



### **Incoterms 2010: What's new?**

orange globe looks at what has changed in the new version of the commercial terms. More **from page 2**

### **Central & Eastern Europe in focus**

Gebrüder Weiss Air & Sea is also well positioned in CEE as the local experts in air and sea freight in eleven countries. **Pages 6/7**

### **Between yesterday and tomorrow**

A historical ramble through 500 years of GW - from its roots as a messenger service to a global logistics group. **Page 8**

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*The Air & Sea Magazine from Gebrüder Weiss*

# orange globe





#### The Eastern European Dream

During the 1980s Gebrüder Weiss reached out almost simultaneously to the Asian and Eastern European markets. Here and there they laid the foundations for a powerful logistics organisation.

Although people could tell a change was about to come, it was rather a surprise how quickly the Iron Curtain fell in 1989. When the borders were opened, GW realised its opportunities. Therefore, GW did not hesitate to establish representative offices in Hungary, the former Czechoslovakia and Slovenia – later we also opened such offices in many more so-called south-east European countries. Over the years these have developed into fully-fledged logistics sites.

We knew that these countries were in a position where they needed to catch up. The people there were interested, curious, but also very cautious. People living in “the West” on the other hand were rather reserved and felt like they knew everything better! This was the true challenge for us: finding the right balance between the different standards, systems, cultures and “the rules how to play” in those new countries within our group at very unequal development stages. Looking back we definitely made some mistakes, but we also did many things right: By now Gebrüder Weiss is present in 11 countries in Central and Eastern Europe. It is hard to tell whether we are market leader in the region. However, this is not the point! More important is that GW has got a relevant size there.

In the beginning, the goods to and from Austria, Europe or even overseas had mainly been transferred via our Vienna branch. Step by step, the teams in the new countries became more independent, so that other transport routes were used. Eventually, apart from a solid surface and logistics organisation, independent Air & Sea branches could be established at the most important locations. In our core market, the Alps-Danube region, we aim to be a logistics provider for all kinds of logistics needs. Locally situated but globally connected Air & Sea teams form a part of that – even in smaller countries or regions.

For sure, the crisis has hit the still quite weak economies of the CEE region especially hard. Many of these countries have suffered an enormous setback. However, I am convinced that the economic growth has not been stopped for long since there is still a lot of potential for growth and development.

Heinz Senger-Weiss, Member of the Board

## GW Air & Sea Contact

Gebrüder Weiss GmbH  
Bundesstraße 110, A-6923 Lauterach  
T +43.5574.696.2207  
F +43.5.9006.2609

air-sea@gw-world.com  
www.gw-world.com

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## Summary reports

### Deadlines for air & sea freight

Since the beginning of the year, mandatory import (ENS) and export (EXS) declarations must be submitted to the customs authorities for goods imported to or exported from the EU customs area. Statutory deadlines must be met to ensure that computer-aided risk analyses can be performed based on this information. Exceptions to the general rule include trading with Switzerland and Norway.

#### Air

- For short haul flights (less than 4 hours duration), the ENS must be lodged no later than when the aircraft takes off.
- For long haul flights (more than 4 hours duration), the ENS must be available at least four hours prior to arrival of the consignment at the first airport in the customs territory of entry in the EU.
- For exports, Gebrüder Weiss submits the safety data at the time of the export declaration (if GW prepares the export clearance documentation).

#### Sea

- For container freight, the ENS must be lodged at least 24 hours before commencement of loading in the port of departure.
- For break bulk, the ENS must also be lodged at least 24 hours before commencement of loading in the port of departure.
- For exports, the safety data is automatically lodged as part of the electronic export declaration by GW.

## Viewed critically



## Incoterms 2010

Michael Büchele, Manager Marketing & Sales Air & Sea at Gebrüder Weiss, explains what has changed in the current version of the commercial terms and what is worthy of particular attention in practice.



It is 75 years since the International Chamber of Commerce ICC first published a series of rules on the division of obligations, costs and risk in relation to the transport organisation, loading, unloading, insurance and customs clearance. Since then the Incoterms (International Commercial terms) have developed into an undisputed standard

that is regularly revised and adapted to common practice. The Incoterms 2010 have now come into force with effect from 1 January 2011.

