



The Association of European Vehicle Logistics

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PRESS RELEASE

Moving towards global standardisation in vehicle logistics

American and European vehicle logistics associations produce first joint publication

ECG, the Association of European Vehicle Logistics announce the release of their first joint publication in conjunction with AIAG, the Automotive Industry Action Group in North America, covering transport damage reporting in the finished vehicle logistics industry.

The two associations represent the two largest markets in the world for finished vehicle logistics and began collaborative discussions in 2007. More recently this has become a closer and more regular co-operation in order to develop processes and manuals together with the aim that they could become global industry standards that would be widely accepted in the finished vehicle logistics sector and the automotive industry

This has led to the 'Finished Vehicle Logistics Transport Damage Codes' document launched this month as a joint publication. Originally published as a set of common damage codes by AIAG these were promoted as 'Global Damage Codes' by both parties. Since then ECG has worked to promote these codes in the European market as an industry standard to improve efficiency through harmonisation. This builds on the core ECG objective of 'standardisation' as a means of improving efficiency for operators in the vehicle logistics sector.

The document is freely available on the ECG website at:

<http://www.ecgassociation.eu/en-gb/publicationsreports/fvltransportdamagereporting.aspx>

During transportation, when the party responsible for finished vehicles changes, they are inspected for any missing parts as well as for any damage including scratches and dents. The damage is reported through a standard five-digit set of codes. These codes focus on three areas: type, location and severity of the damage. AIAG's and ECG's common document gives guidance to facilitate the localisation of the damage incurred, with the help of vehicle 'splat' charts for better visualisation.

The common document covers other FVL-related issues besides the Damage Codes – such as key placement within new vehicles during transport and storage. Every manufacturer has its own preferences for the key placement in new cars, a situation which can cause a lot of headaches for the companies that handle them and is crying out for standardisation.

It is hoped that eventually widespread adoption of the Damage Codes on the two continents will lead to the acceptance of the codes on other markets as well and thus become globally recognised. AIAG and ECG are now in discussion regarding other areas that would benefit the industry from standardisation.

“We are increasingly seeing other global markets taking a lead from the mature markets of North America and Europe and firmly believe that global products merit global standards for quality and handling. Working towards standardisation in this way can only be to the benefit of the logistics companies and other operators, manufacturers and ultimately consumers. We are happy to work together on these and other issues with our American colleagues in order to make efficiency gains wherever we can.” said Mike Sturgeon, Executive Director of ECG.

AIAG and ECG will continue to update these guidelines through the contribution of all industry experts who supply their time and talents to these endeavours. Bill Kerrigan, AIAG’s program manager for finished vehicle logistics, points out that the high level of participation from industry volunteers in their FVL Work Group is what makes AIAG’s activities so effective. “Our focus is always on identifying new ways to save the industry time and money, and when it comes to identifying new ways to address FVL-related pain points, these are the companies you want in the room,” Kerrigan adds.

Background for the Editors

ECG, the Association of European Vehicle Logistics, has been the voice of the Finished Vehicle Logistics industry in Europe since 1997. ECG represents the interests of almost 100 member companies, from family owned SMEs to multi-nationals, and is the major champion of the European vehicle logistics sector. We represent all transport modes at EU level.

ECG Members provide transport, distribution, storage, preparation and post-production services to manufacturers, importers, car rental companies and vehicle leasing operators in 25 Member States, Turkey and Russia. They own or operate more than 373 car-carrying ships, 13,000 purpose built railway wagons, 22 river barges and 17,600 road transporters. As a major employer, the industry plays an important role in contributing to the economic success of the European Union. Today, ECG members have an aggregate turnover of €16.2 billion and their economic impact on companies associated with the sector is estimated at €34 billion. More than 64,700 people are employed directly by the vehicle logistics industry and an additional 160,000 are indirectly employed in this sector.

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