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TNT Moves towards 3-Day Delivery



TNT plans to cut 11,000 employees from its Dutch mail operations in the next couple of years, replacing them with part-time workers and franchisees. It will also move to a three-day-per-week delivery service in an asset-free mail network operated largely through subcontractors.

That was the vision described at the European Postal Services conference in Brussels by Pieter Kunz, managing director of TNT's European Mail Networks.

"In the Netherlands, we will make 11,000 people redundant in the next couple of years. They will be replaced with part-timers and franchisees," Mr. Kunz said. Mail collection and delivery will be outsourced, and TNT will become "managers of mail".

Operations will be reorganised into deliveries on three days a week in the next two to three years, according to Mr. Kunz. "If politicians want six days a week, then they will have to finance it. As a company we will not finance it," he declared. He said the Universal Service Obligation was "a kind of Jurassic Park and we should get rid of it".

TNT's plans are result of forecasts that mail volumes could drop by as much as 50 percent in the next five years. Mr. Kunz's comments come in the wake of the collective labour agreement with unions that paves the way for restructuring.

TNT has been franchising its post office network and will complete the closure of its own network next year.

Outside the Netherlands, TNT will focus its mail activity on three markets: Germany, Italy and the United Kingdom, where it will also restructure and seek partners.

At the same time, the company is developing its e-commerce activities to offer a full back office, fulfilment and delivery service to online traders. The strategic move is based on a current growth rate of ten percent in business-to-consumer parcels in the Netherlands.

Europe

Deutsche Post: Posts are Natural Partners for B2C Networks

Deutsche Post DHL says it wants to cooperate with other European postal operators to create a cross-border delivery network for business-to-consumer (B2C) e-commerce parcels.

Andreas Lemmer, product manager, B2C parcel Europe, told the European Postal Services conference in Brussels that postal operators would need to offer reliable transit times, competitive pricing, easy shipping, good customer service and track and trace functionality. If the quality is right, Deutsche Post says, postal operators will be its first choice of partner.

Mr. Lemmer said cross-border B2C parcel flows from larger to smaller countries are expected to continue. In smaller countries, especially eastern Europe, consumers cannot find products in their home market, and those that are available can often be up to 20 or 30 percent cheaper when purchased from online traders in other countries.

Deutsche Post DHL expects increasing competition in the B2C market, with TNT targeting the sector, Hermes developing a European network and UPS offering more B2C services.



La Poste Consults on Service Standards

Throughout March, Groupe La Poste asked businesses and the French public what they expect from mail services in a survey conducted as part of its "Reinventing Mail 2015" project.

La Poste became a limited company on March 1 and will receive a capital increase of EUR 2.7 billion of public money at the end of this year for modernisation and development. Commenting on the status change, Jean-Paul Bailly, chairman of the group, said, "La Poste will be able to develop, true to its mission of public service."



La Poste distributed several million questionnaires and conducted local meetings and panel discussions. This month, La Poste began talks with industry and consumer groups.

La Poste will use the results of these consultations to draft new service standards and customer commitment charters, which it expects to publish by the end of the first half of the year.

La Poste's annual results for 2009 revealed that operating profit was down 15 percent against 2008 at EUR 757 million on revenue that was 1.3 percent lower at EUR 20.53 billion.

Earnings before interest, tax, depreciation and amortisation (EBITDA) were up by 1.3 percent at EUR 1.87 billion.

Mr. Bailly said: "The diversity of La Poste means the group is able to hold up well despite the economic crisis and the breakthrough in digital communications. Revenue and operating profit are down slightly with EBITDA stable, proof that La Poste has been able to control its operating costs while pushing forward with its policy of investing in and improving its services."

Mail and its subsidiaries recorded revenues of EUR 11.66 billion, a 4.7 percent decline on a like-for-like and constant exchange rate basis. Volume fell by 5.3 percent.

Parcels and express recorded revenues of EUR 4.48 billion, a drop of 3.5 per cent on a like-for-like and constant exchange rate basis. Revenue was hardest hit in Germany, Spain and the United Kingdom.