### New rules - new place of delivery for some terms

In particular this new version, which supersedes the version dating from 2000, aims for better comprehensibility and simpler application of the delivery terms. So now there are only 11 terms instead of 13, which are divided into two categories: terms that apply generally to all forms of freight (EXW, FCA, CPT, CIP, DAT, DAP, DDP) and terms for sea freight and transport on inland waterways (FAS, FOB, CFR, CIF). In addition, the new Incoterms DAT (“Delivered at Terminal”) and DAP (“Delivered at Place”) replace the previous terms DEQ, DAF, DES and DDU.

Last but not least, the place of delivery has been re-defined for the existing terms FOB, CFR and CIF: pursuant to Incoterms 2010, goods are only regarded as having been delivered once they are on board the ship, and not as previously, at the reeling of the ship. Here too it is essential to define the precise location, i.e. the port and possibly the area of the port, to which the goods should be delivered. If FOB is agreed but no port is defined, it is up to the seller to determine the location.

### Important version check

Pursuant to the ICC, Incoterms may be used for both domestic and to international purchase contracts. Contracts based on older versions such as Incoterms 2000 will remain unaffected by the latest changes. Pursuant to the ICC, the latest valid version of the Incoterms will always apply unless otherwise agreed. Theoretically, however, it is still possible to conclude purchase contracts based on earlier versions. The seller and buyer should therefore clearly define in the contract which version of the Incoterms has been used as the basis, for example “FOB Hamburg, Incoterms 2010”.

Your local Gebrüder Weiss adviser can help if you have any questions about the new terms.

# No Incoterm without a place of supply

A key component of an Incoterm is the precise designation of the place of delivery i.e. the place at which the risk passes from the seller to the buyer. With the exception of the C terms, this is also the place at which the costs pass to the buyer. orange globe looks at why it is so important to leave no room for interpretation in the definition of location and how misunderstandings can be avoided from the outset.

In the Incoterms 2010, four “Delivered” terms have been replaced by two new terms: DDU, DAF and DES have been replaced by DAP and DEQ by DAT; DDP has been retained in the Incoterms 2010. DAP means that the seller bears the costs and risk until the goods are delivered to the named destination place ready for unloading. This may be the port or airport of arrival, for example, a haulage warehouse, border crossing or the buyer’s warehouse.

## Precisely define the location

According to Klemens Strohmer, Operations Manager Air & Sea CEEC at Gebrüder Weiss, however, “DAP Shanghai” can be interpreted differently: “namely that the goods are deemed to have been delivered when they are made available without unloading on the ship arriving in the port of Shanghai, on the HGV at a haulage terminal in Shanghai port or at the buyer’s warehouse”. To avoid misunderstandings and conflicts, therefore, in addition to “DAP Shanghai”, a declaration should be made whether this means “DAP port”, “DAP haulage terminal” or “DAP buyer’s warehouse” (always with the name and address).

In previous versions of the Incoterms, DEQ. Delivered ex Quay, was the only term that defined that the risk and costs passed to the buyer as soon as the consignment was unloaded from the delivering means of transport and the goods made available - but the means of transport could only be a ship. With DAT, the ICC has now created a term to replace DEQ that can also be applied to other means of transport and destinations in the transport chain. For example, “DAT named terminal” can be applied if the seller is to bear both the costs and the risks up to delivery to this terminal and the costs and risks for unloading from the HGV or rail carriage. Under the ICC’s definition, the term terminal means any location, whether or not it is covered. “However, it should be noted that the buyer must be able to accept delivery at this location,” Strohmer adds.

And it is essential to precisely define the location for DAT too. Specifically this means do not just list the city in which the costs and risks will be passed over but the exact address. This allows some misunderstandings and resulting legal disputes to be avoided. But beware: listing only the city name can also lead to difficulties. Since a number of cities around the world have the same name (e.g. Athens, Greece and Athens, Georgia, USA), the country and possibly also the postcode should always be included.

## Also agree the shipping port for CFR and CIF

The risk passes from the seller to the buyer at the place of delivery. In CFR and CIF, this is the shipping port. In practice, however, only the port of destination is agreed. This means that although it is clear where the costs pass to the buyer, the buyer does not know the location where the risk passes to him.

