

Juan Carlos Moro RodrÃguez â?? CEO Iberia Cluster, DB Schenker



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Juan Carlos Moro RodrÃguez, CEO for the Iberia Cluster with DB Schenker, discusses the companyâ??s plans to expand its reach across all forms of transport, offering logistics solutions rather than logistics products. Mr RodrÃguez also lifts the lid on DB Schenkerâ??s plans to grow its position in pharmaceutical logistics and offers his insights into the new technological advancements sweeping through the industry.

You have been in the role at DB Schenker for just over a year. How have you utilised your wealth of past industry experience in your current role?

My background is in a mix of business and technology, and I believe we are now in a new era of technological transformation. What is key for us at DB Schenker is the integration of different business units so that we can look forward to delivering solutions. We are transforming our view from product-based – selling land, sea or air freight – to understanding what the customer needs are and looking at the solutions we can provide across the supply chain. This is what I believe is unique in DB Schenker and from my point of view is important to have observed the different steps across the supply chain in my different roles. This is how I can use my past experience to help DB Schenker deliver its unique value proposition.

How is the 2020 plan for DB Schenker manifesting itself in Iberia?

We are currently striving to lead both in terms of market share and in terms of attractiveness for people to work here. There are two prongs to the strategy, internal and external. Internally there is a cultural component. We want to transform the cultural aspect of the organisation so that instead of delivering one transport mode, we are delivering solutions and to have a broader picture of what we can offer customers instead of being very verticalized.

Externally, we do not just want to go on one particular product but are seeking to increase our cross-selling penetration of customers. In the past we were positioned as a land transportation company. Today we are now moving to be a broader organisation. We aim to have a full offering across land air sea and rail.

What is your footprint in Spain?

Madrid is assigned as DB Schenker's gateway hub to Latin America. Moreover, In Iberia, we are present across our four products: contract logistics, Land – where we are the leading player in Europe, in air and ocean, and in multimodal including rail. There are a lot of solutions for both import and export all the way from Asia into Europe, connecting Iberia through rail connections. It is unique that for rail services, we have a single point of contact that is DB. There are no other suppliers acting in the middle of the supply chain. This land transportation option is a unique offering for our clients – cheaper than air, but faster than sea. This is an example of what we try to sell to our customers in terms of our offering. There are very few companies that are able to do this both for export and for inflows too.

Tell us about your pharmaceutical logistics capabilities

We still have a limited scope in the area of pharmaceuticals. As a result, it remains an area where we see high levels of potential growth. At the moment we are stronger in the fields of automotive, textile, and consumer and retail goods.

We are currently in the process of developing the strategy to determine how we will capitalise on the potential of this industry while being aware of its specific requirements, like temperature controls, processes and standards of a particular industry. We already have the relevant accreditations required by the industry in order to transport the goods. What we want to offer the full chain of end to end solutions for mid to large organisations.

We classify this industry as a healthcare business. Within that, we have four subdivisions: medical devices, pharmaceuticals, consumer health and nutrition, and animal health. This goes from the warehouse storage with temperature controls, all the way to collection and inbound or outbound

logistics. We will offer very customised solutions based on the needs of our clients in the healthcare market.

How can DB Schenker differentiate itself from competitors?

The logistics business is an aggregation of skills. There are a lot of synergies across the industries, and often in terms of logistics, the skills required are the same. Our customers are looking for a combination of quality and at the right price. Compliance is obviously key, but customers in the pharmaceutical industry are always seeking a competitive price.

While it is important to understand the specificities of the individual industry, it is more important to have that expertise in logistics. At DB Schenker, we are experts of logistics. One of the most important aspects of our business is the network. Being a network business is key to cover the whole supply chain. We are one of the few customers who can cover every corner of the world. We can transport from end to end no matter where and no matter the industry.

How is digital disruption changing logistics?

I don't think that there is any industry not being disrupted by technology. One aspect of this disruption is through the digitalisation of our processes, having everything conducted electronically. What I think is critical is having full access across the supply chain, with our customers able to see where the order is, when it is going to be completed, the time of departure, and being able to track that in real-time. This is the most basic requirement for our industry and DB Schenker is investing significantly to create these platforms.

In Spain we have been the second country after Germany where full visibility of our land flows has been made available. We are looking to extend this to other transport flows this year.

The other aspect to look at is self-driving devices. We are the first company to pilot self-driving devices, which we are conducting the tests on in Sweden and Germany. Our flagship project is Platooning – a convoy system where the first truck is driven by a human and following closely behind and following the movements are a convoy of AI-controlled trucks. Often there are many trucks across the supply chain going to the same destination, so having a convoy makes sense. Given that reaction time is not required, the distance between the trucks can be lowered to just 10m, reducing congestion on the roads. The autonomous vehicles can also drive at maximum efficiency, reducing fuel and becoming more ecologically friendly.

What is required is a strong legal framework, both nationally and at the European level, to help calm the irrational concerns that rise around autonomous vehicles whereby people are still not at the stage where they fully trust unmanned vehicles on the road. As a leading company, it is our role to be prepared for this technology, adopting it early and creating new solutions. We can also help legislators by proving that such solutions are feasible and safe.

All things considered, I see these solutions becoming commonplace within the next five years.

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