Chronopost volumes increased, while revenues at the domestic parcels operation, Colipost, fell 1.4 percent to EUR 1.39 billion. A reduction in mail order sales was offset partially by a 16 percent increase in e-commerce sales.

Groupe La Poste said the economic situation would remain fragile in 2010, with continuing decline in structural mail volume. However, it expected the parcels and express business to regain ground and La Banque Postale to continue growing.

Poste Italiane Increases Profits in 2009



Insurance and banking services helped the Poste Italiane group to increase its operating profit in 2009 from EUR 1.5 billion to EUR 1.6 billion, ending the year with a net profit 2.4 percent higher than the previous year at EUR 904 million.

Total revenue in 2009 rose by 12.6 percent to EUR 20.1 billion, with insurance services achieving a record 29 percent growth. Poste Vita, the life insurance business, wrote premiums worth EUR 7.1 billion, compared with EUR 5.5 billion the previous year. Poste Italiane plans to launch a non-life insurance service, Poste Assicura.

Financial services increased with the number of current accounts rising by 2.7 percent to 5.5 million and investments in postal savings increasing by EUR 5.5 billion. The number of PostPay cards rose 22.8 percent to 5.6 million.

Poste Italiane extended its "Electronic Postman" service, equipping 12,000 letter carriers with mobile terminals and printers that allow them to provide postal financial services in customers' homes.

Postal services fell five percent owing to volume decline. Post Italiane said it was responding to dropping volume by exploiting digital technology to launch innovative services. It has been assigned by the Universal Postal Union to guarantee the security of digital communications via the .POST domain created in 2009.

Chief executive Massimo Sarmi said the group's eighth successive year of profit allowed it to face postal liberalisation with confidence.

Swiss Post Sees CHF 728 Million Profit

Swiss Post has reported a group profit of CHF 728 million for 2009, CHF 97 million lower than the previous year; its operating revenue was CHF 8.71 billion, compared to CHF 8.98 billion in 2008.

Swiss Post described the result as "good in a difficult environment", saying that the main factors influencing profits negatively were price reductions agreed with the regulator (amounting to CHF 200 million a year) absorption of VAT on letters, and the absence of one-off earnings from real estate gained in the previous year. Spending increased owing to higher wage and depreciation costs.

However, Post Finance achieved "excellent" earnings before interest and tax (EBIT) of CHF 441 million compared with CHF 229 million the previous year; the group also benefitted from lower impairments and cost savings from new letter centres.

Swiss Post's domestic service, PostMail, saw revenue decline to CHF 2.81 billion from CHF 2.92 billion the previous year, owing mainly to price reduction and VAT absorption. Addressed letter volume dropped by 4.7 percent, but new letter centres and adjusted delivery capacity in line with the decline in volume resulted in savings. EBIT for the division was CHF 198 million, CHF 51 million less than in 2008.

PostLogistics and Swiss Post International both increased EBIT, the logistics division from CHF 39 million to CHF 45 million, and the international business from CHF 36 million to CHF 53 million. Both results were helped by cost reduction; PostLogistics experienced stable parcels business and limited decline in its courier and express earnings through acquisition.

The group's second international division, Swiss Post Solutions, sank to a pre-tax loss of CHF 25 million compared with a CHF 9 million profit in 2008. Losses for the retail post office business increased to CHF 113 million compared with a previous loss of CHF 95 million.

Looking ahead to 2010, Swiss Post said it expected a lower result. It warned that it would have to contribute to financing its pension fund in coming years. It is proposing to use CHF 250 million of current profit to finance the pension fund and to distribute CHF 200 million as profit to the state.

Russia's Customs Get Moving Again

Russia's Federal Customs Service introduced emergency measures March 29 in an effort to improve airport clearance for express imports to Moscow.

Slow customs clearance and long delays at Moscow's three airports led to backlog of 20,000 items and a decision by DHL Express to suspend imports of dutiable shipments (*Market Flash No. 406*).

