

Press Release

Innovative Trustee Business Model was presented at NexTrust Project Industry Board kick-off in Cologne

- **NexTrust Industry Board formed**
- **Representatives from all areas – retailer, shipper and logistics service providers joined the first meeting of the advisory board**
- **Discussions centred about the innovative trusted business model and examples of on-going operations**

Cologne, 28 November 2016. More than 30 experts from five European countries accepted an invitation to join the NexTrust Industry Board (NIB). The NIB consists of shippers of fast moving consumer goods, retailers and logistics service providers in sectors where collaboration in logistics and warehousing should reduce costs, ultimately benefiting the consumer.

NexTrust's objective is to increase efficiency and sustainability in logistics by developing an innovative flexible business model of interconnected, trusted, collaborative networks along the entire supply chain. During the kick-off meeting, the NIB and Consortium members discussed the wide range of research pilot cases in different supply chain scenarios that NexTrust had setup: e.g. Less than Truck Loads (LTL), Full Truck Loads (FTL), intermodal and e-commerce. In these scenarios NexTrust's new and innovative "trustee business model" plays a crucial role in facilitating supply chain collaboration. They pointed out, that it is the first time in the history of the supply chain that such a concept was introduced and that horizontal and vertical aspects together are addressed properly to significantly change the way the supply chain can be managed today and in the future.

"Core of our business model is the role of the trustee who arranges a legally anti-trust compliant, environment in which competitors can collaborate", said Patrick Stumm of consortium partner Pastu Consult, who is one of seven trustees in the project. "Everyone, shipper or carrier, should say goodbye to the entrenched attitudes that collaboration between competitors is impossible – the game is changing", added Mike Bogen, trustee from Giventis International. The Trustees function as neutral coordinators for the horizontal



collaboration between shippers, which is absolutely required to guarantee compliance with EU anti-trust law, and insures that companies' own legal compliance rules are respected, and that confidentiality is in place. "In concert with legal advisors, the trustee can essentially be a filter of what information is commercially sensitive and shouldn't be disclosed between the partners, and what information falls into the category of non-sensitive information that can be disclosed with the proper structure in place; the trustee is really in the middle of that process", says Mike Bogen. "Collaboration is a learned behaviour; like-minded companies are needed to make collaboration a success and these companies will be persuaded by examples of successful collaboration validated under market conditions on a large scale, and learn that such working methods and new business models will be beneficial for them." NexTrust is working to provide these case studies. First Key Performance Indicators (KPI's) are showing that trusted collaborative networks might reduce GHG emissions by 30 to 50 percent and potentially more.

"It was very inspiring to hear about all the projects and progress made by NexTrust. Transport has a very important part to play in reducing greenhouse gas emissions and associated climate change. NexTrust's solution is a step in the right direction because industry collaboration is essential to achieve the scale of emissions reduction required. But, we need to be aware that it may face a number of challenges when it comes to implementation, primarily due to the diversity of legal frameworks and the complexity between stakeholder relationships", says Regnier Schouwenburg, Supply Chain Director Northern Europe - Diageo, member of NIB and shipper of global brands like Smirnoff, Johnnie Walker and Baileys.

NextTrust Industry Board act as advisor and if desired as participant in pilots

The NexTrust Industry Board is a body designed to enable NexTrust members to actively engage with various interest groups external to the project and with representatives of the companies who could use the tools and techniques NexTrust is developing. The scientific community and social/government bodies are also important stakeholders for the project. NIB members are senior experts within the logistic industry and are not engaged in the project consortium. The purpose of this highly valuable group is to provide expert feedback to the NexTrust innovative business model and its validation in pilots on the practicality and commercial benefits of the suggested pilot outcomes when and where needed, as well as acting as a channel for dissemination and exploitation of NexTrust activities. The NexTrust Consortium Members are drawn from Shippers, Logistics Companies and supported by Universities, Lawyers and Communicators. The pilots cover a range of Consumer Goods



types: frozen, ambient, etc. and a range of delivery mechanisms, intermodal, Less than Full Load, Full Load, e-commerce and last mile activities. In all some 33 pilots, all designed to show how collaboration can reduce underutilisation of vehicles, reduce the number of vehicles and thus significantly reduce GHG (Green House Gas) emissions.

The first NexTrust Industry Board NIB meeting took place in the head office of NexTrust consortium partner GS1 Germany in Cologne. Follow up meetings, two per year are planned, plus a limited number of informative web-meetings.

The first validated pilot results can be expected in Spring 2017. They will be published on the website <http://nextrust-project.eu>. Interested people or companies can subscribe to the newsletter to receive further information: <http://nextrust-project.eu/stay-informed/>

Press contact:

Sandra Wagner, Head of Press and Media Relations, GS1 Germany
tel: +49 (221) 94714-543, email: wagner@gs1-germany.de

Steve Rinsler, Director Bisham Consulting/Elupeg
tel: +44(16) 2848 7000, email: steverinsler@bishamconsulting.com

About NexTrust:

NexTrust (www.nextrust-project.eu) has secured a grant from the European Commission (EC). The grant has been awarded under Horizon 2020 and is administrated by the EC's Innovation and Networks Executive Agency (INEA). The project duration is 42 months.

NexTrust's objective is to increase efficiency and sustainability in logistics by developing a flexible innovative business model with interconnected, trusted, collaborative networks along the entire supply chain. The pilot cases cover a broad cross section of the entire supply chain (from raw materials to finished goods to retail inbound and to end consumers) for multiple industries. NexTrust expects its pilot cases to reduce 40 percent of lorries, 15 percent of delivery vehicles, 70 percent of greenhouse gas emissions and increase load factors by 50 percent.

NexTrust is following a 3-step trusted network research methodology. The first research step is the "Identification" of opportunities, followed by preparation, implementing potential matches into pilot scenarios, and then the operation phase, where we validate the trusted network pilot scenarios in real market environments.



The full consortium comprises: 2degrees, Arcese, Beiersdorf, BLUEWAVE, Borealis L.A.T, Colruyt Group, CRITT Transport et logistique, Delhaize, ELUPEG, EVO Dutch Shippers Council, Fiege Logistik, Giventis International BV, GS1 Belgium & Luxembourg, GS1 Germany, GS1 Switzerland, Kimberly Clark, Kneppelhout Korthals Lawyers, Mondelez E.B.S.C., Norwegian Logistics AS, Panasonic Europe, Pastu Consult, Pinguin Foods, Scala, TRI-VIZOR, TX Logistik (Coordinator), Unilever, Vlerick Business School, VU University Amsterdam, Wenzel logistics GmbH, Wolters Kluwer Transport Services, YSCO.

