

dhalladilldadabbblaa

# MARKET FLASH

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



Issue 505

19 March 2015

www.ipc.be



### IN THIS ISSUE

#### TOP STORY

Neuroscience reveals impact of mail on the brain

#### **AMERICAS**

- UPS partners with Startup Canada to position entrepreneurs for growth
- Global study reveals online shoppers want more flexibility

#### **ASIA PACIFIC**

- DHL Express expands in the **Philippines**
- DHL Express invests €85m in South Asia Hub
- SingPost forms joint venture with Indonesian mobile phone retailer Trikomsel

#### **FUROPF**

- Austrian Post releases 2014 financial results
- DHL Express France opens new depot near Grenoble
- Deutsche Post DHL increases earnings in 2014
- Deutsche Post's Postbus increases network
- German online retail growth forecasted to grow 12% in 2015
- DPD buys regional franchisee from GLS

- Parcel carriers essential for sustainable city logistics, German study says
- Geodis launches single brand to unify market positioning
- German start-up 'Marktboten' launches same-day delivery of regional foods
- trans-o-flex extends Germany-wide network for active temperature control
- German B2B e-shippers less optimistic due to challenging economic environment
- TNT starts flights to Tel Aviv
- Evening parcel presentation at PostNL from now on
- PostNL allows customers to manage mailing via website
- Posten Norge announces drop in profits
- Russian Post grows revenues by 5.5% and plans new logistics centres
- Royal Mail opens Alibaba Tmall Global shop front
- TNT UK takes over former City Link depot in Central London
- New research shows advantages of receiving bank statements by mail
- Royal Mail buys parcels technology
- UK e-retail delivery volumes grow 9.5% in January

#### **GREEN SPECIAL**

# > TOP STORY

### NEUROSCIENCE REVEALS IMPACT OF MAIL ON THE BRAIN

Neuroscience techniques have revealed that mail activates the area of the brain responsible for long term memory encoding (LTME) more strongly than other media. LTME is one of the key metrics for advertising effectiveness.

The Private Life of Mail research programme involved 163 participants and found that mail has an effect that means recall will be more readily triggered later on. In particular, mail has a 32% more powerful effect on LTME than email, and 72% higher than TV. The study also found that consumers interact with mail and absorb its messages in a largely unconscious way. This means it works on the brain's faster, more intuitive mode of thought, which affects decision making.



The findings are part of Royal Mail MarketReach's 18-month research programme, The Private Life of Mail, which brings together unprecedented insight into the role of mail in people's homes, hearts and heads, plus the impact this has on advertisers' ROI.

Source: Royal Mail Group

# **AMERICAS**

- UPS partners with Startup Canada to position entrepreneurs for growth
- Global study reveals online shoppers want more flexibility

# UPS PARTNERS WITH STARTUP CANADA TO POSITION ENTREPRENEURS FOR GROWTH

Startup Canada, a national entrepreneur-led movement, and UPS Canada announced a strategic partnership to support Canada's growing entrepreneurial community.

Entrepreneurs will now have access to knowledge and tools to help them to scale their start-ups. As well, Startup Canada Members will have access to member savings with UPS. Through this partnership, Startup Canada and UPS will host



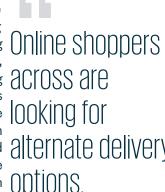
monthly #StartupChats on Twitter to enhance knowledge of robust supply chain management, logistics for e-Commerce start-ups, global diversification, and other topics.

UPS will also play a critical role as a member of Startup Canada's Private Sector Leadership Council to advance industry collaboration with the entrepreneurship community, and will support Startup Canada in producing the 2015 Startup Canada Awards and Startup Canada Day on the Hill. Both events present significant opportunity for networking, recognition, and collaboration among entrepreneurs, industry and policy makers. UPS will also provide strategic support to the Startup Canada Catalyst Fund, a financing programme for innovative and high-impact community projects run by Startup Canada Communities to advance entrepreneurship at the local level.

Source: UPS

# GLOBAL STUDY REVEALS ONLINE SHOPPERS WANT **MORE FLEXIBILITY**

ComScore and UPS released the second UPS "Pulse of the Online Shopper Global" study revealing emerging trends from the leading ONINE SHOPPERS e-Commerce markets in Asia, Brazil, Europe, Mexico and the US. According 2010SS 210 to the study, online shoppers across these markets are looking for alternate delivery options. This is especially high in Asia, where 45% of respondents said alternate delivery they would prefer to have their online order delivered to locations other than ODTIONS. their home.



Asian shoppers are avid technology users and the least patient, with 27% expecting same-day delivery and 48% expecting next-day shipping to be offered by retailers, the highest of any market. Brazilian consumers are the most advanced and social in their online shopping habits. More than half of their purchases are made online, and 64% said they are influenced by reviews or posts on social media to help decide which products to purchase.

European online shoppers are gradually embracing emerging technologies. They make the fewest purchases on a smartphone (19%) compared to the other four markets and less than half (40%) use retailer mobile apps. They make more in-store purchases (54%) than they do online,



# **AMERICAS**

- UPS partners with Startup Canada to position entrepreneurs for growth
- Global study reveals online shoppers want more flexibility

and while shopping in a store, 61% prefer to check out with an associate. In response to delivery questions, 52% said they prefer seeing the expected arrival date rather than the number of days it will take for the item to arrive.

American online shoppers are open to new trends on social media and in-store technologies, making more purchases on tablets than any other market. Free shipping continues to drive purchasing decisions as 58% of online shoppers reported adding items to their shopping cart in order to qualify for the incentive. Further, 83% are willing to wait an additional two days for delivery if shipping is free, and 68% said free returns shipping is needed to complete a sale. Only 44% of online shoppers said they were satisfied with the flexibility of changing delivery days or rerouting packages.

Source: UPS



# **ASIA PACIFIC**

- DHL Express expands in the **Philippines**
- DHL Express invests €85m in South Asia Hub
- SingPost forms joint venture with Indonesian mobile phone retailer Trikomsel

### DHL EXPRESS EXPANDS IN THE PHILIPPINES

DHL Express is expanding in the Philippines with a €0.6m investment in a new facility at Clark, the country's secondlargest city, to cater to the growing logistics demands of the region, and plans further investments.

The new Clark Service Center, covering a total of 1,000 m<sup>2</sup>, is designed to optimise processes to increase handling capacity and to facilitate the industry's growing demands for trade and benefitting customers particularly those based in the North Luzon area. North Luzon is a gateway to Manila for many industries such as electronics, semi-conductors, agriculture and manufacturing.

Source: CEP-Research

### DHL EXPRESS INVESTS €85M IN SOUTH ASIA HUB

DHL Express unveiled the plans for the DHL Express South Asia Hub, a 24-hour express hub facility located within Changi Airfreight Center at Singapore Changi Airport. The new facility is being built in line with the on-going investment program in the DHL Express global network. With a total investment of €85m and scheduled to be operational by the first quarter of 2016, the hub will further support regional businesses operating in and out of Singapore.

Occupying a land area of approximately 26,000 m<sup>2</sup> and a total floor area of over 23,500 m<sup>2</sup>, the DHL Express South Asia Hub features DHL's first fully automated express parcel sorting and processing system in Singapore and South Asia. Upon its planned completion in the first quarter of 2016, the facility will be able to handle a cargo throughput of

more than 628 tonnes per day when at full capacity and to process 14,000 shipments per hour.