The new remedial measures include round-the-clock working at the customs terminal of the international post office in Moscow, modernisation of customs clearance departments to increase capacity and a plan to hire additional employees at the main sorting centre in Bryansk to handle shipments between Russia and the CIS countries.

Since January, Russian Post has been unable to prepare all incoming mail for customs clearance. The development of e-commerce has contributed to rising volumes of express shipments for customs clearance at the international post office in Moscow.

During a crisis meeting on March 19 between Federal Customs and the Russian Express Association (including DHL, FedEx, UPS, TNT and DPD), the parties agreed that a fundamental change in customs clearance is possible by improving the professional skills of customs brokers.

New, temporary storage facilities are planned by the Federal Customs Service along with new technology.



Poland's InPost Targets Online Parcels

Private Polish mail operator InPost is investing EUR 40 million over two years in a national parcels network serving the booming e-commerce market, now worth an estimated EUR 4 billion.

InPost aims to generate up to 30 percent of its revenues from non-mail activities. Its new network will use automated collection boxes named Paczkomaty. Already, 250 boxes are installed in 50 Polish cities; the number will rise to 450 by June and to 800 by the end of next year, according to InPost chief executive Rafal Brzoska.

InPost guarantees parcel delivery within 48 hours but claims to deliver 96.7 percent to Paczkomaty within 24 hours. It says its quality of service compares favourably with delivery in three days by Poczta Polska.

GLS Expands, Raises Prices

Royal Mail's European parcels subsidiary GLS is raising its prices for business customers in Germany, entering the consumer market in Italy and investing EUR 50 million in its infrastructure.

In Germany, the company has announced it will increase prices by 2.8 percent on average to claw back on price decline during 2009, when the company maintained volume but saw its revenue drop.

The price increases will not apply to private customers using the GLS network of Parcel Shops. The company has set up consumer parcel drop-off and delivery networks in Germany, Benelux Austria and Denmark and now plans to extend the operation to Italy.

GLS says it will have 250 Parcel Shops in Italy by March next year that will be located in existing shops with high customer frequency, such as news agents, tobacconists and shopping centres.

GLS will accept consumer parcels weighing up to 30kg, conforming to its size-based pricing system. Deliveries are made direct to recipients' homes.

The company plans to invest more than EUR 50 million in its European infrastructure this year, allocated to new and expanded premises and IT and customer service development. The aim is to boost automation and simplify communication between the shippers and recipients.

TNT Gains AEO Status in Benelux

TNT has gained Authorised Economic Operator (AEO) status for its activities in the Benelux countries. The accreditation means that premises and processes are secure and customs-compliant and effectively ensures priority customs handling, the company said.

The European Commission created the AEO standard in 2008 to secure the international supply chain and modernise customs procedures within the European Union. TNT already has AEO accreditation for its express road network.

German VAT on Post Becomes Law

The German upper house of parliament voted March 23 to end Deutsche Post's exemption from VAT on non-universal service activities following approval of a bill in the lower house (*Market Flash No. 406*).

All operators' services in the scope of the universal service will be exempt from VAT at the German standard rate of 19 percent to create the level playing field demanded by Deutsche Post's competitors.

CTT Expresso Wins Gold

CTT Expresso, the express mail operation of CTT Correios de Portugal, has been awarded Gold Level certification for its EMS service in 2009 in recognition of its commitment to providing an excellent express and parcels service.

The EMS Cooperative's Gold Performance Award will be made this month at the EMS Cooperative General Assembly, held during the Postal Operations Council of the UPU in Berne.

DHL Distributes for Birds Eye in the UK

DHL has been awarded a three-year contract to handle distribution of Birds Eye frozen food products in the United Kingdom.

DHL will transport goods from European production plants to its distribution centre in Birmingham and onward to wholesalers and retailers, using a shared user network to reduce supply chain costs and transport miles.



