

Focus on **reducing the carbon footprint** of commercial vehicle delivery

By: Cliff Parish

A holistic approach to reducing manufacturing carbon footprint takes into account the impact of the entire supply chain, which includes the delivery of vehicles to the customer.

This is best achieved through a multimodal approach that uses road, rail and sea, according to Franz Blum, General Manager, Vega International Car Transport & Logistic Trading. "Beside the major savings by using railway for the transport of the commercial vehicles – and our drivers as passengers – the most important is the permanent reduction of fuel consumption. This is achieved with special driver training and incentives given during our annual driver awards where excellent performance in fuel saving and damage performance is used to identify and incentivize the top 10 drivers of the company".

The categories and awards covers all job profiles of each business field of our drivers and are honoured with an defined Key indication analyse.

The main Excellence is our Driver award covers a combination of all factors and honours the best performance over the whole year.

"Employees are the key to any company's success. Our slogan 'excellence is our driver' is a real challenge to the whole organization and the human beings are the major factor to achieve this goal. The aim is that the slogan is lived in any action done inside and outside the company, always benchmarking on the very best performance you could do," said Blum in an earlier AI interview.

he awards and a focus on training are helping VEGA to overcome one of the major challenges facing the industry as a whole – human resources. The company says that young people are not opting to join the industry. Stringent European driver license regulations also play a role in making truck driving as a profession less attractive. Therefore, employee training, our new driver application and order management on tablets, as well as our new social media channel on Facebook and YouTube should

attract younger people and strengthen the relationship between staff and the company.

VEGA delivers vehicles worldwide. It has subsidiaries and representatives in Germany, Benelux, Czech Republic, Croatia, Russia, Romania, Turkey, Georgia, Italy and Azerbeidjan. Services include the entire transport logistics process, including clearing. VEGA's shipping department collaborates with the main shipping companies and is able to offer shipments to any destination required. Around 70,000 commercial vehicles are transported every year – by up to 800 specially trained drivers. The firm also offers other services for the commercial vehicle industry such as warehousing, refurbishing, and clearing. A close relation with RCA (Rail Cargo Austria) in which coincidently a schoolmate of Mr Blum is a board member enables VEGA to run its own blocktrains for the industry and a partnership for innovative rail-road concepts has been founded between the parties including KTT (Kaessbohrer Transport Technik) for the development of new Hardware.

Automotive Industries (AI) asked Blum how effective the company's driver awards have been in motivating staff.

Franz Blum: The "Excellence Driver Award" is an event which takes place the whole year, and not just once during the ceremony. To be recognized as an excellent driver you have to do your best during the whole year. For our drivers it is an honor to get this prize, and they are much more motivated to continually improve their already high levels of performance. With the introduction of the awards the drivers started focusing more on preventing damage and reducing fuel usage. This also leads to improvements and new innovations in the way we transport goods. The better the performance of our drivers, the better VEGA becomes. It's a pleasure for us to let them know how excellent they are.

AI: How do VEGA drivers cut emissions and fuel usage?

Franz Blum: Our own driver academy managed by Thomas Schinagl helps with regular training sessions to improve the skills and knowledge of our drivers. They learn to drive responsibly



Mixer trucks being transported in the mountains of Armenia by Vega.

and proactively. Our drivers continually adjust their speed to stay within the legal restrictions and to adapt to the environment. The objective is to keep our ecological footprint as small as possible.

AI: How has your Turkish market evolved in importance over the past couple of years?

Franz Blum: I have known the country for more than 30 years – from the time when I was a student and delivered trucks there. It is now our second-biggest market after Germany. We have our own depot in Istanbul, which serves as the most important delivery hub between the shipments from Europe to Pendik and further to the Middle-East countries like Iran, Azerbaijan or Kazakhstan. In addition, this year truck imports into Turkey will reach an all-time high due to the phasing out of Euro V engines. The effect will be similar to what happened in the European Union two years ago when the new technology was introduced.

AI: In an earlier interview to AI you had talked about the growing importance of markets like India and China. What inroads have you made in these markets?

Franz Blum: We have been working with Chinese producers and their importers since last year. Vehicles are transported by road and sea. We also support assembly operations in China, and delivered important parts overland from Germany to the new Schmitz-Cargobull production facility in Wuhan. Our highlight this year was the transport of trucks from the Chinese manufacturer Dongfeng to Moscow for an exhibition. Our most qualified drivers went overland from China to Russia via Kazakhstan. For this outstanding performance VEGA was given an award by the management of Dongfeng. We are very proud of the achievement, and hope for further successful operations of this type in the future.

AI also spoke to Peter Blum, Operations Manager, Vega International Car Transport & Logistic Trading, and asked him what systems VEGA has put into place to cut delivery times.

Peter Blum: We always take the time to plan a customized solution for every client. For example, we may connect rail with

shipping. Our objective is to make every delivery as environmentally friendly as possible, while offering the best service to our clients. The most important aim of VEGA is to delight our customers and to expand our world of green logistics as fast as we can.

AI: How do VEGA's processes differ from others in the industry?

Peter Blum: VEGA is the leader of the commercial vehicle transfer in Europe. We put all our energy and responsibility into providing the perfect transport solution for every single customer. Our focus on training helps our drivers to update their knowledge regularly and improve their skills. We try to be always ahead of the pack in all respects. Our flexibility to find a solution for every problem helps us to stay in first place.

AI: What are some of the recent developments in the automotive market that have required a change in strategy on the part of VEGA?

Peter Blum: The large cabins of modern trucks makes loading on trailers in road transport almost impossible or – just “possible” if you are ready to break the traffic rules. A greater focus by the industry on compliance with regulations through their compliance departments has therefore dropped the load factor and made VEGA aware of the need for further innovations in this market – which we are working on intensely. VEGA will soon come up with innovative solutions for rail and road – and AI will then report on it!

AI: How has the political turmoil in the Middle East and Russia impacted VEGA's business in those regions?

Peter Blum: It is mixed. The situation in Russia is really critical, and the market for imported trucks and buses has almost collapsed completely. In the Middle East the prognosis is that there will be a demand for more drivers. Turkey is booming this year as mentioned due to the introduction of Euro VI next year, but Iraq is almost collapsed due to IS. On the other hand, the American nuclear deal with Iran brings hope that the huge market will be opened after almost 30 years, and then the potential will be enormous. **AI**