Source: Deutsche Post DHL

# SINGPOST FORMS JOINT VENTURE WITH INDONESIAN MOBILE PHONE RETAILER TRIKOMSEL

Singapore Post has announced a joint venture with Indonesian mobile phone retailer Trikomsel, with an investment of US\$1.1m, to provide e-Commerce-related logistics services to local online retailers thus expanding and diversifying its international operations.

Through its wholly owned subsidiary SingPost eCommerce Pte. Ltd, SingPost will hold a 33% stake in the joint venture, while the Jakarta-listed PT Trikomsel Oke Tbk will hold the remaining 67%. SingPost's investment will be funded through the company's internal resources.

As part of the joint venture agreement, the two companies will ensure the importation and supply of goods to local e-Commerce and online retailers and provide technical knowhow and support services for establishing, implementing and operating e-Commerce platforms. SP eCommerce will leverage on its e-commerce and logistics knowhow providing services such as technology deployment, operations management, warehousing, linehaul and delivery, payment and parcel collection, digital marketing, and post-sales support. In turn, Trikomsel will leverage its local experience to help optimise the online stores for the Indonesian market.

**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

### AUSTRIAN POST RELEASES 2014 FINANCIAL RESULTS

In the 2014 financial year, Group revenue of Austrian Post amounted to €2.4bn, with a 0.2% increase from the previous year. The strong growth in the parcel business of 3.1% more than compensated for the 1.5% revenue drop in the mail business. Once again, Austrian Post succeeded in keeping the revenue decline in the Mail & Branch Network Division at a moderate level against the backdrop of a structurally shrinking market thanks to innovative ideas and sales initiatives. The Parcel & Logistics Division generated revenue growth of 3.1% during the reporting period.

On the basis of the solid revenue development and ongoing strict cost discipline, operating results (EBIT) rose 5.9% from the prior-year level to €196.9m. In 2014, Austrian Post also decisively continued its ongoing modernisation process. The company invested a total of €82.6m in new customer solutions and in improving and expanding its infrastructure.

Looking ahead to 2015, Austrian Post anticipates a rise in Group revenue of 1-2%. At the same time, the aim is to achieve an EBITDA margin of about 12% and an ongoing improvement in EBIT.

Source: Austrian Post

# DHL EXPRESS FRANCE OPENS NEW DEPOT NEAR **GRENOBLE**

DHL Express France has opened a new depot in the suburbs of Grenoble, in the heart of the strategic Rhône-Alpes region, as part of the company's ongoing €30m investment in the modernisation of 17 out of its 40 operational sites in France.

With a total area of 1,250 m<sup>2</sup>, the new site is more than twice as big as the old depot, which became too small to respond to rapid volume growth as import and export shipment volumes increased by 12% and 8% respectively in 2014.

The new depot also features advanced technology like all the other DHL France depots that are being either expanded or replaced with larger ones, to optimise parcel handling.

Source: CEP-Research

### DEUTSCHE POST DHL INCREASES EARNINGS IN 2014

According to its 2014 financial report, Deutsche Post DHL Group increased revenues and met its targets for EBIT and cash flow in 2014. Compared to 2013, revenues rose by 3.1% to €56.6bn with all four of the company's operating divisions contributing to this improvement. Organically, group revenues climbed by 4.2% in 2014, supported by steady volume and revenue gains in the international express and German parcel businesses in particular.

These improvements are the result of the company's market position in the world's growth segments - namely e-Commerce and emerging markets - and its strong operational performance, which have enabled margin improvements that led to an EBIT increase of 3.5% to €2.97bn in 2014. In addition to improved revenues in all four divisions, Express was the driving force behind the Group's EBIT growth with a double-digit increase of 16.3%. Operating earnings therefore finished the full year 2014 within the targeted corridor of between €2.9bn and €3.1bn. Post - eCommerce - Parcel (PeP) contributed €1.3bn as projected and the DHL divisions €2.02bn.



**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

Due to one-off effects in last year's financial result and a higher tax rate of 15.5% the consolidated net profit declined from €2.09bn in 2013 to €2.07bn in 2014.

Source: Deutsche Post DHL

# DEUTSCHE POST'S POSTBUS INCREASES NETWORK

Deutsche Post is delivering on its announced plans with the initial phase of a significant expansion of its intercity bus network slated to begin in mid-May. Postbus's network will grow from 60 destinations to 120 cities and towns as well as other attractive vacation and leisure destinations. In addition, Postbus will be adding its first night trips on selected routes.

Following the withdrawal of the ADAC from the Deutsche Post Mobility GmbH joint venture last November, the service will now be provided under a new brand, with ADAC Postbus changing to Postbus.

Source: Deutsche Post DHL

# GERMAN ONLINE RETAIL GROWTH FORECASTED TO GROW 12% IN 2015

According to the German e-Commerce and distanceselling association bevh, e-Commerce sales are forecast to increase 12% to €46.9bn in 2015, following relatively weak growth last year. Online trade grew by 7% in 2014 to €41.9bn - clearly above the growth of overall retail trade, but well below expectations for last year. Consumers also spent nearly €11bn on digital products and services, such as travel and ticket bookings as well as downloads.

One strong trend is for e-Commerce to go increasingly towards mobile and multi-channel commerce, with younger shoppers especially tending to purchase products via their smartphones. Purchasing consumer goods such as groceries via the internet is also becoming more and more popular mainly among younger people aged between 14-39 years.

In view of the shipper types, multi-channel retailers who respond to and reach customers across multiple channels are the clear winners, with sales reaching €11bn in 2014, a spectacular increase of 48%. Online market places such

as Amazon and eBay recorded a sales decline of 10%, down from €26bn in 2013 to €23,5bn in 2014, Internet pure players also emerged as winners in the German interactive trade last year, increasing their sales by 20% to €5.6bn.



A separate survey on preferred delivery options of consumers in Germany, France and the UK conducted by MetaPack showed that German citizens favour delivery to Packstations. While British and French shoppers favour free delivery with 55% and 56% respectively, it is less important for Germans (41%) who consider fast delivery more important than their British and French counterparts.

Source: CEP-Research

### DPD BUYS REGIONAL FRANCHISEE FROM GLS

DPD announced that it will acquire its franchisee DPD Systemlogistik from GLS, the Royal Mail-owned European parcels business, as of 1 April 2015, subject to the approval of the German cartel authority.



**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

Prior to the DPD Systemlogistik acquisition agreement, GeoPost owned 83.3% of the company after buying up most DPD franchisees nearly 15 years ago. But DPD Systemlogistik, which owns 10.5% of DPD Germany, was bought at about the same time by rival GLS while DPD Zeitfracht, a 6.21% shareholder, remained independent.

After the acquisition, GeoPost will own 93.79% of shares in DPD while DPD Zeitfracht will retain its small stake.

Source: CFP-Research

# PARCFI CARRIFRS FSSFNTIAL FOR SUSTAINABLE CITY LOGISTICS. GERMAN STUDY SAYS

Third-party courier, express and parcel (CEP) services are an "indispensable" part of sustainable city logistics and "vibrant" inner cities, and particularly essential for smaller local stores with an area of up to 500 m2, according to a 'Sustainable City Logistics' study by the German Parcel & Express Logistics association (BIEK).

Conducted in cooperation with the Technical University of Nuremberg, it looked at sustainable city logistics via courier, express and parcel services, examining the drivers, objectives, and concepts behind sustainable city logistics from the perspective of trade, local government and CEP service providers – and quantified the current environmental impact of the 'last mile'.

