

IT STARTED WITH A WISH

Jens Anker from Marvesa and John Kraakman from Koole tell *Tank Storage Magazine* about their partnership and future plans



Credit: Frank van Brenk

IN DECEMBER 2020, Dutch oils and fats company Marvesa and terminal operator Koole Terminals announced that they had signed an agreement under which Koole would build and operate a new 80,000 m³ tank terminal in Rotterdam in the Netherlands, for Marvesa.

For Marvesa, the partnership with Koole was a brand new step. Marvesa began 11 years ago, and produces edible oils and fats for the animal feeds industry. It develops nutritional blends for farm animals to improve health and performance, and has its own research and development department. The company started small, in Rotterdam, before the acquisition of another company, Noba, led to a move to Amsterdam. It now also has a shipping company and a number of trucks, giving it control over its logistical operations. Up to now, it has leased tank space with fairly standard agreements from third parties.

'The collaboration with Koole started with a wish,' says Jens Anker, business development, at Marvesa. 'We do not own our tanks and we wanted to have a little more control of our terminal operations. We were looking as we were growing for a more partner-type relationship than the customer-type relationships that we currently have, so Bart de Bruycker [Marvesa CEO] and I started looking for an opportunity to develop.'

FINDING THE RIGHT PARTNER...

In mid-2019, initial conversations with possible partners started, and when Koole joined the process, it was clear that they were going to be a great fit.

'In the feed industry, our products effectively go into the food supply chain, so safety is very important for us. We're quite strictly regulated and we needed a partner that understands that. Sometimes companies that are active in other industries than food or feed don't really understand the importance of safety and a partner that does understand that, it makes the whole conversation so much easier. Koole do understand that,' says Anker.

Marvesa had an existing tank rental relationship with Koole. When discussing the possible new venture, Anker says the two companies really took their time to go into the details of the partnership and what the terminal would look like, something he believes was the right decision. The understanding of the business was not the only benefit of the tie-up with Koole. Another was the location of the terminal in Rotterdam, rather than Amsterdam.

'Supply chains for oils and fats globally don't naturally come to Amsterdam first. Logistically supply lines usually go through Rotterdam. If we chart our own boats, then we can obviously get the boat to Amsterdam, but for smaller

parcel freight, Rotterdam is the usual port. It presented for us really significant logistical improvements,' says Anker.

Culturally as well, the companies are a good fit, according to Anker, making discussions and planning much easier.

'This is the first time we've done something like this. We rent tanks but we've never been involved with development from the start. Obviously Koole develops it and it's their terminal, but it will be state of the art, tailored to our needs, with also the feed safety aspect and logistical flexibility,' says Anker. 'It's similar to previous agreements in the sense that we will not own the terminal, but it's not similar in that we will not be the third or fourth customer that has something to say. They will own it but we will work together in making sure everything is right. We will be close by with our office. The intention is to make this a long-term movement, so we will be looking for synergies on both sides.'

The fully dedicated pipelines means that all the goods in the terminal can be kept completely segregated, and crucially, that every drop of product is fully traceable.

'The design is fully geared towards cleanliness and food and feed safety. The setup of the terminal with dedicated pipelines is a novelty for the feed industry in any sea port and, in a way, an insurance policy for us and our customers,' Anker says.

...AT THE RIGHT TIME

For Marvesa, it felt like the right time to try something a little different. Having started as a company that supplied fats and oils, it now also has trucks and a shipping company to better control its own supply chain. The partnership with Koole is another part of the company's overall plan to fully integrate the supply chain, all the way from source to customer.

'Improving our logistical proposition, which this does, can propel us forward. We now may be the smallest of the big ones, but we want to be that, rather than the biggest of the small ones, in comparison to the competition,' says Anker.

A GOOD OPPORTUNITY

John Kraakman, the CEO of Koole Terminals, says that the partnership with Marvesa fits in well with Koole's own business strategy, which is to be well-positioned within various supply chains. The company has a number of storage contacts with other companies, including with Olinex at its Pernis, Rotterdam terminal for edible oil, and distributes energy products for oil majors like BP and Shell. Koole handles renewable diesel and gasoline, as well as hydrotreated vegetable oil (HVO) for Neste. For Maersk, Koole refines crude into shipping fuels and blends it with biocomponents. With Marvesa, it has a place in the animal feed supply chain.