Irish Franchise Delivers Littlewoods Parcels

Irish Parcels operator Fastway Couriers has been named Franchise of the Year in the service category of the Irish Franchise Association Awards.

In 2009, the franchise moved into the business-to-consumer market when it secured a two-and-a-half year contract to deliver all Littlewoods parcels in Ireland in a partnership with the UK's Home Delivery Network.

Last year, the company increased its franchisees by 22 percent to 173 and increased parcel volume by 30 percent.



New TNT Depot Serves Shoe Industry

TNT Express has opened a depot on Italy's Adriatic coast near Ancona to serve the region's footwear industry.

The 3,000 sq metre depot has more than 40 video surveillance cameras in a sophisticated security system. Footwear makes up about 60 percent of volumes with exports accounting for about 10 percent of volume.

TNT is introducing its Dynamic Round Planning tool in Italy to plan delivery routes and simulate the impact of last-minute changes on cost and service level.

Geodis Acquires Ciblex

Geodis, the logistics company owned by SNCF, the French railway, is continuing its acquisitions with the purchase of parcels and express company Ciblex in France and exclusive negotiations to buy the northern and southern European divisions of Spanish road freight carrier Giraud.

Ciblex had revenues of EUR 155.7 million in the year to June 2009, generating 70 percent of its sales in the health, pharmaceutical and optical business. The company had also made a recent expansion into the e-commerce delivery sector.

Geodis already owns the steel division of Giraud and its central and eastern European divisions. Acquisition of the remaining divisions will allow Geodis to expand its European coverage, particularly in Spain.

Giraud will join Geodis BM, the group's road transportation unit providing transport services across Europe. Geodis BM will have revenue of more than EUR 1 billion once the acquisition of the two remaining Giraud divisions goes through.

Aerotropolis Europe to Boost Paris CDG

FedEx Express has linked up with eleven other companies and organisations to launch an association, Aerotropolis Europe, to promote economic development in the region around Paris Charles de Gaulle airport.

The association's members plan to invest more than EUR 3 billion in projects over the next four years, including FedEx's own investment at its European air hub at the airport. Aerotropolis Europe aims to help Paris compete with key cities like London to become a central gateway for the international and goods market.

Aerotropolis Europe concept is based on Aerotropolis Memphis, where FedEx employs 35,000 people and more than 1,000 companies have set up around the airport.

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TNT to Open New Hub in Istanbul

TNT is investing EUR 8 million in an operational centre in Istanbul at Sabiha Gökçen International Airport.

From May, jets to and from TNT's European hub in Liege will serve the Istanbul centre. The company said that its existing Istanbul hub has been operating beyond its capacity; last year the total weight of deliveries rose by 19.4 percent.

DHL Global Mail Orders CarGo Bikes

DHL Global Mail is buying more bicycles for postal deliveries by introducing CarGo from Dutch manufacturer Accell Pro.

The CarGo bike is developed for heavy-duty professional use. Accell Pro says The DHL Global Mail model will have carriers for pannier bags and a postal box.

DHL Delivers Laptops to Haiti

DHL has partnered the charity One Laptop per Child (OLPC) to deliver 2,000 laptops to Haiti for students and schools displaced by the earthquake.

The company is donating its transportation network and logistics expertise to deliver the refurbished XO laptops that are rugged and either hand cranked or solar powered.

Deutsche Post DHL operates OLPC warehouses in Dallas and Shanghai as the charity's partner for express, air and sea freight transport and warehousing.

BA World Cargo Joins DHL Partnership

British Airways World Cargo is the latest airline to sign a memorandum of understanding with DHL Global Forwarding's Strategic Air Cargo Security Partnership.

The partnership creates a common understanding of standard operating procedures for high-value and high-risk air cargo that support and fulfil customer and government security requirements.

>>In Brief - Europe

Itella Will Pay No Dividend

Itella Corporation confirmed at its Annual General Meeting on March 24 that it will not pay a dividend for its 2009 profit. At the meeting, Arto Hiltunen was elected to the nine-person board of directors.

