

# Innovative and sustainable logistics



Campari
European Union
2016 > Ongoing
#C02Emissions #Eco-mobility
#SustainableDistribution



## Objective

To use a sustainable freight transport system in which all players involved operate responsibly.

To minimise the environmental impact generated from transport and distribution.

## Description

Campari has always focused on responsibility and sustainability, which it considers of fundamental importance for company growth. For Campari, designing a model for sustainable business development right along the value chain entails maintaining this commitment in the field of logistics. Sustainable logistics involves creating value for the business by seeking a balance between environmental and economic efficiency. In 2024, Campari will focus on the implementation of more efficient loading configurations at its major plants, in-house facilities as well as third-party logistics providers in particular. Intermodal transport

Intermodal freight transport consists of transporting goods in a single loading unit using a combination of different modes of transport: road, rail, waterways or air. It can optimise the relative strengths of each transport mode and represents an opportunity to lower the environmental impact of freight transport.

Total transfers, intermodal transport and road transfers have been measured since 2016 to map progress in this area. The following journeys are measured:

- Outward journeys from Italy to European distribution centres in Austria, Belgium,
   Germany, Latvia, the Netherlands, Spain, Switzerland, Ukraine and the United Kingdom (s ince 2016).
- Internal journeys to Italian distribution centres (since 2016).
- Outward journeys from Greece to European distribution centres in Austria, Belgium, Germany, Novi Ligure (Italy), Switzerland and the United Kingdom (since 2018).
- Outward journeys form the UK European distribution centres in Germany, Massalengo (Italy), Novi Liqure (Italy), Spain and Switzerland (since 2018).

In 2020, due to the two waves of the Covid-19 pandemic (the first in February/March, the second in September/October) and the cyber-attack in early November, there was an increase in the percentage use of road travel as compared to previous years (necessary to make up for the delays accumulated in order to minimise the negative impact on the level of service to the end customer).

In 2021, intermodal transport was impacted by the Covid-19 pandemic, extreme weather conditions caused resulting in shortage in the short-sea transportation within Europe and Brexit.

In 2022, both the Intra-European and Ocean Freight transport markets were characterised by high price volatility and low reliability of service due to the continued pandemic, imbalance of logistics flows, inflationary factors and rising fuel costs. This general logistics framework was paired with an urgent demand for finished products due to partially forecasted swings of sales in most of Campari's reference markets. The combination of these two variables slightly reduced Campari's share of intermodal transport compared to the previous year.

The first half of 2023 still saw a level of disruption within the sector, characterised by high price volatility and poor service reliability due to the continuing consequences of the pandemic, the imbalance in logistics flows, inflationary factors, and the continued rise in fuel costs. However, the share of intermodal transport improved compared to the previous year, as the second half of the year was more stable.

#### **Eco-mobility**

Eco-mobility uses innovative solutions designed provide more ecological and sustainable modes of regional transport which reduce C02 emissions.

Companies used:

- **Berger:** Campari has had a long partnership with Berger who optimises the entire supply chain, offering tailor-made logistics products and smart industry solutions. Among their offering, they use Euro 6 vehicles built with lightened steel, optimising the product load by transporting two more pallets than could normally be moved using a standard vehicle. Follow-up comparative studies by Berger show that the use of their systems reduce harmful emissions, especially when combined with the intermodal approach to transport.
- **City Login:** Campari began a partnership with City Login in 2017. City Login offers specialised and integrated logistics services using an innovative ecological fleet, including, low environmental impact distribution activities in the historical centres of the largest Italian cities, using goods sorting and storage facilities close to the distribution area (proximity hub) and electric or bimodal means of transport.

• **Di Martino:** Campari began a partnership with Di Martino in 2018. Di Martino uses vehicles powered by LNG (liquefied natural gas) which reduces CO2 emissions by 26% and PMx emissions by 99% compared to a Euro V vehicle. They also reduce noise by around 3-6 dB compared with a diesel vehicle of equal power. The vehicles were first used on the Novi Ligure-Massalengo route in 2018 and was extended to the Novi Ligure-Massalengo-Frascati route in 2019. In addition, the Italy-Spain line started using this practice in June 2019. In 2021, the increased demand for this type of vehicle led to greater difficulty in finding LNG-burning vehicles on the market.

In 2023, Campari prioritised sustainability, recovering from the pandemic challenges and inflationary effects, embracing Liquified Natural Gas ('LNG')-powered vehicles, Battery Electric Vehicles ('BEVs'), and non-fossil biofuels in its strategy.

## Sustainable pallet management

Used to store, stack, and transport materials, pallets are essential to the logistical aspects of distribution. A sustainable pallet management programme streamlines practices and pallet movements from an environmental point of view.

• **PAKI:** Campari collaborates with the pallet transport company PAKI who's supply network enables it to recover pallets from waste sites and transfer them to its own stock or that of the closest customer and, to ensure that the same type of pallet is delivered from its closest recovery point to loading bays. This procedure makes it possible to significantly reduce the number of deliveries made within Europe, and hence have a positive environmental impact.

