

Nederland Distributieland
Holland International Distribution Council

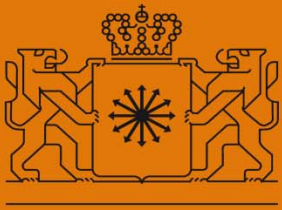
NDL / HIDC

Holland: Your logistics gateway to Europe

Amsterdam, October 2nd 2008

Stephan Satijn

VP Logistics

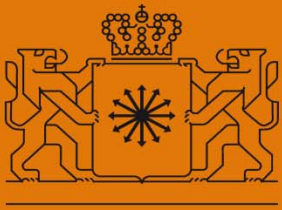


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Contents

- Introduction HIDC
- Why is logistics important for your company's success in Europe?
- Some key points for setting up your European supply chain
- Advantages of the Netherlands as your logistics hub for the European market

THE NETHERLANDS, YOUR GATEWAY TO EUROPE



HI DC: The organization

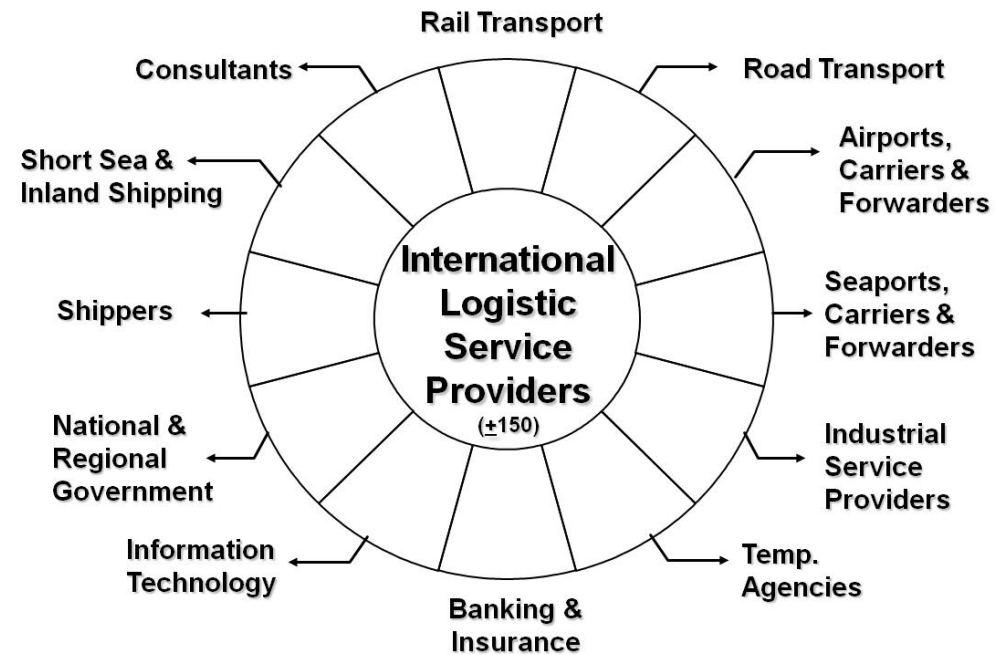
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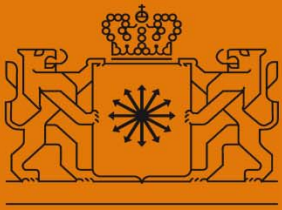
Holland International Distribution Council:

- Private non profit organization representing 450 members
- Founded by the Dutch logistics industry in 1987
- With full backing from the government

Mission:

