

Role of freight forwarders increasingly important



Liesbeth Slappendel

"I'm happy with the initiative of publishing a special magazine about freight forwarders. There are still too many people and companies who do not know exactly what a freight forwarder does", says Liesbeth Slappendel, managing director of FENEX. The association of freight forwarders and logistic service providers has been representing the interests of Dutch companies in this sector for more than 100 years. It currently represents 400 companies from very large ones to very small ones.



Raymond Riemen

take over a directing role in the logistic chain. However, that didn't happen, because the subject matter became more complicated due to regulations and specializations. This is why one sees that ship agents have gone back to their core business, representing ship owners, and that the freight forwarder, or rather the logistic service provider, is in control of the chain. In the area of harbours, ship agents directed the chain to about 60 to 70 per cent six years ago. We call that carrier haulage. Now the same percentage is in the hands of merchant haulage – the freight forwarder."

This complexity is also related to the greatly changed production processes. Increasingly, products are manufactured from components that are manufactured in different parts of the world. For example, one component may come from Asia, while another comes from Eastern Europe. This not only requires organization, but also knowledge of issues such as customs formalities. "We all know that manufacturers place great value on just-in-time management. This is actually the actual job of the logistic service provider – ensuring that the right goods get delivered at the right time at the right place." These developments do not necessarily mean that the sector will soon be dominated by large global companies. "There is always room for small companies that manage to find market niches or that meet the needs of small and medium-sized companies, which still make up a large share of our members", Liesbeth Slappendel emphasized.

In view of the complexity of the subject matter in particular, members are glad to use FENEX's services. "We have a lot of knowledge here in the field of legal questions and customs affairs. We also know our members, so we can call on their knowledge of specific areas. We also maintain international contacts. We signal developments and inform our members about them. Our members are the main means of implementing our policies", summarized the chairman, Raymond Riemen.



The aim of the organization is to strengthen the position of freight forwarders and logistic service providers in the Netherlands. It does this in many different ways. Because the sector has to deal with many different rules and regulations, lobbying the government is very important. Internationally, this is done by CLECAT in Brussels (see elsewhere in this magazine) and the worldwide organization FIATA. At a national level, ministries and members of parliament in The Hague are important targets. To bundle forces, the Alliance for Logistics has been founded. Ten organizations that play a role in the logistic chain work together through this alliance. Participants include Transport en Logistiek Nederland (TLN), Koninklijk Nederlands Vervoer (KNV) and Deltalinqs. "The bundling of forces is important, because one sees again and again that politicians are not adequately aware of the enormous importance of the logistic sector for the Dutch economy", says Liesbeth Slappendel.

Membership The large majority of freight forwarders / logistic service providers in the Netherlands belong to FENEX. Membership requires more than a letter or a telephone call, explains Raymond Riemen, chairman of the executive committee. "We place great value on the quality of the services. According to the rules, a company can

only become a member after being active for at least a year and requires the support of three existing members."

If a company wants to become a member, it must prove that its operations are in good order, among other things by providing an auditor's certificate. Someone also visits the prospective member and reports his or her findings to the executive committee. If the report is positive, an announcement will be published in the members' newsletter. Existing members can object to the membership, based, of course, on clear arguments.

Why the strict membership procedures? One important reason is that FENEX freight forwarders are guarantors for each other. To underline the reliability of FENEX freight forwarders, the organization has set up a guarantee fund. If one of the members should go bankrupt, the fund will – under certain conditions – cover the possible financial loss of clients. Partly because of the strict admission requirements, this does not occur often.

Training courses In order to ensure quality among the members, FENEX also devotes a lot of attention to training courses. "It's more than just a short course", says Raymond Riemen. "It's about a solid course in which theory and practice are dealt with in turn. We provide the courses in cooperation

with the Shipping and Transport College (STC) in Rotterdam, but we keep a sharp watch on the contents."

FENEX has existed in its current form since 1991. Before, the sector was rather fragmented with organizations in different harbours and different sectors. FENEX now bundles the entire sector. In 2004, the cooperation was with Air Cargo Netherlands (ACN) was strengthened with the setting up of a joint council for air cargo logistics. The fact that FENEX celebrated its centennial in 2000 despite this can be attributed to the 'founding fathers', the foundation of freight forwarders in Rotterdam.

To prepare for the policy and to advise the executive committee about specific issues, the association has separate committees for seaport logistics, warehousing and distribution logistics, customs logistics and airfreight logistics. Additionally, there are a number of committees for issues such as finance, legal matters and training courses. As is customary for an association, the members have the final say at FENEX.

Future Chairman of the executive committee, Raymond Riemen is very optimistic about the future of the sector. As CEO of the Broekman Group, which bundles ship agents and general logistic service providers, he has a good picture of the developments. "Not so long ago, it looked like the ship agents would

