



“ Dear Customer,
Common future, common challenges. Difficult times mean increased focus on finding new solutions to improve bottom line and cash flow. One effect of this is the noticeable increase in interest among our customers for exploring the opportunities offered by creative logistics. The reason is obvious. Smart logistics solutions become even more important for finding cost savings and reduced environmental impact. Our role is to support our customers and suggest improvements in this process. That's what we mean by Successful Together.

Åke Niklasson, President and CEO, Volvo Logistics

SUCCESSFUL TOGETHER

deliveries

NEWSLETTER FOR VOLVO LOGISTICS' CUSTOMERS



ISSUE NO. 9

New car business in India

VOLVO LOGISTICS and the Volvo Car Corporation have signed a contract regarding distribution of cars in India. The business scope includes port handling, customs clearance, non-technical PDI and distribution to seven dealers. The business is now up and running.

“The main reason for choosing Volvo Logistics was that they have from the start shown their interest in our business, even with the current small numbers, and that enthusiasm I didn't find with the others. Another advantage is that Volvo Logistics uses

the same systems as VCC and our office and we believe that will be an asset when our volumes grow,” says Dolph Wigbers, CFO Volvo Cars India.

“HAVE SHOWN INTEREST FROM THE START”

The business reinforces Volvo Logistics' commitment to the Indian market and shows how effective

we are as a company to leverage our global solutions.

“Thanks to Volvo Logistics' global processes and tools we have the ability to extend our offering and support our customers all the way to the dealer. We developed almost



L Ganapathi, Volvo Logistics, Renato Andrade, Volvo Logistics, Dolph Wigbers, Volvo Cars, Nitin Sun, Volvo Cars, Viking Johansson, Volvo Logistics.

the same type of logistics solution in China last year together with Volvo Cars, and this has been very successful,” says Viking Johansson, Volvo

Logistics' Global Account Manager for Volvo Cars.

Read more about the success story in China at www.volvologistics.com

When the goods play a part

Have you ever visit a live theatre with a play about logistics? That was possible at the ITS World Congress in Stockholm in the end of September.

VOLVO LOGISTICS was given the project management role of developing and setting up the Volvo Group scenario at the Demo Theatre at the ITS World Congress.

The play “The Journey of the Living Engine” was the brainchild of the Volvo Group, Green Cargo and the Chalmers University/the Viktoria Institute. Professional actors interacting with 3D films demonstrated how intelligent transport systems can support the logistics chain in the future.

The challenges that the industry will face in the future and the way ITS can produce benefits for society as a whole were highlighted in the scenario.

“Scenarios have been presented at previous ITS Congresses, but they have been heavily

technology-oriented. We wanted to show the benefit of the ITS –tools in society and in business life in its context and we think it's easier to grasp the message if it's packaged in the form of a play. Using theatre as a communication tool is very efficient. The audience listen with an open mind,” says Marie Carlsson, Head of Marketing & Sales, Volvo Logistics.

The actual play deals with a goods (an engine) that travels through the logistics chain. It is accompanied by a fellow passenger, Smart Tag, which keeps an eye on the location of the goods and communicates with several systems during

Facts Intelligent Transport System

Intelligent Transport System (ITS) refers to efforts to add information and communications technology to transport infrastructure and vehicles. The ITS World Congress was held in Stockholm this year and attracted around 3,000 participants from all over the world.



A play entitled “The Journey of the Living Engine” was put on at the ITS Congress in Stockholm at the end of September.

the journey. Needless to say, something unexpected and exciting happens...

“The Demo Theatre helped us to introduce Freight & Logistics at the ITS Congress and created an understanding of some of the main challenges within this area. The reactions from the audience were very positive and it is much easier to attract and keep an audience interested this way than to use traditional presentation techniques,” says Håkan Asplund, Green Cargo.

Saving cash on customs

THANKS TO NEW customs routines developed and implemented by Volvo Logistics, Volvo Aero saves money, time and work. After implementation the effect was immediate with a considerably reduction in import duties and a noticeable cash-flow effect the very first month.

Volvo Aero in Trollhättan, Sweden, manufactures aviation and turbine engine components. A major part of the material is imported and represents very high value, which means that import duties and taxes are a key issue.

Most will be refunded when the final products are shipped from the factory, but it is a complicated process and cash is tied up in the meantime. Volvo Logistics and Volvo Aero therefore started a joint project for developing new customs procedures.



"The Volvo Aero project is a living example of how our customs expertise can save money for our customers", says Kjell Johansson.

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Global Customs Compliance Manager, Volvo Logistics.

And the good thing is that once the project is done and changes im-

Facts, Customs Services

Volvo Logistics is the Volvo Group's centre of excellence for customs and trade compliance with a range of global customs services. Customs operations include the day-to-day handling of all customs issues. Compliance & development comprises consultancy and training to improve customs routines and audits to secure the compliance level. Read more at volvologistics.com

Success breeds success

Do you want to know more about the customs project with Volvo Aero or other successful solutions? Visit volvologistics.com and our new section "Success stories". Here you will find inspiring and educating cases from across the supply chain.

plemented the savings come fast, so reviewing the customs routines is really a profitable investment.



The all-new V-EMB 600 is designed for ergonomic and efficient assembly work.

Lean with new boxes

FASTER and more ergonomic handling, shorter line-side facades and space-saving return of empties – the new packaging makes Volvo Logistics' range of small plastic containers one of the strongest in supporting the lean philosophy.

The all-new V-EMB 600 and V-EMB 800 are both designed for ergonomic and efficient assembly work. The plastic boxes are modular and utilise the space of the line-side rack optimally. The boxes go deep into the rack while the facades are short thereby reducing the assembly worker's walking distance. The boxes can be used all the way from the supplier to the assembly point without the need for repackaging. We would like to tell you more about the new packaging and the benefits.

Lower CO₂ emissions

THE 2009 CARRIER SURVEY shows an overall decrease of CO₂ emissions during 2008 compared to 2007.

The decrease is an average for all Volvo Logistics' transports globally during the year of 2008.

"For our customers this gives a lower overall emission footprint from their products and it nearly always means lower costs. We are satisfied with the emissions reduction on an overall level but for sea transports the reductions have not been as good. One reason for that could be the increased fuel consumption due to high speed at sea." says Susanna Hambeson, Environmental Manager, Volvo Logistics.

Logistics Centre in Japan

IN THE BEGINNING OF 2010, Volvo Logistics will open a Logistics Centre close to the Nissan Diesel Plant in Ageo just outside Tokyo, Japan.

The Logistics Centre will be a strategic link for the material flow to and from Japan, supporting the Volvo Group's future industrial operation in Japan.



The first fuel station in Western Sweden selling ACP Diesel Bio30 is now open.

Filling up with BioDiesel

Environmentally optimised fuel is one step on the road to reducing carbon emissions at Volvo Logistics.

A collaboration project between IKEA, H&M, DHL, Preem and Volvo Logistics has resulted in the first fuel station in Western Sweden selling ACP Diesel Bio 30.

To drive with ACP Diesel Bio 30 reduces the CO₂ emissions by 19% compared to Diesel.

The station is located at the Skandiahammen port in Göteborg, close to Volvo's plants and the trans-shipment terminal in Arendal.