- Improve the competitive position of the logistics industry in The Netherlands

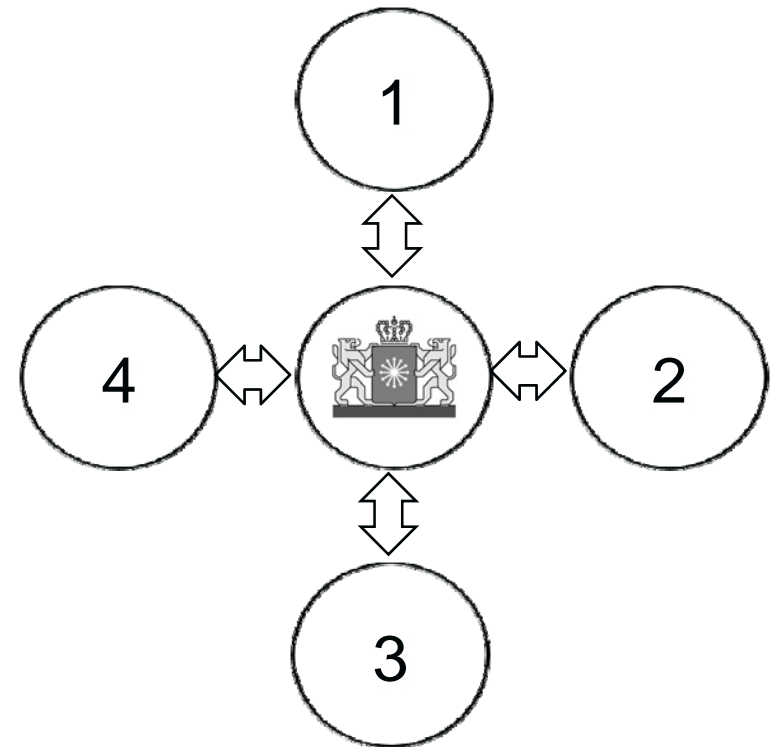




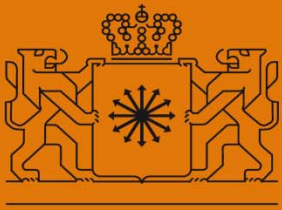
HIDC: The activities

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1. Promotion of the Netherlands as “The logistics Gateway to the European market”
2. Assisting international companies in setting up or re-structuring their European supply chain
3. Stimulating research and innovation
4. Raise public and political support for the logistics industry



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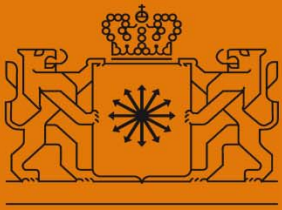


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HIDC: Services to US companies

- Feedback and advice on European supply chain design
- (Logistics) partner selection / match-making services
- 'Fact Finding Trip' in the Netherlands to meet potential partners
- Assistance in every step – now and in the future

Free of charge and completely confidential!

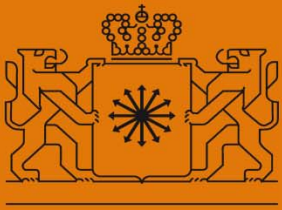


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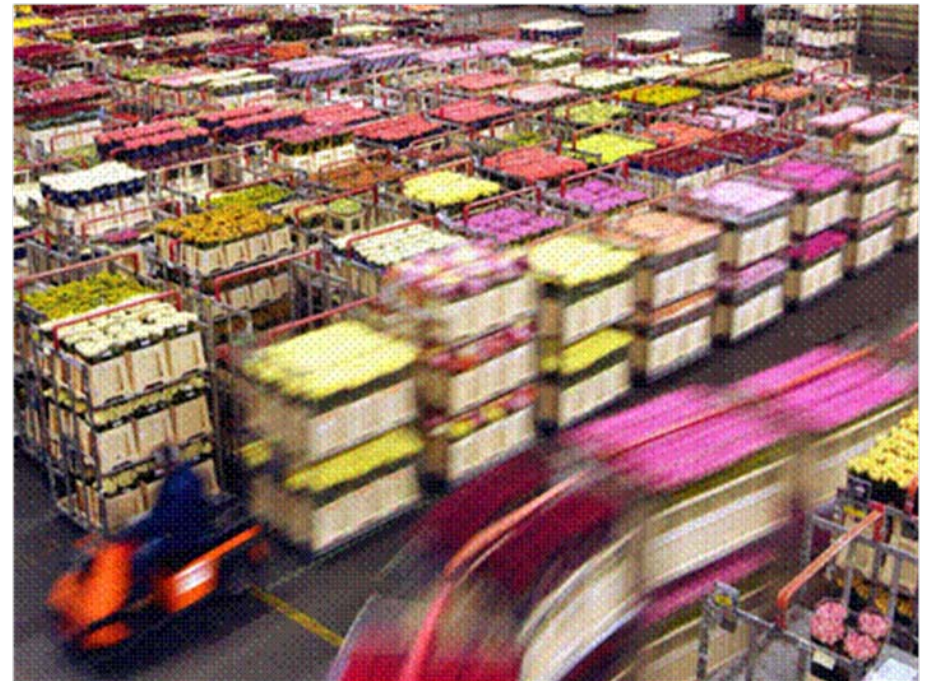
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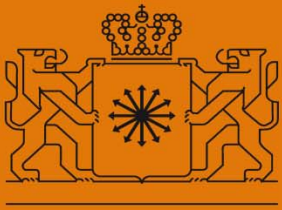
What is logistics?

