



HERE IS YOUR LOGISTICS INTERFACE.



LOCATION WITH POTENTIAL

The most important reasons
for Investing in Saxony-Anhalt:

/// **LOCATION:** The key European hub offers market proximity to emerging markets. /// **FLEXIBILITY:** Fast approval processes and project realisations are the standard here. /// **DEVELOPMENT AREAS:** In addition to a large number of property sites, our locations also possess excellent road, rail, water and air connections. /// **HIGHLY QUALIFIED AND FLEXIBLE MANPOWER:** Vocational education and further training ensure an unrivalled level of productivity. /// **R&D:** Having renowned research institutes as partners accelerates your company's market entry and optimises processes.

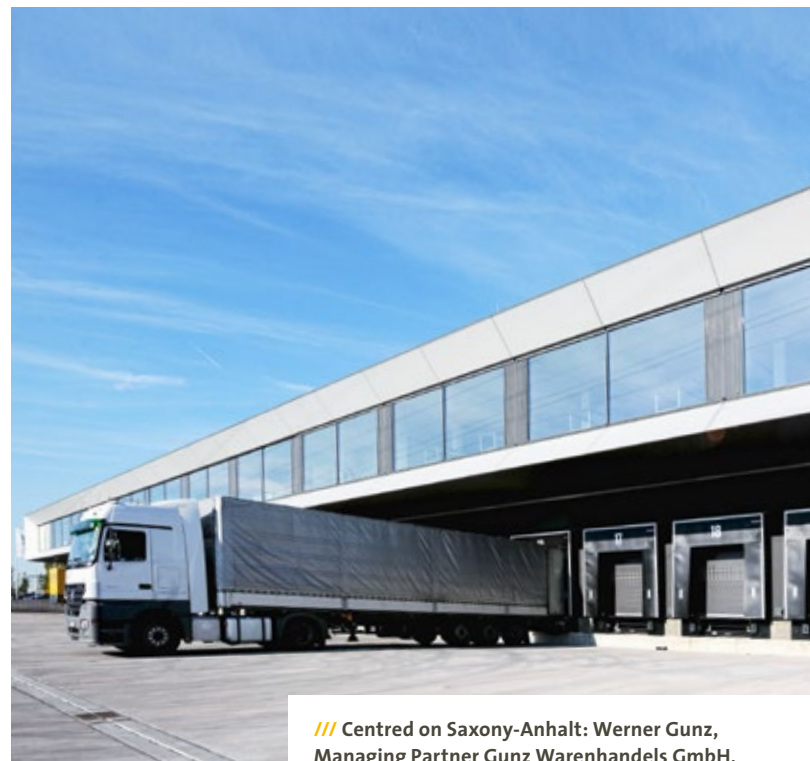
LOGISTICS CENTRE WITH PERSPECTIVE

Saxony-Anhalt – goods
distribution centre in the heart
of Germany and Europe

Central Germany, a hub of major European trade routes for centuries, has – since EU enlargement to the east – assumed a key position in the flow of trade in the European economic area. More and more overseas companies are coming to appreciate Saxony-Anhalt as a gateway into the European market. Both the unique favourable geographic position of this state in the heart of Europe and the state-of-the art infrastructure ensure fast logistics. Producers and forwarders benefit from short routes to procurement and sales markets. The six motorways, a dense rail network, the Leipzig/Halle airport, the river Elbe and the Mittelland Canal provide adequate transport options and efficient logistics solutions in all directions of the compass.

/// Good reason to be at home in Saxony-Anhalt: one of the largest despatch centres in Europe, the Hermes Fulfilment GmbH in Haldensleben

“The Magdeburg logistics hub guarantees fast and uncomplicated delivery to our customers on a worldwide basis.”



/// Centred on Saxony-Anhalt: Werner Gunz, Managing Partner Gunz Warenhandels GmbH, based in Mäder, Austria (left page, left side) /// Quantity and quality: The central warehouse of Gunz Warenhandels GmbH in Magdeburg-Rothensee (left page, right side) /// Coming closer more quickly: Thanks to the excellent transport infrastructure in Saxony-Anhalt, extremely short times are needed to reach the major sales and procurement markets in Germany and neighbouring countries. Our example: accessibility by truck (right page, top). /// Easy to use: the location database of the State of Saxony-Anhalt (right page, bottom).