GLS Delivers Perfume

GLS has won a contract to deliver perfume, cosmetics and beauty products for LVMH Perfumes & Cosmetics in Belgium and Luxembourg using its freight and parcels networks.

TNT Road Network Expands to Yekaterinburg

TNT has expanded its international economy express freight service in Russia with a new road connection to Yekaterinburg in the Urals 1,667 km east of Moscow. This is the most easterly point in the network.

MRW Wins E-Commerce Contract

Spanish express operator MRW has renewed its contract with e-commerce operator Privalia for distribution across Spain. Its advanced logistics division will be responsible for handling orders and ensuring delivery. The company will also handle returns processing and refunding on request.

Night Star Sees Volume Growth

Night Star Express of Germany says its volume grew by six percent in 2009 to 3.5 million shipments. The company has opened a EUR 3.5 million hub in Hessen to triple its handling capacity. It is growing in the value-added after sales logistics sector.

CitySprint Goes Large in Southampton

CitySprint, the UK same-day network, has a new, larger service centre in Southampton, southern England.

APC Overnight Trials Carbon Efficient Rig

APC Overnight is trialling the curtain-sided Don-Bur EcoStream trailer in the first stage of a project to replace its fleet. The trailers and the Euro 5 rated DAF CF85 tractor will provide the company with efficient, reduced-carbon transport.

DPD Opens New Luxembourg Depot

DPD has opened a depot in Bettemburg, Luxembourg, to replace a previous facility and increase its operational efficiency in the country and the Bettemburg province of Belgium.

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US Mailers Print Readable IM Barcodes

The United States Postal Service has raised the readability threshold for its Intelligent Mail barcode (IMb) from 70 to 90 percent.

The move follows verifications in January 2009 showing that 95 percent of mailings using IMb were quality readable barcodes.

Large mailers print the barcodes. To receive the mail tracking and address correction information benefits of Intelligent Mail Full Service, mailers' barcodes must be up to standard for readability. Mailings that meet the 90 percent threshold are eligible for automation prices.



New Measure for Customer Satisfaction



A new measurement system is helping the United States Postal Service to understand the total customer experience it provides.

Customer Experience Management (CEM) assesses end-to-end service by asking customers to rate receiving mail, sending mail, visiting the post office and contacting the Postal Service for assistance.

First results from the survey, conducted in the first fiscal quarter to end December, provide the baseline for performance monitoring, according to Delores J. Killette, vice president and consumer advocate.

Consumers scored receiving mail at 89.7 percent and sending mail at 88.8 percent. The post office experience came in a little lower at 81.8 percent, and the experience of contact with the Postal Service was a relatively low 61.7 percent.

Small- and medium-sized businesses gave similar scores: 86.1 percent for receiving mail; 88.8 percent for sending mail and a lower 76.6 percent for the post office experience. Like consumers, businesses gave the lowest score, 51.4 percent, to the contact experience.

CEM replaces the measurement system in use since the early 1990s. It provides ongoing assessment of the customer experience through a series of diagnostic questions.

Postal quality of service in the first fiscal quarter was 95.8 percent for overnight, single piece First-Class Mail; 92.3 percent for two-day single piece First-Class; 89.1 percent for three-day single piece First-Class and 83.8 percent for single piece First-Class International Mail.

USPS Goes to Regulator on 5-Day Delivery

The United States Postal Service (USPS) Board of Governors has signalled its approval of the USPS's proposal to shift to five-day delivery service.

The Board has given permission for the Postal Service to file a request for an advisory opinion from the Postal Regulatory Commission.

USPS vice-president Sam Pulcrano outlined the key elements of the proposal: Street delivery and blue box collections will be eliminated on Saturdays, but post offices currently open on Saturday will remain open and customers will continue to have access to PO Boxes. Facilities that are currently open on Saturday will continue to accept bulk mail and drop shipments.

Mr. Pulcrano has been leading an internal, five-day delivery task force. He told the Board that five-day delivery is estimated to offer USD 3.1 billion in savings.

