



*Interview with  
Marco Simonetti*

*Vice President  
of Contship*

We have interviewed the Vice President of Contship Italia, a company whose core businesses are the operations and investments in port terminals and all the container-related services, especially intermodal transport, maintenance and storage which bring added value to the company's core business. Contship is an international company that in the south of Italy operates in the terminals of Gioia Tauro, Cagliari and Salerno and in other important terminals like the Italian La Spezia and Ravenna or in the Moroccan Tanger. In the only terminal of Gioia Tauro, through MCT-Medcenter Container Terminal the company has invested 400 million euros thus generating 720 million of economic fallout on the territory. With Vice President Marco Simonetti we have discussed the competitiveness and the economic scenarios, besides the more obvious talk about the company's strategies.

***Can you briefly outline a profile of Contship indicating the main business areas and the principal terminal you currently operate?***

Contship Italia S.p.A., is the holding company of Contship Italia Group which was founded in 1969 and which is the leader in the management of port container terminals and in the intermodal transport field in Italy.

Controlled by the German Eurokai, parent company of the major European container terminal network, Contship Italia operates through its own subsidiaries in the ports of La Spezia (La Spezia Container Terminal and Speter), Gioia Tauro (Medcen-

ter Container Terminal), Cagliari (Cagliari International Container Terminal), Ravenna (Terminal Container Ravenna), Salerno (Salerno Container Terminal) and Tanger (Eurogate Tanger).

The companies for intermodal transport and logistics are Sogemar Spa and Hannibal Spa which, in 2012 were joined by the railway company Oceanogate Italia Spa. These subsidiaries offer a wide network of intermodal and logistic connections among the principal Italian ports and the most crucial national and European economic areas.

The group, headed by Cecilia Eckelmann-Battistello, employs 2650 people which in 2012 consolidated a turnover of 289 million euros.

Container terminals operated an overall amount of 5,300 vessels and handled 5.2 million TEUs while the intermodal and logistics subsidiaries handled 247,000 TEUs in 2012 and operated 3,900 block trains which run more than 817,000 train-km.

***Who is your target customer and what type of services does he/she require?***

Our major customers are shipping companies. While for the intermodal and logistics services the customer portfolio widens, because it includes freight forwarders and direct shippers. As regards the Melzo terminal activities, as customers we also have other railways companies using our group's infrastructures.

***Should you invest in the ports in the Med Area (especially in north Africa and Turkey) and in northern Europe, which ones have the greatest potential for growth and what strategies would you implement in those areas?***

Contship already operates in Tanger but we also consider any development opportunities, not only in the Med Area.

***What are the competitive factors your company would invest in to gain advantage against your competitors?***

Innovation capacity and strong attention to the customers' needs by even anticipating their demands. Specialised know-how and product differentiation thanks to the control on the entire logistic chain and to our "Port to door" integrated services.

***How did the company first react to the prolonged economic crisis which affected Europe and Italy; more investments, more professional training, cost rationalisation? In your opinion, is the situation going to improve?***

Investments and cost rationalisation. A new governance to streamline and speed up the decision-making processes.

***What was/were the main factor/s that led Contship to invest in south Italy terminals too?***

A competitive geographic position for the specific transshipment market/product.

***What are, in your opinion, the most competitive elements that a port must have in order to attract major investors such as Contship (quays availability, quality ground services, linking infrastructures)?***

Taking for granted the “hardware”, that is its infrastructural features, a port that intends to attract investors has to assure; brief paperwork, a simple interface with customers and legal certainty in order to facilitate the investment’s start up and the follow up procedures. A further contribution may be linked to a potential partnership with all the port system operators.

***Does Contship invest in research and innovation? If yes, of what kind?***

Especially in the field of safety, sustainability and IT that from the beginning of containerising has always played a key role in the functioning of the whole mechanism of a modern container terminal.

***What are the problems in this sector that have to be solved as soon as possible? In particular, what does Italy lack compared to other competitor countries?***

We should align our logistic performances to those in northern Europe by streamlining all the bureaucratic procedures/mechanisms that hinder the speed of traffics and, above all, the reliability of the import and export services. Furthermore, Italy needs an institutional reference able to coordinate and control the Italian port and logistics politics in a medium and long run relaunch perspective.

***Are the phenomena of “naval gigantism” and M&A, started by big carriers, expected to continue? And what is the company’s reaction towards such phenomena?***

It is a mechanism which began at least ten years ago and which did not cause the effects on the market that many had expected. The massive losses of the last 5 years in the shipping sector have not led to a significant reduction of operators. The Group has achieved some partnerships with the major world operators and works to offer a competitive and reliable product with a premium price our customers can recognise. Vessels with a larger concentration and the increase of their dimension may generate opportunities for those ports which are organised as industrial sy-

stems because the number of calls decreases while the average number of containers handled on a single ship increases originating important repercussion on the resource planning.

***What are Contship's most ambitious projects and objectives in the short, medium and long term?***

The Group's shareholders have authorised an investment plan worth 200 million euros for the development of La Spezia Container Terminal. The first case in Italy where a private entity will implement part of civil works that are up to the State (fillings and quays). Today, the terminal handles about 1 million TEUs while our objective is to increase the operating capacity of the quays to simultaneously dock 2 ships with a capacity exceeding 14,000 TEUs and 1 of over 10,000 TEUs. Furthermore, the project involves the enhancement of the rail infrastructures inside the terminal to raise the current share from 37% to 50%. This is a competitive factor which differentiates La Spezia from the other Italian ports that, with the exception of Trieste, own railway shares lower than 10% out of the total traffics of import and export. In Ravenna shareholders are involved in the development of the new terminal that includes an investment of over 100 million euros and whose implementation is subject to the realisation of the dredging plan by Ravenna's Port Authority. At last, in Gioia Tauro, Contship is promoting, at any national and international institutional level, a project for the implementation of the Special Economic Zone in the industrial areas of the dry port. This project represents the development of Gioia Tauro's port which, to date, is able to offer more than 120 weekly departures.