According to Florian Gerster, Chairman of BIEK, CEP services ensure "vibrant" inner cities. "For retail and online trade, the CEP services are as important as public transport is for city dwellers. They preserve the environment, save costs, time and effort. Parcel and express service providers combine deliveries and thus avoid traffic. Nearly 100% of items are delivered successfully at first attempt."

Source: CEP-Research

# GEODIS LAUNCHES SINGLE BRAND TO UNIFY **MARKET POSITIONING**

French express, freight and logistics group Geodis unveiled plans to harmonise its commercial branding in the latest stage of its ongoing strategic re-positioning.

The company announced that the existing brands - Geodis Calberson, Geodis Wilson, Geodis BM, Geodis Logistics and Geodis Supply Chain Optimization - will disappear to be replaced by one stand-alone brand, Geodis. In future, Geodis will operate under one single brand through five lines of business: Supply Chain Optimization, Freight Forwarding (formerly Geodis Wilson), Contract Logistics, Distribution & Express (ex-Geodis Calberson) and Road Transport (formerly Geodis BM).

Source: CEP-Research

# GERMAN START-UP 'MARKTBOTEN' LAUNCHES SAMF-DAY DELIVERY OF REGIONAL FOODS

German start-up 'Marktboten' has launched a special sameday delivery service of regional foods in the area around Reutlingen-Tübingen, south-western Germany.

Founded in 2014, the regional delivery service provider cooperates with about a dozen suppliers in the Reutlingen



**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

and Tübingen areas, offering their products via the joint online store www.marktboten.de. The special delivery service with refrigerated vehicles also provides a one-hour time slot for recipients.



Source: CEP-Research

# TRANS-O-FLEX EXTENDS GERMANY-WIDE NETWORK FOR ACTIVE TEMPERATURE CONTROL

Germany-based trans-o-flex Logistics Group, a subsidiary of Austrian Post, has extended the capacity of its new nationwide network for the active temperature-controlled transport of shipments that was launched in October last year. The actively temperature-controlled shipments can now be fed into the company's "ambient" network through six hubs all over Germany instead of only using its central hub in Kassel which increases capacity.

The trans-o-flex ambient network has been developed to transport medicinal products on pallets or in parcels within the 15-25°C temperature range without any additional thermally-insulating packaging. Instead, special temperaturecontrolled vehicles are used for the transportation, as well as conventional vehicles equipped with actively temperature-controlled boxes. The temperature is monitored and documented across the entire transport chain. The transportation of shipments at temperatures between 2-8°C is taken over by the trans-o-flex ThermoMed network.

Source: CEP-Research

# GERMAN B2B E-SHIPPERS LESS OPTIMISTIC DUE TO CHALLENGING ECONOMIC ENVIRONMENT

The majority of German B2B online and mail order companies are less optimistic for 2015 due to difficult trading conditions after a positive 2014 with higher sales and profits, according to a new survey by the German e-Commerce association bevh.

The index, which reviews the business conditions of the German B2B shippers based on positive and negative evaluations, registered a slightly pessimistic tendency in 2014 falling from 50.4 to 46.0 points but it remained above the long-term average. When looking into the future, almost half of the companies (45.1%) surveyed described themselves as confident, though less optimistic than in the previous year (52%). In 2015, slightly more companies expect the orders and sales revenues to decline, compared to the last survey as the number of pessimists in this respect rose from 9.1% to 14%. Despite this slightly gloomier mood, B2B mail order companies are still looking with confidence to the coming months. Nearly every second company surveyed (46.8%) expects to generate a sales increase this year.

The study showed that cross-border trade has become a normal activity of the German B2B online shippers. About three-quarters of the respondents are active in foreign markets, with the rate being especially high at nearly 90% among medium-sized and larger companies. Among smaller companies employing up to 20 people, around 75% also export abroad.

**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

#### TNT STARTS FLIGHTS TO TEL AVIV

TNT has launched a five-time weekly service between Tel Aviv and its hub in Liege, Belgium. Starting this month, the route is flown on Mondays, Tuesdays, Wednesdays, Thursdays and Fridays with a Boeing 737-400.

The new freighter service answers increasing demand and brings several advantages to customers: fixed departure times, guaranteed uplift, later pick-up times in Israel and a smooth connection to TNT's international road and air networks via Liege. It also allows TNT to shorten transit times for express shipments to and from Tel Aviv by one day.

Source: TNT

# EVENING PARCEL PRESENTATION AT POSTNL FROM NOW ON

As of March, webshop owners and business customers in the Breda and Utrecht regions in the Netherlands can present their parcels at PostNL later in the evening. Clients can visit 34 PostNL retail locations until 7:00 pm or even 9:00 pm. If the service proves successful, PostNL intends to extend this to 500 PostNL retail locations across the country. Parcel delivery will take place the next day.

It is currently only possible to present parcels until 5:00 pm or 6:00 pm. The company is offering this service in response to changing demands and opening times, particularly from SME companies.

Source: PostNL

### POSTNL ALLOWS CUSTOMERS TO MANAGE MAILING **VIA WEBSITE**

PostNL has launched an improved website and app so customers can arrange every aspect of their mail and parcel post online. At these digital locations, customers can arrange to receive a parcel, have the parcel delivered at a different time after the initial delivery attempt. They can also make arrangements to send parcels and mail.

Source: PostNL

### POSTEN NORGE ANNOUNCES DROP IN PROFITS

Posten Norge announced its 2014 financial results, which show a drop in profits despite cost savings and continued parcels and logistics growth. The group's preliminary annual results for 2014 show a 4.4% fall in operating profit (before non-recurring items and write-downs) to NOK 933m. Operating revenues rose by 3.6% to NOK 24,404m, driven by acquisitions, increased parcel and goods volumes and exchange-rate effects. The underlying organic growth was 2.5% last year.

In the mail segment, profits dropped by 34% to NOK 847m even though significant cost cuts were implemented. Mail revenues declined by 3% to NOK 10.1bn and there was a 6.5% fall in the volume of addressed mail.

In contrast, the growing logistics division increased profits by a high 72% to NOK 407m thanks to sales growth and cost reductions. Revenues increased by 6.7% to NOK 15.9bn due to a mix of organic growth and acquisitions. E-Commerce parcel volumes increased by 8% and are

**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

driving the segment's overall growth. The major new trend in 2014 was household deliveries of food, which led to much more home delivery activity in both Norway and Sweden. Freight revenues increased by 11% in 2014, driven by strong customer growth and increased offshore project activity, especially in the first half-year.

Source: CEP-Research

# RUSSIAN POST GROWS REVENUES BY 5.5% AND PLANS NEW LOGISTICS CENTRES

Russian Post recorded a solid 5.5% increase in revenues last year and is planning to build new logistics centres at three airports this year while further improving delivery times of mail and parcels across the country.

The postal operator increased its revenues by 5.5% to RUB 140.4bn (€2.2bn), up from RUB 133.1bn (€2.1bn) in 2013, according to preliminary results announced by the Russian Communications Ministry.

Meanwhile, the company is successfully operating its first multifunctional logistics centre in Moscow as well as International Postal Exchange Points in the Moscow region (Vnukovo Airport), in Yekaterinburg and in Novosibirsk as part of its restructuring and modernisation strategy. These measures have already considerably reduced the delivery times of mail and parcels within the country and from abroad. In 2015, Russian Post aims to start building further logistics centres at the airports of Rostov, Habarovsk and Kazan to keep improving the delivery times of shipments.

Source: CEP-Research

# ROYAL MAIL OPENS ALIBABA TMALL GLOBAL SHOP **FRONT**

Royal Mail announced that it is tapping into the Chinese e-Commerce boom with the launch of its shop front on Alibaba's Tmall Global e-marketplace, providing Chinese consumers with increased access to premium, authentic and high-quality British products.

