

## Schenker Saudi Arabia

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### TWO LOGISTICS CENTERS IN HAIL & RABEGH

### S.R. 1 BN INVESTMENT WITH GERMAN PARTNERSHIP



Saudi Arabian General Investment Authority (SAGIA) announced signature of Memorandum of Understanding (MOU) for strategic cooperation with Deutsche Bahn Group. Mr. Amr Dabbagh, SAGIA Governor signed for SAGIA, and Dr. Hartmut Mahdurn, Chairman Board of Directors & CEO signed for Deutsche Bahn.

Dr. Abdulaziz Yossef Al-Babtain, Head of Transport Sector, SAGIA stated that the memorandum focused on two focal items; the first: it was agreed that the first project to begin studying its development, is to develop and operate part of the World Center for Logistics Services in King Abdullah Economic City, as first targeted project. The other focal item of strategic cooperation between SAGIA and Deutsche Bahn is benefiting from the experience of Deutsche Bahn in integration various elements of transport and linking ports and trains.

Further details:

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logistics services in King Abdullah Economic City, Rabegh, and another center in Prince Abdul Aziz bin Musaid Economic City, Hail with investments amounting to one billion Saudi Riyals.

The visit included a meeting of Deutsche Bahn Board of Directors with SAGIA heads of sectors aiming at attracting investments. In the meeting Dr. Al-Babtain made a presentation for Saudi transport and logistics services sector and the SAGIA's strategy in development of the Kingdom to be a hub for goods and commodities in the region. The presentation also included SAGIA's vision for integration of different transport means and investment opportunities by developing transport and logistics services centers in the economic cities, including restructure of the sector and planning a strategy for it.

### Strong demand for logistics in Italy

Schenker is growing in Southern Europe – and distributing azaleas for charity

**Milan, Italy. Mother's day was celebrated all around the world on May 13.** It's traditional in Italy to give a basket of azaleas on Mother's Day, so Italians flock to the markets and flower stores on that particular Sunday morning. Around 800,000 azaleas are sold on Mother's Day

each year. Ensuring that the flowers are available on time and in a condition appropriate for the occasion at 3,000 sales locations throughout the country is Schenker's most spectacular job in Italy.

The entire process is run as a charity, and all profits are donated to the Italian League for Cancer Research (AIRC). Schenker in Italy and in Switzerland have supported the AIRC in this way for seven years.

Schenker employees collect the flowers from the growers and transport them to the distribution centers throughout the country. The flowers are then available on the market within two hours on the morning of May 13.

**"This project is the result** of precise planning and extreme flexibility," explains Erico Ghezzi, manager of Schenker in Balerna, Switzerland.

Lorenzo Papa, who has been the head of Schenker in Switzerland for four years now, puts it in simpler terms: "We Italians have such big hearts," he explains. This is not a given in the logistics sector, but then again in Italy many things are out of the ordinary. Take for example the choice of transport mode in freight service: Schenker doesn't only use rail or

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Al-Babtain maintained that these centers will be the base that will import raw material and export the products that are manufactured. The main factor for success for operation and development of these centers is the presence of global service providers with long experience, and such global operators having worldwide network of clients and service providers helping to activate these services in the economic cities.

Al-Babtain said that SAGIA is seeking to develop a series of logistics services in Saudi Arabia and developing the sector by encouraging presence of logistics service providers. SAGIA also aims at building up-to-date centers of integrated transport and logistics services linked by all means of transport in the port and industrial zone of each economic city.

This statement was made during the first visit to the Kingdom by the delegation of the Deutsche Bahn Board of Directors, the largest company for global transport and logistics services with revenues of more than 30 billion euros last year. The group employs more than 229,000, offered its services to more than 1.8 billion passengers in trains, provided logistics services of more than 96 million tons of cargo. It also operates and manages more than 1 billion kilometers of railway with thousands of stations and container yards. Affiliated to the group, several companies specialized in transportation, management and operation of trains, as well as some logistics services companies, including Schenker, Railion, and Stinnes.

During the meeting, it was agreed that the group will study development and construction of part of an integrated

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trucks – in Venice, even small barges are used to transport freight by means of the city’s canal system. Or take the northern Italian cities of Milan and Florence. Only special vehicles can fit through some of their narrow alleys, and these don’t include automobiles or scooters.

On the other hand, a large portion of the freight coming into and going out of Italy – 45 percent of exports and 64 percent of imports – is carried on container ships. Schenker in Italy records over one third of its annual sales through sea freight.

**Lorenzo Papa** is particularly proud of the sports logisticians. They have just completed follow-up operations for the 23rd Winter Universiade, held in Turin in February 2007, which featured 1,906 athletes from 52 countries. Schenker was the official logistics service provider.