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- Managing and controlling the flow of goods and related information from the source of production to the marketplace
- Or: to offer the right products at the right time in the right place



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European market

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Unites States



European Union



Population

303 million

491 million

Population density

31

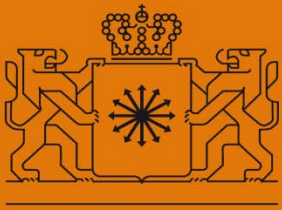
112

GDP per capita

\$46,000

\$32,900

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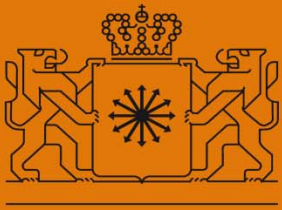


Challenges of the EU market

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- Complex market
- Competitive market
- Costly operations





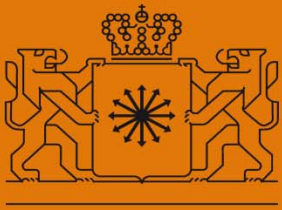
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Different ways to European market (1)

Indirect approach

- Sales terms: EX Works, FOB, CIF
- Customer takes care of customs clearance and transportation
- Advantages
- Disadvantages





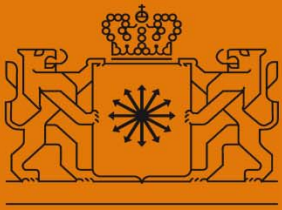
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Different ways to European market (2)

Direct approach

- Sales terms: DDU, DDP
- US company takes care of customs clearance, local stock and distribution
- Advantages
- Challenges



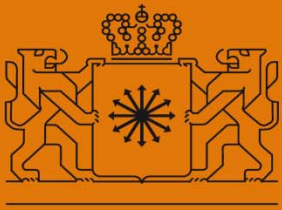


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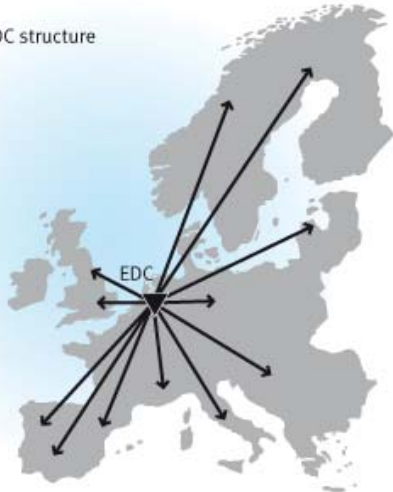


European supply chain structures

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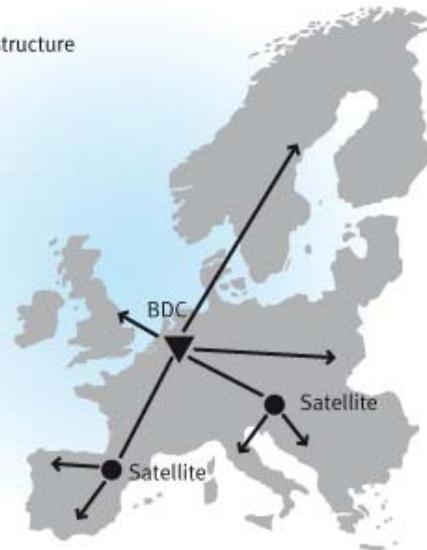
Traditional EDC