NEAR(ER) TO CUSTOMERS AND SUPPLIERS.

From Mäder via Magdeburg to Mauritius.

This expansion to the north was a natural one for the Gunz Warenhandels GmbH company based in Mäder (Vorarlberg), Austria – but also a highly significant one: Germany represents the largest sales market of the company that achieved a turnover of EUR 135,8 million in 2017.

In order to be that much closer to customers and suppliers, Gunz established a new central food warehouse in the Industrial and Logistics Centre of Magdeburg-Rothensee and, in doing so, made the company's biggest investment to date. The distribution centre, comprising 27,000 square metres of floor space, is almost twice as large as Gunz's main location in Mäder, Austria. Gunz has been supplying customers throughout Northern Germany, North-western and Northern Europe since the summer of 2012.

All the overseas business is also processed from here. The containers headed for destinations in the USA, Canada, Australia, Israel and even Mauritius are all shipped from the Hanse Port in Magdeburg to the seaport in Hamburg, where they then continue their great voyage across the

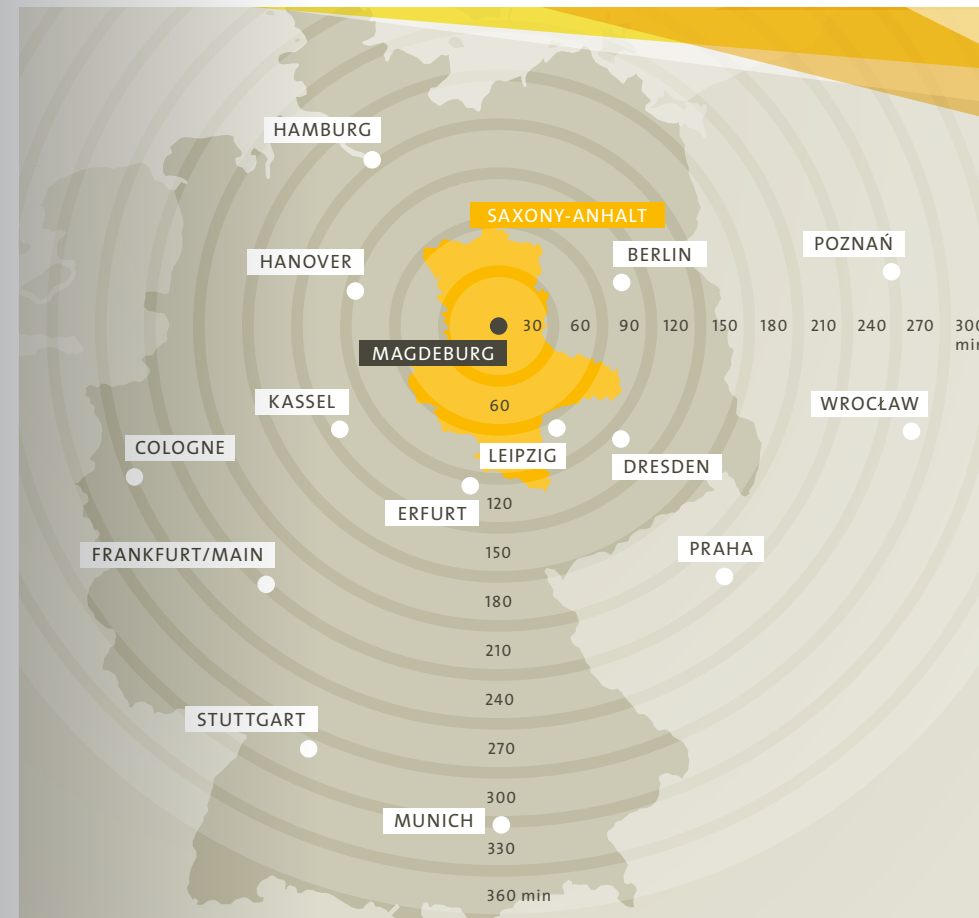
Pond by freighter. On average, a container is despatched on its journey every three to four days.

The trimodal port was a key factor in the location decision for the distribution centre being made in Magdeburg's favour. Further plus points from the investors' perspective included the central position within Germany and the optimal transport connection to the A2 motorway, which enables delivery to customers in Northern Germany within 24 hours of order confirmation. This inland waterway method of transportation also dispenses with many truck journeys, thereby saving on (or avoiding) fuel and CO₂ emissions.