The solution will offer British retailers and exporters an accelerated opportunity to access the China market. It will remove the challenges that many companies would otherwise face in getting their products into the hands of Chinese consumers, including promotion on Chinese e-commerce sites, local customer support service, customs duties, documentation, shipping and logistics.

The rapid growth in online shopping has also mirrored the increased demand from Chinese consumers for authentic. high-quality goods. Chinese consumers represent almost one third of the global market for personal luxury goods and spend three times more abroad on high-quality, designer goods than they spend locally.

Source: Royal Mail Group

# TNT UK TAKES OVER FORMER CITY LINK DEPOT IN **CENTRAL LONDON**

TNT UK has taken over a former depot of collapsed parcel delivery firm City Link in London City to improve its services in the centre of the British capital, with a multi-million pound investment.



**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

TNT added that it is taking possession of the Willow Walk depot this month and expects the site to be fully integrated and operational in April. Before the takeover, the depot in Willow Walk, Bermondsey, faced complete closure when City Link fell into administration on Christmas Eve last year, TNT explained.

Source: CEP-Research

# NEW RESEARCH SHOWS ADVANTAGES OF RECEIVING BANK STATEMENTS BY MAIL

A major new behavioural study has revealed that people are able to manage and improve their finances better when they receive bank statements through the post rather than online.

The study by London Economics on behalf of the Keep Me Posted campaign looked at the effectiveness of paper versus online statements. The study found that people are twice as likely to remember their bank balance if they



receive statements by post (82% vs 32% who receive statements online).

The results also showed that 75% of those who received a paper statement were able to correctly assess the financial health of their account compared to 48% who received an online statement.

Source: Whistl

### ROYAL MAIL BUYS PARCELS TECHNOLOGY FIRM

Royal Mail has enhanced its in-house IT capability through the purchase of StoreFeeder, a privately held UK-based company that developed a parcel technology tool for the British group.

StoreFeeder built Royal Mail's consumer and small business shipping tool, Click and Drop, which was launched in October 2014. As well as allowing consumers and small businesses to ship with Royal Mail within a few clicks, Click and



Drop enables eBay sellers to integrate their accounts and buy and print postage labels without manually inputting the address of each individual buyer. Click and Drop now also offers Paypal as a payment method in addition to credit and debit cards.

The purchase of StoreFeeder will support Royal Mail's continuing efforts to enable customers of all sizes to connect and ship parcels easily through online tools and Application Programming Interfaces (APIs). StoreFeeder will continue to operate in the same way for its existing clients, however.



**AUSTRIA** 

**FRANCE** 

**GERMANY** 

**ISRAEL** 

**NETHERLANDS** 

**NORWAY** 

RUSSIA

**UNITED KINGDOM** 

#### UK E-RETAIL DELIVERY VOLUMES GROW 9.5% IN JANUARY

E-retail delivery volumes in the UK posted solid year-on-year growth of 9.5% in January, according to the IMRG MetaPack UK Delivery Index, which measures parcel volumes generated by e-Commerce.

While this parcel volume increase from online retail orders is below the growth forecast of 13% for 2015, it is well ahead of the 3.8% increase seen in January last year. By the end of this year, IMRG and MetaPack expect the number of parcels dispatched through UK carriers to surpass the 1bn mark.

The British e-Commerce association IMRG explained that the established trend in January goes towards a sharp drop in order volumes, with month-on-month growth dropping 33% last month. This is only slightly higher than the month-on-month fall in January 2014 (32%). This figures mirror the online retail sales in the UK last month which posted moderate growth of 7% year on year, due to the impact of Black Friday discounts at the end of last year.





dadadildadabbba

# GREEN SPECIAL

Quarterly newsletter on sustainability initiatives in the postal sector



19 March 2015

www.ipc.be



### IN THIS ISSUE

#### FEATURE STORY

IPC holds international Drivers' Challenge in Finnish Lapland

#### **AMERICAS**

- UPS named Climate Leadership Award winner by EPA
- USPS continues commitment to climate change adaptation
- USPS updates fleet with eco-friendly vehicles
- Correios Brasil reaches targets of energy management system
- UPS accelerates use of routing optimisation software

#### **ASIA PACIFIC**

- Australia Post to recycle tyres under Federal Government scheme
- Australia Post promotes upcycling in event with design company TerraCycle
- DHL rolls out electric vehicles in Tokyo

#### **FUROPF**

- Austrian Post has expanded its electric vehicle fleet by another 79 e-cars
- Deutsche Post DHL introduces teardrop trucks in Belgium
- Mastering the last mile for clean urban
- Asendia identifies sustainability as a top priority
- La Poste and DHL Express France test hydrogen-powered electric vehicles

- La Poste partners with public gas networks to roll out gas-powered vehicles
- La Poste signs agreement for research on energy transformation
- Flash designs first electric car with integrated cooling solution
- Deutsche Post DHL releases corporate responsibility report
- Deutsche Post DHL receives environmental awards
- Deutsche Post DHL acquires StreetScooter
- Deutsche Post DHL develops logistics models for Circular Economy
- UPS expands European electric vehicle fleet with new P45E prototype
- TNT launches carbon-neutral delivery of express shipments in Germany for
- A green opportunity for PostNL
- CTT drivers assessed for efficiency
- Sustainability results improve CTT's reputation
- PostNord rolls out new electric vehicles
- PostNord opens new train hub in Sweden
- Correos presents achievements in sustainability at national congress
- Hermes UK expands London zeroemission fleet

# > FEATURE STORY

### IPC HOLDS INTERNATIONAL DRIVERS' CHALLENGE IN FINNISH LAPLAND

On 2-3 March, International Post Corporation held the third edition of its Drivers' Challenge. After a successful edition in Montpellier, France, and a great event in Ireland, this year's event took place in the cold and challenging conditions of Finnish Lapland, over 200 km north of the Arctic Circle.

The IPC Drivers' Challenge brings together drivers who have won domestic eco-driving challenges organised by their posts and who have shown particular excellence in driving ecologically and safely while ensuring high-quality customer service. Some posts selected their champions based on day-to-day performance as well.

Teams from An Post (Ireland), bpost (Belgium), Correos y Telégrafos (Spain), CTT Correios (Portugal), Posten Norge (Norway), Posti (Finland) and PostNord (Sweden-Denmark) took part in the challenge on the testing track of Nokian Tyres in Ivalo, Finland. The combination of low temperatures, snow and icy roads challenged the teams to succeed in a series of tests related to car handling, eco-driving, safety and customer service.

All participating teams consisted of a professional driver and a postal manager. Tests in this third edition of the IPC Drivers' Challenge included:

- a theory test;
- a driver daily car check;
- a combination of car handling exercises on a frozen lake, with certain elements being performed on pure ice, and
- a 14 km long, snow-covered eco-driving route with a number of customer service elements.

The Posti team excelled in all categories and took this year's trophy home, while An Post and Correos v Telégrafos ranked second and third respectively.

#### Drivers' Challenge as part of postal sector sustainability

The IPC Drivers' Challenge is part of IPC's sustainability programme, launched in 2009. The programme brings together 25 posts from Europe, America, Africa and Asia Pacific, IPC's Environmental Measurement and Monitoring System (EMMS) provides a common carbon measurement and reporting framework based on internationally recognised standards and open to all posts globally. Through the IPC sustainability programme, participating posts are committed to reducing their CO2 emissions by 20% by the year 2020 compared to 2008.

