

2017



MARKET INTELLIGENCE

International **Post**
Corporation



MARKET FLASH

A fortnightly newsletter covering the
latest news from the global postal sector



Issue 547

19 January 2017

www.ipc.be

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> TOP STORY

WCA AND ALIBABA.COM COLLABORATE ON CROSS-BORDER E-COMMERCE SHIPMENTS

Logistics network WCA Ltd, Alibaba.com and the B2B business arm of Alibaba Group have announced that they have concluded a co-operation agreement that will see approved WCA member companies integrated into the Alibaba.com logistics platform for cross-border e-commerce shipments.

WCA will provide support in vetting and approving international logistics providers for efficient services for Alibaba.com’s customers. Both companies have agreed to parameters and standards of service and will offer all participants of the programme a protection scheme that includes compensation for qualifying transactions. The collaboration will begin in January 2017, facilitating shipments generated by Alibaba.com’s members to be made to the US, India and the UK.

Source: Alibaba



> AMERICAS

UPS ACQUIRES FREIGHTEX LTD TO ACCELERATE EUROPEAN EXPANSION OF TRUCKLOAD BROKERAGE BUSINESS

UPS has announced the purchase of Freightex, a UK-based provider of truckload, specialised and refrigerated over-the-road services.

The transaction follows UPS's acquisition of Coyote Logistics in 2015, and will establish UPS's growing presence in UK and European third-party logistics (3PL) while allowing for more cross-border e-commerce opportunities. In 2016, the growing 3PL market was forecasted to reach US\$174bn, and is expected to expand further as shippers and carriers adopt the brokerage model, which often provides greater efficiency. With more than 1.5m road freight carriers currently operating in Europe, the acquisition will expand UPS's carrier base.

Source: UPS

WALGREENS TO OFFER FEDEX DROP-OFF AND PICK-UP POINTS ACROSS THE US

FedEx and pharmacy chain Walgreen Co has announced a long-term alliance agreement that will offer customers convenient access to FedEx drop-off and pick-up locations across the US.

As customers show an increased interest in convenient and secure drop-off and pick-up locations, a recent survey conducted by FedEx showed that customers ranked pharmacies as their preferred location for receiving e-commerce shipments. The addition of Walgreens locations to FedEx's existing network of retail points will substantially increase FedEx customers' access to staffed pick-up and drop-off locations and create more opportunities to use FedEx Ground and FedEx Express package shipment and options.

Source: FedEx

1.5M
UPS ROAD FREIGHT
CARRIERS CURRENTLY
OPERATING IN EUROPE



> ASIA PACIFIC

DHL ECOMMERCE LAUNCHES FULFILMENT CENTRE TO ENABLE INTERNATIONAL BRANDS TO REACH THE AUSTRALIAN CONSUMERS

DHL eCommerce has announced the launch of a new Fulfilment Centre in Sydney, Australia to support the booming demand for overseas goods among Australian online shoppers.

The Fulfilment Centre will provide overseas merchants with fast and flexible shipping that integrates inbound freight, inventory, and last-mile deliveries in a single consolidated service. The centre will operate using the same service level agreements, management platforms, and customer support as all other parts of DHL eCommerce's global Fulfilment network, allowing existing customers to expand their sales into Australia with minimal boarding time.

The centre's design will accommodate front-end integration with marketplace and web-shop platforms, as well as multi-channel order management and last-mile solutions for immediate and highly-accurate deliveries across Australia. All of the centre's services operate on a pay-per-use model with no capital spend or fixed costs.

Source: Deutsche Post DHL



> EUROPE

COLIS PRIVÉ TESTS “INTELLIGENT” PARCEL BOX

French B2C delivery company Colis Privé has been testing an “intelligent” parcel box to be installed in front of customers’ homes to allow the delivery of parcels at any time of the day, regardless if the customer is at home.