“If a specific delivery date has also been agreed,” says Strohmer, “the CFR and CIF refer to the date at which the goods were loaded onto the ship and not the date on which they are supposed to arrive at the port of destination.” It is therefore advisable to define both the shipping port and the date on which the goods are supposed to arrive at the port of destination in the purchase contract. The same applies to CPT and CIP: the seller fulfils his delivery obligation as soon as he hands the goods to the messenger and not when the goods reach the destination. Therefore the place of delivery and the date of arrival at the destination should be defined in the purchase contract here too.

## Beware with sea freight terms

The familiar FAS, FOB, CFR and CIF terms may still only be agreed for sea freight and transport via inland waterways. Even if the temptation is great to define “FOB airport” (and hence express that the goods are deemed to be delivered as soon as they are loaded onto the aircraft), this is not allowed. If one of these terms is used for air or road freight, it is possible that it may be decided in the event of damage and dispute that the goods have not been delivered and hence that the risk has not passed to the buyer although the goods have arrived at the destination airport, but were never loaded onto a ship at any point on the route.

“The term ‘FCA named airport, loaded on aircraft’ is recommended instead of ‘FOB named airport’,” Klemens Strohmer says. The suffix “loaded on aircraft” is crucial, otherwise “FCA named airport” could also be interpreted as “FCA airport terminal”. The consequence of this is that the costs and risks would pass to the buyer where the seller has delivered the goods ready for unloading.



Klemens Strohmer

## Insurance liability, assumption of risks and costs pursuant to Incoterms 2010

	Seller	Carrier	Border	Port	Ship	Port	Named Place	Buyer
EXW	Dark Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange
FCA	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange
CPT	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange
CIP	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange	Light Orange
DAT	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Light Orange
DAP	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Light Orange
DDP	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange
FAS	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange
FOB	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange
CFR	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange
CIF	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Dark Orange	Light Orange	Light Orange	Light Orange

The risk is borne by the seller
  The risk is borne by the buyer
  Transport insurance is the responsibility of the seller
  The costs are borne by the seller
  The costs are borne by the buyer
  Clauses for sea and inlandwater transport



1989 marked a turning point for the nations of central and eastern Europe and in 2004 the first former eastern block states became members of the EU. However the expansion to the East was not just an opportunity, but also a challenge for the “Joint Europe” project. Despite many fears, today the outcome is clearly a positive one.

# From Bohemia to Wallachia: a tour through the “new” Europe

**Impressive cities and attractive districts, a diversity of culture and a whiff of secrets - the countries of central and eastern Europe are off the beaten tourist track just waiting to be discovered. New economic opportunities have also materialised since Hungary, the Czech Republic, Slovakia, Slovenia, Bulgaria and Romania stepped onto the European stage.**

**Many Europeans regularly spend their holidays in Olaszország. Really? Just like many natives of Vienna and the Burgenland often go to Magyarország. Have you not heard that either? Granted, to understand the terms you would have to know Hungarian. And outside the population of Magyarország, very few people do apart from the Hungarian minorities in the bordering countries. In Olaszország, on the other hand, it is not Hungarian that is spoken. Because that is the name for Italy.**

## **Gateway to eastern and western Europe**

A Hungarian is all alone in the world with his language. Which is not exactly a disadvantage when you look at the history of the country. Whether their overlords were the Ottomans or Habsburgs, in the past the Magyars were rarely masters of their own destiny. Under such circumstances it can soothe the soul to be quite private occasionally. “The language is like a protective barrier behind which the nation and all its secrets and idiosyncrasies can hole up,” writes Wilhelm Droste who has worked in Budapest as a teacher and writer for many years.

Budapest is the gateway to both eastern and western Europe. “Founded by the Romans, polished by the Mongols, oppressed by the Ottomans,” is how Der Spiegel characterises the Hungarian capital which has kept having to reinvent itself throughout its history. With a population of 1.7 million, Budapest is a little larger than Vienna and with a wealth of world cultural heritage such as the panorama on the Danube or Andrassy Street, Hungary’s equivalent of the Champs-Élysées in Paris or 5th Avenue in New York. Like its Austrian counterpart, Budapest is also famous for its coffee house culture.