IPC organises the Drivers' Challenge as eco-driving is crucial to reaching the emissions targets set in the EMMS programme. Transport accounts for over 40% of total direct CO<sub>2</sub> emissions by postal operators. Through a combination of measures, including ecodriving and an increased use of alternative fuels and vehicles, posts participating in the IPC sustainability programme have been able to save more than 399m litres of fuel over the five years into the programme, which results in important budgetary savings of more than €316m.

Alternative-fuel (non-fossil fuel) vehicles are a particular focus area for many EMMS participants. In 2013, the total number of alternative-fuel vehicles increased to 79,000 and made up 16% of total reported vehicles. The improvement was largely driven by increased use of electric vans and electric bicycles, while the share of bio-fuelled vehicles fell.

#### The importance of eco-driving

Central in increasing fuel efficiency and eco-driving is employee behaviour. Employees are key in supporting their companies' environmental efforts. The IPC Drivers' Challenge initiative was developed with the goal of creating an additional incentive for the participating posts to reward their best drivers, and motivate others to contribute to the company's sustainability efforts by optimising their driving behaviour and possibly be the next national champion to compete on international level.

Many posts have rolled out their national eco-driving competitions, which have already shown positive results. Moreover, some posts are investing in monitoring individual driving habits - for instance through monitoring devices installed in vehicles - to further drive fuel efficiency and route optimisation. The IPC Postal Sector Sustainability Report includes several case studies on eco-driving initiatives, as well as on the use of alternative-fuel vehicles.

# > FEATURE STORY

The Drivers' Challenge also drew the attention of international and national media, further increasing the visibility of the postal sector's great efforts to reduce carbon emissions and become leaders in the field of environmental sustainability.

You can find more information on the IPC Drivers' Challenge and eco-driving on the IPC website: http:// www.ipc.be/en/Newsroom/in-the-spotlight/ecodriving.

You can find a video about the IPC Drivers' Challenge



# **AMERICAS**

- UPS named Climate Leadership Award winner by EPA
- USPS continues commitment to climate change adaptation
- USPS updates fleet with eco-friendly vehicles
- Correios Brasil reaches targets of energy management system
- UPS accelerates use of routing optimisation software

# UPS NAMED CLIMATE LEADERSHIP AWARD WINNER BY EPA

The US Environmental Protection Agency (EPA) Center for Corporate Climate Leadership recognised UPS with one of its Climate Leadership Awards for reducing greenhouse gas emissions. The awards acknowledge the voluntary work organisations do to build resilience to climate change.

UPS received the Excellence in Greenhouse Gas Management "Goal Achievement Award" for reporting publicly, verifying organisation-wide greenhouse gas inventories and achieving publicly set aggressive greenhouse gas (GHG) emissions reduction goals.

One of UPS's top enterprise sustainability goals is to reduce its greenhouse gas (GHG) emissions from transportation relative to its shipping volume. The company achieved a 10% reduction in carbon intensity in 2016 - three years ahead of schedule - and has doubled its goal to a 20% reduction in its carbon intensity from transportation by the end of 2020.

Source: UPS

# USPS CONTINUES COMMITMENT TO CLIMATE CHANGE ADAPTATION

US President Obama directed federal agencies to release plans detailing how they are preparing for the potential effects of climate change, which include more severe droughts and wildfires, record heat waves and damaging storms that can affect service and facilities. The US Postal Service plan highlights the organisation's cross-functional, proactive initiatives to analyse data, plan ahead, and make decisions that help mitigate climate risk.

As a self-funded federal agency, the US Postal Service is not officially included in the executive order that established the president's guidelines. However, the organisation voluntarily complies with most of the federal standards currently in place and is continuing its commitment to climate change adaptation planning in 2015.

Moving forward, USPS will continue to assess and identify risks from the effects of climate change by conducting vulnerability assessments and other studies; strengthening existing adaptive capacity, and managing risks by integrating adaptation considerations into policy, programmes and operations, where appropriate.

Source: USPS

# USPS UPDATES FLEET WITH ECO-FRIENDLY **VEHICLES**

The US Postal Service is in the process of acquiring next-generation delivery vehicles, which will offer more sustainable and fuel-efficient features.

Vehicles are one of the organisation's major sources of greenhouse gas emissions. Whatever vehicle is chosen must be financially justified, however it will also seek to reduce overall impact on the environment. Vehicle suppliers also have the opportunity to propose alternative-fuel options.

The US Postal Service is planning to replace approximately 180,000 delivery vehicles with newer models that will be



# **AMERICAS**

- UPS named Climate Leadership Award winner by EPA
- USPS continues commitment to climate change adaptation
- USPS updates fleet with eco-friendly vehicles
- Correios Brasil reaches targets of energy management system
- UPS accelerates use of routing optimisation software

more durable, affordable and better meet changing delivery needs - including incorporating more space for parcels. The next generation delivery vehicle fleet is anticipated to be rolled out beginning in 2018.

Source: USPS

### CORREJOS BRASIL REACHES TARGETS OF ENERGY MANAGEMENT SYSTEM

Microcomputer energy management systems installed in 2013 within the Correios Brasil's premises have proven to have a highly significant impact on both reducing carbon emissions and energy consumption, besides leading to significant financial savings. Within the period ranging from January 2014 through January 2015, the company reduced its carbon emissions by 2,405 tonnes and saved 11% on electric power by simply and automatically putting the microcomputers' central system configuration into hibernation mode at previously established timeframes. That being so, night IT procedures - such as software and antivirus software updates - can be carried out outside the hibernation period. Hibernation saves electric power by powering down the hardware, besides providing almost instantaneous system's resumption.

In 2015, the company expects to save approximately US\$700,000 by cutting energy costs and avoiding 4,000 tonnes of CO<sub>2</sub> to be released by microcomputers.

The initiative took place in the wake of a pilot project carried out in the year 2013 within the company's IT department. The project's findings have been tailored to suit its target audience's needs, in such a way as to encompass the corporation's three main divisions.

Source: Correios Brasil

## UPS ACCELERATES USE OF ROUTING OPTIMISATION SOFTWARF

UPS revealed that its ground-breaking On-Road Integrated Optimization Navigation (ORION) routing system is expected to reduce by 100m miles annually the distance driven by its drivers, when fully implemented in 2016. The company is accelerating its implementation to complete all planned US routes in 2016. The deployment will result in a 100,000-tonne reduction in CO2 emissions, equivalent to taking 21,000 passenger cars off the road for a year, according to the Greenhouse Gas Equivalencies Calculator.

The company expects additional benefits including annual savings of 10m gallons of fuel and more than US\$300m when its ORION system completes US implementation. Additional environmental benefits and cost reduction savings will be realised when vehicles outside the US are equipped with the technology in future years. During 2015, UPS plans to complete installation of ORION routing on about 70% of the planned routes.

UPS's ORION routing system uses data from customers, drivers and vehicles to reduce miles driven on delivery routes. ORION calculates the most efficient driving path taking into consideration all scheduled package delivery and pick-up stops required on the route for the specific day.

Source: UPS

# **ASIA PACIFIC**

- Australia Post to recycle tyres under Federal Government scheme
- Australia Post promotes upcycling in event with design company TerraCycle
- DHL rolls out electric vehicles in Tokyo

# AUSTRALIA POST TO RECYCLE TYRES UNDER FEDERAL GOVERNMENT SCHEME

Australia Post has launched an initiative to recycle all of its old vehicle tyres under the Federal Government's new Tyre Stewardship Scheme. Australia Post and StarTrack will work with tyre companies Bridgestone and Beaurepaires to ensure the recovery of 100% of all tyres used, as of March this year.