MARKET PROXIMITY

The arguments for Saxony-Anhalt:

- /// short routes to procurement and sales markets
- /// central hub in Europe
- /// multi-modality for fast turnover



ONE CLICK AWAY FROM THE PERFECT LOCATION.

As a 'one-stop-agency' the Investment and Marketing Corporation Saxony-Anhalt (IMG) provides the entire spectrum of services related to locating to this state.

From acquisition to project design, IMG helps with establishing goals, responsibilities and deadlines as well as with project management.

Those who are looking for their ideal location in Saxony-Anhalt and have questions on site layout and infrastructure have come to the right place for advice.

The specialised location and property database containing more than 250 industrial and commercial properties allows potential investors to search for the objects that suit them. Ex-

pert consultation in the selection of 'greenfield' or 'brownfield' sites ensues on an individual basis. Interested parties will receive their first information on the location within 24 hours. Up-to-date information is always available in the Investor's Portal at: www.invest-in-saxony-anhalt.com/logistics



1 hour away

to the consumers of the German metropolitan regions such as Berlin, Leipzig, Hanover.

2.9 billion Euros

turnover generated by the 2,300 logistics companies in Saxony-Anhalt. In 2015 – according to the state statistical office.

1,380

manufacturing industry enterprises are active in Saxony-Anhalt.

24 hours

the Leipzig/Halle Airport provides unrestricted round-the-clock services 365 days a year.



STRONG NETWORKS, GOOD CONNECTIONS.

Saxony-Anhalt is top for infrastructure among Eastern German States.

The road and rail network in Saxony-Anhalt is among the densest and most efficient in Germany. The facilities are above average in the areas of transportation and communication, among others. Saxony-Anhalt, as the digitalised economic area, is able to offer data highways in all directions and for all communications purposes.

Not only the digital infrastructure but also the transport infrastructure in Saxony-Anhalt is among the most modern in Europe. The attractive location and well developed infrastructure have motivated many logistics companies to settle here.

The state is regarded as a logistical hub. “With investments in the transport infrastructure, we provide a strong and perhaps even the strongest stimulus for the increasing of our economic power”, said Transport Minister Thomas Webel about the determined expansion of the infrastructure. 417 kilometres of motorways run through Saxony-Anhalt. The regional roads have a total

“By investing in transport infrastructure, we give a strong – if not to say the strongest – impetus for improving our economic power.”

/// Three-lane transport axis: The A2 motorway in Saxony-Anhalt (left side, top). /// River meets road: the bulk commodity separation causeway in Magdeburg harbour (left side, bottom). /// Experienced infrastructure specialist: Thomas Webel, Ministry of Regional Development and Transport Saxony-Anhalt (right side). /// The air freight transshipment centre in Saxony-Anhalt: Leipzig/Halle Airport (below).

length of around 11,000 kilometres. There are six important motorways crossing through the country.

The A2 leads from the Ruhr area to Berlin. The A9 goes from Munich to Nuremberg to Berlin. The A14 connects Dresden to Leipzig and Magdeburg and the A38 Göttingen to Halle. The construction of the northern extension of the A14 to Hamburg is currently in progress. In addition, the A71 connects Erfurt to Sangerhausen/Halle. The Nordharz is linked by the four-lane main road B6 Bernburg – Bad Harzburg, which will be upgraded to an autobahn in the near future.

Saxony-Anhalt is also a centre of modern rail transport. The rail network in the land comprises around 3,000 km of track. Halle is an important hub for the rail transportation of goods. Not far from the central station is the train



composition facility of Halle – one of the most modern marshalling yards in Europe.

There are more than 580 kilometres of navigable waterways. The state is well connected to the European waterways network via the Elbe, the Saale, the Lower Havel Waterway, the Mittelland and Elbe-Havel Canal. Because of its central location in Germany, Saxony-Anhalt is developing into an important inland hub for the seaports Wilhelmshaven, Bremerhaven, Hamburg, Lübeck, Rostock and in Eastern Europe.

Saxony-Anhalt possesses excellent air transport connections. Leipzig /Halle Airport is the second largest cargo airport in Germany and one of the top five European freight airports. For regional and business travel, in addition, several commercial landing sites are available. For regular services and charter traffic, the airports in Hanover and Berlin are of special importance for regular services or charter traffic, and easy to reach by car and rail.

