

# ASD metal services' Greener Steel

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In summer 2008, ASD metal services, the largest independent multi-metal stockholder and distributor in the UK, launched a trial to move 2,000 tonnes of structured steel by water. With the help of Inland Navigator, a Robert Wynn and Sons barge, the company transported the material from Wharton Grove Wharf, on the Humber, to its Stourton Point site in Leeds over the course of three weeks. In total, these movements saved the equivalent of 80 articulated lorry journeys. This successful trial provides an illustration of how water freight transport can provide a practical, environmentally-friendly solution to business supply chains. The following slides present the trial in more detail.





# When an Opportunity to change from Road to Water Transport Presents Itself...

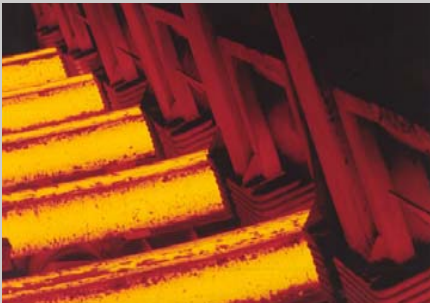
**ASD metal services**

**klöckner & co** multi metal distribution



# ASD metal services - An Overview

## Manufacturers



## Distributors

Products:



Services:



### Klöckner & Co highlights

- 100 Years experience
- Largest manufacturer-independent steel and metal distributor in the overall market for Europe and North America
- Distribution network with 261 locations in Europe and North America
- Key financials for **2007**
  - Unit sales            6.5 million tonnes
  - Sales:                £4.3 Billion
  - EBITDA:            £252 million

## Customers



- Construction industry
- Steel Construction
- Residential Construction



- Machinery and plant Construction



- Automotive
- White Goods
- Miscellaneous

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# The Opportunity

## The Unique Solution: Stourton Point



**ASD metal services**

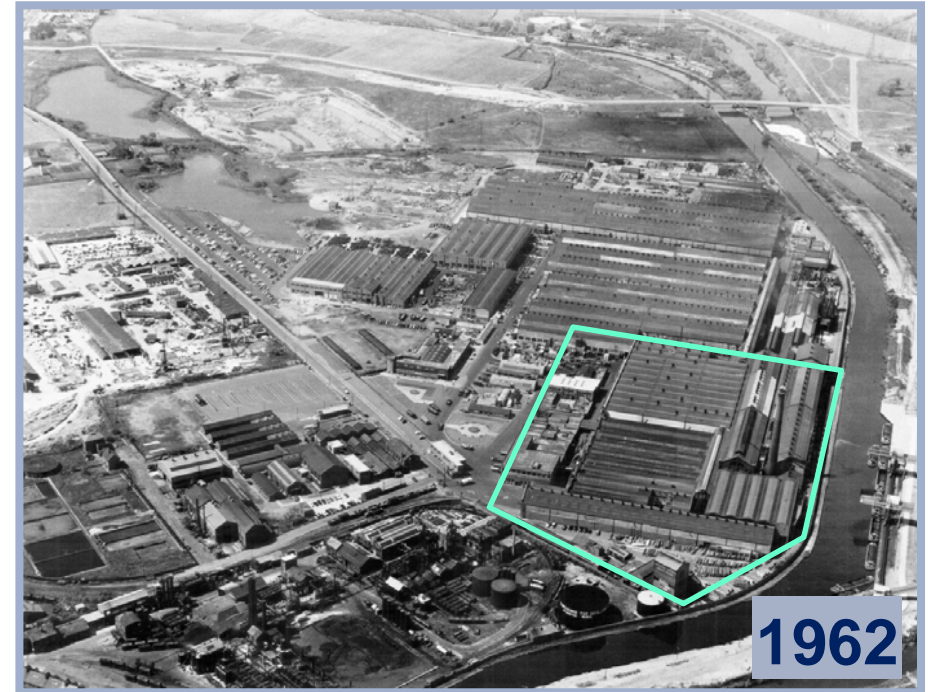
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# The Opportunity

## The Unique Solution: Stourton Point

- Area: 8.65 Acres (377,000 Sq. Feet)
- Site Storage Capacity:
  - 8,000 Tonnes Structural Steel with Forklift
  - 15,000 Tonnes Structural Steel with Gantry Crane



# The Opportunity

## The Unique Solution: Stourton Point

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### Benefits of Canal Interface