Hungarians are a gregarious and bubbly people. Even under Communism the country was referred to as the “the most cheerful barracks in the eastern block camp” and was comparatively liberal. For example, Hungary permitted private enterprise earlier than other eastern block countries. Freedom of travel was also granted nearly two years before the iron curtain fell.

Major industries today include mechanical engineering and the automotive industry. Agriculture is important: no other country in Europe has more land dedicated to agricultural purposes - over two thirds of the national territory. The crops cultivated include sweetcorn, wheat and sugar beet and, of course, sweet peppers which nowadays are indissolubly linked with the name of Hungary. Tourism is also important. Both Budapest and Lake Balaton, the largest lake in central Europe, are popular travel destinations.

## **Modern country on the Vltava river**

The Czechs did not have it easy either. There they like to find comfort in satire and humour. And the role their language played for Hungarians was represented to the Czechs by the character of the soldier Schwejk. Jaroslav Hašek published his novel “The Good Soldier Schwejk” at the beginning of the 1920s and caught the mood of the times. The story offered a roadmap for how to handle situations that you cannot change with artfulness, jokes and stoic aplomb.

Since the end of Communism, the Czechs can now finally determine their own course. The country is now a modern democracy that has become well-established at European level, including economically. In 2009, the GDP of the Czech Republic was EUR 13,097 per capita, equivalent to 82% of the EU average. According to Eurostat, the Prague region even has the greatest output per capita of the whole of the EU.

The capital Prague is the hub of the country - and not only the cultural centre, but also the industrial and financial centre of the Czech Republic. The “golden city” on the Vltava river is also a magnet for tourists with its many highlights of gothic and baroque architecture. The historic old city is almost bursting with landmarks, which is why it was declared a world cultural heritage site by UNESCO in 1992. The city’s landmark is Prague Castle, the largest coherent castle complex in the world and now, among other things, the official residence of the country’s president.



The “golden city” on the Vltava river: Prague is the hub of the country and a magnet for tourists with its many masterpieces of gothic and baroque architecture.

The Czech Republic has a long industrial tradition and is delighted to have some very popular foreign investors. According to the German Ministry of Foreign Affairs, subsidiaries of foreign companies now account for over 50% of Czech industrial output. The transport infrastructure is the best in all the former eastern block states. Over the last two decades, the automotive sector has pushed hard, earning the Czech Republic, along with Slovakia, Hungary and Poland, the nickname of the “Detroit of the East”. In addition there is an intensive agricultural industry. Bohemian beer is world famous - and the Czechs are world champions of beer drinking leaving even the Austrians and Germans in their wake.

### Andy Warhol's roots

Like the Czech Republic, the Slovak Republic came into being as a result of the mutually agreed partition of Czechoslovakia in 1993. Today the country has a population of around 5.4 million and close links with Austria. After all no two capital cities in Europe are geographically closer together than Vienna and Bratislava. The name Twin City is even occasionally used because of the common economic area.

Bratislava, with a population of 430,000, may be much smaller than Prague or Budapest for example, but it scores with its dynamic levels of economic activity and employment. According to the Austrian daily newspaper “Die Presse”, the Bratislava region “has even overtaken Vienna in terms of buying power and is one of the richest regions in Europe”.

Before the fall of the Berlin Wall in 1989, heavy industry dominated; now, however, the service industry accounts for approximately 60% of GDP. No other economy in the Eurozone grew faster in 2010. In terms of culture, the Slovaks are particularly proud of their phenomenal opera singers such as Miroslav Dvorský and Dalibor Jenis - and one American. He has even had his own museum dedicated to him. When he was alive, the man honoured in this way was called Andy Warhol. But his father's surname, when he emigrated from eastern Slovakia to Pittsburgh, was Varchola.

### Economic model

With a population of two million and an area of just 20,000 square kilometres, Slovenia is one of the smallest countries in the EU. On 23 December 1990, the population of what was then a constituent republic voted in a referendum in favour of independence from Yugoslavia.

An economic realignment followed - from agriculture to industry and services. The small republic is an economic model among the new member states. Like Slovakia, Slovenia has already introduced the Euro.

