

CUSTOMER CASE STUDY – ARKAS AUTOPORT

# Forward Thinking



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Ozgur Kalelioglu, Director,  
Port Services, Arkas



## Customer profile

Autoport Terminal Operators S.A. is the first and currently the only purpose built car handling terminal in Turkey. Capable of handling 400,000 vehicles per annum with capacity for 6,000 cars, this world class facility is strategically located in Yeniköy – Kocaeli, within easy distance of major automotive manufacturers and distributors in the region.

Autoport Terminal is the brainchild of well respected international transportation and shipping specialist Arkas, whose vision was to create in Turkey a unique facility, combining deep experience of the Turkish marketplace with recognised international standards, to meet exacting expectations of European, Far East and American car manufacturers.

Accordingly, Autoport Terminal Operators S.A. has been accredited with the following quality standards for operational and environmental excellence: ISO 9001, ISO 14001 and OHSAS 18001.

## The Vision

Autoport offers yard facilities covering 160,000 sq metres with an additional 60,000 sq metres expansion capacity. It encompasses state-of-the-art office premises, two extensive berths, the very latest handling equipment, and features security systems that meet international standards (International Ship and Port Facility Security – ISPS).



## The Challenge

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Apart from its superb infrastructure, Arkas has recruited to Autoport a highly professional, well trained team with specialist experience in finished vehicle logistics, and has implemented iTracks, the industry's leading software system, to deliver maximum operational efficiency, control and visibility across all processes for manufacturers, 24/7 real time reporting and excellent value for its customers.

"For many Europeans in particular, Turkey is recognised as an important region for automotive imports and exports, but can be something of an unknown quantity," comments Ozgur Kalelioglu, Director Port Services, Arkas Holdings.

"Our vision was to establish a facility of the very highest quality that met European – and international – standards, but which was also geared to navigate efficiently through local customs and other market or culture specific requirements. The creation of Autoport represents a multi-million dollar investment by Arkas, which is testament to our commitment to becoming the terminal of choice in Turkey for all automotive manufacturers, shippers and distributors for the future.

## The Challenge

The key challenge for Arkas was to be able to offer manufacturers a real alternative to the established terminals, which are not designed specifically to handle cars – but rather, a mixture of containers, cars and other cargo. Arkas observed that existing terminals, whilst relatively cheap to use, offered often inefficient, disjointed services with little or no transparency of process or control of movements, and high risk of damage. Results for car manufacturers included increased potential for significant costs associated with damage rectification, together with a lack of visibility, leading to scheduling and planning headaches for distributors and dealers.

Arkas recognised that an effective and purpose designed IT system would be essential at the heart of a workable alternative, key to delivery of the visibility, efficiency and control in car handling currently lacking in the Turkish finished vehicle marketplace. The company looked initially to Europe to benchmark, visiting Germany, Holland and Belgium, distribution hubs and European gateways for the automotive industry.

In particular, Arkas looked closely at the operation of Broekman Group's Terminal in the Port of Rotterdam. "We already enjoyed a strong relationship with Broekman; both companies are agents for Grimaldi," Ozgur Kalelioglu explains. "One of the largest vehicle importers and distributors in Europe, Broekman handles over ten different brands and processes volumes of up to 250,000 vehicles per annum. We were interested to understand how their IT systems underpinned the entire operation and see at first-hand what benefits it could deliver to customers. Of course, Broekman has completely replaced its previous system with Vehnet's iTracks software, which although not yet live at the time of our visit, was deeply impressive."

## The Solution

Having looked at three competitors, Arkas was convinced that iTracks, strongly endorsed by Broekman and described by Ozgur Kalelioglu as 'the industry standard', was the right choice for Autoport.

"Flexibility was our top priority," he recalls. "We needed to know that as the scope of our operation changed, the software could be adapted and extended to meet increased expectations. In our view, investment in the best possible system was worth it to ensure that we had the future flexibility we required."

For instance, the system is already configured to include PDI, says Vehnet Managing Director Steve Jones. "This can be activated within a very short time scale, because the appropriate modules already exist and can be easily added to the core system," he explains. "iTracks is also set up to handle different messaging formats, enabling Autoport to link smoothly and easily with manufacturers' individual systems, providing information without compromise on quality."

The system, which has been built to Arkas' specifications using Vehnet's existing iTracks 'builder' modules, features well proven mobile technology for managing the yard. From routine maintenance to authorisation, customs clearance, discharge and storage optimisation, all yard activity is part of a highly controlled process.

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iTracks controls the back office at Autoport too. Compatible with local transport companies and with customs; it meets Turkish legal requirements for handling payments in multiple currencies, and ties into SAP accounting packages to handle bills of lading and bookings, calculate storage and handling fees, and create invoices. “iTracks also enables internal performance to be monitored and measured, supporting Arkas in delivering a streamlined, very efficient and cost-down driven process to customers,” confirms Steve Jones.

Delivering the product was a complex process, he adds, involving an initial phase of intense scoping of the project, with Vehnet working to fully understand exactly what was required. Thereafter, the company produced a series of prototypes for testing, further refinement and testing again, ultimately reaching a solution that proved a perfect fit for the business.

Reflecting on the process, Ozgur Kalelioglu confirms, “Vehnet understood our ambitions for Autoport very clearly, and worked with us every step of the way to ensure there were no mistakes and no oversights.”

## The Future

Arkas is an outward looking, progressive company – a Turkish company with a world vision and a determination that Turkey should offer car manufacturers, shippers and distributors the same high standard of service offered elsewhere across Europe. This alone sets Autoport apart from its competitors, but the future is brighter still for the landmark terminal.

As the green agenda gathers pace, Autoport’s strategic location makes it the perfect point of entry and exit for car manufacturers and distributors, particularly as reducing mileage, reducing carbon emissions and reducing costs all become increasingly important. Although Turkey is historically an economy based on trucking, where high mileage and consequent carbon emissions have not been key considerations, the green writing is clearly on the wall as the country moves towards integration with Europe. Those responsible for supply chains throughout the EU are increasingly focused on measurement and reduction of carbon emissions and environmental accountability is surely coming.

“Traditionally, established ports have attracted business based on habit and lower cost,” concludes Ozgur Kalelioglu. “However, the bigger picture is beginning to emerge. The real cost to manufacturers includes high levels of damage to cars caused by non-dedicated, inefficient handling facilities and hidden charges for port services, rising fuel prices combined with greater travelling distances and ultimately, penalties for carbon emission. In all these respects Autoport offers a superior alternative. We have a dedicated facility, with highly efficient and highly controlled processes. Our systems provide transparency - costs encompass all services and there are no ‘hidden extras’; and our location makes us the nearest and most cost/fuel efficient destination or point of entry. Our iTracks system even includes a carbon calculator facility and so, thanks to Vehnet, we are ready and able to face the future with huge optimism and high expectations!”

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