Schenker in Italy’s largest customers are companies in mechanical engineering, the semiconductor industry, and the clothing sector.

Schenker in Italy is one of the leading providers of global, integrated logistics solutions. The company has been operating in the Italian market since 1963, currently boasts over 68,093 square meters of warehousing space in 32 locations, and employs 850 associates. The head office is located in Milan. The Italian company is connected to the European overland transport network and there is a daily direct connection from Italy to the Schenker central hub in Fried Wald.

But the Italians’ trump card lies in their good relations with their customers. A few years ago, Schenker in Italy was voted Best Customer Service Provider by the other foreign subsidiaries.

<http://www.schenkerit.com/>

## World's busiest airports by cargo traffic

Schenker will provide you with a special coverage on the world’s busiest airports by cargo traffic. Every month, you will be able to read a coverage on one of the below listed airports. Enjoy reading and we will keep you updated with global logistics and cargo news.

The thirty world's busiest airports by cargo traffic for various periods (data provided by Airports Council International)  
Numbers listed refer to loaded and unloaded freight in metric tonnes

Rank	Airport	Location	Code (IATA)	Total Cargo	2005 Rank	% Change
1.	Memphis International Airport	Memphis, Tennessee, United States	MEM	3,692,205	1	+2.6%
2.	Hong Kong International Airport	Chek Lap Kok, Hong Kong, People's Republic of China	HKG	3,608,789	2	+5.1%
3.	Ted Stevens Anchorage International Airport	Anchorage, Alaska, United States	ANC	2,803,792 <sup>1</sup>	3	+5.9%

4.	Incheon International Airport	Seoul, South Korea	ICN	2,336,571	5 (+1)	+8.7%
5.	Narita International Airport	Narita, Chiba, Japan	NRT	2,280,026	4 (-1)	-0.5%
6.	Pudong International Airport	Shanghai, Shanghai Shi, People's Republic of China	PVG	2,159,321	9 (+3)	+16.3%
7.	Frankfurt International Airport	Frankfurt, Hessen, Germany	FRA	2,127,797	7	+8.4%
8.	Louisville International Airport	Louisville, Kentucky, United States	SDF	1,982,985	11 (+3)	+9.3%
9.	Singapore Changi Airport	Changi, East Region, Singapore	SIN	1,931,881	10 (+1)	+4.2%
10.	Los Angeles International Airport	Los Angeles, California, United States	LAX	1,907,173	8 (-2)	-1.1%
11.	Charles De Gaulle International Airport	Paris, Île-de-France, France	CDG	1,854,950	6 (-5)	+5.0%
12.	Miami International Airport	Miami, Florida, United States	MIA	1,830,592	12	+3.9%
13.	Taiwan Taoyuan International Airport	Taoyuan, Taiwan (Republic of China)	TPE	1,698,808	13	-0.4%
14.	John F. Kennedy International Airport	New York City, New York, United States	JFK	1,660,158	14	+0.2%
15.	O'Hare International Airport	Chicago, Illinois, United States	ORD	1,618,331	15	+4.8%
16.	Amsterdam Schiphol Airport	Amsterdam, North Holland, The Netherlands	AMS	1,559,787	16	+4.3%
17.	Dubai International Airport	Dubai, United Arab Emirates	DXB	1,503,696	18 (+1)	+14.4%
18.	London Heathrow Airport	Hayes, Greater London, United Kingdom	LHR	1,343,932	17 (-1)	-3.1%
19.	Bangkok International Airport	Bangkok, Thailand	BKK	1,181,814	19	+3.6%
20.	Indianapolis International Airport	Indianapolis, Indiana, United States	IND	1,044,293	20	+0.3%
21.	Beijing Capital International Airport	Beijing, Beijing Shi, People's Republic of China	PEK	1,028,908	24 (+3)	+31.6%
22.	Newark Liberty International Airport	Newark, New Jersey, United States	EWR	969,936	21 (-1)	+2.1%
23.	Kansai International Airport	Izumisano, Osaka, Japan	KIX	842,085	22 (-1)	-3.1%
24.	Tokyo International Airport	Ota, Tokyo, Japan	HND	832,854	23 (-1)	+4.3%

