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▶ A Weighty Decision out of Leipzig for Leipzig/Halle



The May 20, 2005 ruling of the Federal Administrative Court paves the way for a development at the Leipzig/Halle Airport that will be important for Germany and Europe. Our export-oriented industries depend upon high-performance transport chains to maintain their global competitiveness, particularly in terms of aviation. Given the increasing bottlenecks in this area, the fact that this expansion project has been approved will be instrumental in ensuring the growth of our industries and associated services. Ultimately, it will also help secure our social structures.

Volkmar Stein, the CEO of Mitteldeutsche Flughafen AG (Central German Airports Group)

The ruling of the Federal Administrative Court held that the public interests in favour of expansion were so weighty that it was reasonable to require those opposing the expansion to accept the noise from air traffic. But, we still take the concerns of people living in the vicinity seriously by involving them in the planning process. The project approval authority also did its bit by imposing conditions on the airport not seen anywhere else in Germany. The urgent ruling of the Federal Administrative Court expressed how important the needs of the people living in the vicinity were. And, without reasonably taking their concerns into consideration, the airport would not be able to carry on its traffic work in the long term. As a final check, the court is reserving itself the right to scrutinise the work done for passive noise protection in the principal proceedings. After all, one tenth of the total investment earmarked for extending the airport goes to environmental and noise protection.



In spite of all the satisfaction about the affirmative decision for the Leipzig/Halle Airport, there's still a lot to be done before DHL will be able to operate its global network as a home carrier from Leipzig/Halle. Even though all of the preliminary work will have to be completed by 2007, there's one thing that's having an impact even now: Relocating DHL to Leipzig is stimulating sustainable development in the region. The logistics business is one of the sectors in Germany with a major growth potential. It will not only be the enterprises of the Central German Airports Group who will profit from DHL's decision to relocate here. It will be good for the entire Central German region. And this doesn't just mean the 3,500 direct jobs, but the many other jobs the express company will be creating at the Leipzig/Halle Airport in the medium term. Finally, the fact that DHL opted for Leipzig/Halle will show the way for other companies in this sector and provide a template for industrial relocation here. Expert reports call for 100,000 more jobs in the logistics sector in Central Germany by 2015. This spells out a key investment for this region to transform it into a first-ranking logistics location.

Your Volkmar Stein

► Federal Administrative Court Gives Green Light The New South Runway Project Can Start

There's nothing else standing in the way of the Leipzig/Halle Airport expanding to become a hub in international air freight handling. In its summary proceedings on May 20, 2005, the Federal Administrative Court rejected the petition of several persons living in the vicinity of the airport for imposing a temporary stop to building work. With this ruling, the court is paving the way for expanding the airport and making it a freight handling hub for DHL.



This ruling gives both the Leipzig/Halle Airport and DHL, the subsidiary of the German Post-Express, the reliability they need to speedily make use of the permission of the project approval for building the new south runway. That's how Eric Malitzke, Managing Director of the Leipzig/Halle Airport GmbH, sees the court ruling. This is the Federal Administrative Court's confirmation of the project approval from the Leipzig Regional Council [Regierungspräsidium Leipzig] on November 4, 2004 that was the starting signal for setting up Leipzig/Halle as a freight handling hub for DHL.

Simulation: the new travelcross in the 2008

The next step will be clinching the deal. The airport company and DHL are in the final negotiating stage on the agreements and the initial large-scale earthworks in double-digit millions will be able to get started.

That will give Deutsche Post World Net at Leipzig/Halle Airport the green light for building the European hub for DHL, its express and logistics subsidiary. The Federal Administrative Court also confirms that there is a need for expanding the Leipzig/Halle Commercial Airport into a pivotal node in air freight traffic including night flying operations.



The Federal Administrative Court also confirmed the ruling of the project approval authority that the turn and expansion in the south runway is needed for handling the expected air freight volume.

For information on the grounds for the ruling: www.bundesverwaltungsgericht.de

▸ Leipzig/Halle Airport – The Driving Force behind Central Germany's Economy

The Leipzig/Halle region has excellent chances for transforming itself into a booming logistics region. Analyses call for 100,000 more jobs to be created in the logistics sector by 2015 in this area.



This region definitely has the right stuff, given the car manufacturers BMW and Porsche in Leipzig and the major mail-order companies of Quelle in Leipzig and Otto in Haldensleben near Magdeburg, without forgetting the chemical and petroleum industry in Saxony-Anhalt. DHL's air freight terminal at the Central German airport could be instrumental in creating 10,000 new direct and indirect jobs. The latest example of its attraction is Rossmann, the chain of chemist's shops, wanting to control its entire future logistics operations for their discount business from Landsberg near Halle.

