

LIKE VAN GEND EN LOOS ALREADY DID IT

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How does the near future of a specific industry or sector look like? We ask an expert. In this case Gerrit Hes, director and owner of Reining Transport and former director of transport organization TLN.

"In transport we don't not like revolutions that much. Their results are minimal". Director Gerrit Hes of Reining Transport in Hoogezand sees developments that might change the character of the sector seriously, but they are going at a pace of a fully loaded truck that drives up the Brenner Pass. "It is actually still the same like Van Gend en Loos did it forty years ago".

The road transport sector moves goods from place A to place B and is in essence a very traditional industry, says Hes. A car, a product in the container, asphalt and of course the driver, those are the four transport ingredients. Nothing more and nothing less.

Innovation usually just means more efficiency, says Hes. For example the fuel consumption has been reduced from one litre of diesel every two kilometres to about one litre of diesel every four kilometres. Smarter loading systems, satellite navigation, more comfortable cabins, etcetera.

Not that there's anything wrong with that, Hes said, these are all very important innovations. But they don't put the world upside down. "Real innovations in the transport sector are rare. In recent decades there have actually been only two: the introduction of the pallet and the development of the container. Both have put massive changes in the transport chain in motion. "Divide the transport chain into three parts and then it becomes clear where the innovation is. They are at the beginning and the end of the chain, in the distribution centres and warehouses of manufacturers and parcel operators. They experience a real ICT revolution. Fully automated order processing, sorting and warehouse robots have replaced manual labour. In the middle section of the chain, where carriers like Reining are active, Hes does not see such changes. Not in the coming years as well.

"However, there is one development at the background that has the potential to shake up the transport sector significantly: the introduction of the self-driving truck", says Hes. But according to Hes we will not see them on our roads in the near future. Not because the truck does not work, but because the whole traffic infrastructure and the loading and unloading locations have to be adjusted accordingly. "Technically, the truck can drive without a driver, but the roads are not ready for it. And our clients are used to the fact that loading and unloading is done by drivers. Who will load and unload the truck in the case of a self-driving truck? And I'm not even talking about the regulations and insurance issues".

According to the Reining Director, there is not too much reason now to anticipate on the arrival of the autonomous moving truck. Reining is not acting on this type of truck at all. Reining has just invested 16 million euros in 100 new trucks, the last one will be delivered in January. And a second investment in another 40 new trucks is coming.

"Those trucks new trucks will be used for about 10 years. And I foresee little change in that period ", he outlines the dilemma." You don't want to be too early when it comes to innovations. When you are an early adapter and make the wrong choice, it will be over. That's something we cannot risk with our 350 trucks". "What road transport will look like in an x-number of years is not only a matter of vehicle engineering or modification of roads and traffic situations. Regulations or political interests also put a brake on innovation. Hes gives the example of the Long Heavy Truck Combination (LZV) that is not allowed in Germany because the rail operator Deutsche Bahn has managed to ban this innovation by political means. Too bad, says Hes, because these extra-long trucks are very suitable for driving on the German highways.

A step beyond the LZV, but slightly less futuristic than the self-driving truck is convoy driving or platooning, where trucks are driving in 'electronically coupled groups'. Only the front driver is driving himself, the rest can follow number one without doing anything themselves. Wonderful idea, says Hes and suitable for long distance transport across Europe, but he expects it will take some time for this idea to be developed because of limitations because of roads, laws and other constraints.

"Everybody is acting very tough on changes in the road transport, but for now it's still the same like Van Gend en Loos did it forty years ago. Much is nothing more than old wine in new bottles. Take the distribution sector, where carriers deliver their goods at the edge of the city, which will then be brought into the city in small vans. Now we give it a new 'ICT-sauce' and we love it. "But it's nothing new", says Hes.

Hes is more focused on anticipating on developments of goods flows. "Economic development is concentrating more and more along the axis London - Milan. Industries are clustering and people move to the cities. Our customers are large European companies which have production and sales facilities in several countries. These factors determine our market. We have to operate as an European company that can respond to it. However, we have to be able to do our job.

The latter remark is referring to the labour market. Competition is impeded by rules and labour agreements regarding for example the employment of foreign drivers.

Macroeconomic developments and the situation on the labour market will be more decisive for the transport sector in the coming years than the introduction of new techniques, says Hes. Once they are put on the market, they are available to all truck operators. "You are not surviving on the EU market because you have a truck that competitors also have. You are surviving because you are able to operate the truck that tiny bit smarter than others and by being more focused on service, for example by hiring personnel from several countries, which gives you the ability to combine different cultures and ways of doing business. "