Despite its compact size, the landscape in Slovenia is very diverse, ranging from the Julian Alps with the Triglav national park - a paradise for walkers - to the lush and verdant lowlands. In Postojna you can visit a spectacular stalactite cave which is one of the largest in the world that is open to the public. Not forgetting the Mediterranean. No wonder that tourism is booming and is now one of the most lucrative industries.

### On golden sands

Bulgaria, on the other hand, is a nation basking in secrets. Until the end of Communism, it was practically unknown to central Europeans. Established in 681, Bulgaria is one of the oldest nations in Europe. Today around 7.5 million people live in the eastern part of the Balkan peninsula.

Over the last twenty years, Bulgaria has gone through a comprehensive economic transformation, especially in the traditionally strong industries of mechanical engineering, metal processing and petrochemicals. The country is now unquestionably on the way towards producing more technically sophisticated products. Almost 50% of GDP is generated by the service sector. Tourism in particular is doing well, the “golden sands” on the Black Sea are booming.

Famous Bulgarians include the Nobel prize winner for literature Elias Canetti, and the packaging artist Christo, who became familiar to anyone around the world who had not already heard of him for his wrapped Reichstag project in Berlin.

### Where the Danube meets the Black Sea

Romania joined the EU on 1.1.2007 along with Bulgaria. As recently as the 1990s this goal seemed a long way off: the country was too self-absorbed and the market economy was struggling to get going.

Now, with a population of 21.5 million, it is the largest economy in the Balkans, but has also become more interesting to foreign investors. Impressive growth in GDP was achieved over several years until the credit crunch hit. Just in 2008, growth of 7.1% was achieved. The major industries traditionally include mechanical engineering, chemicals and the oil industry.

The country is also trying to attract visitors. The Danube delta is a particular attraction, with its lakes and islands and which was named a UNESCO biosphere reserve. Romania mainly used to attract visitors with a penchant for the morbid: it is said that Vlad III “Tepes” - Vlad the Impaler - lived at Bran Castle in the 15th century. He is reputed to have been the inspiration for Bram Stoker's Dracula.



Budapest: reinvented time and again throughout history.

## A question of trust



In February 2011, Gebrüder Weiss was put in charge of a very special consignment: to ship 34-metre-long rotor blades for wind turbines from Spain to India for an Austrian company. The order required a lot of preparation: supply to the port of departure using special transport had to be organised, a ship had to be chartered, and specifications for port handling and safety work had to be developed. And all of this in close co-operation with the customer.

In this interview, Franco Ravazzolo, expert for project business and break bulk at GW Air & Sea, talks about his field and explains what is needed to ensure that such special orders run smoothly.

**Mr Ravazzolo, what does the technical term “break bulk” actually mean - and when are goods shipped in this way?**

Marine transport of solid objects can be broken down into three major categories. First there is Bulk, the transport of bulk materials such as ore, coal and grain. Then there is Unitized, which is unit consignments such as containers and vehicles. Finally there is Break Bulk. This category includes piece goods such as lumber, pulp in bales as well as components and steel products. The dimensions and weight of the consignment usually determine the form of transport. In principle, anything that is too large for a container is a good candidate for break bulk.

**Has the significance of break bulk transport changed over recent years?**

A number of goods flows have shifted from break bulk to container loading where the physical properties of the transported goods has allowed. Volumes of wood, paper, pulp and steel in particular have decreased noticeably since the 1970s and the trend continues to be downward. On the other hand, there are more special transports since larger and heavier units are increasingly being used in mechanical engineering and industrial plant construction. Heavy cargo is booming.

**What exactly does GW offer in project business/break bulk?**

First of all, the challenge in this field is the enormous variety of goods. One day we can be transporting wind power plants, generators, turbines or drilling cores for the power industry. Another day we may have to handle entire plants, with equipment for mining, special and rail vehicles, boats and yachts or steel construction elements. We perform a huge variety of transport, focusing on heavy cargo of up to 500 tonnes unit weight.

**Orders like this require perfect planning and control. What is required of the logistics specialist to meet the customer's stringent demands?**

Bottom line? Project business is primarily a matter of trust. On the one hand appropriate experience and specialist knowledge is required. Our customers are generally specialists themselves and expect professional advice and support. On the other hand, good contacts around the world are important to be able to handle such projects reliably and professionally. That is why Gebrüder Weiss has joined the GPLN (Global Project Logistics Network, [www.gpln.net](http://www.gpln.net)), an international network of specialists in break bulk and project transport.



