

DHL announces plans to create and manage European distribution centers for Eaton's electrical business

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DHL Supply Chain has signed a long-term agreement with the global power management company Eaton to create and manage three distribution centers for their Electrical business in Europe. Over the next few years, the contract logistics specialist within Deutsche Post DHL Group will consolidate Eaton's major standalone distribution center capabilities throughout Europe into three high-performing and integrated primary distribution centers. These will be located in Germany, in the UK and in the Czech Republic, where the current DHL managed distribution center will be expanded.

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"Eaton has been a valued partner for years and we are delighted to further intensify our collaboration. Based on DHL Supply Chain's broad expertise in devising integrated supply chain solutions, we developed the Rheinbach concept for a full warehouse consolidation, starting with planning, construction, fit out and full automation to the initial setup and operation," describes Oscar de Bok, CEO Mainland Europe, Middle East & Africa, DHL Supply Chain.

In Rheinbach, Germany, a new building is planned that will serve Eaton's customers in

Western Europe. The green field construction is scheduled to start in the fourth quarter 2017, with DHL storing and distributing different electric components such as switch cabinets, fuses and control devices in the new warehouse after its completion in 2018. The goal is to create a more efficient warehousing concept enabled by a fully automated solution and thereby reducing overall run times to meet increased customer demand.

"Providing tailored contract logistics solutions is one of our globally proven strengths and the newly to be constructed warehousing solution will help Eaton to prepare its business for a successful future," Karsten Schwarz, CEO Germany and Alps, DHL Supply Chain adds. "The new facility will not only provide a significant increase of productivity due to its innovative set up but also demonstrates DHL's commitment to the wider Bonn region."

As both DHL and Eaton have a strong commitment for sustainability with corresponding goals, the new warehousing site is to comply with the standards of the German Society for Sustainable Construction (DGNB) and will be built to achieve the silver certificate of the association.

"DHL is very experienced in warehousing and

distribution as well as supply chain solutions and we can help with their environmental focus and drive energy efficiency by applying Eaton's power management technologies to their facilities. It's a very interesting partnership where we support each other's growth while we keep focused on our core businesses," says Klaus Gaeb, Vice President Supply Chain and Operational Excellence, Eaton EMEA.

As DHL already has a significant footprint in Europe, this revised distribution approach would also provide strong future prospects to

the majority of distribution center employees from Eaton. They are covered by this agreement and are given the opportunity to join DHL following the overall completion process.

With these new agreements Deutsche Post DHL Group and Eaton are taking the next step in extending their strategic partnership. Since 2008, DHL has been supporting Eaton in the review and improvement of its supply chains across the globe, winning the company's "Best Supplier Award" in 2016.

Source: [Deutsche Post DHL](#)