

SUPERPORT Quarterly

February 2013



Welcome to SUPERPORT Quarterly.

2013 promises to be a crucial year for the delivery of the Liverpool City Region SUPERPORT. The much anticipated Liverpool2 post Panamax container terminal will see construction commencing and the Mersey Gateway Bridge is due to announce the winning bidder in the summer.

These constitute some of the largest construction projects in the UK, indeed the Mersey Gateway Bridge is in the KPMG Top 100 Infrastructure projects in the world. To have two such major projects ongoing is truly transformational. Not only is this because they will provide the physical capabilities we need to compete globally but also retailers, manufacturers, importers and exporters will all be able to take advantage of the improved infrastructure which will offer businesses a more efficient supply chain solution to bring goods in or out of the country and distribute them to and from the northern market. This will improve the competitiveness of local companies and the overall performance of the economy in the north.

To secure these advantages and to

turn this into local jobs we need to see a renewed push to ensure good development sites, attractive to the market, are provided and that built stock, particularly in the distribution sector, is coming forward to serve future requirements.

With the well documented and sustained rise in online retail, especially over the festive period, prudent organisations are taking the time to take stock and analyse how best to optimise the way they do business. In terms of logistics we will be working with companies, their agents and local authorities to ensure we can provide the answer.

In this newsletter we also outline some of the messages we conveyed in our evidence to the Transport Select Committee Inquiry into Access to Ports. We support modal shift to sea, inland waterway and rail; and outlined the importance of central Government support for infrastructure provision in the City Region and wider afield if we are to maximise the benefits of the private sector led investment in the port, aviation and logistics sector which in turn will promote wider economic development and create new jobs.

Top 100

the Mersey Gateway Bridge is in the KPMG Top 100 Infrastructure projects in the world

10.6%

of all consumer purchases took place Online in December 2012

Peter Nears
Chair, Liverpool City Region SUPERPORT Committee



SUPERPORT – a supply chain solution for the internet generation

Retail is changing and supply chains must adapt to the rising demands of consumers. If consumers expect goods more quickly and across multiple platforms surely it makes sense to locate a distribution centre close to where most people live? This is called population centric logistics and can offer substantial savings within supply chains.

The rise of e-commerce

The Office for National Statistics Retail Sales report for December 2012 suggests that internet retail sales grew by 15.5% in December to a weekly average of £830.3m; with 10.6% of all consumer purchases taking place online.

With the rise of internet shopping consumers are increasingly raising their expectations in terms of availability and delivery timescales. Retailers must adapt by having the capacity and flexibility to react to consumer demand. It therefore makes logistical sense to locate your distribution centre close to the densest population centre and to ports of entry and exit for goods.

Supply chain benefits

The SUPERPORT platform makes the City Region the ideal location for such investment. Currently 90% of deep sea cargo enters the UK via the South yet over 50% of the UK container market is based from Birmingham northwards. Over 17m people live within 2 hours of the City Region making it the most convenient port of entry to the largest population centre in the UK outside of London.

With fuel prices rising and the persistent problem of congestion on the road network in the south extending uncertainty and duration of delivery times (sometimes referred to as “southern discomfort”) the time has come for a more logical solution: using a logistics hub that is closer to the market. Liverpool SUPERPORT is that logical solution. A port and population centric solution for the internet generation.

Why Liverpool City Region?

With its central position in the UK and excellent connection to the national

motorway and rail network, Liverpool City Region is an ideal location for logistics operators to service both Scotland and the South with same-day delivery.

Additionally, businesses can utilise the 36 miles of the Manchester Ship Canal, an inland waterway suitable for moving freight via a green corridor from Liverpool to Manchester and all points between. Already the Canal is removing 800 trucks per annum from the major road networks. This is set to increase as more businesses recognise the potential of this unique solution in the UK. There are plans to develop 5 million square foot of warehousing along the canal and at the Port of Liverpool - to service the increase in demand from the development of Liverpool2, the post Panamax deep water terminal.

Locating a logistics base in Liverpool City Region enables retailers and manufacturers servicing this market to significantly reduce road miles and freight costs, reduce duplication in the handling of goods, reduce the time for goods take to reach the customer and reduce their carbon footprint.



