

IOC Chairman Carl Lomas MBE.

Chair Institute of Couriers,

*Fellow in Logistics at the University of Derby,
Secretary to BIS express delivery trailblazer apprenticeship group,
Chair for TFL LoCity Van programme.*

Whilst a London undergrad also a final mile courier in the late eighties.

First ever delivery was Norton Rose goes BBC Broadcasting House.

Is Final Mile e-Retail Sustainable

ELX NEC 14.45 - 15.15

Today at EDX I have three focus topics in 20 mins.

- 1) Express home delivery numbers exploding
- 2) Where will the next generation workforce come from.
- 3) How will we deliver the final mile in 2020?

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Taking my first point

The sector numbers for express delivery are ‘exploding and evolving’

3 x one million foot super sheds in Q4 2015 (DPD UK Mail Yodel)

18% rise in light van registrations for 2015 (93.500 registered Society of motor manufacturers & traders)

Key numbers for e-retail sector from the IMRG CapGemin surveys.

114 billion pounds of retail value delivered to home in 2015 (24% of the market share).

	2015	2014	2013	2012	2011
Online sales	114bn	104bn	91bn	78bn	68bn

‘Predictions - by 2020 half of all retail will be home delivered.’

If point one is true,

Express home delivery will be doubled by 2020

Taking my second point,

‘Where will the next generation workforce
come from?’

Where will the next generation workforce come from?

Is the future generation workforce even aware logistics exists?

Logistics is a secret sector.

A message to schools colleges and undergrads.

What is logistics?

‘A Pineapple is home delivered, travels road rail air and sea, retail value one pound.’

Add to this;

Logistics is a sector that is likely to provide a job for life.

If we can find these next generation individuals....

How will they cope with the evolving demands?

So one of my other roles, I am sec to the Express delivery employer group for BIS, chaired by Justin Moore CitySprint.

IOC worked closely with BIS to formulate trailblazer qualifications and kept a strong employer engagement.

By 2017 we expect a strong career pathway recognised by BIS for express delivery.

A staircase of paths for express delivery.

Express delivery / courier - driver Level 2

Express delivery / sortation hub operator Level 2

Express delivery / supervisor Level 3

Express delivery / sortation hub manager Level 4

Surf to Inst of Couriers web for a good summary. www.ioc.uk.com

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Small text extract for the slides arriving in your inbox

Express delivery / courier level 2

A driver role, front line delivery of express packages, typically to home locations. Delivery allocation, from walking post to cycle, bike, light vehicle. Responsibility for signature, proof of delivery, decision to leave package. Collection duties, responsible for vehicle checks, working within the law, H&S and road.

Express delivery / warehouse hub operator Level 2

Operative in an express warehouse, load and unload skills to conveyor belt, packages in cages, sortation routes, automation systems to silos for re loading. (Nothing is stored in Express delivery, a happy warehouse/ hub is empty after the shift, every shift.)

Express delivery / courier supervisor level 3

(A driver role where responsibility for package sortation and route allocation takes place, a master/elite driver who spends time in the hub to oversee routes and package allocation, but is still likely to hold a delivery allocation, operating in a dual role of delivery and supervision.)

Express delivery / sortation hub manager level 4

(Supervisor / manager, responsible for route allocations of vehicles, both delivery and collection, working from the hub, managing incoming express delivery packages to volume and delivery timescales in a geographic area. Supervising collection routes into the network and allocating returns loads to the wider network.



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So my third point

How will we deliver the final mile in 2020?

Is Final Mile e-Retail Sustainable?

No - By 2020 on the projected figures final mile will no longer be sustainable.

At IntralogisteX I said **'Present model of networks is unsustainable at final mile.'**

With a workforce in place & double delivery targets how will we deliver in 2020

From IntralogisteX IOC collected data on expectation of delivery speed and value. The first answer is not yet published but we have confirmed our hypothesis.

'The higher the value of goods purchased the quicker and cheaper the delivery is anticipated'

Population increase is going to push volumes even harder and likely focus into the cities where density is already very high.



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(2020) Presuming.

Delivery failures at a minimum;

Text messages and chosen short time windows all maximised.

TFL view is Re-timing.

‘You cant home deliver in the middle of the night’

Inner city space will not sustain double the present volumes.

How many yellow lines can we park on?

Consolidation may be the only way.

But it is not conceivable that national competitors will consolidate with each other. (UPS final mile Olympics)

For a sustainable 2020 model consolidation the answer lies in a new layer.

Leeds, Manchester & London have small third party final mile platforms today.

Final mile operators are emerging from eco-solutions in cycle & small electric.

One emerging cycle advantage is access beyond fuelled vehicles, London's cycle superhighways and pedestrianised high streets.

Gnewt is a good example in London providing final mile for national players, DX, Hermes and TNT.



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A model to sustain Final Mile e-Retail in 2020

My statement at IntralogistEX was:

‘Final Mile e-Retail will not be sustainable by 2020’

My statement for EDX is:

‘Sustainable final mile solutions will be delivered with the addition of a new layer.’

‘Consolidation is feasible in third party platforms.’

‘Third party consolidation partners using LoCITY technologies will be common to many cities in 2020’