The objective of the Tyre Stewardship Scheme is to increase resource recovery and recycling, while minimising the environmental, health and safety impacts of end-of-life tyres generated in Australia. The scheme provides a framework to effectively reduce the environmental, health and safety impacts of the 48m tyres which reach the end of their life in Australia each year. Currently Australia only recycles around 16% of its end-of-life tyres compared with 43% in Europe and 32% in the US.

Recycled tyres are transformed into useful products such as road surfacing, soft fall playground surfacing, brake pads, industrial and commercial flooring, and fuels for energy recovery.

Source: Australia Post

# AUSTRALIA POST PROMOTES UPCYCLING IN EVENT WITH DESIGN COMPANY TERRACYCLE

To celebrate the Sustainable Living Festival in February this year, Australia Post employees were treated to an interactive session with TerraCycle's top designer from New York, Tiffany Threadgould.

Tiffany captivated the audience with her philosophy on upcycling as she showcased her inspirational work to turn junk into practical reusable items and art. She believes that "there is no such thing as junk" and that with a bit of imagination, everything can be upcycled, recycled or reused. She also presented a list of design solutions that her team has created at TerraCycle, including anything from pens made from toothbrushes, lightshades made from plastic bottles, to high-end fashion made from tents and m&m packets.

The international upcycling and recycling company, TerraCycle, is an Australia Post partner. The organiations work together to make it easy for the community to recycle using Post Offices as collection points and mail services to return rubbish to TerraCycle for recycling. The partnership now extends to items such as dental care products, including toothbrushes, Nespresso coffee pods, cigarette butts or household cleaner packaging.

Source: Australia Post

### DHL ROLLS OUT ELECTRIC VEHICLES IN TOKYO

Deutsche Post DHL has expanded its fleet of 11,800 ecofriendly vehicles with more alternative-drive systems and aerodynamic modifications. In Japan, DHL's delivery fleet has been expanded with additional e-NV200 electric vehicles produced by Nissan. The Tokyo Marunouchi district - where many financial institutions, trading companies and other corporations have their headquarters - will be completely covered by electric vehicles for parcel pickup and delivery.

**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

**POSTNORD** 

**SPAIN** 

**UNITED KINGDOM** 

# AUSTRIAN POST HAS EXPANDED ITS ELECTRIC VEHICLE FLEET BY ANOTHER 79 E-CARS

Austrian Post increased its e-vehicle fleet by 59 Nissan e-NV200 and 20 Mercedes Benz E-Vitos cars. With these new acquisitions, Austrian Post now fields 862 eco-friendly single- and multi-track e-vehicles for delivery purposes in Austria. For the first time, electric-powered cars are also being used for the parcel delivery.

Austrian Post is a pioneer in the field of e-mobility in Austria and has invested around €6m in climate-neutral delivery so far. Support is provided by the funding program klima:aktiv mobil, launched by the Austrian Federal Ministry of Agriculture and Forestry, Environment and Water Management and the Climate and Energy Fund of the Austrian Federal Government.

Source: Austrian Post

# DEUTSCHE POST DHL INTRODUCES TEARDROP TRUCKS IN BELGIUM

Deutsche Post DHL has expanded its fleet of 11,800 ecofriendly vehicles with more alternative-drive systems and aerodynamic modifications. In Belgium, DHL introduced two so-called Teardrop trailers and a LNG truck, as part of the GoGreen environmental programme.

The new vehicles in Belgium will be operated by DHL partner Ninatrans. Teardrop trucks, built by Don-Bur, are aerodynamic shaped like a teardrop with a curved roof to

reduce air resistance and cut fuel consumption by 5-10% compared to regular trucks. To support green transport solutions the LNG truck by Iveco runs on natural gas and saves a significant amount of fuel.

Source: Deutsche Post DHL; CEP-Research

### MASTERING THE LAST MILE FOR CLEAN URBAN LOGISTICS

Chronopost, GeoPost's French parcel subsidiary, has opened four urban logistics areas (ULA) - two in Paris and one in Marseille and Toulouse respectively - in a drive to improve delivery in an urban context.

The principle behind Chronopost's urban logistics is to deliver parcels to a single site located in the city centre which allows the consolidation of transport. From there, the ULA makes it easier to use alternative-fuel vehicles over the last few miles, for example electric vehicles from the Chrono City range created by Chronopost.

As part of its efforts to increase environmental sustainability, Chronopost also set out to increase the use of renewable energy for its buildings. The Concorde Urban Logistics Area (ULA) in Paris has become the second Chronopost site to rely totally on renewable electricity. With the Beaugrenelle site in Paris already having switched to renewable energy in June 2013, Chronopost will be watching the two ULAs' performance and, based on this, will decide whether to start using renewable energy in other ULAs.

Source: GeoPost



**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

**POSTNORD** 

**SPAIN** 

**UNITED KINGDOM** 

### ASENDIA IDENTIFIES SUSTAINABILITY AS A TOP PRIORITY

Asendia - the joint venture between Le Groupe La Poste and Swiss Post - has reinforced its commitment to sustainability by signing up to a carbon offsetting scheme which involves the support of renewable energy projects in India.

Asendia has signed a carbon offsetting scheme in consideration of the emissions which it cannot reduce. The adopted scheme supports seven wind farm sites, located in the three Indian states of Tamil Nadu, Karnataka and Rajasthan. Combined, 113 turbines generate an annual production of nearly 470,000 MWh of renewable electricity. This is equivalent to the annual power consumption of 600,000 individuals and enables Asendia to offset more than 41,000 tonnes of CO<sub>2</sub> per year.

As well as supplying clean energy, the wind farms are providing useful social and economic benefits to local communities. The project developer invests a share of the profits back into local initiatives, financing education, health and job creation projects. The project is verified by one of the most internationally recognised carbon offset standards - the Verified Carbon Standard (VCS). Combining in-house carbon reduction and carbon offsetting, Asendia's European customers have been able to benefit from carbon neutrality for the provided transport services, at no extra cost.

Source: Asendia

# LA POSTE AND DHL EXPRESS FRANCE TEST HYDROGEN-POWERED ELECTRIC VEHICLES

Le Groupe La Poste (La Poste) and DHL Express France are both testing new Renault electric vehicles with a hydrogenpowered range extender developed by Symbio FCell to double or even triple the autonomy of the trucks.

For one year initially, La Poste is testing a 4.5-tonne Renault Maxity Electric model. designed with a hydrogenpowered fuel cell and a range of 200 km, under real operating conditions in



Dole, Jura department, from mid-February onwards. Due to this region's especially harsh winter weather conditions, Dole will serve as the backdrop for the La Poste's entire experimental fleet.

In a separate project called 'HyWay', DHL Express France has also started testing a Renault Kangoo ZE vehicle with a hydrogen-powered range extender from Symbio Fcell in the Rhône-Alpes, which is part of a larger testing project with a total around 50 trucks involved. From 3 March for a duration period of 18 months, the vehicle will be delivering parcels in the city centre of Lyon.



**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

**POSTNORD** 

**SPAIN** 

**UNITED KINGDOM** 

# LA POSTE PARTNERS WITH PUBLIC GAS NETWORKS TO ROLL OUT GAS-POWERED VEHICLES

Le Groupe La Poste (La Poste) signed an agreement with the the City of Paris gas network providers SIGEIF and GrDF to cooperate on the development and roll-out of gaspowered vehicles in the Île-de-France region.