## CEEC in focus

**Gebrüder Weiss Air & Sea is also perfectly positioned in the countries of central and eastern Europe: there are local Air & Sea experts in eleven countries ranging from the Czech Republic to the Ukraine, and guarantee top service quality. The latest member of the network is the office in Sarajevo, the capital of Bosnia Hercegovina, opened in the late summer of last year.**

**The countries referred to by the term “Central Eastern Europe” (CEE) always depends on the definition and the given context. Apart from the somewhat ambiguous outlines of the area, one thing is certain: CEE encompasses several countries which are often incorrectly perceived as being more alike than they actually are. Differences appear not only in the different national languages – a look at the individual histories of the countries, their cultures and associated customs and traditions, also illustrates the enormous diversity of the ‘region’ south-east and north-east of Austria. Their economies and currencies also develop quite differently.**

### Strong upturn

In the case of the Gebrüder Weiss Air & Sea organisation, CEE is currently used to refer to 11 countries, which are led by three Regional Managers: Michael Büchele is responsible for Slovenia, Harry Kostial for Hungary and Slovakia, with all other countries being managed by Jochen Uray. Although the individual countries have developed differently, Jochen Uray concludes that the CEEC have recovered somewhat again after two extremely difficult years. “In 2009 and in the first half of 2010 we were still working on optimising out structures, which in the end led to success: after a difficult start to the year, we were still able to achieve turnover growth of 60% overall in 2010.” In this context, the regional manager highlights in particular the successful realignment of the sea freight import departments in the various CEE: “Thanks to increased business from existing customers, in combination with very interesting new business, LCL imports were as good as doubled, particularly in the Czech Republic and Romania.” GW is now one of the market leaders in both countries, with consolidated containers sometimes arriving daily from Asia. A central LCL cockpit was implemented in the Czech Republic and Romania at the start of the year, which is synonymous with an LCL SPOC for customers and partners.

### Good connections

The new service has had a positive effect on the entire region. The countries from former Yugoslavia are covered with direct collectors to Koper and Rijeka; Hungary and Slovakia benefit from weekly direct groupage transport. Not forgetting the LCL HUB in Vienna with its daily departures that is utilised time and time again in all CEE countries. Particularly in cases where the consignment volume for a country is lower. Changes are afoot in air freight import too: Budapest and Prague are emerging as new gateways to the region – leading airlines fly regularly with freight from Asia directly to Ferihegy and Ruzyně. And in both air and sea freight: our customers in all CEE countries can rely on the familiar high quality of the GW service.

### Qualified employees

The course of growth chosen should continue to be driven by promoting the people on site. Over the last two years, there has been heavy investment in the sales team and focus was put on operatives with direct customer contact. “The goal of the various internal and external qualification measures was to raise awareness of customer requirements,” Uray reports. “After all, the customer needs us to provide information proactively, competently and above all as quickly as possible - whether it is consignment information, solutions to problems or quotes for potential new customers.” Sustainable quality is a watchword at GW, Harry Kostial adds. “That is why we are deliberately investing in education and training.” Regular exchange within the network represents another important component for success for Kostial – both within the Air & Sea network and with the land transport organisation.



**WR India receives state guest**

Austria's President of the National Council Barbara Prammer stopped off in Chennai during her one-week visit to India. Weiss-Röhlig India took the opportunity to invite her delegation to a podium discussion. A reception was organised with the support of the Austrian Chamber of Industry and Trade as well as that of the Austrian Honorary Consulate in Chennai, with high-ranking representatives of the local economy as well as the business delegate from the Austrian Embassy in New Delhi taking part alongside important customers. Under the title 'Austro Indian Business Opportunities', a possible expansion of business relations between Austria and India was discussed.

