

Continued growth

The Nacora Group has sustainably developed against the downward trend in the insurance market and is continuing to expand its network.

Dr. Weber, you have been at the head of the Nacora Group for three years. What picture did the Nacora Group present when you took over its management?

In the summer of 2005 I got to know the Nacora Group as a network of nationally operating brokerage companies distinguished by high profitability, a highly committed workforce and a good market position in the field of marine cargo insurance. In a number of countries Nacora was also a respected player in other areas of the insurance industry.

What were your main objectives?

To speed up the organic growth of the Nacora Group and press ahead with the expansion of the network in order to make a substantial contribution to the business results of our parent company.

And how has Nacora developed under your leadership?

In the past few years, on average we have achieved double-digit growth. This applies both to gross profit and to net earnings. Over these years the insurance market has been on a downward curve, so the Nacora Group has clearly moved against the trend. In 2005, our network spanned 28 locations in 21 countries. At the end of 2008 the plan is to have 48 offices in 32 countries. We have vigorously expanded the transport insurance business. For the Kuehne + Nagel Group, for instance – a very important marketing channel for us – we have developed two insurance products which can be offered exclusively to its customers. We

have also stepped up our efforts to sell transport insurance to other companies.

How does this segment look in terms of growth potential?

The potentials for growth are still excellent. Here globalisation is undoubtedly a strong motivating force. But transport insurance is a small niche and will remain so in future. For that reason we need new growth areas.

Which?

By strengthening our marketing efforts, we want to gain commercial clients in the local Nacora markets. That hardly sounds spectacular, but takes on a completely different dimension if one considers that Kuehne + Nagel has roughly 300,000 customers all over the world.

And Nacora is now focusing on these?

Only up to a point. Many of Kuehne + Nagel's customers are simply too big for the Nacora Group. However, our analyses have shown that between 15

and 20 per cent of the customers are also of interest for our Group and could be served by it.

So we are talking about 45,000 to 60,000 potential customers. How many customers does Nacora have at present?

We have between 75,000 and 85,000 customers all over the world. The majority are companies who use the services of Kuehne + Nagel and other forwarders for the transport of their goods and insure them through Nacora. We also have many individual customers as a result of the staff insurance business, and a total of 4,000 to 5,000 commercial clients who insure with us.

How do you expect the Nacora Group to look in three to five years?

We have very ambitious aims for the years ahead which cannot be achieved solely by organic growth. We are therefore looking for suitable acquisition targets in the different markets.

NACORA

International Insurance Brokers

Nacora, a wholly-owned Kuehne + Nagel subsidiary, is an independent insurance brokerage group with worldwide operations. Its activities concentrate on the fields of commercial insurance and cargo insurance. Its focussed strategy provides a substantial competitive advantage and is enabling the Nacora Group to steadily expand its network, which now comprises 29 national companies with 43 offices on all continents. Tailor-made insurance solutions are offered to customers from trade, industry and the public sector.

Just as important as growth, however, is to expand and further develop Nacora Group's range of services. In many countries its activities are still too focused on marine insurance. We want to change that by putting ourselves in a position to offer the complete range of insurance services as brokers on a worldwide level.

The logical next development step is to offer customers more international insurance programmes. What very few people know is that one of the world's biggest brokerage networks belongs to the Nacora Group.

Chile's agriculture minister stresses importance of Kuehne + Nagel

Marigen Hornkohl, who was recently appointed minister of agriculture in Chile, visited the Kuehne + Nagel booth on the first day of Fruit Logistica in Berlin. She took the opportunity to stress the importance of the company for the export of agricultural products from Chile. She was accompanied by Reinhard R. Kuetter (2nd from right), Chile's honorary consul in Bremen and general representative of Kühne + Nagel (AG & Co.) KG. At the stand the two visitors spoke with Frank Ganse (1st from right), Global Director Reefer Logistics, and Pablo Novoa (1st from left), Reefer Development Manager Chile.



ishables team, which was represented with its own sea- and airfreight specialists from the relevant key markets – besides Chile, also Argentina, Brazil, Egypt and Peru.

As the leading fair for the international fruit trade, Fruit Logistica is naturally an important platform for Kuehne + Nagel. Visitors showed a lively interest in the services of the logistics provider on all three days of the fair. Expertise in every respect was shown by the Reefer & Per-

In this relatively new business segment – the company did not make its strategic entry into the reefer market until 1999 – Kuehne + Nagel is able to report significant growth in volume year after year. Its aim is to establish itself as the leading logistics provider in this market.

Focus on strategy

Meeting of specialists in Los Angeles: The 3rd Global LCL Meeting focused its attention on the strategic development of one of the most important seafreight products within the Kuehne + Nagel organisation: the Less than Container Load service. The company's own LCL network will be increased, and with the establishment of new LCL gateways in Dubai, Singapore, New York, Linz and Gothenburg, along with other gateways currently in the planning stage, the offering will be extended to more than 280 direct LCL services and over 5,000 routes via gateways.