'We have quite a firm position in storing and distributing non-hazardous, non-

mineral products. This is a long-term agreement that we have signed with Marvesa in a market segment which is quite resilient. For us this is a good opportunity to move forward. We are convinced that with this new terminal we're in the best position for the supply chain of these products. That's an important element, that you have an optimised logistical concept and I think that's what we can do over here. It's a great opportunity for us for long-term cooperation at an honest, sustainable level. It's an interesting proposition for us,' says Kraakman.

BACKGROUND

Koole is nothing if not diverse. It stores, handles and ships foods, biodiesel, base oil, oleochemicals, gasoline and gasoline components, ethanol and gasoil, amongst others. The company was originally founded in 1943 as a one-man operation transporting edible oils. Over the next three decades it grew to be quite a large river barge company. In the 1970s Koole bought its first terminal in the harbour of Zaandam in Amsterdam. Later, when Van Ommeren and Pakhoed merged to form Vopak, around 2000, Koole bought a vegetable oil terminal in Rotterdam, which Vopak had been forced to sell for competition reasons. With the acquisition of another vegetable terminal in Pernis, Koole began to move away from barging and more towards the terminals side of the business.

In 2010, the owners sold 70% of Koole to a private equity company, which allowed more expansion, before another private equity company bought 100% of the company's shares in 2015. Fast forward to 2021, and Koole has 12 barges for inland shipping, three coasters for maritime shipping, a tank truck loading rack and nine terminals. Kraakman says the company specialises in smaller-scale cargoes and different modalities.

'We can handle sea going vessels, river barges, coaster vessels. We have train connections in our terminals and every day hundreds of trucks visit our terminals. We handle all the different modalities in a highly automated, efficient atmosphere. We differentiate ourselves with the flexibility,' he says.

And the company is still expanding and venturing into new areas.

'Last year we took into operations a refinery for the production of renewable jet fuel in Rotterdam, together with Neste. It's a splitter, splitting renewable diesel from renewable jet fuel. Unfortunately, due to Corona, there's not a lot of jet fuel consumption currently, but we're convinced that we can step in as soon as the airlines start flying again and using more renewable jet fuel,' says Kraakman.

BEING IN THE RIGHT POSITION

Markets are shifting. Kraakman is noticing that traders and producers are consolidating their market position and oil refiners are closing older, smaller assets in Europe.

'It's more important to be in the right position in the supply chain,' he says. 'The trend of exporting gasoline from Amsterdam to the US market has really changed over the past couple of years. We see movement in the appetite in the market for terminals – it's not that high anymore. It's challenging on the mineral storage side.'

The biggest growth in demand that he is seeing at the moment is for the storage of feedstocks for renewable energy products related to the energy transition. Koole, therefore, is very much looking at sustainability in its future.

'We are working in close cooperation with partners in the circular economy, for example turning plastic waste to oil. We're looking into the storage of ammonia and hydrogen because that's potentially an activity for us in the distribution of energy products,' says Kraakman.

Koole is also building. The new terminal for Marvesa will be built adjacent to Koole's Botlek terminal in Rotterdam, but Koole will also extend the existing terminal for its own use.

'We are doubling the storage capacity for products in relation to the energy transition, whether feedstock or finished products. We are constructing 80,000 m³ for Marvesa, but we are in total constructing 150,000 m³ on the site,' says Kraakman.

Overall, despite noting some pessimism amongst storage companies at the moment, particularly related to the storage of mineral oils, Kraakman is very positive about the future of Koole and the industry.

'If I look where I am with my company, with partnerships in different directions, I think we have a great future. You need to sit straight up and try to look where we're heading to as a society and take responsibility for it. It's probably not always that easy but it's at least very motivating,' he says.

For more information:

www.marvesa.com
www.koole.com



- 01 A Marvesa tanker drives past a Koole barge
- 02 Jens Anker
- 03 John Kraakman