1,2 millions Tons

of air freight transshipped in 2017 at Leipzig/Halle Airport.

11,000

kilometres of modern roads available to freight traffic in Saxony-Anhalt.

3,100

kilometres of railway network in Saxony-Anhalt – one of the densest railway networks in Europe.

600 km

navigable waterways connect 18 ports and terminals in Saxony-Anhalt, thus representing an outstanding basis for water transport.

Reference: Flughafen LEJ

Reference: Statistisches Landesamt Sachsen-Anhalt

AFFILIATED INSTITUTE FOR LOGISTICS SEEKS A NEUTRAL AND CREATIVE PERSPECTIVE

Students at the associated An-Institute for Logistics e.V. at the Anhalt University of Applied Sciences completed research work at the DHL Hub in Halle / Leipzig. It resulted in the idea for the Student Lab.



/// Prof. Jörg Flemming (left) and Prof. Frank Himpel on-site at DHL.

What is a Student Lab?

PROF. FRANK HIMPEL: The Student Lab is a form of cooperation. In the form of a virtual cooperation arrangement, practical level staff in a private company are brought together in a collaboration with academics. Employees and managers as well as students work together on questions that are of content-related relevance to the practical level partner. The practical level partner seeks proximity to the research so as to gain a clear, neutral and creative perspective on a problem. In this particular case, the work at DHL was characterised by the fact that the project in question had a relatively limited timeframe. DHL built a new warehouse within the space of just one year. The things that needed to be optimised only became apparent at the time of construction.

What exactly was the joint project between DHL and the Student Lab about?

PROF. FRANK HIMPEL: The DHL Hub Leipzig GmbH recently doubled the capacity of its location for the processing of express air shipments. As a result, more employees are now employed there and the construction of a new warehouse has also doubled the travel distances. The students on the masters programme in Logistics and Air Traffic Management attempted to optimise the transport route guidance system for the employees. The key question was: what is the best way for employees to get from

the car park to their place of work and back? The proposed solutions were discussed with the DHL executive team and the project managers.

Did any of the recommendations for the route guidance project at DHL end up being implemented at the practical level?

PROF. FRANK HIMPEL: It is naturally the case that it isn't possible for all of the proposed solutions to be put into practice, if only because the students aren't aware of all the internal operational contexts. However, DHL has implemented some of the solutions. For example, it has been possible for the processes at the security access gates to be made more effective. In respect to our current projects, we have also succeeded in developing some additional innovative solutions together in the meantime.

How did the collaboration come about?

PROF. FRANK HIMPEL: Our Institute has been in contact with DHL for a long time. One of the managing directors asked us whether we would like to support DHL in this project. The first project ultimately led to the idea of the Student Lab. Its work is now continued in the associated an-institute „Institute for Logistics“ (Institut für Logistik e.V.).

<http://mlm.wi.hs-anhalt.de/index.php/de/>



CREATIVITY TO RESOLVE SHORTAGES OF SKILLED STAFF.

Hermes Fulfilment GmbH is setting a good example.

In Haldensleben, Hermes Fulfilment GmbH, which is part of the Otto Group, operates one of the largest state-of-the-art dispatch centres in Europe.

Up to 300,000 deliveries are picked at the centre each day and sent on their way: to customers in Germany and the neighbouring European countries. Some 3,200 people currently work at the Haldensleben location. Hermes Fulfilment is therefore one of the biggest employers in Saxony-Anhalt. Its dispatch centre, which entered operations in 1994, has been expanded in three stages. At the same time, the demand for employees with every level of qualification has continuously grown. Yet the staff vacancies

are becoming harder and harder to fill. To attract well trained and educated staff who have regional connections, Hermes Fulfilment is committed to company training measures and also supports the 'Hierbleiben' ('Stay Here') initiative which introduces potential employees from the region to similarly committed companies. In order to pave the way for junior staff, management and specialists to join the company, Hermes Fulfilment offers students both practical work experience and the opportunity to write practice-oriented theses in the company itself. A key cooperation partner in this regard is the Magdeburg University of Applied Science. In addition, up to 15 apprentices undergo training in the dispatch centre every year.

300

hectares

is the size of the Magdeburg Rothensee Industry and Logistics Centre (ILC), the freight transport centre in the north of the state capital.