**Bosnia-Herzegovina**

**Official languages:** Bosnian, Serbian, Croatian, **Area:** 51,197 km<sup>2</sup>, **Population:** 4.6 million, **Population density:** 89 people per km<sup>2</sup>, **Currency:** Convertible Mark (KM), **EU joining date:** not a member of the EU, **Air & Sea site:** Sarajevo

**Bulgaria**

**Official language:** Bulgarian, **Area:** 111,910 km<sup>2</sup>, **Population:** 7.6 million, **Population density:** 70 inhabitants per km<sup>2</sup>, **Currency:** Lev, **EU joining date:** 2007, **Air & Sea site:** Sofia

**Croatia**

**Official language:** Croatian, **Area:** 56,542 km<sup>2</sup>, **Population:** 4.5 million, **Population density:** 79 people per km<sup>2</sup>, **Currency:** Kuna, **EU joining date:** not a member of the EU, **Air & Sea site:** Zagreb

**Macedonia**

**Official language:** Macedonian, some Turkish, Serbian and Albanian, **Area:** 25,713 km<sup>2</sup>, **Population:** 2.1 million, **Population density:** 79 people per km<sup>2</sup>, **Currency:** Macedonian Denar, **EU joining date:** not a member of the EU, **Air & Sea site:** Skopje

**Romania**

**Official language:** Romanian, **Area:** 237,500 km<sup>2</sup>, **Population:** 21.5 million, **Population density:** 93.7 people per km<sup>2</sup>, **Currency:** Romanian Leu, **EU joining date:** 2007, **Air & Sea sites:** Bucharest, Constanta, Cluj

**Serbia**

**Official language:** Serbian, **Area:** 88,361 km<sup>2</sup>, **Population:** 7.5 million, **Population density:** 97 people per km<sup>2</sup>, **Currency:** Dinar, **EU joining date:** not a member of the EU, **Air & Sea site:** Belgrade

**Slovakia**

**Official language:** Slovakian, **Area:** 48,845 km<sup>2</sup>, **Population:** 5.4 million, **Population density:** 110 people per km<sup>2</sup>, **Currency:** Euro, **EU joining date:** 2004, **Air & Sea sites:** Bratislava, Zilina

**Slovenia**

**Official language:** Slovenian, **Area:** 20,273 km<sup>2</sup>, **Population:** 2 million, **Population density:** 99 people per km<sup>2</sup>, **Currency:** Euro, **EU joining date:** 2004, **Air & Sea sites:** Koper, Ljubljana

**Czech Republic**

**Official language:** Czech, **Area:** 78,866 km<sup>2</sup>, **Population:** 10.5 million, **Population density:** 130 people per km<sup>2</sup>, **Currency:** Czech Koruna, **EU joining date:** 2004, **Air & Sea sites:** Prague, Brno, Ostrava

**Ukraine**

**Official language:** Ukrainian, **Area:** 603,700 km<sup>2</sup>, **Population:** 46 million, **Population density:** 78 people per km<sup>2</sup>, **Currency:** Hryvnia, **EU joining date:** not a member of the EU, **Air & Sea site:** Kiev

**Hungary**

**Official language:** Hungarian, **Area:** 93,000 km<sup>2</sup>, **Population:** 10 million, **Population density:** 107.5 people per km<sup>2</sup>, **Currency:** Forint, **EU joining date:** 2004, **Air & Sea site:** Budapest



**Top credit rating for GW**

Renowned rating agency Dun & Bradstreet confirms Gebrüder Weiss's financial stability and top credit rating. The logistics group received the top rating, "1", which puts it in the league of "Top Rating Companies". To date only 5% of all Austrian companies have received this award. The D&B certificate is recognised worldwide and marks GW as a trustworthy, reliable business partner with a stable company situation and an excellent payment record.



**Pioneer in climate protection**

In February 2011, GW commissioned the first climate-neutral logistics hall in Austria at its Wörgl site. The wood construction offers 1300 m<sup>2</sup> of cargo handling and commissioning space and a cool store with 150 pallet spaces. "The construction of a climate-neutral building is another milestone in our sustainability strategy," says CFO Wolfram Senger-Weiss.

# Between yesterday and tomorrow

Companies with a documented history going back more than 500 years are very rare throughout the world. Gebrüder Weiss is one of them. orange globe invites you to join us on ramble through half a millennium as we introduce the protagonists that helped write the orange success story - from its beginnings as a transalpine messenger service to the global logistics group of today.

\* The contents published here are based on the "WeissBuch<sup>3</sup>", edited by Heidi and Paul Senger-Weiss.