Central EDC structure



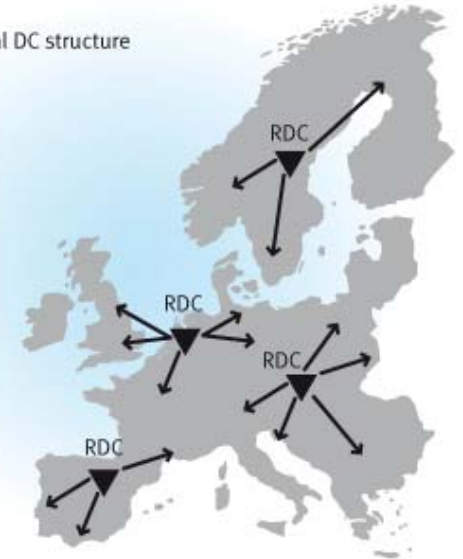
BDC + Satellites

Bulk DC structure

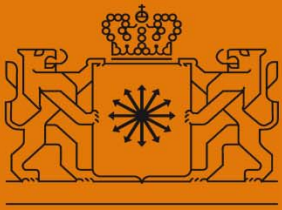


RDC's

Regional DC structure



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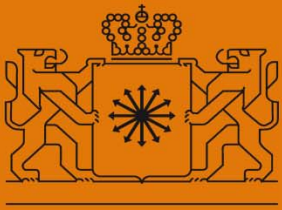


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Decisive factors in European SC design

- Production / sourcing locations
- Inbound transport strategy
- Type of product
- Sales channel
- Location of customers
- Required lead-time to market
- Taxation: VAT and corporate tax

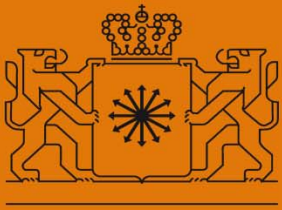
Maximize customer service & minimize costs



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Activities that can be outsourced

- Ocean freight forwarding (FCL & LCL)
- Air freight forwarding
- Customs brokerage
- Warehousing
- Value adding logistics activities (e.g. labeling, packaging, assembly, etc.)
- Value adding services (fiscal representation, stock management, order management, etc.)
- Transport throughout Europe (FTL & LTL, Parcel, temperature controlled, tank, etc.)
- And more....



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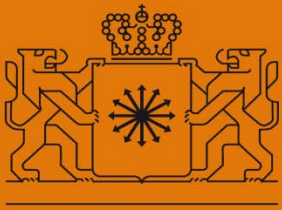
Self-managed vs. outsourced?

Benefits

- No capital investments needed
- fewer risks
- Flexibility in space and manpower
- Economies of scale
- Concentration on core business

Challenges

- Trust
- Communication
- Sharing necessary information
- Clear requirements and expectations
- Perfect fit with partner
(capabilities/ 'chemistry')

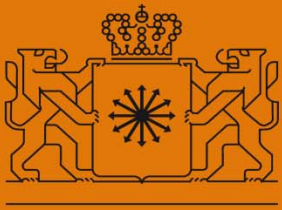


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Customs and taxation

- VAT deferment
- Bonded warehousing
- AEO



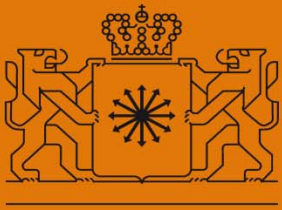


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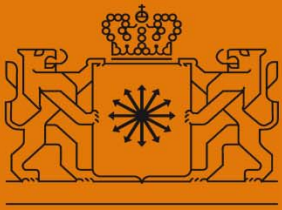
Dutch history in trade

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- Long history in trade
- First European distribution centers
- Pioneer spirit, business attitude and expertise in shipping



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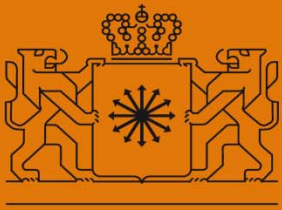
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Current role of the Netherlands

- Point of entry into the EU market
- Location for EDC, BDC or RDC operations
- Orchestrator of European supply chains