6

institutions of higher education in Saxony-Anhalt, including 2 universities, research modern logistics science as do a series of institutes and laboratories.

6

specialised faculties define logistics training in Saxony-Anhalt.

44,400

workers subject to social insurance in Saxony-Anhalt's logistics sector.

/// The Leipzig/Halle Airport is the second largest cargo airport in Germany and one of the top five European freight airports. (left side). /// Think ahead and get ahead: Michael Koch is Chairman of the Saxony-Anhalt State Logistics Advisory Board (right side)



“The region has excellent locational conditions, mainly due to its central location on the international north-south and east-west axis of the trans-European rail network.”

Please tell us about some of the factors which make Saxony-Anhalt stand out as a location for logistics.
MICHAEL KOCH: The region has superb local conditions, especially due to its central location on the international north-south and east-west axis in the trans-European rail transport network. We also have an excellent transport infrastructure; with the connection to six motorways, Saxony-Anhalt is well linked to pan-European transport routes. The ports along the river Middle Elbe also function as trimodal inland hubs for the seaports. With Leipzig/Halle Airport, we also have a high-performing hub for international air freight. The completion of the modernisation works of the Deutsche Bahn in Greater Halle area, the Magdeburg main station and in the city of Köthen as well as the extension of the A 143 and A 14 motorways, Saxony-Anhalt will continue to expand its importance as a logistics hub between the East and the West.

One of the most important topics across every sector is demographic change and its consequences. How is the world of logistics dealing with this?
MICHAEL KOCH: In addition to the infrastructural capacity problems on the roads and railways, the topic of human resources is becoming increasingly urgent. Lowering rates of childbirth, migration from the region and the tough



/// Have learnt how to pack: specialists in Saxony-Anhalt, here at the Hafenbetrieb Aken GmbH Company (port operators) (left side).
/// Deutsche Bahn (German Rail) in Saxony-Anhalt: loading tank containers in combined freight transport (right side, top).
/// The jewel of logistics and engineering art: waterway intersection near Magdeburg (right side, bottom).

THE IMPORTANT LOGISTICAL DIFFERENCE

The Saxony-Anhalt Logistics Initiative is the marketing pool for the logistics sector, cross-linking investors, manufacturing companies, carriers and logistics providers. It is supported by the Logistics Advisory Board of the state in an advisory capacity.

You are Chairman of the Saxony-Anhalt Logistics Advisory Board – how do you envisage the future of the logistics sector in the federal state?
MICHAEL KOCH: The logistics sector is one of the decisive forward-looking sectors in the economic region of Central Germany. In response to the high levels of demand, all the transport services facilities are currently expanding: in Halle, 2018 will see the most cutting edge rail marshalling yard enter operation, while Leipzig/Halle Airport is attracting more and more providers of logistics services to its surrounding environment whose locations are within easy reach of the motorway network. The combined transport terminals are currently increasing their capacities to a considerable degree, and the Port of Magdeburg is developing new ideas for increasing its production and service facilities. This development is being supported by logistics research at the universities, colleges, institutes and laboratories in the federal state.

shift patterns in the logistics sector are taking their toll. Recruitment in logistics in terms of quantity and quality therefore faces new challenges in these days. Although the automated processes that have been widely discussed will become increasingly possible to roll out from a technical perspective, but surely can only be a part of the solution. Today’s and tomorrow’s logistics must always focus more strongly also on the issues of attractive pay, good social benefits, safe and lasting jobs.

In your view, what is the role of the link between science and business in the world of logistics?
MICHAEL KOCH: Over the coming years, the key focus of the transport sector will be the topic of CO₂ reduction. Transport policy is becoming increasingly influenced by energy policy. In this area, the world of science can provide support. The first examples of this include the use of energy-saving hybrid locomotives by many of the businesses in the federal state. The tests with catenary HGVs in the region are also being followed with interest. Many of the 4.0 initiatives under way in the businesses here are also oriented to a rapid exchange of data between transport partners and customers, the further automation of stock management systems, as well as the networking of the providers and users of logistics services via web platforms.