USPS will launch a website giving consumers details of the proposal with a section for business mailers explaining how to manage a change in delivery.

The task force has been seeking stakeholder input and carrying out market research, which, along with several national polls, has found that Americans would approve a five-day delivery week if that would ensure a viable Postal Service well into the future.

Postal Service Supports Export Drive

The United States Department of Commerce has enlisted the United States Postal Service in its National Export Initiative to encourage small- and medium-sized businesses to establish export markets for their products.

The Postal Service Global Business Team will encourage and support SMEs, expanding its outreach to businesses interested in entering new export markets through global shipping solutions.

FedEx Doubles Income in 3rd Quarter

FedEx has more than doubled its year-on-year operating income in the third quarter to the end of February.

Operating income was USD 416 million, a 129 percent increase on the USD 182 million in the third quarter last year. Revenue was up seven percent to USD 8.7 billion, and net income was USD 239 million, a huge 146 percent increase on last year.

The company said revenue and earnings increased as a result of higher shipment growth, particularly in international express and at FedEx Ground. The results also benefitted from strict cost controls.

On the negative side, the company sustained increased net fuel costs and an operating loss at FedEx Freight. It also partially reinstated certain employee compensation programmes and had one less operating day compared with the third quarter last year.

The company said it expected to grow revenue and earnings in its fourth quarter. Its top priority would continue to be yield management across all its operating companies.

"With our improved performance and outlook, we are reinstating various employee compensation programmes, which will dampen earnings growth in the fourth quarter and fiscal year 2011," said Alan B. Graf Jr., executive vice president and chief financial officer.

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Purolator USA Offers Keen Prices to Canada

Purolator USA is promoting a new express service from the New York region to Canada, offering guaranteed next-day and second-day delivery “without the additional cost normally applied for international service”, the Canada Post subsidiary said.

The company is using a web-based, paperless customs clearance process to ensure that its shipments arrive at the Canadian border pre-cleared for entry.

Purolator USA is also targeting e-commerce businesses based in Texas that ship regularly to customers in Canada. It is highlighting its experience of the Canadian market, its guaranteed service and competitive pricing.

“Purolator will pick up your packages and have them sorted and on their way to the border in a fraction of the time of most of our competitors,” claimed Sharon Siar, manager of Purolator’s Dallas-Fort Worth branch.

Smaller shipments are consolidated into one larger shipment to save time and speed up customs clearance.

Purolator offers customers a similar process for returns. “Given that the typical business will have a returns rate of up to 20 percent, it’s very important to have an efficient process in place to meet customers’ returns expectations,” said Ms. Siar.

DHL Is Technicolor’s Vendor of the Year

DHL has won the title “Vendor of the Year” from its customer Technicolor Cinema Distribution in recognition of its international service excellence and customer service follow-up, which led to record service performance in 2009.

“Our success and customer satisfaction is directly related to DHL’s consistent, outstanding service performance,” said Tim Burke, general manager of Technicolor Cinema Distribution. “All of our people at Technicolor, as well as our customers, studios and theatres, appreciate DHL’s engaged, knowledgeable and helpful workforce who ensure the on-time delivery of our time-sensitive film prints.”

DHL Express handles international shipping of films from distribution centres in southern California and Ohio to destinations in American Samoa, the Bahamas, Bermuda, Guam, Puerto Rico, and Saipan. DHL Same Day distributes film prints between theatres, expedites film shipments for special screenings and recovers shipments from carriers that cannot meet Technicolor’s service requirements.



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Open Skies Deal Protects Night Flights

UPS has congratulated the United States Government and the European Union for their tentative agreement, which gives express carriers greater protection from night flight restrictions at European airports.

The expansion of the Open Skies Agreement promotes US-EU cooperation on aviation issues such as security, safety and competition.

"UPS continues to experience strong growth in Europe and the night flight protections in this agreement will help ensure we can provide our customers reliable, global distribution solutions," said David Abney, chief operating officer.