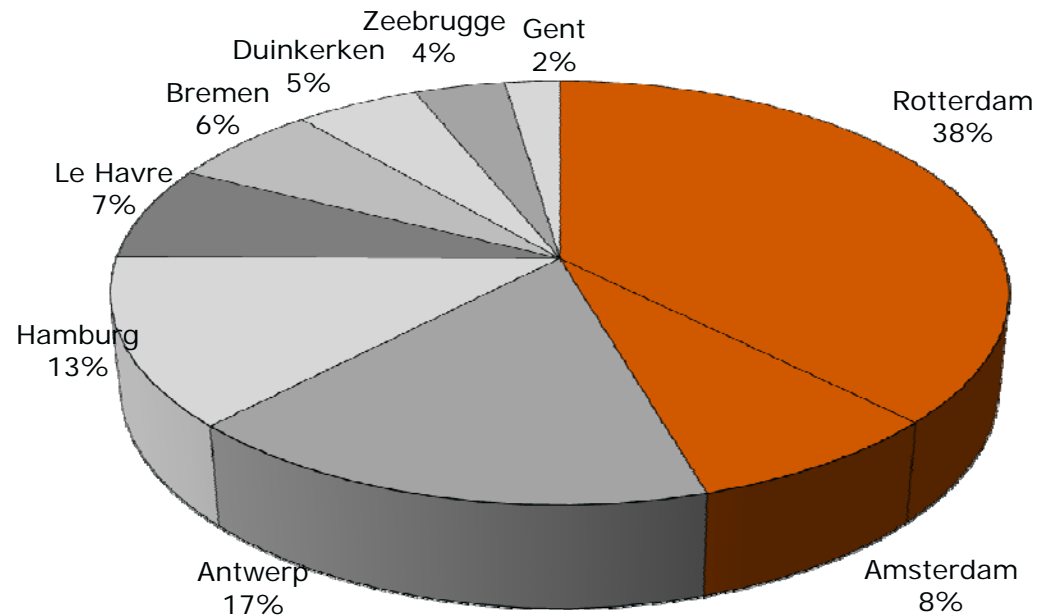
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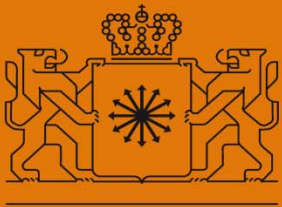
Netherlands market leader throughput European seaports (2007)