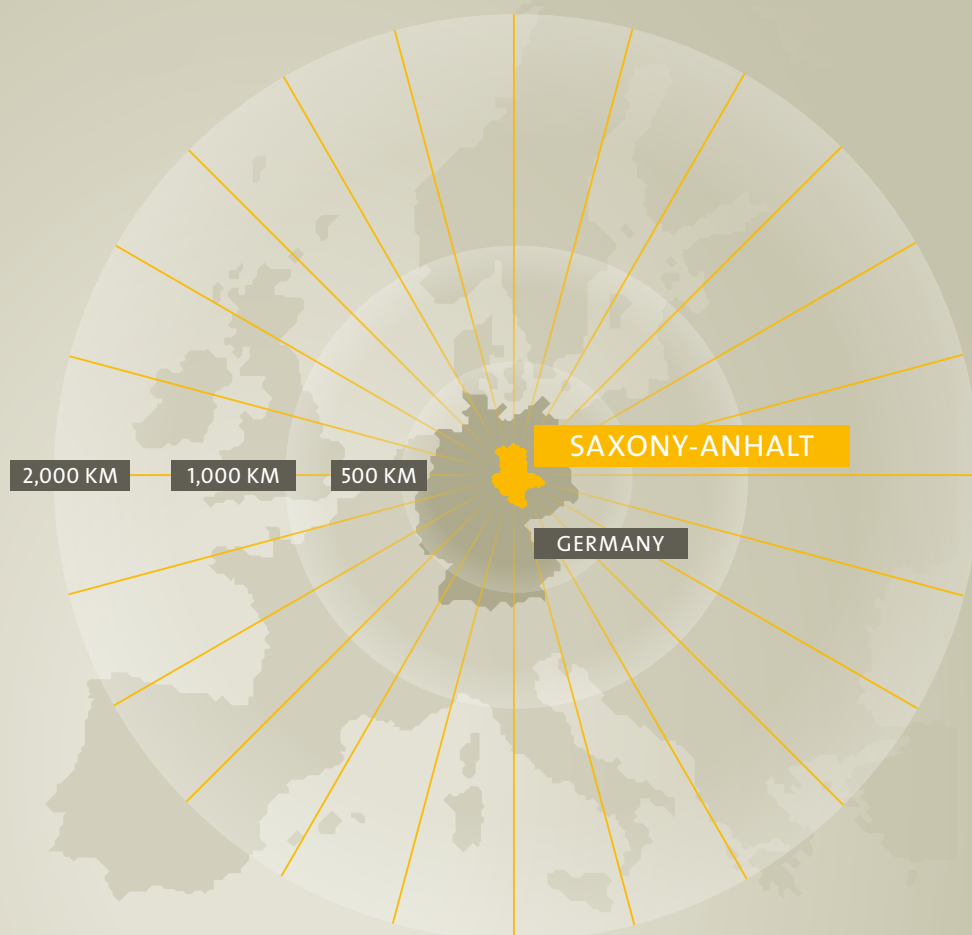
- MEMBERS OF THE LOGISTICS ADVISORY BOARD OF SAXONY-ANHALT
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 - /// **Bernd Salfeld**, relaxdays GmbH, Deputy Chairman of the Advisory Board
 - /// **Karl-Heinz Ehrhardt**, Magdeburger Hafen GmbH
 - /// **Eckart Fricke**, Group Representative of Deutsche Bahn for Saxony-Anhalt, Saxony and Thuringa
 - /// **Dr. Christof Günther**, InfraLeuna GmbH
 - /// **Johannes Jähn**, Flughafen Leipzig/Halle GmbH
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 - /// **Reinhard Schröter**, Halle-Dessau Chamber of Commerce and Industry
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 - /// **Siegfried Zander**, Magdeburg Chamber of Commerce and Industry
 - /// **Peter Ziegler**, Hafenbetrieb Aken GmbH

**INVESTORS RECEIVE
FULL SUPPORT.**

**SAXONY-ANHALT
IN EUROPE.**

**The Investment and Marketing
Corporation Saxony-Anhalt (IMG)
is the economic development
agency of the German federal
state of Saxony-Anhalt.**

Its staff offers all the services
involved in locating to Saxony-
Anhalt – from acquisition through
to the start of production.



TOP SERVICE

IMG – YOUR PARTNER FOR

- /// all location projects in Saxony-Anhalt
- /// personal support during the project
- /// investor-specific location rasters
- /// optimal investment possibilities
- /// all cooperation options through to financing
- /// all public authority matters

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