

DHL eCommerce solutions invests €560m in UK e-commerce operation to support ambitious growth plans

05-07-2022

DHL eCommerce Solutions today announces plans to invest €560m across its UK ecommerce operation, DHL Parcel UK. The investment comes following a 40% volume uplift since the start of 2020 and soaring demand for its ecommerce and B2B services. The expansion project is designed to deliver the right infrastructure to facilitate growth as well as putting the business at the forefront of sustainable and digital logistics.

"The Covid pandemic has not only driven digitalization, but also significantly changed consumer behavior, rapidly accelerating the growth of e-commerce and shifting shopping habits. At Deutsche Post DHL Group we believe this shift to online shopping will remain intact and, as e-commerce is one of the important pillars in our Group Strategy 2025, we'll continue to invest in the sector. This investment in the UK is a key part of that, supporting the expansion and modernization of our European network. I'm really looking forward to supporting the business on its growth path in my new role as CEO DHL eCommerce Solutions starting August 1," says Pablo Ciano, Executive Vice President Corporate Development at Deutsche Post DHL Group and designated CEO DHL eCommerce Solutions.

Nearly half of the investment will be in a brand new 25k m² hub in SEGRO Park Coventry Gateway, located south of Coventry Airport. The new facility will have the capacity to handle over 500k items per day and is expected to create over 600 new jobs including warehouse, driver, administration and management positions. The new hub will feature secure bonded storage and customs capabilities to support international ecommerce, a 48-door cross dock facility and state of the art mechanization, allowing

automatic sortation of mixed sized and weight items through high-speed sortation equipment. The building has been designed to achieve BREEAM 'Excellent' status to minimize its environmental impact through design features such as 7,000m² of solar panels, LED lighting and landscaping to protect the natural biodiversity of the area. As well as incorporating EV charging points for cars, the site will also be equipped with LGV electric charging points throughout and sustainable fuel capabilities to pre-empt technology developments in larger vehicles over the coming years.

An initial €75m will be invested in upgrading the company's fleet with a major focus on alternative fuel vehicles. The fleet investment includes 6 fully electric 18tn trucks, 30 Liquefied Natural Gas (bio-LNG) trucks, and 18 electric tugs. This roll-out will be followed by further sustainable fleet investment going forward.

The investment in sustainable infrastructure and vehicles supports Deutsche Post DHL Group's sustainability strategy which is in line with the Paris Agreement through the Science-Based Targets initiative (SBTi). In total, Deutsche Post DHL Group will spend €7 billion in sustainable fuel and clean technologies by 2030.

Finally, the business will also invest over €220m to create 10 brand new collection and delivery depots across the UK, and 20 more existing sites will be expanded. The new and expanded depots will create an additional 3,500 jobs across the country. The locations of the new sites have been strategically chosen to reduce the distance required to serve customers, enabling further roll-out of electric vans and improving speed of service.

Peter Fuller, CEO of DHL Parcel UK, says,

"This investment is a real demonstration of the excellent work our people and partners have delivered over the past two years to get us to the level of growth where major expansion is required to meet customer demand. E-commerce is going to continue to shape the world around us, this investment, along with the strength of the DHL brand and our leading approach to digitalization and sustainability will put us in a strong position to take advantage of market growth."

Source: [Deutsche Post DHL](#)

