

Heisterkamp

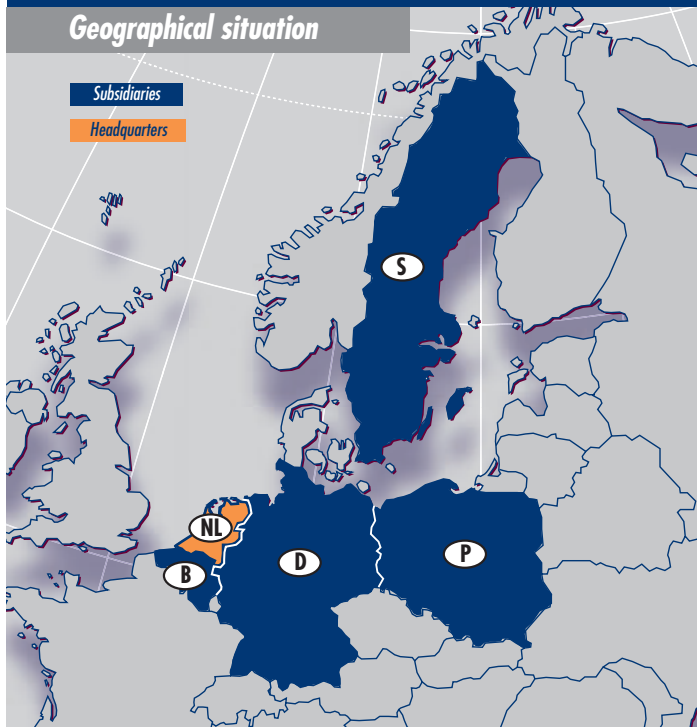
No competition



CONTEXT

In 1970, Heisterkamp, originally a drinks distributor, became a transport company. Under the leadership of Bennie Heisterkamp, the company started to develop in 1974 by obtaining an international transport licence. Eleven years later, the company's path was clearly defined: transport activities were relinquished in order to better develop the main speciality: haulage of semi-trailers on behalf of the major shippers. From that moment, there was no stopping the growth of Heisterkamp: 50 vehicles in 1987, 300 in 1997, double that in 2003 and 800 in 2006.

Geographical situation



Key figures

Activities	haulage of semi-trailers, rental of tractor units and semi-trailers, maintenance, customs clearing
Shareholding	family-owned
Headquarters	Oldenzaal (NL)
Platforms	Travemünde and Trier (D), Trelleborg (S), Gent (B), Szczecin (PL)
Personnel	1,600
Tractor unit fleet (Heisterkamp Trucking only)	800
Trailer fleet (for rental)	500



If there is one transport company which can say that it has no competitors, it is probably this one. Heisterkamp Trucking has seen growth of 15 to 20% a year thanks to its unique concept: it offers a European service of pure haulage for the major shippers. But this 'blue ocean' isn't available to just anybody who turns up...

Truck Europe: why did your father abandon classical transport activities in 1985 in favour of concentrating on pure haulage?

Gerben Heisterkamp, Managing Director: At that time, we were already working for major shippers, and it is they who were asking for this type of service. But it was also a strategic choice: we wanted to remain neutral vis-à-vis our clients, and so we don't want to compete

with them on their own terrain. Our job is to deliver the required truck and driver for the transport of loads using the trailers of our clients. What is in the trailer is of little interest to us.

Network

TEU: Can you explain the principal behind your network in a few words...



Heisterkamp is regularly included in the list of the 500 strongest growing European companies.



Gerben Heisterkamp, Managing Director: "This may sound arrogant, but we don't have any real competitors."



The company's rolling stock is extremely standardised.

G. Heisterkamp: Our profits result from the number of kilometres our vehicles cover. So we have to reduce to a minimum the amount of time our clients' semi-trailers are idle. For this reason we work with bases which are four and a half hours driving time apart. A driver brings a semi-trailer to one of the bases, another driver takes it on to another base, and the times when the trailer is at a halt are very short, because the total journey time of the trailer is not subject to any pauses. And our vehicle engines do not have time to get cold. On a journey between Scandinavia and Spain, for example, we can arrive several days before any potential competitor. This advantage translates into a

gain in time for us and our clients, of course, but also into a much higher level of usage of the semi-trailers, and all this enables us to offer them a more interesting price per kilometre whilst also making money.

TEU: This network of platforms is regularly being added to. Following Travemünde and Gent, you opened a platform in Trier in 2002 and then in Trelleborg in Sweden and Szczecin in Poland. Why these places in particular?

G. Heisterkamp: The Trier platform enables us to be more efficient where liaisons to the south of Germany are concerned, coming from both the north and from

England. Trelleborg gives us good connections to the whole of the industrial part of Sweden.

TEU: And your Polish platform?

G. Heisterkamp: Our clients wanted to base a certain percentage of their traffic in Central Europe, and so we went with them, in Poland.

TEU: Are you satisfied with your first experiences in Central Europe?

G. Heisterkamp: We can't complain.

TEU: And what have you learned about the evolution in transport competition from this?

G. Heisterkamp: For the time being, there is a sustained level of activ-

ity, and we have observed a lack of drivers everywhere, starting with the Netherlands. So the development of transport activities in Central Europe is not to the detriment of the countries of Western Europe. And even if an economic slowdown should arrive, some will still be tempted to base further activities in low wage countries, that's for sure.

TEU: Do you work with local drivers in all your platforms?

G. Heisterkamp: Yes.

TEU: does that mean that you do not transport more than a day's drive from any one of your platforms?



A tractor unit and a driver. Heisterkamp only works for the major shippers.



Vehicle rental is also seeing strong growth.