The new service would save time for both delivery staff and customers who will no longer need to pick up their parcels at a La Poste counter or a parcel shop if they are not able to make a delivery. The “intelligent” parcel box would record the delivery time and weight of the parcel to the parcel box, which would trigger an SMS being sent to the owner, who would be able to open the parcel box with their smartphone.

The B2C firm emphasizes the high security of the solution which also incorporates last mile tracking. The box corresponds to the size of 96% of standard parcels and can also be used for product returns.

Source: CEP-Research

OMNIVA SUBSIDIARY POST11 PARTNERS WITH QSTEP

Post11, a subsidiary of Estonian postal operator Omniva and S.F.Express have concluded a software development contract with logistics software solution provider Qstep logiciel OÜ. The partnership was forged for the purpose of making operations more effective in servicing the increasing volumes in international e-commerce.

According to Tauri Laane, CEO of Qstep, the software will significantly speed up the work of the terminal, while keeping account of the customs terminal, as well as the sorting processes which will reduce errors in handling parcels.

Source: Omniva

DPD’S NEW PARCEL DISTRIBUTION CENTRE STARTS OPERATIONS

DPD Germany has begun operations at a new parcel distribution centre in the German city of Nagold, marking the 77th distribution centre in the country.

The €30m building will initially sort and distribute 37,000 parcels a day and will have a workforce of up to 300 people. The volume of parcels a day can be expanded to 85,000 parcels daily and will shorten delivery distances, reducing the amount of CO₂ emissions caused by transport operations.

Source: DPD



> EUROPE

POSTI AND THE NORDIC'S LARGEST ONLINE SHOE STORE FOOTWAY START COOPERATION

Swedish online shoe store Footway has entered into a two-year contract with Finnish postal operator Posti, who will now deliver shoes to consumers in Finland free of charge within 2-5 working days from the date the customer places their order.

When a parcel has left Footway's warehouse in Sweden, the customer will receive a confirmation via e-mail. When it arrives at a Posti service point, the customer will be able to pick-up their package from Posti's network of 1,400 pick-up points and over 900 postal outlets and post offices.

Source: Posti

POSTI ACQUIRES HR HOIVA TO PROVIDE HOME CARE SERVICES FOR CUSTOMERS

Posti has acquired social and health care specialists HR Hoiva Oy in an attempt to produce a comprehensive home care service for their customers.

Posti and HR Hoiva's services will not only cover everyday support services, but also home care and personal assistance. Posti will be able to expand HR Hoiva's services by creating a nationwide service network in sparsely populated areas. Posti's mail services will be unaffected by the merge.

Source: Posti

TESCO SIMPLIFIES DISTRIBUTION OPERATIONS

UK supermarket chain Tesco has proposed changes to its distribution network in order to run its business in a way that best serves its customers.

The proposed changes will reduce the number of Tesco distribution centres from 25 to 23 within the UK and will include closing Tesco's Welham Green distribution centre and moving its grocery operations to its Reading distribution centre.

By making these changes, Tesco will ensure that all warehouse operations that are currently carried out by delivery companies such as DHL and Wincanton will be moved in-house.

Source: Tesco

ABOUT THIS PUBLICATION

IPC MARKET FLASH is a fortnightly newsletter providing a comprehensive look at new developments emerging in the international postal marketplace. It is published by the Marketing department of International Post Corporation.

If you would like to contribute to this publication or require further information, please contact: publications@ipc.be.

ABOUT IPC

International Post Corporation (IPC) is the leading service provider of the global postal industry that provides leadership by driving service quality, interoperability and business-critical intelligence to support posts in defending existing business and expanding into new growth areas. It is a cooperative association of 24 member postal operators in Asia Pacific, Europe and North America. IPC's solutions and services are used by over 180 posts worldwide. Since 1989 IPC has set standards for upgrading quality and service performance and developed technological solutions that help members enhance service for international letters, packets and parcels. IPC engages in industry research, creates business-critical intelligence, provides a range of platforms and programmes for member post CEOs and senior management to exchange best practices and discuss strategy. IPC also manages the system for incentive-based payments between postal operators.

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