Reinhard Schröter, manager IHK Halle-Dessau; Eric Malitzke, manager Leipzig/Halle airport; Ingrid Häußler, mayor city of Halle; Michael Reinboth, project manager for the European air freight terminal; Hans Jürgen Krahl, manager of the Construction Engineering Department

Eric Malitzke, Managing Director of the Leipzig/Halle Airport GmbH, thinks Saxony and Saxony-Anhalt will have to join forces to develop and market the region as a logistics location.

The local construction industry will also profit from the European air freight terminal of DHL, the subsidiary of the German Post-Express, at the Leipzig/Halle Airport with contracts in planning and construction work. Halle's mayor Ingrid Häußler believes that the airport has already transformed itself into this region's foremost employer because it's becoming increasingly attractive for potential investors. After DHL announced that it was going to distribute and send its packages from Leipzig/Halle starting in 2008, another global company is opting for Central Germany, the world's largest computer manufacturer DELL from Texas in the United States.

Expansion will bring new opportunities for the construction sector

Expanding the south runway will tap new market opportunities for companies from the region. Just one look at the north runway at the end of the 90's bears out that forecast. As Eric Malitzke says, 77 percent of the contracts for building the north runway went to companies from Germany's new federal states with 44 percent staying in Saxony and 21 percent in Saxony-Anhalt. The Leipzig/Halle Airport has been a gigantic construction site since the Wall came down and he's sure it will stay that way in the future.



In the coming years, the airport and its shareholders will be investing 350 million euros just in the new 3,600-meter south runway, building taxiways and the freight apron including de-icing facilities. And, as the Managing Director adds, building the new south runway will be one of the largest construction sites in Central Germany.

The dimensions of work at the south runway and the apron are colossal. Klaus Jürgen Krahl is the manager of the Construction Engineering Department and he outlines the envisioned construction activities. He is operating on the assumption that 200 contracts will be awarded for a total volume of ranging between 70,000 and 30 million euros. Beyond this, smaller construction lots offer good opportunities for small businesses to profit from the awarding process. Expenditures of 30 million euros are earmarked just for noise protection alone.

About five million cubic meters of earth has to be moved within the airport zone for creating the air traffic zones and 40 kilometers of drainage sewers for the two separate systems for summer and winter operation.

Double-Digit Growth Rates in Air Freight

Michael Reinboth, the project manager for the European air freight terminal, said the aviation sector is one of the global growth industries at a forum of the City of Halle, the Halle-Dessau Chamber of Industry and Commerce and the Saxony-Anhalt Chamber of Engineers. The reason for this is the fact that air freight has double-digit growth rates. It is reasonable to assume similar growth in the coming years.



Reinboth pointed out that DHL's prior location in Brussels doesn't have any more growth potential and it even had to interfere in the concerns of the airport that services 17 million passengers every year. DHL is anticipating long-term planning reliability for 30 years and far beyond at the Leipzig/Halle Airport.

DHL itself says it wants to invest 300 million euros in the air freight terminal envisioned at the Leipzig/Halle Airport. Reinboth also unveiled that 80 percent of building services will stay in this region with DHL's first

Picture of the forum at the airport

calls for tenders being initiated as early as in late summer. This global company will be setting up its European node and co-ordinating the flows of commodities in Leipzig/Halle.

Michael Reinboth compared the terminal with the hub of a bicycle wheel. The spokes of the wheel come together in the middle, which would be the flows of commodities at DHL. He called the permission to work around the clock at the Leipzig/Halle Airport vital to his company and their decision to come to Central Germany.

Major Interest for Jobs at DHL

As many as 4,000 new jobs will be created at DHL for building the final phase and more than 17,000 people have applied for their jobs in the air freight terminal. The first workers will be hired this year.



There will be 800 to 1,000 jobs on the apron for loading and unloading aircraft where there will be room for at least 50 aircraft. But there will be just as many jobs in the freight sorting centre where 160,000 shipments will be sent on their way every night. 60 to 70 percent will be automatically sorted and the rest by hand while 140 to 180 service technicians will be maintaining the 50 aircraft. Beyond this, there will be about 200 expeditors.

As Reinboth announced, they will also be building a hangar at the Leipzig/Halle Airport where the mechanics will be servicing aircraft while DHL will also be needing the envisioned train station for transporting kerosene.

▶ PortGround is Enhancing its Customer Service

Since the onset of this year, PortGround has been taking great efforts to roll out its new freight processing system. They opted for LH-Systems because their ELWIS system is already being used at various European locations and because it enables PortGround to rise up to the challenges posed by the market.