25.	Guangzhou Baiyun International Airport	Guangzhou, Guangdong, People's Republic of China	CAN	824,906	26 (+1)	+9.9%
26.	Luxembourg-Findel International Airport	Sandweiler, Luxembourg (canton), Luxembourg (district), Luxembourg	LUX	751,645	27 (+1)	+1.9%
27.	Dallas-Fort Worth International Airport	Dallas/Fort Worth, Texas, United States	DFW	748,056	28 (+1)	+1.5%
28.	Hartsfield-Jackson Atlanta International Airport	Atlanta, Georgia, United States	ATL	746,500	25 (-3)	-2.8%
29.	Brussels Airport	Brussels (Zaventem), Belgium	BRU	691,250	30 (+1)	-0.3%
30.	Cologne Bonn Airport	Cologne/Bonn, North Rhine-Westphalia, Germany	CGN	691,110	N/A	7.4%

## The port of Singapore

The **Port of Singapore** refers to the collective facilities and terminals that conduct maritime trade handling functions in Singapore's harbors and which handle Singapore's shipping. Currently the world's busiest port in terms of total shipping tonnage, it also handles a quarter of the world's shipping containers as the world's busiest container port, and half of

Four new berths at Pasir Panjang Container Terminal is now under construction, and the resulting figures will stand at:

- Container berths: 45
- Quay length: 13,000 m
- Area: 4.45 km<sup>2</sup>
- Maximum draft: 16 m

the world's annual supply of crude oil. In terms of total cargo tonnage handled, it was the busiest port in the world until 2005, when it was surpassed by Shanghai. Thousands of ships drop anchor in the harbour, connecting the port to over 600 other ports in 123 countries and spread over six continents.

The Port of Singapore is not a mere economic boon, but an economic necessity due to the fact that Singapore is lacking in land and natural resources. The Port is critical for importing natural resources, and then later re-exporting them after they have been refined and shaped in some manner, for example wafer fabrication or oil refining to generate revenue. Only then can the service industry such as hospitality services typical of a port of call, for example, restocking a ship's food and water supplies, take their role. The Straits of Johor is currently impassable by all ships as the Johor-Singapore Causeway links Singapore to Malaysia.

The port was documented in a *Mega Structures* program of the National Geographic Channel called *World's Busiest Port*.

Operations: -

The port is the world's busiest port in terms of shipping tonnage handled, with 1.15 billion gross tons (GT) handled in 2006. In terms of cargo tonnage, Singapore is ranked second behind Shanghai with 448 million tons handled. The port retains its position as the world's busiest hub for transshipment traffic in 2006.

Singapore is ranked first globally in 2006 in terms of containerized traffic, with 24.8 Million Twenty-foot equivalent units (TEUs) handled. A rise in regional traffic consolidating the port's position in Southeast Asia, and increases in transshipment traffic using the strategic East Asia-Europe route via Singapore.

Operators

PSA Singapore's Container facilities includes:

- Container berths: 41
- Quay length: 11,754 m
- Area: 3.89 km<sup>2</sup>
- Max draft: 16 m
- Quay cranes: 131
- Designed capacity: 22,600 KTEU

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- Quay cranes: 147
- Designed capacity: 25,400 KTEU

Jurong Port's facilities include:

- Berths: 23
- Berth length: 4,545 m
- Maximum vessel draft: 16 m
- Maximum vessel size: 150,000 dwt
- Area: 1.2 km<sup>2</sup> Free Trade Zone, 320,000 m<sup>2</sup> non-Free Trade Zone
- Warehouse facilities: 280,000 m<sup>2</sup>

## Memphis International Airport

Memphis International Airport is a public airport located 3 miles (5 km) south of the city of Memphis in Shelby County, Tennessee, USA.

### Memphis International Airport

Northwest Airlines operates its third-largest passenger hub in Memphis, with routes to a number of destinations in North America, as well as a daily nonstop flight to Amsterdam. Memphis is also home to FedEx's "Super Hub," which processes a large amount of the freight carrier's packages. Because of FedEx's hub, Memphis has the largest cargo operations of any airport worldwide. Memphis is also home to United Parcel Service's third-largest sorting facility.

Memphis Municipal Airport opened on a 200 acre (0.8 km<sup>2</sup>) plot of farmland just over seven miles (10 km) from downtown Memphis. During its early years, the airport consisted of three hangars and an unpaved runway. Passenger and air mail service was provided by American Airways and Chicago & Southern Airlines. In 1939, four new carriers won route awards to serve Memphis: Braniff Airways, Capital Airlines, Eastern Air Lines, and Southern Airlines.

The current terminal was built in 1963, and Memphis Municipal changed its name to Memphis International in 1969. However, the airport had no nonstop intercontinental routes until 1995, when KLM began service to Amsterdam.

FedEx established its freight hub in Memphis in 1973, and Republic Airlines established a passenger hub in 1985, which was absorbed into Northwest in 1986

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