UPS Launches Technology Company And Platform To Match Merchant Needs With Flexible Fulfillment

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UPS (NYSE: UPS) announced today the launch of Ware2Go, a new technology company and digital platform that matches available warehouse space and fulfillment services with merchants who need to get online orders to customers fast.

The new business augments the company's suite of custom e-commerce solutions designed to support small and medium-sized companies.

"Ware2Go uses innovative online technology to match excess warehouse and fulfillment capacity with merchant demand to provide transparent inventory, order fulfillment and final delivery," said Scott Price, Chief Transformation and Strategy Officer. "We're solving for two major problems: speed to market and efficient warehousing."

Ware2Go recruits and certifies warehouses in strategic locations, establishing a network of vetted fulfillment partners. Merchants can then position products closer to their customers without the need for researching or vetting providers, or making long-term volume and time commitments. Ware2Go's cloud-based platform and solution provides merchants with seamless end-to-end order fulfillment – storage, pick/pack fulfillment and shipping – with guaranteed two-day delivery by UPS. Because Ware2Go manages the relationships with warehouses, merchants get the service levels and pricing they might not receive on their own.

Merchants who use Ware2Go sell online, primarily to other businesses, and want fast, consistent, time-in-transit for shipments. They have few distribution centers and could

benefit from more warehouse space for rent in other areas of the U.S.

According to industry reports, the demand for warehouse space has outpaced new supply since the end of the recession. Rising rental rates, coupled with e-commerce growth, have shifted warehousing from large centralized sites to localized facilities across major markets.

When a warehouse registers with Ware2Go, the platform matches unused capacity and capabilities with merchants. Ware2Go identifies merchants looking for fulfillment services and then on-boards, manages and bills customers so warehouse operators can fill available capacity quickly and easily without sales teams or administrative oversight. Warehouses can expand their customer network with a simplified management platform that provides visibility and invoicing.

Warehouse operators who use Ware2Go already provide small-package pick and pack but may not have a dedicated sales team. They could benefit from working with customers outside their local area.

Here's how it works:

- Customers create an account (as a merchant, warehouse or both) and answer a few questions about their needs or

capabilities.
- Merchants provide details about their products, orders, space requirements and specific regional delivery needs. A portal enables merchants to upload and manage their inventory and orders across the Ware2Go network. The merchant maintains ownership of the inventory and is responsible for getting the products to Ware2Go-certified warehouses.
- Warehouses provide their address and fulfillment services available, and Ware2Go inspects and certifies the warehouse.
- The platform matches warehouses with merchants.
- The Ware2Go platform also provides inventory visibility and tracks order progress for both the merchant and warehouse, streamlining communications.

"The flexibility Ware2Go offers merchants and warehouse operators, especially companies in the industrial, automotive and tech sectors, means they can compete more effectively and profitably in the market," said Price. "Ware2Go leverages the scope and scale of UPS's network to provide an integrated delivery solution to improve management of the order-to-delivery experience."

Ware2Go was launched in July after an incubation process with BCG Digital Ventures, a corporate investment and incubation firm that owns a minority financial stake. The company is headquartered in Atlanta.

Source: UPS