It will make freight processing faster and even more efficient and that's something PortGround's customers and business partners will profit from. Rolling out ELWIS will simultaneously be changed over to the new ATLAS customs processing system so they will be able to guarantee all associated customs services as their customers expect.

PortGround will not only be featuring classical air freight processing, but also offering its customers a myriad of additional services. One of them is direct pick-up or delivery at customer request.

The freight volume development has been very gratifying in 2004 for PortGround GmbH, burgeoning to far more than 30 percent. Not only that, their customer portfolio has expanded.

You can get more information on PortGround at their new website under www.portground.com.

▶ The South Freight Centre is Taking Shape at the Leipzig/Halle Airport

A new phase in construction work has commenced at the airport with the major investments made recently at the Leipzig/Halle Airport building the north runway and the central terminal. They have had approval for their plans for the South Freight Centre since November of 2003 and they have been involved in development since April. The south portion of the airport area is slated to make space available to freight and logistics companies. Eric Malitzke, Managing Director of the airport company, cites 23 hectares allocated to building on the side opposite the airport and 13 hectares on the air side.



The Laucha-based Melioration, Straßen- und Tiefbau GmbH from Saxony-Anhalt has launched initial work in this zone with its 180 employees. It is scheduled for completion by fall of 2005 and as much as one-third of the apron zone will be finished by November of 2005. This area will offer room for parking as many as six Airbus A 380 aircraft.

The Managing Director pointed out how accessible the future freight centre will be to traffic routes since it will be directly connected to the B 6 Federal Road, the A 14 Motorway from Dresden to Magdeburg and the A

9 Motorway from Berlin to Nuremberg. The freight centre will even have its own rail connection.

▶ Leipzig/Halle Airport Got 1.8, Giving it a Great Image

Passengers and travellers think the Central German Dresden and Leipzig/Halle Airports are great. The Dresden Airport already got good marks from its customers. Now people are testifying to the good image of Leipzig/Halle Airport that's located on the border between the German states of Saxony and Saxony-Anhalt.

The Leipzig-based Institute for Market Research took its latest survey of 2,233 people at the airport and it indicated that 92 percent of them said their overall impression was one of approval (giving it average marks of 1.8). This survey was taken among 1,825 passengers and 408 visitors in the winter and summer season of 2004. They were polled on their attitudes about how clean the airport is, finding your way around it and how easy it is to get to the airport and park there.

98 and 96 percent of the persons surveyed respectively would recommend the Leipzig/Halle Airport to their friends or use it again as a departure airport. According to the survey, they also waxed lyrical on such things as the state-of-the-art ambience and the ease of reaching the airport.

▶ Digging Deep into the Past to Uncover the Future – Archaeologists Discover Ancient Settlement

Schkeuditz – The scheduled new south runway at the Leipzig/Halle Airport revealed what had been hidden for years. The region around Leipzig was settled in ancient times. Archaeologists of the Saxon State Office for Archaeology carried out excavations where they discovered traces of Bronze Age settlements, medieval findings and brought an early Stone Age settlement to light with the ground plans of eight houses measuring up to 30 meters. That's what Judith Oexle said, Saxony's state archaeologist. Archaeologists estimate the age of these settlements at 5,000 years before Christ.



Since mid-August of 2004, 80 persons working at the State Office for Archaeology have been combing through an area of 300 hectares where the new expanded runway and South Freight Centre will be built. This area was developed in 4 m wide strips 16 meters apart. As Oexle pointed out, there were detailed excavations in zones with major archaeological findings producing more 2,000 documented objects by April.

Experts say the discovery of one of the greatest grave fields from the early Stone Age in Central Germany in the immediate vicinity of the settlement is a major sensation. They uncovered 30 graves, 19 buried bodies, 2 cremation sites and 8 graves where bones were no

Tombräuder
discover treasure

longer found. In spite of the very high child mortality at that time, there was also a noticeable lack of children's remains.

The condition of the other bones found was very precarious, which is why the highly sensitive skeletons were immediately removed and transported to Dresden. The excavators wore gloves and masks over their mouths when recovering the remains to make sure they didn't distort the material for later DNA tests. Susanne Friedrich remarked that it's a real rarity to recover such an extended field of graves, and she ought to know because she was the director of excavations. The ceramic found in the graves enabled them to precisely date the finds, placing the field of graves in the same time as the well of Plaussig 5259/58 years before Christ.

www.archsax.sachsen.de

► Major Fest at Dresden Airport's 70th Anniversary

Aircraft with business travelers and tourists have been taking off and landing in Dresden for seven decades.