TNT, Con-way Expand Partnership

TNT and Con-way Freight are expanding their partnership by launching a day-definite road-air-road service for shipments from the United States to Europe

The export service complements an existing Europe-to-United States import service launched last year. Con-way Freight will manage US pick-up, consolidation and air cargo loading, while TNT will manage customs clearance, break-bulk at its Liege hub and shipment to destinations via its integrated air and road network in Europe

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DHL Doubles Clinical Trial Depots

DHL has doubled the number of its clinical trials depots from eight to 16, opening facilities in the United States, Canada, Panama, Argentina and Chile as well as in China and Lebanon. It now offers clinical trials logistics in 64 countries.

Canada Post Buys Ford Transit Connect

Canada Post will purchase 1,175 Ford Transit Connect vans this year to replace its aging national fleet of light vehicles. Purchasing criteria included environmental impact, employee health and safety, performance, capacity and total lifecycle costs.

Green Option for UPS SME Customers

UPS is offering SMEs a "green" collection option. For a weekly flat fee of USD 10, customers that do not need a daily pick-up can opt for UPS Smart Pickup. Automated technology allows the UPS shipping and operations systems to communicate and notify drivers via handheld computers that a pick-up is required once an order is placed.

Air Cargo Continues to Recover

Air cargo traffic has a further three percent to recover in order to return to pre-crisis levels, but International Air Transport figures for February did show a 26.5 percent year-on-year increase. Air cargo capacity was four percent higher year-on-year reflecting an increase in airline confidence.

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Pay Talks Restart in Australia Under MOU

Australia Post and its unions have agreed a memorandum of understanding (MOU) that provides a new negotiating framework for a fair work agreement to be achieved this year.

The MOU resulted from discussions led by Australia Post's new managing director, Ahmed Fahour, with the presidents of the two postal unions. It commits all parties to a relationship based on consultation, transparency and trust and is designed to provide a fresh start following industrial action.

Australia Post will honour its previous commitment to a two percent pay increase in August this year and a further two percent in December. It will remove lost time injury frequency rates from managers' bonus targets but will continue to focus on the issue.

The unions have agreed not to organise or take any industrial action while negotiations continue.

In addition, Ahmed Fahour will host a summit of senior executives and union representatives on the future challenges facing the business, the unions and their members.

Flagship Branch Opens for NZ Post

New Zealand Post has opened its new flagship PostShop Kiwibank store in Auckland's business district.

The outlet is one of the biggest in a network of 300 PostShop Kiwibanks and 600 PostCentre stores.

DHL on the Lookout for Indian Acquisitions

DHL is looking for acquisitions in India in order to expand its own services and those of Blue Dart Express, its 81 percent owned domestic express subsidiary.

Malcolm Monteiro, DHL Express director for south Asia, said in a newspaper interview that DHL planned to grow organically but was open to acquisitions. The company has already invested more than USD 300 million in India in the past five to six years and will continue. "When an opportunity presents itself, we wouldn't be restricted by budgets," said Mr. Monteiro.

DHL values the Indian express market at INR 70 billion, with 12 to 15 percent current growth rate. DHL has about 60 percent of the international shipment market while Blue Dart has 44 percent of the domestic air express sector, according to Mr. Monteiro.

Aramex to Expand from Hong Kong Base

Middle East operator Aramex is expanding its operations in Hong Kong, transforming its office into an independent business centre and regional hub in order to increase its share of express and freight business.

"We are growing our business and presence across Asian markets and our expansion in Hong Kong is to facilitate intra-Asian shipments as well as exports to other parts of the world, particularly Europe and the US," said Samer Marei, country manager of Aramex.

DHL Japan Develops Clinical Trial Traffic

DHL Express Japan has introduced a priority service to provide express import and export transportation of time-sensitive medicines, clinical supplies and specimens for clinical trials.

DHL Medical Express provides time-definite and secure transportation of urgently needed clinical supplies worldwide. It is a value-added express service with staff dedicated to the transportation of investigational new drugs.

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