Vehicles powered by natural gas emit up to 80% less of fine particles and soot compared to diesel-powered engines, and up to 98% less greenhouse gas emissions. However, due to the limited infrastructure their use has been limited.

With the partnership, the three stakeholders commit to test and develop the use of gas-powered vehicles on a large scale. The City of Paris and La Poste will trial gas-powered vehicles in their fleets, while GrDF and SIGEIF will use their knowhow and infrastructure.

Source: Le Groupe La Poste

# LA POSTE SIGNS AGREEMENT FOR RESEARCH ON **ENERGY TRANSFORMATION**

Bruno Retailleau, Senator for the Vendée region and President of the General Council of the Vendée, and Philippe Wahl, President and CEO of Le Groupe La Poste (La Poste), signed an agreement to collaborate on research and development in the field of energy transformation. The partnership will aim to implement information and sensibilisation campaigns on ecofriendly renovation for individual home owners.

As part of the collaboration, postal carriers - who will receive adequate training beforehand - will offer to perform a free pre-diagnostic analysis of the energy performance of individual houses. Through this initiative, the partners hope to incentivise home owners to renovate their houses to improve their energy efficacy.

Source: Le Groupe La Poste

# FLASH DESIGNS FIRST ELECTRIC CAR WITH INTEGRATED COOLING SOLUTION

European courier group Flash Global has presented an electric car with a patented, integrated cooling solution that can cover three different temperature ranges in a healthcare freight product innovation.

From temperatures of -30C° up to 25°C the system offers clinical conditions for various types of biological samples and in addition CO<sub>2</sub> emission friendly delivery.

The first of these new vehicles began operations in and around Lille in northern France at the end of January.

Source: CEP-Research

# DEUTSCHE POST DHL RELEASES CORPORATE RESPONSIBILITY REPORT

Deutsche Post DHL released its annual Corporate Responsibility (CR) Report, which provides a detailed look at the company's global activities in the area of corporate responsibility, as well as progress made during the previous year. The CR Report features the Group's global activities in the areas of corporate responsibility, as well as changes and developments along its economic, social and ecological areas of action.

**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

**POSTNORD** 

**SPAIN** 

**UNITED KINGDOM** 

One example of progress made in 2014 was reaching a 23% improvement in carbon efficiency across Deutsche Post DHL Group. This marks a continuous improvement in the area of carbon efficiency and yet another big step towards achieving the Group's goal of improving the carbon efficiency of its operations (and that of its transportation sub-contractors) by 30% by the year 2020 as compared to 2007. Deutsche Post DHL Group increased the share of eco-efficient vehicles in its fleet and carried out 17.600 efficiency-improvement measures on approximately 11,200 vehicles, thus improving the climate-friendliness of more than 12% of its fleet. In the reporting year, the percentage of electricity from renewable energy sources used across the Group in buildings, facilities and electric vehicles increased to over 61%.

Another positive development is the relisting in the Dow Jones Sustainability Indices World and Europe in 2014 and the recognition of the highest rating from MSCI, a leading provider of investment decision support tools.

Source: Deutsche Post DHL

# DEUTSCHE POST DHL RECEIVES ENVIRONMENTAL **AWARDS**

The global headquarters of Deutsche Post DHL, the Post Tower, has received a special distinction twelve years after its construction: The American Council on Tall Buildings and Urban Habitat selected the 162 m office tower to be the recipient of the "10 Year Award", a prestigious prize for sustainable design in architecture. The council honours buildings that have demonstrated over a period of ten years their capacity to operate sustainably.

Deutsche Post DHL has also been recognised as the winner of EMC's third annual Blue Sky Supplier Sustainability Award 2014. With the award, data storage company EMC recognises a supplier which demonstrates efforts in sustainability reporting, and improving social and environmental responsibility.

Furthermore, DHL received Unilever's 2014 'Partner to Win' award for Sustainability. The two companies collaborated on the Project Neo initiative to support the continual environmental improvement of activities and services conducted by DHL Supply Chain on behalf of Unilever.

Source: Deutsche Post DHL; Deutsche Post DHL; Deutsche Post DHL

### DEUTSCHE POST DHL ACQUIRES STREETSCOOTER

Deutsche Post DHL signed an agreement to acquire StreetScooter GmbH, a former start-up developing affordable electric vehicles. As a result of the agreement, which is still subject to competition law approval, the company will also acquire the development and production rights to vehicles as well as the employees of StreetScooter GmbH.

The working relationship between Deutsche Post DHL and StreetScooter began with the development of the StreetScooter. Since then, it has expanded to other areas, including electric bikes and trikes. The first prototype of the StreetScooter was unveiled in 2012, and the first pre-series vehicles have been in service since 2013.

**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

**POSTNORD** 

**SPAIN** 

**UNITED KINGDOM** 

About 20 vehicles are already included in the electric car fleet as part of the pilot project CO<sub>2</sub>-free deliveries in Bonn. In this project, Deutsche Post DHL is converting its entire mail and parcel operations in Bonn, where the company is headquartered, to electric mobility by 2016. Nearly 50 more StreetScooters are being used by various Deutsche Post sites across Germany. By 2015, approximately 100 StreetScooters will be in operation at Deutsche Post DHL.

Source: Deutsche Post DHL

# DEUTSCHE POST DHL DEVELOPS LOGISTICS MODELS FOR CIRCULAR ECONOMY

Deutsche Post DHL has become a member of Circular Economy 100 (CE100) of the Ellen MacArthur Foundation. Members of the CE100 are representatives of companies, innovators, and regions that join forces to contribute to a renewable, circular economy with individual projects

or with their entire business orientation.

Deutsche Post DHL impressed the Foundation with its corporate strategy and its measures in the GoGreen Group programme. The institution underlined the Groups efforts in optimising supply chains, its long history of return logistics, the reduction of CO2 emissions, use of renewable energies, and the involvement of its employees in environmental topics.

Source: DHL UK

# UPS EXPANDS EUROPEAN ELECTRIC VEHICLE FLEET WITH NEW P45E PROTOTYPE

UPS is continuing the conversion of conventional diesel vehicles to environmentally friendly electric drives with the new P45E model. The P45E marks a new series of used parcel delivery vehicles that will be converted from diesel to electric engines by the German electric car manufacturer Elektro-Fahrzeuge Schwaben GmbH (EFA-S).

The new vehicle type has an admissible gross weight of 3.5 tonnes and is initially deployed in France, where small and manoeuvrable vehicles are useful for inner cities. The basis of the P45E is a Mercedes Sprinter with a typical UPS design. It has the European type approval ECE R100 and has recently received an additional approval for the French market.

In addition to the new vehicle series, UPS is continuing its conversion programme for the P80E vehicles that have been used by UPS Germany since November 2010. More than 50 converted vehicles have been successfully deployed in different European countries for several years.

Source: CEP-Research

# TNT LAUNCHES CARBON-NEUTRAL DELIVERY OF EXPRESS SHIPMENTS IN GERMANY FOR FREE

TNT Express has introduced carbon-neutral delivery of all express domestic shipments in Germany at no additional charge with effect from this year to help SMEs and large customers reduce their environmental impact.

**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

**POSTNORD** 

**SPAIN** 

**UNITED KINGDOM** 

Carbon-neutral shipping works in two steps. First of all, TNT measures the CO2 emissions generated during transportation of its customers' shipments. In the second stage, it neutralises these emissions with an equivalent amount of CO<sub>2</sub> credits coming exclusively from renewable energy projects that meet Gold Standard requirements. An external auditor (SGS) verifies the process. TNT's CO<sub>2</sub> calculation methodology fully complies with the European Norm FN16258.