The airport company will take the occasion of this anniversary in late summer to look back upon the past 70 years and take a peek into the future of this burgeoning Eastern German aviation location. They will be staging their great airport fest at the Dresden Airport on September 17th and 18th where they're expecting upwards of 50,000 visitors.

To be completely accurate, the history of the Dresden Airport didn't begin in fall, but in summer of 1935. The new airport was built just outside of Dresden and the first passenger planes took off/landed on July 11 after just one year of planning and building.



▶ Private Economy

▶ Saxony on Board of Airbus A 380

Saxon companies are prime component suppliers for the European Airbus A 380 Project. Five years ago, the entire Saxon aviation and space sector set up a network and since then a dozen enterprises from Saxony have put forward their work to advance the success of the world's largest aircraft. It had its maiden voyage at the end of April.

The A 380 will be put through its paces at the Dresden-based Elbe Aircraft Docks (Dresdener Elbeflugzeugwerft) in the next couple of months making the superaircraft go through the normal life of an aircraft in just twelve months. Then the electroplating coating for the A 380 will come from the German company Nehlsen, the Seiffenhensdorf-based Olautex will deliver the carpeting and the Mittweida-based Cotesa will supply the doors and floor troughs for the toilets inside of the aircraft (incidentally, not just for the world's largest aircraft, but also for all other Airbus models). This Saxon company is among the dozen-odd German fiber-composite companies that have been licensed for aviation.

▶ Dresden Ranks Best among Eastern German Cities

In a run-off among German cities, Dresden made it to an impressive 30th place. Dresden is the state capital of Saxony, making it the best among the Eastern German cities in this ranking. The New Social Market Economy Initiative (INSM) analyzed 120 economic and structural indicators such as productivity, gross income or investments in the 50 cities with the largest populations in Germany together with the German magazine WirtschaftsWoche. Munich beat out Frankfurt am Main, Stuttgart, Mainz and Düsseldorf in this competition.

Klaus Methfessel, the assistant editor-in-chief of the German magazine WirtschaftsWoche, made the following remarks on these results: „There are two peculiarities along with the unchanged top five rankings. Barring Dresden, the cities from the east of Germany were all in last place“.

The scientists at IW Consult GmbH calculated the overall index, half of which consists of the stock and dynamic rankings. The current data are put into the stock or level ranking, mostly from 2004 including such things as indicators as working income, gross domestic product, the unemployment rate and the number of highly qualified persons, indebtedness and investments per inhabitant.

Dresden had 47.1 points in the stock rankings which put it on number 32, while it had 51.1 points in the dynamic rankings which put it on number 25. That placed it right in the middle of dynamic rankings.

www.insm.de

**▶ The World's Largest Computer Manufacturer is Investing in Halle**

Halle –The Austin, Texas-based DELL, the world's largest computer manufacturer, is coming to Eastern Germany. The DELL Group employs 55,000 persons all around the world and it has plans for creating 750 new jobs in Halle. Paul Bell, the President of DELL Europe announced in Halle at the beginning of May along with Alain D. Bandle, the boss of DELL's German operations, that DELL will be creating a sales and service center with 300 jobs at the end of the current year. Afterwards, another 400 jobs will be created in Halle by 2010.

The computer giant is opening its third location for servicing its customers in Germany after Langen near Frankfurt am Main and Bratislava in the Slovak Republic. DELL sells the computer systems it manufactures in six production plants to its customers directly by phone, fax and internet. That eliminates the middle-man.

DELL is the big player in this sector with 49.2 billion dollars in sales last fiscal year. It's planning on relocating its sales operations for public clients, small businesses and technical support for corporate accounts to Halle.

Investors waxed lyrical about Halle's outstanding access to traffic routes while recalling that DELL will find highly-qualified and motivated workers in Halle. DELL says another decision on building a second facility has still not been made. But the odds look good for Halle particularly because it can cite the important advantage of being close to motorways and the Leipzig/Halle Airport with DHL.

www.dell-in-halle.com

▶ Fraunhofer Institute Founded in Leipzig

Leipzig – The city of German trade fairs has a new Fraunhofer Institute for Cellular Therapy and Immunology. It was set up in Leipzig at the end of April with regenerative medicine topping its research agenda. The scientists are dedicated to the motivation of researching better ways to fight tumors and chronic inflammations.

The project has a price tag of 51 million euros. The Free State of Saxony is giving it a support grant of 34 million euros, the German federal government is funding Fraunhofer Institute to the tune of 13 million euros and the household of the City of Leipzig is topping that off with another 4 million euros.



