



INTERVIEW

PROACTIVE, INNOVATIVE AND FLEXIBLE IN ORDER TO ALWAYS OFFER BEST SOLUTIONS FOR OUR CLIENTS

CATALIN PUTINEANU, MANAGING DIRECTOR, IB Cargo

1 Your company has been successful in a tough economic environment and there is no doubt that this can be attributed to a thorough understanding of markets and trends. Where do you think the global economy is heading right now and what would be the opportunities for your company?

In the global economy we see a slowdown mainly due to the growing risk of trade tensions and worldwide political instability. We'll see next years how Romania will be impacted but as an emerging economy I see it vulnerable to a potential downturn of the global economy. IB Cargo was founded in 2008, right before the economic crisis hit and since then, every year we grew through reliable service, flexibility, promptitude and innovation. We manage to build our portfolio of clients in order to have the appropriate mix of industries and for the moment we don't face any significant slowdown. The opportunities for us lie in maintaining our current

services and developing new ones. We look into entering the logistics market, as the warehousing business could be a natural step forward for IB Cargo.

2 I noticed you are comfortable with double digit growths year after year, especially in times of economic crises. What is the secret behind your achievements?

Our approach is about building strong partnerships. We don't just move the cargo from point A to B, we deliver our clients a complete solution for their shipping and logistics needs. We are prompt and flexible, have a network of like minded agents worldwide and along with having in portfolio a mix of industries, we consider this being the "secret" behind our achievements. Our focus is not the double or single digit growth but to make sure we address in due time the specific needs of our customers from various industries both during their peak and the slack seasons.

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3. In light of the signs of a slowing economy and the real possibility of an incoming economic crisis, what are, in your opinion, the perspectives for logistics businesses, in general, and IB Cargo in particular?

The perspectives for the shipping and logistics business are not that bright. If we look at different segments we see the air cargo industry facing strong headwinds as a result of the trade war between US and China and a 1% lower global trade volume compared to a year ago. The latest reports from the International Air Transport Association (IATA) are showing August 2019 was the tenth consecutive month of year on year air freight volume decline. That's the longest period since the 2008 global crisis. According to Drewry, the ocean freight sector Asia to Europe appeared to have benefitted from the US- China trade war reporting a 5.9% increase of the demand in the first 8 months of 2019 compared to the 2.9% increase in 2018. However, the container freight capacity growth has now outstripped demand growth; that led the container carriers to face a strong pressure on the freight rates which have lost a quarter of their value in the past month.

IB Cargo will continue to be flexible, follow the market trends and adapt to the new demands of the air and ocean sectors. The domestic and international road freight had a stable growth this year and we expect the same growth of over 10% for the next year. We are looking into entering the supply chain (warehousing) market where we expect to be an active player by 2021.

4. What are your goals for 2020 and what will be the main challenges for the next 3 to 5 years? Do you have any specific plans to address these challenges?

Our industry is very dynamic and the challenge, as always so far, will be to continue to be a reliable transport solution provider by understanding the

markets we are active in and by proactively addressing our customers needs.

5. What are the most innovative products that you are offering and what are your plans for the following years (in terms of innovation)? Can you name one which you think will disrupt the logistics industry?

In our area the innovation depends on the clients' needs. The companies that are working with us have the peace of mind and the time to do what they know best, because IB Cargo is taking care of their transport needs. We offer one stop shop transport solutions by air, sea – both full container and groupage, road, time critical, all formalities, buyer's consolidation. The new trend is the digitalization of freight forwarding, but in my opinion in this industry it will be difficult to replace the human interaction. The digitalization will offer a better client's experience and IB Cargo is working on this.

6. What is the most valuable lesson you, as head of a leading logistics company in Romania, have learned throughout 2019? Based on this, what will be the best advice you can give to people working with you?

Not only from 2019, my best advice is to always keep your promises, put passion into what you're doing, cultivate and nourish a win-win culture/ environment with all the parties connected to your business -customers, colleagues/employees, suppliers.

7. What is the most important thing businesses should pay attention to the most in 2020? What are you doing to address it?

Fast update. Everything happens very fast: evolution of global trends, developments in all the areas, end users needs. We are proactive, inovative and flexible in order to always offer best solutions to our clients.