Total throughput Hamburg – Le Havre range:
1.090.277 million tons



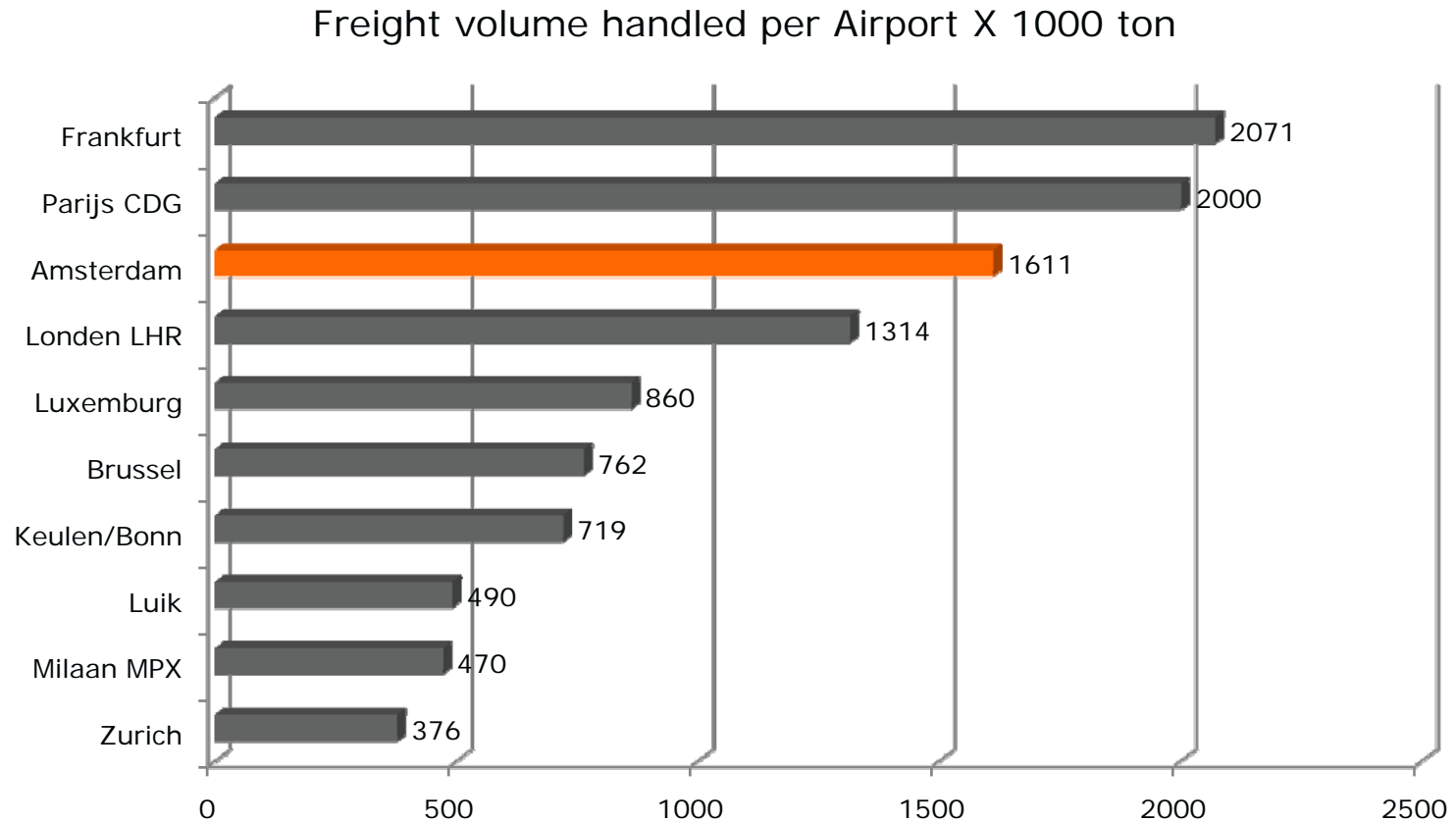
Source: Port of Rotterdam

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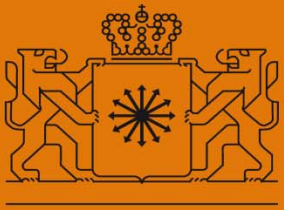
Amsterdam third largest European cargo airport (2007)

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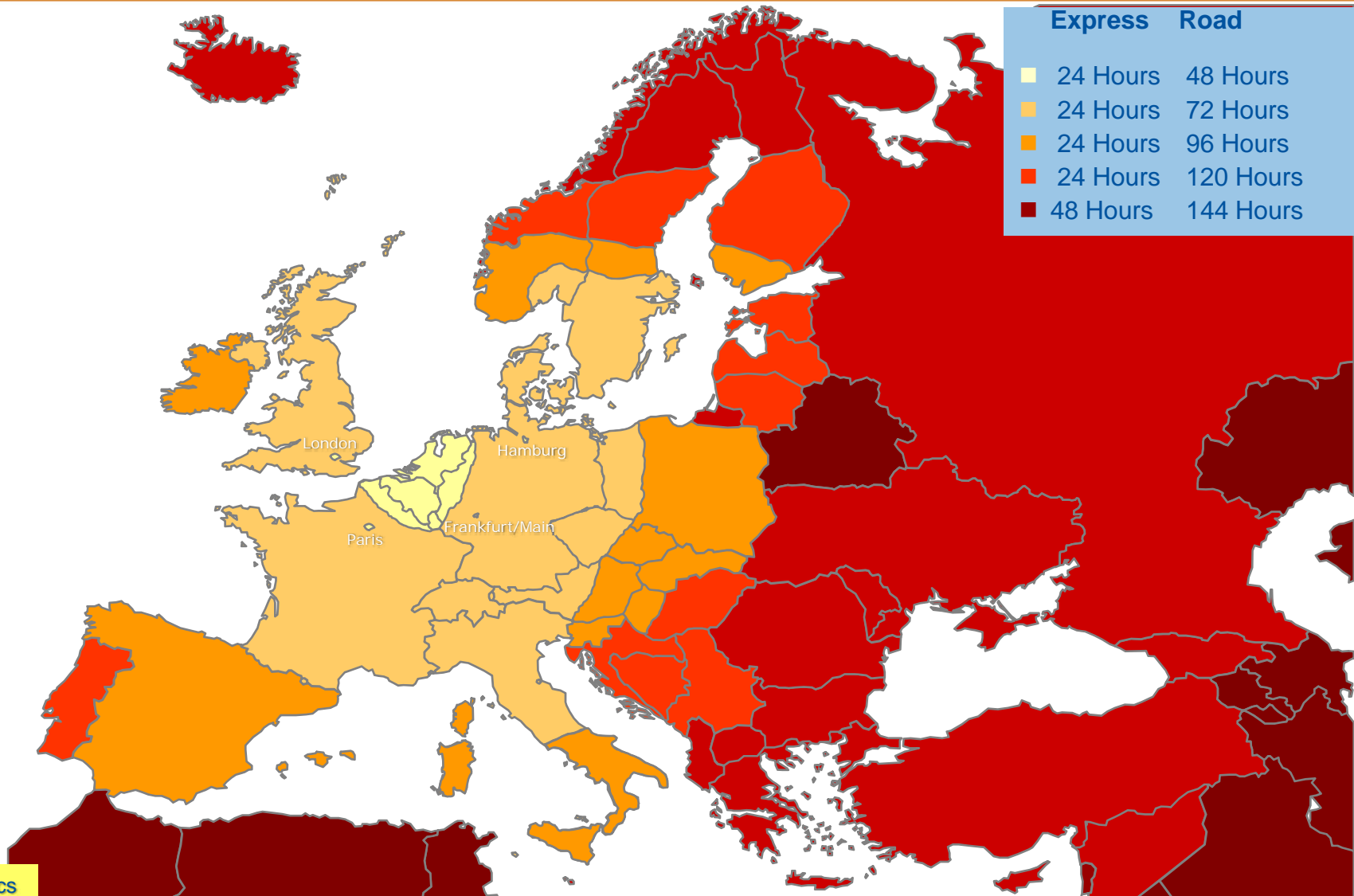
Source: Amsterdam Schiphol Airport

