

1222 parcels filled with donations in kind were shipped to the Camotes Island in the Philippines at the end of February. The relief campaign for the people hit by hurricane Haiyan in November of last year had been initiated by employees of the Fiege Group.

**A** smaller relief campaign had preceded this aid which a Philippine member of staff at Fiege in Bürstedt had called to life. May Roa-Engel, born and raised on Camotes Island, a smaller group of islands in the Philippines, has been working in Worms since 2003 already. When the terrible incident hit her people, she wanted to at least help her relatives and friends living there as quickly as possible. She initiated the campaign and to this day is thrilled about the spontaneous and generous help that she received from her colleagues. 39 large parcels with donations in kind

from the ranks of Fiege staff alone were compiled and immediately sent to Camotes Island.

But there is more: Fiege's regional director South West, Marc Baumgarte initiated that the campaign be widened and, with much enthusiasm, informed customers from the food and fashion segment. The renowned fashion group CBR with its brands Street One and Cecil, as well as a large snack food producer both supplied a considerable amount of clothes and food. Further partnering companies of the Fiege Group, such as Brugger Transport and Logistik GmbH, participated partially through

the Josef Fiege Foundation with large donations. The donations in kind were accumulated at the Fiege branch in Worms and then packed by staff into 1222 parcels onto two large containers and taken to Antwerp, from where the MV Hannover Bridge shipped them to Cebu in the Philippines, where they arrived on February 27. Jointly with the Hessen hilft e.V. relief organisation, a distribution structure was set up. The international Christian relief organisation Operation Mobilisation Deutschland e.V took over the donations on site and distributed them to the people. ●

The donations in kind were distributed to the people from Cebu.





# Sponsoring social and ecologically-sustainable projects

“Doing the best you can wherever you are will make the world a better place”. This statement by Adolf Kolping sums up the motivation for, and mission of, the Josef Fiege Stiftung.



The Board of Trustees comprises the wives of the two founders, Uschi and Lisa Fiege, and the provost Josef Alferts (ret.), Dr. Rudolf Kösters and Prof. Dr. Dr. h.c. (mult.) Heribert Meffert (not in this picture). Also present were the two founders, Heinz Fiege and Dr. Hugo Fiege as well as the managing directors Stephan Meyer and Alfred Messink.

The Board of Trustees convened in November 2013 and established which projects are to be sponsored in the future. Social as well as ecologically-sustainable projects at locations where Fiege is active are to be given preference. During the meeting of the Board of Trustees held at the Domhof in Greven-Schmedehausen the committee decided, amongst others, to sponsor the project of which the Federal Chancellor, Angela Merkel, is the patron, titled “Wellcome”. The aim of “Wellcome” is to support families with new-borns in their everyday routine with the help of volunteers. Today, families often live apart and no

longer have a social network of family, friends and neighbours to depend on. The volunteers come to their homes, accompany them when visiting the paediatrician, play with the sibling, go shopping etc., so that parents have a moment to breathe.

Also, the project titled “DeutschSommer” will be sponsored for the first time in 2014. “DeutschSommer” is an initiative by Mitmachkinder Münster which assists in the integration of refugee children from e.g. Libya, Armenia, Syria, from an early stage already. The summer holidays are used to specifically help primary-school children with the new language, culture and social environment.

Also, the volunteering programme also supports employees from all German branches who are actively in-

JOSEF FIEGE STIFTUNG

involved in a charity project. “Employees signal a social need and where reasonable support is necessary. We are thrilled about such level of commitment and so many great projects”, so Dr. Hugo Fiege. ●