Preparing for Liverpool2

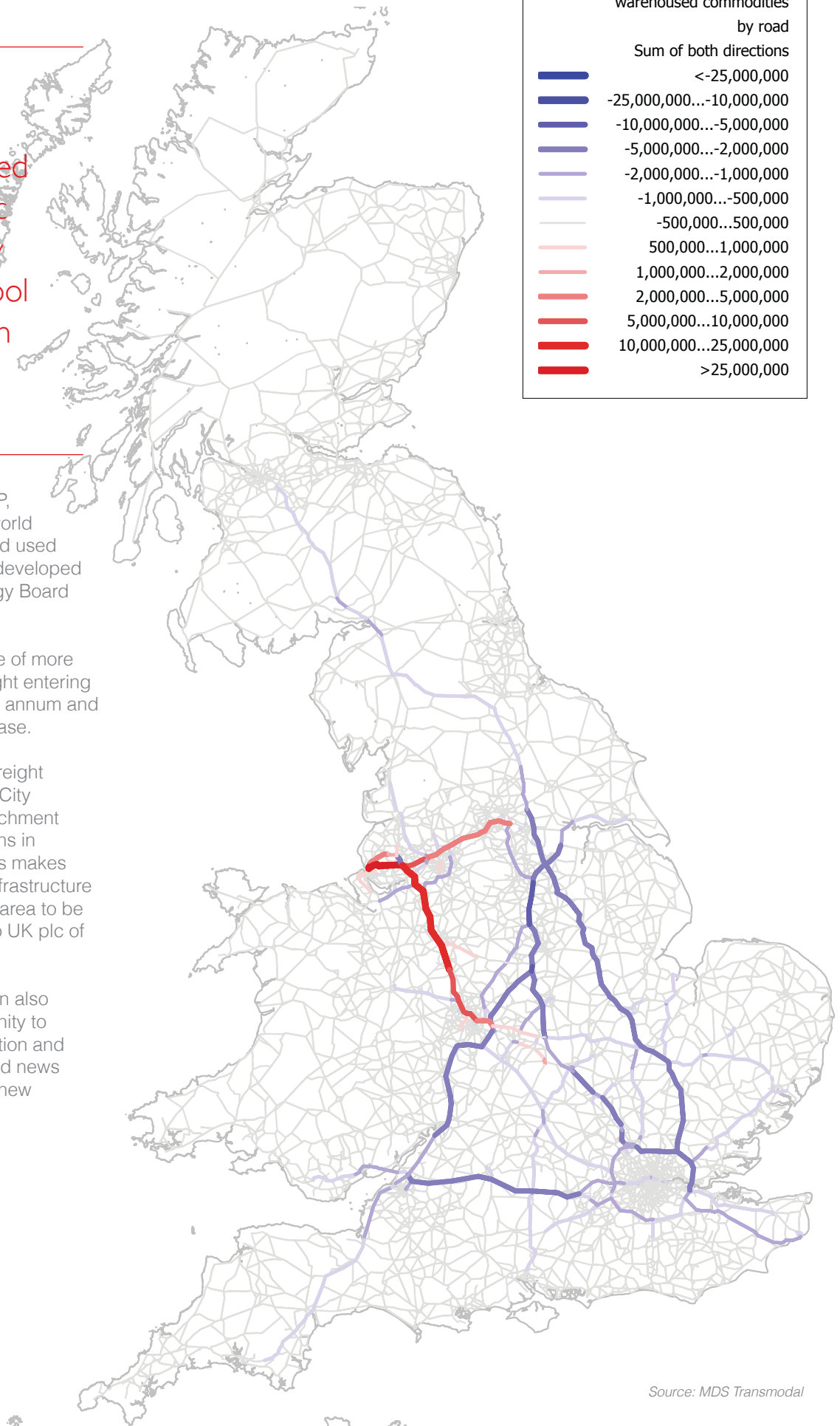
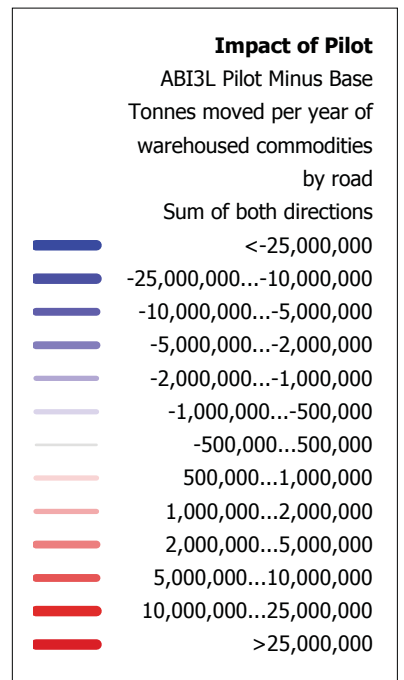
A study into the potential increased regional and reduced national road traffic flows generated by the Port of Liverpool expansion has been conducted by MDS Transmodal.