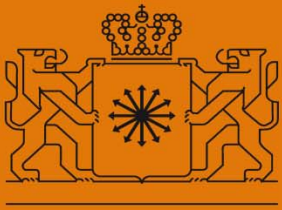
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Lead-times throughout Europe

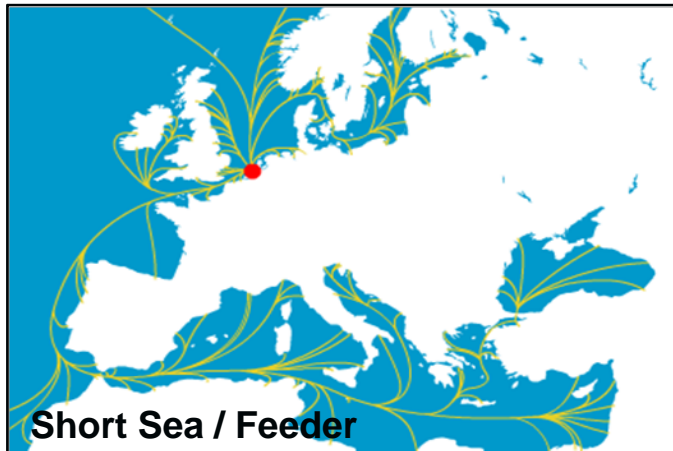
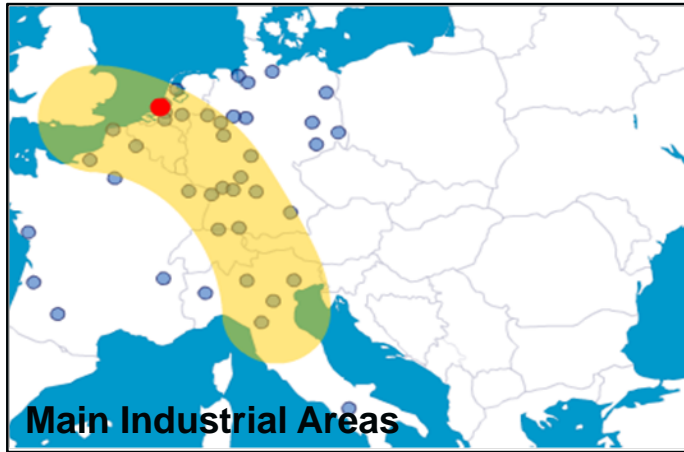
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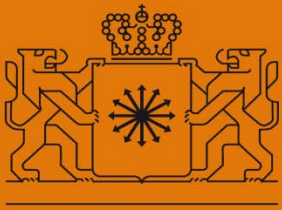


Excellent European Infrastructure

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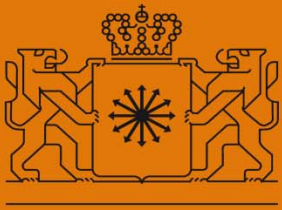


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Excellent and well developed logistics industry

- Large number of international logistics services providers
- Full range of related services
- Mature market





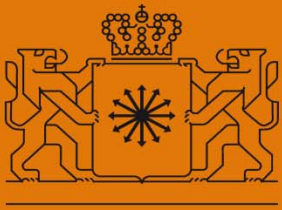
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And...

- Internationally oriented business community
- Flexible, productive and highly educated labor force
- Favorable tax environment



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