



FILE NOTE			
Matter name:	CC Containers; Port Melbourne Containers; Victorian Container Management & Ors		
ACCC parties	David Hatfield; Luke Griffin; Anna Giannakos		
TRACKIT No	46310; 46062; 46261	File No.	
Other parties	Dr Hermione Parsons – Institute for Supply Chain and Logistics – Victoria University	Note book Ref.	
		Date / Time:	11/8 /2011 - 9:00am
Phone to <input checked="" type="checkbox"/>	Phone from <input type="checkbox"/>	Meeting <input type="checkbox"/>	Other <input type="checkbox"/>

ACCC staff rang Hermione Parsons of the Institute for Supply Chain and Logistics, Victoria University to discuss the relevant industry issues and the notifications lodged by the Empty Container Parks.

Dr Hermione Parsons made the following points:

Background

- Dr Parsons is the Director of the Institute for Supply Chain and Logistics and has extensive experience in land side issues. She has been with Victoria University for 2 years, prior to which she worked for the Port of Melbourne Corporation with a focus on strategic, planning and operational land side logistics issues. Hermione was involved in the management of transport logistics and productivity for the Victorian Government and is currently a Chairperson of the Freight Efficiency Group of the Victorian Freight and Logistics Council.

Empty Container Parks (ECPs) and the Implementation of Containerchain

- ECPs are the most fundamental part of the chain although the significance of the empty container to productivity and natural supply chain competitiveness is not understood. These businesses are considered the poor end of industry and have very low profit margins.
- Historically, ECPs have invested little in IT systems and infrastructure: most yards for example are dirt rather than hard stand etc
- The Containerchain system will provide the most important productivity gains for industry for over 10 years, and this is desperately required to improve the efficiency of Australia's supply chain industry.
- The public benefits that will flow will be significant to the community and will improve the landside logistics traffic congestion and unnecessary truck trips will be reduced.

- Dr Parsons is a supporter of the Victorian Transport Association (VTA) and acknowledges the concerns presented in their submission. However she also discussed that the advantages flowing from this system will be greater than the detriments or concerns raised by the VTA.
- Containerchain will provide efficiency in logistics and an increase in reliability and productivity.
- CTOs are likely to be able to realise operational efficiencies that more than offset the cost of new technology, or its implied changes to current operational practices.
- The strictness of this system, (a time slot rather than notification system) is essential.
- The use of the same IT system and the one interface between ECPS is also essential – different systems would not work due to lack of integration.
- There was substantial fear and push back when the Vehicle Booking System (VBS) was introduced but it is now accepted and fundamental to efficient operation.
- The concerns expressed by the VTA are transitional and relate to the fear of change and the introduction of a new operating method.

Counterfactual

- ECPs can not afford to operate for extended hours.
- Although trialled for a short time – the ECPs were not being utilized in the extended hours.
- This option will not provide a solution and does not demonstrate an understanding of the commercial incentives of businesses.
- The industry will not be willing to pay for such a solution (ie, longer operating hours)

Signature: Anna Giannakos		Date: Time:	/ /2011 hours
---------------------------	--	----------------	------------------