► Employees Tripled in Twelve Years

Halle – The Halle-based Fraunhofer Institute for Material Mechanics is getting bigger. The construction work for the new institute building began in Halle with the first symbolic turn of the sod at the beginning of May and the institute's associates are scheduled for moving in in spring of 2007.

This Fraunhofer Institute was initially set up with 16 associates in January of 1992 as an outpost of the Freiburg-based Fraunhofer Institute for Material Mechanics for the microstructure of materials and systems. They now have 60 associates and they also supervise 3 dissertations and papers for practical training per year.

Just under 20 million euros is being invested in the new building with 5.6 million going into the engineering equipment. Then it will have a physical laboratory along with other laboratories and offices for 80 associates on 3,200 square meters.

► Leipzig Will Become the Headquarters of the New Central Eastern Europe Center

Leipzig – The Senate of the Fraunhofer Society has decided to set up a Central Eastern Europe Center that's coming to Leipzig.

The German federal government is providing knock-on financing of 1.5 million euros for the current year. 20 persons will find employment at the Central Eastern Europe Center. It will dedicate its efforts to forming and exchanging networks in information and communication in the private economy and culture between Germany and its Central and Eastern European neighbors.

www.fraunhofer.de

► Sparkling Track Record – The „House That Champagne Built“ is Busting All Sales Records

A worker at the bottling department is checking the bottles at the Freyburg-based Rotkäppchen Champagne Producer



Freyburg on the Unstrut River – The foodstuffs industry in Saxony-Anhalt is booming, transforming it into the largest employer in the state's industrial sector. More than 20,000 people work in this area with a total of 5.5 billion euros turnover in 2004.

The Rotkäppchen-Mumm Champagne Producers based in Freyburg an der Unstrut are the company with the highest sales in this industry in Saxony-Anhalt. Gunter Heise, the managing partner and management speaker, calls it the „German house that champagne built.“ It

ramped up its sales, turnover and market share in 2004 again and Rotkäppchen sold a total of 106 million bottles of champagne according to the results for the year. That was upwards of 3 million more than the previous year. Rotkäppchen has locations in Freyburg, Eltville, Breisach and Hochheim.



Rotkäppchen-Mumm-Sektkellereien GmbH earned sales of 341.3 million euros last year with its 304 employees, spelling out a hike of 0.2 percent as compared with 2003. The champagne with the little red riding hood from Freyburg in the south of Saxony-Anhalt produced 65.9 million bottles, maintaining its unmistakable hold on its leading market position in Germany.

In Germany's new federal states, Rotkäppchen champagne is the uncontested number 1 among the champagnes while Heise talked about gratifying growth rates in the west of Germany. Throughout the country, it has a market share of just under 20 percent.

www.rotkaeppchen.de

► Culture

► Fest in Honor of George Frederick Handel in His Birthplace Halle

Monument to George Frederick Handel in Halle at Market Square of the 1,200-year-old Halle



Just like every year since 1952, Halle will celebrate its great son George Frederick Handel with a major fest at the beginning of June. There will be operas to see, concerts to hear and oratorios to experience at the original sites during the 2005 Handel Festival from June 2nd to 12th. This year, this greatest music fest in Saxony-Anhalt will be embodying the theme of „Handel's Biblical Figures“, putting oratorios in the focus of the festival productions along with operas.

1,500 artists are expected from 15 countries during the festival period with musical artists coming from Belgium, Poland, the United States, Africa and New Zealand to the birthplace of George Frederick Handel. Visitors will be able to experience 50 magnificent events at 25 locations.

Last year, 37,000 music connoisseurs from Germany and abroad came to Halle and 70 percent of the tickets were sold out a month before the festival. But it's not only Handel's music that enjoys persistent popularity. More people than ever before are visiting the Handel House where George Frederick Handel was born on February 23, 1685. Today it houses a collection of musical instruments.

www.haendelfestspiele.halle.de

► Görlitz is Still in the Running

The Eastern Saxon city of Görlitz is still in the running for the title of European Cultural Capital in 2010. After the jury of the German Permanent Committee of the Ministers of Education cast its vote for Görlitz and Essen, the state chamber also gave its assent to this proposal at the end of April.

www.goerlitz.de



▶ Leipzig's Bach Fest Enjoys an Excellent Reception

Upwards of 37,000 guests came to this year's Bach Fest in Leipzig with 87 concerts, tours of the city and organ trips that were three-quarters booked. The fest embodied the theme of Bach and the Future and featured classical music, pop and jazz.

www.leipzig.de

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