Carbon-neutral shipping is part of TNT's renewed range of CO<sub>2</sub> services, which also includes tools to measure historic emissions and model future ones. In the coming months, TNT will roll out its upgraded CO2 services in other large European countries.

Source: CEP-Research

### A GREEN OPPORTUNITY FOR POSTNL

PostNL is introducing a new generation of sorting machines in its sorting centres. However, the new sorting machines require additional lighting during operation. Instead of increasing the number lighting armatures - which would have resulted in an 11% increase in energy use - PostNL decided to replace existing fluorescent tubes with LED lights, leading to a 38% reduction in energy used for lighting.

PostNL chose to replace the existing high-frequency (HF) fluorescent light armatures by LED armatures because the illuminance of the present generation LED is higher than that of HF fluorescent tubes. Therefore, no additional armatures

are needed. Moreover, LED strips can be retro-fitted into classical fluorescent armatures. Furthermore, LED lights require less maintenance than fluorescent tubes, leading to a reduction in maintenance costs, because replacement is still needed after ten years.

The company expects to break even on its investment in 2.7 vears.

Source: PostNI

### CTT DRIVERS ASSESSED FOR EFFICIENCY

CTT has implemented an overall assessment system of its drivers' performance. The system uses daily data from the past year, regarding three criteria: eco-efficiency (measured as the difference between actual fuel consumption and CTT's reference consumption for the same type of vehicle and use), accident rate (as an exclusion factor) and quality of service (using the customer satisfaction survey results of their area).

More than 4700 employees were assessed, of which the 36 best-performing teams - made up of a driver and his ground manager - from delivery offices and operation centres across the country, gathered in Lisbon and Oporto to test their driving skills on six issues: driving rules, check list, service level, agility, consumption and regularity. CTT's drivers' competition was the final stage of the assessment and allowed for choosing the company's representatives to IPC's Drivers' Challenge in Lapland.

During the trials and the competition, the contestants achieved a 16% fuel consumption saving compared to the average company-wide figures, highlighting the significant



**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

POSTNORD

**SPAIN** 

**UNITED KINGDOM** 

potential to be tapped from behavioural changes, which amounts to up to €1.1m per year in fuel savings and up to 2,400 tonnes in avoided CO<sub>2</sub> emissions. CTT also organises systematic training on eco-driving: since 2005, 39% of the drivers went through such courses. The new assessment system will become the basis for the sustainability appraisal of this population.

Source: CTT

### SUSTAINABILITY RESULTS IMPROVE CTT'S REPUTATION

CTT unveiled its 2014 sustainability results, which show reductions of 6.1% in electricity consumption, 21.5% in paper usage and 19.3% in water usage. The company also reported that 99% of the contracts awarded followed ecological requirements. Scope 1 and 2 CO2 emissions remained flat, in spite of a substantial insourcing of subcontracted road transport, while overall scope 1, 2 and 3 emissions decreased by 9.7%, underlining a rise in transport efficiency. Fleet renewal continued, with 321 new vehicles (approximately 10% of the total), of which 64 were electrically powered.

This effort pays off, in terms of brand image: IMR's 2014 Brand Consistency survey indicated that 32% of CTT's private customers consider that a strong association exists between CTT and the environment (a 10% increase on 2012 figures), while 59% of the interviewed believe that the company's environmentally responsible image has improved in the last year. CTT was appointed as top Environment Trusted Brand in 2014 by the consumers (SDR survey, the most renowned such award in Portugal). The company has also been bestowed one of the most prestigious domestic accolades for sustainable mobility, the "Bicycle Friendly Company of the year" label.

Source: CTT

#### POSTNORD ROLLS OUT NEW ELECTRIC VEHICLES

PostNord has rolled out its new fleet of Comarth CR Sport vehicles in Denmark and Sweden. The Comarth CR Sport is a vehicle that is a cross between a moped and a car. They have half a cubic meter more cargo space than the previous models, designed to accommodate PostNord's boxes. Also, unlike the present electric vehicles, they can be charged outdoors and at temperatures below freezing.

The new vehicles are a significant addition to PostNord's electric fleet, which already comprises more than 25% of PostNord's fleet.

Source: PostNord

#### POSTNORD OPENS NEW TRAIN HUB IN SWEDEN

PostNord opened a new rail hub in Rosersberg and started running the first trains from the hub, just north of Stockholm.

Trains have an increasingly important role within PostNord. Large volumes are already being shipped by train: 65% of mail volumes in Sweden and the majority of parcel and pallet volumes in Norway. In future, more and more volumes will be moved from air to train.

Source: PostNord



**AUSTRIA** 

BELGIUM

**FRANCE** 

**GERMANY** 

**NETHERLANDS** 

**PORTUGAL** 

**POSTNORD** 

**SPAIN** 

UNITED KINGDOM

# CORREOS PRESENTS ACHIEVEMENTS IN SUSTAINABILITY AT NATIONAL CONGRESS

Correos sponsored the CONAMA, the National Congress on Environment, which is an important forum on sustainability in Spain. The company actively participated with a stand and the organisation of a workshop during which it presented its achievements in sustainability. In addition, Correos received the certificate of registration into the Ministry of Agriculture, Food and Environment's registry of carbon footprint, compensation and absorption. This certificate recognises the effort done by the postal company in its commitment to reduce the environmental footprint of its activity.

In the frame of this congress, Correos also organised a workshop under the title "Distribution integrated with the environment", where Pieter Reitsma, Manager Sustainability International Post Corporation (IPC), explained the initiatives carried out by the postal sector to fight against the climate change and reduce the environmental impact of its activities.

Correos also participated in the panel on "Integrating the respect for the environment in products and services", where it explained how it also incorporates sustainability in the products and services that it offers to its customers, with for instance its Green Line of the carbon-neutral shipping. The post also gave a presentation on "Carbon-neutral shipping", where it explained that it measures the environmental impacts associated with a product and calculates customers' CO<sub>2</sub> footprint; based on this calculation, the post compensates the carbon footprint, certifying those products as carbon neutral.

Source: Correos

### HERMES UK EXPANDS LONDON ZERO-EMISSION FLEET

In December 2014, Hermes UK expanded its 'green fleet' in London to further reduce emissions and congestion. The company said it has started operating a fleet of 44



electric, zero-emission vehicles in the streets of London, with the aim to save 146 tonnes in carbon emissions per year and to drastically reduce congestion in the British capital.

In partnership with Gnewt Cargo, an electric-vehicle-only parcel operator specialised in final-mile deliveries, Hermes UK targets 100% savings in carbon and nitrogen oxide emissions for the last-mile delivery within the city.



# **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 Markets and Communications department of the 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 is a cooperative association of 24 member postal operators in Asia Pacific, Europe and North America. Over the past two decades IPC has provided industry leadership by driving service quality and interoperability, supporting its members to ensure the high performance of international mail services and developing the IT infrastructure required to achieve this. IPC engages in industry research, creates business-critical intelligence, provides a range of platforms for member post CEOs and senior management to exchange best practices and discuss strategy, and gives its members an authoritative, independent and collective voice. IPC also manages the system for incentive-based payments between postal operators. With members delivering some 80% of global postal mail, IPC represents the majority of the world's mail volume.

For more information please visit our website www.ipc.be or contact us at info@ipc.be.

© IPC

Avenue du Bourget, 44 1130 Brussels - Belgium Tel.: +32 (0)2 724 72 71 www.ipc.be