The study by consultants LCP, MDS Transmodal and Barloworld and the University of Cranfield used an agent based model they developed under the Technology Strategy Board funded **ABI³L** project.

The red indicates an increase of more than 25 million tonnes of freight entering or leaving the sub-region per annum and the blue an equivalent decrease.

The results show increased freight tonnage moving through the City Region and its economic catchment area and significant reductions in central and southern UK. This makes a powerful case for further infrastructure investment in our catchment area to be prioritised and the benefits to UK plc of SuperPort investment.

Increased freight in our region also creates an excellent opportunity to secure investment in distribution and logistics activity which is good news economically in terms of the new jobs this investment brings.



Source: MDS Transmodal



Responding to the Transport Select Committee Inquiry into Access to Ports

We recently submitted a response to the Transport Select Committee Inquiry into Access to Ports. We emphasised the need to address the barriers to modal shift and promote an environment where regional ports can compete equally and can generate sustainable growth and employment.

Efficient access to ports increases the competitiveness of port users and therefore benefits the wider economy. Consideration must therefore be given to the many users of ports such as freight forwarders and third party logistics firms to whom ports offer vital connectivity for their businesses.

Access to ports should consequently be seen in the context of national economic performance. We commented upon the development of the national planning strategy for major schemes and the need at the local level for the Community Infrastructure Levy to enhance infrastructure provision.

Whilst supporting the movement of goods by train to reduce road freight; we emphasised that short sea shipping should not be disadvantaged where it can offer an equivalent service. We would welcome an equalisation of support between rail and short sea shipping to help reduce unnecessary road freight.



I-PORT - Optimising Intermodal Freight

The IPORT study (<http://iap.esa.int/projects/transport/iport>) aims to demonstrate the benefits of utilising existing satellite technologies within freight transport.

Considering traffic data and positioning of freight can allow for live updates of estimated time of arrivals and therefore up to the minute scheduling and optimisation of haulier's routes/jobs. This can save wasted return journeys of vehicles that could have picked up an empty freight container or load for export at another nearby location.

The project consortium partners include AIMEs, ContainerPort, Avanti Consulting, DMC International Imaging and the Institute of Shipping Economics and Logistics (ISL). The users and stakeholders who are supporting the project include Atlantic Container Line, JMD Haulage Contractors Ltd, Peel Ports and representatives from the port community of Bremenhaven.

Contact:
j.douglas@containerport.co.uk

Upcoming events

We will be attending and hosting a range of events throughout the year to promote the benefits of using the assets of Liverpool City Region in your supply chain solution.

If you are interested in attending any of the events listed please get in touch with Claire Hepburn.
(Claire.Hepburn@liverpoollep.org or 07817 848074 / 0151 237 3956)

12-13 March 2013
Extended Supply Chain Conference, London

19 March
SUPERPORT Panel from 10am-12pm

10 April 2013
Clustering in Logistics Conference, Liverpool

23-25 April 2013
Multimodal, Birmingham

May 2013
Construction Supply Chain Event, Liverpool

22-23 May 2013
Retail Week Supply Chain Summit, London

June 2013
Logistics Manager Event, Liverpool

September 2013
Insider Media SUPERPORT Breakfast Briefing

October 2013
SUPERPORT Panel from 10am-12pm



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