

## *'Gateway Europe': IGS Schreiner's Strategic Take on China-Rail, Digitalisation and Sustainability*



IGS Schreiner GmbH, a member of the New Silk Road Network, is a professional entity that caters to their customers through various services. With an experience of over 50 years, the company has created a strong footing for itself in the German logistics market. An innovative and adaptable company, IGS Schreiner has established not just a local, but a global presence as well.

In our interview, we spoke with Henning Eggers, heading the Sales and Marketing division for IGS. The conversation covered a wide range of topics from the historical roots of the company, the growing China-EU rail freight and the adoption of digitalisation and sustainable practices. Through the interview we learn about the various strategic decisions made by the company, not just grow their capabilities but also to optimise their services, for a comfortable experience for their customers.

In conversation with IGS Schreiner...

**NSRN:** IGS is a family-owned logistics company that was founded almost half a century ago. In these 50 years, IGS has seen a prosperous journey. With the context of historical and economic stability of the 1970s and the present age of globalisation, how does a traditional family-owned business position itself? Moreover, what would be some of the key highlights for the company through these years.

**Henning:** That's right, our history goes back to the 1950s, and now it is the third generation taking over the business. The actual origin of our company was in the mineral-oil business and trade. Due to the mineral-oil crisis at the time, a second pillar was set up, offering container trucking. So, these are our logistical roots, forming a base for our activities today.

Globalisation with its challenges and developments for worldwide cargo flows have constantly changed logistics and thus also influenced and further developed our activities here at IGS Schreiner. Some of our milestones include building up the first national general cargo and part-load transports in the mid-1980s and taking over our current warehousing and transshipment company Krohn und

Schröder at the end of the 1980s. At the beginning of the 1990s, we loaded the first containers onto the railways, which was quite a feat at the time!

Then, in 1993, CDN was founded in Fürth (moving to Nuremberg in 1996) as the first IGS trucking organisation outside Hamburg and, in retrospect, the basis for our container terminal and depot activities today.

In the 2000s, we joined the general cargo system transports, from which our current pan-European land transports in general cargo as well as partial and full loads have developed. This is an important part of the overall portfolio.

The intermodal business has also grown very strongly over the years, so much so that in 2007, IGS Intermodal was founded as an independent company. In the meantime, 6 terminals and depots in southern Germany have emerged from the further development of this business segment.

We pursue a "Gateway Europe" idea in order to support our customers' access to the European market for goods handled in Europe with our warehousing and distribution facilities. Hamburg is an important hub for overseas transports, including the increasingly developing China-Rail transports, and IGS, as a medium-sized logistics company, is of course always trying to evolve in a customer- and service-oriented way.



**NSRN:** IGS has an expansive portfolio ranging from freight forwarding, warehousing, trucking, intermodal, and IT services as well. What was the motivation for the company to expand into these various areas? What would be considered as the area of expertise for the company?

**Henning:** We have grown with the logistical requirements and the trust placed in us by our customers. Customer-oriented process understanding and the resulting optimization, and solution concepts combined with high quality standards continue to be the driving force behind our motivation.

The challenges lie in the increased requirements with greater process depth, while at the same time the permanent flow of information and data exchange with our customers and partners must be controlled. To master today's complexity of data volumes from different operational systems and the growing number of interfaces, we started our own IT company as early as 2004, this reduces external dependencies here as well.

IGS' customers benefit from receiving everything from a single source - "one-stop shop" with the personal touch and customer orientation of a medium-sized company.

**NSRN:** As New Silk Road Network, we are interested in knowing more about your China rail service. How did the IGS start their China-Rail service? What have been some of its significant achievements? Were there any challenges that SMEs should consider before venturing into the area of China-Europe rail?

**Henning:** Of course, we have been observing the China-Rail sector for some time. We have intensified our activities through enquiries from our customers and more targeted marketing.

Here our cross-interface approach is taking effect: our own container freight station in Hamburg, for example, has created targeted contacts with rail operators for whom we pack or unload FCL and LCL containers in/outbound. Here, too, customers benefit from the direct connection of our CFS to the Europe-wide IGS transport network for distribution or procurement logistics.