G. Heisterkamp: No, it doesn't. We drive a great deal to Spain. But by using our platforms for part of the journey, we still have a decisive edge over the competition, even if the last part of the journey has to be carried out in a classic fashion, including stops.

TEU: Where are you up to with development projects for platforms towards the south of Europe?

that leave? A few trucks which do not meet our norms and which would cost us too much, a few drivers...

TEU: You could associate yourself with another company to offer a pan-European network...

G. Heisterkamp: We won't do it. We want to remain entirely free in our movements and neutral where our clients are concerned.

"The engines in our tractor units never have to get cold."

G. Heisterkamp: As soon as our clients ask us to increase our volumes to one or another part of southern Europe, we will adapt our network.

TEU: Could this adaptation of the network take the form of taking another transporter over?

G. Heisterkamp: Never. We have always grown organically. For us, there is no sense in taking over another transport company, because we are not interested by its client portfolio. And what does

TEU: Pure haulage is a low added value enterprise... at a time when we see most transporters looking for this famous added value by going into new logistics activities.

G. Heisterkamp: This is true, but we couldn't be effective in our job if we hadn't attained a certain size. The size we are at today and the model we have developed enable us to put an extra 40 vehicles at the disposition of our clients in a minimum of time, or by contrast to reduce it if this is what the client

wants. This extreme flexibility is our major advantage, and it is this which enables us to grow by 15 to 20% per year. In fact, we have never had to say 'no' to a client because we didn't have the vehicles available.

TEU: Who are your competitors in fact?

G. Heisterkamp: This may sound arrogant, but I do not believe we have any competitors. There are many other companies which undertake haulage, but these are small concerns working at a local level.

TEU: It is often said that imitation is the greatest form of flattery. Does it not upset you that your concept has not been imitated?

G. Heisterkamp: No, not at all. This was a concept which had to be launched in the middle of the 80's, following the demands of our clients as we did. I repeat, today, this would seem to me to be impossible.

TEU: I imagine that a very efficient IT infrastructure is also one of the keys to your success...

G. Heisterkamp: Yes, but only since fairly recently. We set up a team

three years ago to develop our computer programmes. We are currently very active in automating our activities, and in equipping our vehicles with the Carrierweb system.

TEU: How do you organise your schedules?

G. Heisterkamp: Each platform has its own schedules, but centralised planning takes place here in Oldenzaal. The combination of the two enables flows between platforms to be balanced. Sometimes, a platform will have vehicles which it can make available to the central planning unit, sometimes the contrary.

TEU: How do you manage return loads, particularly in regions where flows are out of balance?

G. Heisterkamp: Sweden, for example, imports more than it exports. So sometimes we have to bring trucks back empty. But this is rare. We favour clients who can guarantee us a certain volume for the return trip.

TEU: Do you ever use the freight exchanges to balance flows?



A new image is gradually being introduced on new vehicles.

G. Heisterkamp: Never. We don't need to.

Rental

TEU: Parallel to your haulage activities, you are also very active in the rental of tractor units and semi-trailers, and in the repair of these. Why did you launch these activities?

G. Heisterkamp: Certain of our clients were also asking for solutions involving the rental of vehicles without drivers, so why not? We can also serve small local clients. And on top of this, this activity enables us to be even more flexible in our haulage activity. If we need thirty extra vehicles, we can get them from there too. The rental activity is something we are currently developing strongly, especially in Germany.

TEU: This requires enormous investment, and all from a 100% family owned shareholding...

G. Heisterkamp: For 2007, we have bought 300 more tractor units, of which a part is for replacements, but a part is also to handle the growth we expect this year.

TEU: What are the major principles behind your purchase policy?

G. Heisterkamp: We don't lease any vehicles. If I had to get rid of 300 vehicles tomorrow, I am free to do so. We buy standardised equipment for all our locations, sometimes through direct contact with the factories, but always maintaining contact with the local dealers. For operational follow-up of the fleet, we keep a check on costs for each vehicle, each client and each journey, right down to the last cent. Three people, for example, are employed to keep a check on vehicle fuel consumption. And there is even someone whose sole task is to keep a check on tyre pressures

for all the vehicles. Such close control is clearly indispensable.

TEU: You are in the Europe 500 list, which brings together European companies with the highest growth. Is this important for you?

G. Heisterkamp: For us, growth is a value in itself. As long as our clients ask us for extra services, we will grow with them. There is no limit to this growth, except for client demand.

■ An interview by
Claude Yvens



GreenTRANSPORT

HEISTERKAMP AND ECOLOGY

"We always buy vehicles which are the most respectful of the environment. Along with this, our concept is nevertheless based on a maximum use of our transport capacities, because we aim to carry out the highest amount of work possible with the lowest number of kilometres possible. But it is the role of the authorities to make alternative fuels and propulsion systems sufficiently attractive. We have tested bio-fuels in Germany, like many others. Until the day they asked us to pay excise. If it's good for the environment, and if the environment is a priority, why not really support these alternatives? In Germany, for example, why not use part of the income from the 'Maut' toll?"



Remarkable development and typically Dutch confidence in its potential:

Heisterkamp is the envy of many. But could this concept be copied? Not easily, as finding the three to four hundred drivers which would be necessary from the start would be infinitely more difficult than setting up the network or buying the equipment. This network, with good reason, is the company's major strength. It is to be hoped for Heisterkamp that the evolution in mobility and the application of current (and future) rules concerning driving times do not separate the platforms of the network by more than half a day or a day's drive... It might have been expected that this would be a company at the cutting edge of information technology, yet the strategic planners of Heisterkamp only embraced modern IT solutions recently. But its cost control, by contrast, is flawless.

And finally, the only true competitor to Heisterkamp would be a rapid and efficient rail transport system. And that's not going to come about tomorrow morning...