## **Partners**

Berger: Innovative sustainable intermodal transport company.

CityLogin: A joint venture between two leading groups in the logistics sector (FM Logistic Group and Mag Di Group) since 2014.

Di Martino: Transporter that uses vehicles powered by LNG (liquefied natural gas).

PAKI: European company in the supply, management and exchange of Epal pallets and other standard unit loads.

### Results

#### **Intermodal Transport**

- Global intermodal transfers: 19% (2023) and 13% (2022).
- European intermodal transfers: 33% (2023); 21% (2022); 36% (2021) and 58% (2020.
- Transfers from Italy to the rest of Europe: 16% (2022); 31% (2021); 56% (2020); 69% (2019); 56% (2018); 54% (2017 slight decline is due to the closure of the main German rail freight line in 2017) and 59% (2016).
- Intra-Italian Transfers: 33% (2023); 16% (2022); 11.2% (2021); 13.3% (2020); 11.6% (2019); 12% (2018); 10.5% (2017) and 11% (2016).

- Transfers from Greece to Europe: 64% (2022); 84% (2021); 74% (2020); 72% (2019) and 97% (2018).
- Transfers from the UK to Europe: 96% (2022); 88% (2021); 94% (2020); 95% (2019) and 97% (2018).

#### **Eco-mobility**

• **Berger** – number of extra pallets (vs number of standard vehicle to transport the amount): 377 (12) in 2022; 573 (18) in 2021; 1,212 (40) in 2020; 1,902 (68) in 2019.

#### City Login

- Zero-emission deliveries in the urban centre of Rome (restricted traffic zone-ZTLs):
   3,500 (2022); 1,955 (2021); 2,246 (2020) and 1,566 (2019).
- Reduced pollutant emissions (compared to a 3.5-ton Euro 4 diesel vehicle). Figures for CO2, PMx and NOx +other pollutants: Electric vehicles covered 12,774 km bi-weekly saving 7.6 tons of CO2 (2023); 24.3 kg, 27.9 g and 147.5 g (2022); 23.474 kg, 26.95 g and 142.45 g (2021); 18.253 kg, 20.96 kg and 110.77 kg (2020) and 38.049 kg, 43.69 kg and 230.89 kg (2019).

#### Di-Martino

- Percentage of total travel using LNG vehicles (Italy-Spain line IS and Italian Route IR): 13% IS and 5.4% IR (5.4% of total for Italy) in 2023; 1.9% IS and 0.5% IR (10.2% of total for Italy) in 2022; 5.75% IS and 0.6% IR (11.2% of total for Italy) in 2021; 10% IS and 6% IR (19.3% of total for Italy) in 2020; 14% IS and 6% IR (17.6% of total for Italy) in 2019; 2.4% IR (14.5% of total for Italy) in 2018.
- Reduced emissions: In 2023, an additional collaboration with a local carrier increased LNG and BioLNG quotas in the IR covering 10,311 km with LNG and 1,524 km with BioLNG, saved 3.35 tons of CO2. LNG cut emissions of CO2 and PMx by: 963.8 kg and 145.09 gr (2022); 963.8 kg and 145.09 gr (2021); 963.8 kg and 145.09 gr in 2020.

#### **Pallet Management**

- Number of pallets transported: 270,868 (2023); 243,568 (2022); 204,118 (2021); 167,957 (2020); 153,620 (2019); 160,126 (2018); 88,596 (2017) and 44,900 (2016).
- Countries used: Austria, Belgium and Germany (from 2016), Netherlands, Switzerland and Italy-central and southern regions (from 2017), Greece (from 2018), France (from 2019).

### Measurement & evaluation

In 2018, Campari conducted a study to quantify the benefits of adopting intermodal transport and of using PAKI Logistics (as a starting point, of all the lines from Italy to other European countries, the flows for 2015 carried out by road were compared with those for 2017, which were carried out both by road and intermodally. With the support of the Ecologistico2 platform, Campari calculated the reduction in CO2 emissions per pallet transported on the Italy-Germany and Italy-Switzerland flows (identified as representative flows) in 2017 compared to 2015.

The study showed that the reduction in CO2 per pallet was considerable at over 37%. Of this, 12% is for the 'pooling system' and the remaining 25% from intermodal transport.

Since the sampling points of the PAKI network are very near the goods loading/unloading bays, even if the pallets are always transported in full loads and produce greater consumption per km compared with the 2015 transport method, the number of km travelled is considerably reduced. In addition, the change to intermodal transport led to a reduction of over 50% in CO2 per ton/km, and of fine dust by over 90%.

#### Recognitions

In 2018, Campari was awarded the title of 'Logistics company of the year 2018', by Assologistica (the Italian association of logistics companies and those operating in warehousing, port, interport and airport terminals) conferred on companies which stand out for their innovation activities in the logistics sector.

Website

https://www.camparigroup.com/en/page/sustainability

Downloads

Photo gallery