Interesting contacts and networks have developed from this, which is also what we want to intensify through our membership in NSRN, to learn more about the market participants and process participants along the route and to further involve ourselves. Because the China-Rail sector is still a "closed shop", you need contacts, networks, and experience.



**NSRN:** Subsidies largely sustain rail service between China and Europe. However, it is natural that these subsidies will diminish over time. Do you think that rail freight will sustain itself without subsidies, and if so, what can we do at the industry and individual company level to promote this freight mode?

**Henning:** The China-Rail product is still heavily dependent on Chinese production. The commodity must match the mode of transport. Such as in terms of commodity values, and of course deadline pressure and transit times.

In principle, China-Rail is an important complement to sea freight. The emphasis, however, is on supplementation because the entire cargo volume cannot be handled by rail. As always in logistics, it remains an interplay of the various modes of transport and the best individual solution for the respective customer's requirements.

Particularly at present, with recent blockade in the Suez Canal and the changes in the sea freight market (Covid 19), it can be assumed that importers will increasingly examine their supplier network for alternative modes of transport such as China Rail and position themselves more broadly.

In our opinion, China-Rail has a chance to further establish itself as a niche product and an important, at the same time, sustainable complement to the established modes of sea/air freight.

The challenges of the China-Rail lie in stabilising the nodes and connecting routes in the long term to establish reliability. Infrastructural challenges must be further optimised and managed so that the product functions in a stable and sustainable manner to further consolidate its established place within transport systems.

**NSRN:** The future of European medium-sized logistics companies is closely linked to digitalisation and sustainability. At IGS, how are these two themes adopted and practised in daily operations?

**Henning:** Within the IGS group, both topics are of paramount and are permanently in focus. There are numerous projects in development that are being prioritised accordingly.

In the area of digitalisation, a few projects can be highlighted, in addition to the maintenance and further development of our interfaces for automated order transmission and processing with our customers and partners. For example, we are currently implementing a cross-group and cross-division digital document management system. In other words, a truly complete "digital forwarding file". We have also further developed our web portal including the Track & Trace function in the general cargo area and can now inform the consignees about the status of the delivery in relation to the order and the consignment. We have established and expanded this service for our FCL transports within IGS Intermodal via our "Trucker App" and are also in the process of implementing the digital consignment note.

The topic of IT security, as a whole, is increasingly in focus at the moment and is becoming more and more important. We are conducting a permanent audit and further internal process optimisations in all areas and are trying to use the possibilities of digitalisation where it makes sense to facilitate processes, improve communication and relieve our employees in standard processes.



The topic of sustainability and green logistics basically goes hand in hand with digitalisation. With IGS Intermodal, we are already sustainable per se as "rail drivers" and have specialised in our customers' wishes for resource-saving transport and logistics solutions. Low-emission handling equipment is used in our own terminals and depots, and our modern truck fleet meets the requirement for environmentally friendly transports from the first to the last mile.

In our transport solutions, we place great importance to ecological compatibility, but we also must meet the economic demands of our customers. Here, for example, investments in hybrid locomotives, LNG trucks and gantry cranes with energy recovery help to reduce resource consumption and emissions, which we monitor in annual emissions reports. In terms of sustainability, we also analyse our volumes and transports in the conventional sector, for example, shifting cargo from road to rail in combined transport.

**NSRN:** Finally, challenges after challenges have cropped up this year, from the pandemic lockdowns to the container crisis. What are the realistic expectations for IGS Schreiner for the year 2021? Are there any developments to be expected this year, or will it be a year of recuperation/recovery?

**Henning:** Yes, 2020 has and 2021 continues to bring immense challenges for everyone, but especially for logistics.

We always hope for the best, but are only cautiously optimistic for 2021. Even if a slight increase in economic performance is currently noticeable and it looks like a recovery, the lasting economic consequences of the Corona crisis are not yet fully foreseeable.