



SUSTAINABLE • TRUSTED • COLLABORATIVE • NETWORKS



Newsletter Issue 2
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NexTrust celebrates 1st Anniversary

Welcome to the latest edition of the NexTrust Newsletter! This month marks the end of the first exciting year of this three and a half year EU funded project. With 31 partners on board and additional pilot partners joining the project, a great deal of activity has taken place over the last 12 months.

15,000 Transport Lanes Analysed for 1st pilot case project deliverable

The NexTrust research activities of the Full Truckload (FTL) Network Identification phase has involved the participation of NexTrust multi-national shippers and intermodal LSPs, representing 6 industry sectors, and encompassing approximately 15,000 structural transport lanes with a corresponding 615,000 FTLs.

The first identification results confirm that creating smart visibility is the cornerstone for the second phase of preparation for collaboration. The NexTrust analysis has identified opportunities to prepare pilot cases focused on converting road FTL's to intermodal transportation, while simultaneously targeting identified FTL lane matches to create road bundling scenarios to facilitate efficient round trips, reducing empty running on the European road transportation network.

It is expected that these pilot cases can reduce GHG by 30% to 70%.

Collaboration in Practice - How?

The NexTrust pilot cases are the core of this project; their purpose is to showcase the potential of cross-market collaboration in making logistics across Europe more efficient and sustainable. Our pilots are not stand alone; they are designed to intersect with each other across all scope topics. The NexTrust partners want to create 'stickiness' for logistics collaboration in the market, validated through multiple

pilot cases under real-life market conditions.

The pilot cases are divided across 4 high impact areas of the European supply chain:

1. Building trusted networks for efficient and sustainable transport : targeting inbound retail less than truckload (LTL):

- Creating shared, smart visibility to LTL transport flows across shippers
- Combining and optimizing them in a trusted network environment to create “collaborative FTL’s”
- Building trusted networks for efficient and sustainable transport : Shipper full truck load (FTL) and intermodal collaboration

2. Addressing inefficiencies in full truckload (FTL) transport by reducing the number of empty running vehicles.

The focus for this will be on shipment flows that utilize standard transport equipment as well as shipments that require specialized vehicles (temperature controlled, bulk transporters). As a result of the critical mass of transport flows controlled by the consortium partners, there are opportunities to shift flows from road to environmentally friendly intermodal transportation, for example rail and water.

3. LSP and Intermodal capacity optimization-pooling:

- Research and implement appropriate trust models for setting up collaboration across LSPs and shippers
- Reach high levels of sustainability by not only bundling freight volumes, but shifting them off the road to intermodal rail and waterway

4. Addressing current inefficiencies in the last mile deliveries brought on by the tremendous growth in e-commerce.

The pilots are focused on improving transport vehicle utilization by leveraging underutilized vehicles and applying a trusted network.

Neutral Trustee

The key prerequisite of NexTrust is that horizontal and vertical collaboration in the supply chain requires trust in order to become a sustainable practice. Facilitating the process is the “neutral trustee” function, which is absolutely essential to guarantee anti-trust compliance with EU law, to insure that companies’ own legal compliance rules are respected and that confidentiality is in place, enabling the exchange of non-commercially sensitive information between the trusted collaborative partners via the trustee. Furthermore, the trustee is responsible for ensuring that the collaborative network will be constructed in such a way that a fruitful long term, sustainable relationship between partners can be maintained on a flexible, community basis.

The trustees responsible for the FTL/intermodal pilot cases are NexTrust consortium

members Giventis International and Pastu Consult. They are coordinating and supporting the entire collaboration life cycle of the potential FTL pilot cases, from the identification of opportunities between partners in the network, to building the business case required to “package” the collaboration in a sustainable way. The trustees were responsible for initially organising the NexTrust shippers/pilot case participants, explaining the NexTrust protocols and collaboration rules, developing collaboration legal guidelines with the support of the consortium partner law firm Kneppelhout Korthals Lawyers.

Pilot Case Progress An Update from Panasonic

Panasonic are involved in 2 pilot groups

- **Pilot Group 1** - LTL flows from high tech/electronics shippers across Europe, plus NexTrust shippers with LTL flows and similar service requirements. Panasonic, Beiersdorf, Sony, and Gorenje are part of the pilot group; the team is still recruiting additional shippers. The first shipper companies have submitted their data. Initial flow matching analysis has been completed and discussions around identified synergies are underway.
- **Pilot Group 2** - Cross shipper full truckload FTL collaboration on closed loop and round trip/backhauls. 17 shippers have submitted data and numerous synergies have already been identified. Discussions with other shippers via the neutral trustees have already started based on data matching to identify opportunities for realisation. Good progress is being made.

Pilot Case Insight: Collaboration in Frozen Food Sector

The aim of this pilot project is to find collaborative synergies across the European Frozen Food Supply Chain.

Phase 1 (Data Gathering) is progressing and the first round of matching analysis has been completed.

This first phase is well underway with data from 7 companies in the sector. We are actively engaged in the recruitment of a larger group of 10+ companies at which time we will run a further round of analysis. Early indications are positive. The results will require further investigation in order to maximize the chances of realizing collaborative synergies. Once we have finalised this phase, we will move to engage directly with the shippers. ELUPEG, TriVizor and Giventis are taking the Trustee role.

The Year Ahead

The NexTrust project will continue its research activities and the partners will be concentrating on progressing the pilot cases with initial results expected in the Autumn of 2016.

To stay informed about our activities or to contact us take a look at our website

www.nextrust-project.eu

NexTrust Partners



www.nextrust-project.eu

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