



A West-Med gateway to Europe: the “Ligurian Range”

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 **Lifting Global Trade.**
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Competitive scenario on East-West trade

- Asia-Europe and Transatlantic routes are strategic for global carriers (about 27 Mteu-flows in 2011)
- Ports in Northern Range currently handle 3 times more containers than Southern Europe ports
- Optimal vessel size on Asia-Europe routes is 12500 Teu today and 15000 Teu in 2015
- 80 % of door-to-door cost for a deepsea container is related to inland/intermodal activities



Northern vs. Southern gateways to Europe

- Today, only Northern Range ports are serving, as gateways, broader European markets
- In the Central East-West belt (Central France, Bavaria, Baden-Wurtt., Switzerland, Austria, Czech Rep., Hungary), they retain a market share of above 70 %
- Main differentiators:
 - ✓ ability to handle big vessels
 - ✓ port services
 - ✓ inland connectivity (multimodal services)



Vessel size vs. supply chain

- Trend towards mega-carrier is a fact. For carriers, this saves unit costs while reducing chances of delays
- In 2011, about 40 % of new deliveries has been > 9500 Teu; in 2015 about one third of carriers' fleet will be in this range
- But what really matters is the total supply chain unit cost per Teu, where factors are also
 - ✓ Volumes on a particular trade
 - ✓ Port handling costs and efficiency
 - ✓ Landside distribution costs



Supply chain vs. merchant haulage

- Particularly on Asia-Europe routes, volumes as merchant haulage (cargo managed by freight forwarders) are prevailing
- On Italian ports, merchant haulage is about 78% of total throughput
- In merchant haulage, the key-factor is total door-to-door cost
- Vessel services at ports are just one segment of the chain
- Ports compete as supply-chain integrators



What is needed for a “Ligurian range”

- Ligurian ports can become the Southern Europe gateway, on a medium-term run, but they need to embrace a new “co-opetition” paradigm:

- ✓ Collaborate on (low cost, short-term) developments of inland infrastructures and on their utilization
- ✓ Compete on port’s service quality and specialization
 - New deepwater berths
 - Automation
 - Reefer cargo
 - Container services (e.g, Maintenance and Repair, Empty handling)
 - Added-value logistics

Thank you for the attention!



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