## Milan messengers

The first documented mention of the Weiss family goes back into the early 14th century. The "Wizze" appear in a tax list of the St Gallen monastery. Together with the Spehler family, also originating from Fussach, the ancestors of Gebrüder Weiss operated a messenger service between Lindau and Milan from 1474. On 2 June 1788, Leonhard Spehler even carried Johann Wolfgang von Goethe on his first trip to Italy via the dangerous Via Mala and over the Splügen pass.

## The commercial outpost

The end of the 18th century was an exciting time politically, technically and economically. It was then that Johann Kasimir Weiss, who was sworn in as a Milan messenger at that time, began the real history of Gebrüder Weiss. Probably in the knowledge that traditional industry would not have a great future after the industrial revolution, in 1781 Weiss became a companion in the commercial outpost of Johann Schneider in Fussach, who dispatched messengers on behalf of the Lindau chamber of commerce, provided temporary storage of goods and tried to find a solution to transport problems of every type.

## Three Weiss brothers

In 19th century, factories sprang up from nothing all over the Vorarlberg. The textile industry levelled the playing field for other industries too, and carriage and shipping were liberalised. Modern roads replaced mule tracks over the Arlberg and Reschen. Railways began to triumph. The commercial outpost quickly developed into a proper freight forwarding business. And three Weiss brothers were able to take advantage of the opportunities that presented themselves in the early days. In 1823 Josef, Leonhard and Johann Alois Karl Weiss gave the company new articles of association and a new name: Gebrüder Weiss.

## War and reconstruction

For nearly one hundred years the company was only on the up. And to meet the needs of the booming industry in the Vorarlberg region, Ferdinand Weiss established the older branches in the Mediterranean ports that were important to Austria as well as in the core market of Vorarlberg and the surrounding area. This development was halted in its tracks by the First World War. Anton Weiss and Adolf Jerie exercised the greatest austerity to bring the company through that dreadful time. When Anton Weiss died in 1921, his 19-year-old son Ferdinand had to take over the reins. The company faced hard times again: hyperinflation. The Great Depression. Fascism. The Second World War. But applying the motto of "just

Heidi Senger-Weiss passed the helm to Wolfgang Niessner and his fellow directors in December 2004.



roll up our sleeves", Ferdinand Weiss not only managed to rebuild the destroyed buildings after the end of the war but to build up a national network of branches in Austria.

## Generation International

Following the unexpected death of Ferdinand Weiss, his daughter took over the management in 1968. She had energetic support to tackle the new challenge from her future husband Paul Senger. The change of generation created new impetus: Gebrüder Weiss expanded from a domestic, traditional business into a transport group with global connections. Between 1975 and 1989 at least half of all investment - over EUR 530 million in total - was put into the construction of new plants.

## The orange way

The iron curtain fell. Austria joined the EU. At the same time, production chains were becoming increasingly global. This period at Gebrüder Weiss was the fastest paced ever, marked by painful changes of direction, new structures and unimagined growth. GW took advantage of the massive political changes in Europe from 1989 onwards to embark on a rapid expansion into the new markets. But the path of growth was not unique to Europe: in 1991 Paul Senger-Weiss opened GW Shanghai, the first branch on another continent. Austria's membership of the EU, which entailed entry into the European Single Market, ultimately posed a major challenge for the company. Yet GW was able to offset the drastic decline in customs clearance, which had until then been such an important business, by making savings, restructuring and reflection on the corporate culture - and once again to turn it into an opportunity.

## Start of the boom

In 2005, Heidi and Paul Senger-Weiss passed the company to the next generation after 36 years at the helm. Since then the fate of the business has been in the hands of Wolfgang Niessner as the CEO and Peter Kloiber, together with new directors Wolfram and Heinz Senger-Weiss. Responsibility was handed over seamlessly. And that allowed GW to take best advantage of the next years of economic boom: the core region in Europe was strengthened and expanded, as was the global Air & Sea Network with GW's joint venture partner Röhlig. Even during the credit crunch that shook the world in 2008 the logistics group kept to its strategy of expansion - and thanks to its healthy economic foundation and its stability, the company is once more on course for success.



**The WeissBuch<sup>3</sup>**  
Edited by Heidi and Paul Senger-Weiss

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1474

1781

1872

1948

2004

2005