- Over 60,000 T / year currently transported from the Humber to Leeds by lorry will transfer to barge
- Reduce Congestion
- Reduce Carbon Emissions: “Greener” Steel
- Reduce Complexity
- Reduce Transport Cost: 1 Barge = 24 Lorries





# Feasibility - The Trial

## Would the Unique Solution: Stourton Point Work?

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- **Would the Canal Interface Work?**
  - **Initial Trial of 2000T decided upon**
    - › **Not over ambitious**
    - › **Significant enough to prove possible**
    - › **Planning to succeed!**



# Feasibility - The Trial

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- **British Waterways**

- **Stuart McKenzie, Freight Champion**
- **Initially did not want to get his hopes up**
- **Introduced Commercial Boat Operators Association**
- **Personally helped and supported**
- **Introductory tolls concession**
- **No visible high level support**
- **Little guidance/support through BW rules/regulations/compliance...**





# Feasibility - The Trial

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- **Commercial Boat Operators Association**
  - **Committed Officers, absolutely excellent!**
  - **However, no Barge Operators/Owners appeared who were prepared/interested and capable of taking on the work**
  - **Introduced Peter Hugman, International Barge Master and Consultant 'who may be able to help us'**



# Feasibility - The Trial

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- **Winning through against all odds by commitment, good will, badgering...**
  - **Barge Master and Crew**
  - **Barge - Tim West / Robert Wynn & Co**
    - › **MV Inland Navigator**  
**Not operated for 4 Years, No MCA Certificate, No BW Licence, No Insurance to operate, ill gearbox, Contaminated ballast tank water,....**
  - **Wharf Operators sceptical - Cost**
  - **ASD metal services, Directors sceptical**
  - **ASD metal services, Leeds Team sceptical**
  - **Mobile Crane Cost**
  - **Landlord Permission**
  - **Finally, on the eve of the trial, MV Inland Navigator's insurance requirement for a cargo inspection at £600/load!**



# Feasibility - The Trial

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## At last - The Trial

- 22 July - 18 August 2008
- Whartons Grove Wharf, Gunness to Stourton Point Wharf, Leeds



# Feasibility - The Trial



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# Feasibility - The Trial



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**An absolute success!**  
**All objectives met!**



# Can the Opportunity be realised?

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- **Obstacles**

- **Leeds City Council Planning Department**
- **Yorkshire Forward**  
**(Regional Development Agency  $\equiv$  BERR  $\equiv$  Government)**



# Can the Opportunity be realised?

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## Leeds City Council Planning Department

- Have confirmed there is no other suitable site for us in the area
- Recognise the merits of our development
- Would support 'undeveloped' use in short term
- Long Term Land Use remains uncertain
- Draft Area Action Plan for Long Term will be published in the Spring 2009 - Appears, will remain 'Housing'
- Advised to object at inquiry 2009 -10
- Area Action Plan Adoption planned Spring 2010





# Can the Opportunity be realised?

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## Yorkshire Forward

- **Stated position: Unable to support our development over the potential development of the site for housing**
- **Currently pushing hard for a meeting at CEO level in an attempt to:**
  - ➔ **Convince Yorkshire Forward of the opportunities merits, or**
  - ➔ **Absolutely confirm their inability to support the opportunity**

**Hopefully soon**



# Can the Opportunity be realised?

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## The Result:

- Landowner believes, with good justification the site will be developed as housing with grant aid for contamination remediation, infrastructure,... So No Long Term Lease/Purchase available.



# Can the Opportunity be realised?

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**ASD metal services, Board -**

- **Want Project to go ahead but without**
  - **Leeds City Council Planning Department**
  - **Yorkshire Forward/Government - Some Grant Aid**
  - **Site Purchase (Long Term Future)**

**No Investment will be released!**



# Can the Opportunity be realised?

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## Strategy:

- Achieve our vision as soon as practicable
- Never give in - Strive to the end

## Tactics

- Charm - Advocacy - Belief
- Never give in - Strive to the end





# Can the Opportunity be realised?

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**From conception, 10 months on we have:**

- **A successful operating site**
- **Proven and developing business model**
- **A Canal Transport Vision - Tried - Tested - Successful**
- **A Good Robust Plan with Total Internal Commitment**
- **Optimism and Enthusiasm**
- **Frustration - Doubt**

