



presentation

EOR Warehouse Leipzig - 2018



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- ❑ What is End of Runway (EOR)
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- ❑ Appendices
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 - ❑ reduction of cycle time

DPDHL: a global company with a unique portfolio

Deutsche Post DHL
Group

Corporate Center

Post - eCommerce - Parcel (PeP)



letter and packet distribuion
Hugge growth due to e-Commerce and delivering of packet

Express



Express shipment door to
door, with focus on day and
time defined international
delivery

Global Forwarding, Freight



Expert for transport, air and
maritime freight as well as
industrial project and
global solution for transport
management

Supply Chain



Contract Logistic: Warehousing,
Distribution Manager, Transport
Services, Value Added
Services

DHL Customer Solutions & Innovation

Global Business Services



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EOR /LEIPZIG/2018

Overview - Some Figures

DHL Global Forwarding, Freight

- Presence in more than 150 countries and territories
- 2 million full truck load movements p.a.
- More than 40 million tons transported p.a



DHL Supply Chain

- World **No.1** in contract logistics with 7% global market share
- Presence in more than 60 countries and territories
- > 2,600 logistics centers, warehouses and terminals ww



DHL Express

- Presence in more than 220 countries and territories
34% of the global market share
- 3 main global hubs
- > 250 dedicated aircraft serving approx. 500 airports globally
- > 30,700 vehicles and more



Footprint DHL Express and Supply Chain

Getting you ahead of your competitors



LEIPZIG concept: The End Of Runway

All DHL EXPERTISE under ONE ROOF = End of Runway (EOR)



<https://www.youtube.com/watch?v=AP1MCMjPkCA>

DHL Supply Chain in Leipzig

Address

DHL Supply Chain (Leipzig) GmbH
Schreinerweg 1
04158 Leipzig

Employees

92 employees:

- 58 DHL-employees
- 6 DHL-employees in apprenticeship
- 0 temporary staff (external)
- 28 temporary staff from DHL DP



Area

- **Area total**
ca. 22.000 m²
- **Effective area warehouse/operations**
ca. 15.485 m²
- **Effective area outside**
ca. 6.500 m²
- **Effective area administration**
ca. 750 m²

Services

- Multi User-Warehouse
- Warehousing
- Emergency Service
- Customer Service
- Customs Department

Specifics

- TAPA-A certification completed
- 24/7 Operations
- Whole site CCTV – controlled
- DHL Express Implant FAA (LBA) – certified
- Wide User-Knowhow in several WMS-Systems

Leipzig Expertises

1- Customer Service and Customs

- Deep knowledge of all customer related processes: Oracle, EMC², Denso, Shape Technologies
- Solid proficiency in complex (or demanding) customs and compliance requests
- Handling of dangerous goods as per IATA/ADR/IMDG

2- Security und Quality Management



Leipzig Expertises

3- Late cut-off times

Versandart	Abholung Frachtführer	Auftragsannahme- schluss EU/Domestic	Auftragsannahme- schluss nicht-EU ($\geq 3.000\text{€}$) Szenario 1 (keine Lizenz)	Auftragsannahme- schluss nicht-EU Szenario 2 (vereinfachtes Verfahr. oder geringer Wert <3.000€)
Express TDI	Nicht-EU: 23:00 Inner-EU: 23:30	23:00	14:30	22:30
Express TDD	18:30	18:00	n/a	n/a
Express DDI	14:00	13:30	12:15	13:00
DGF	16:30	13:00 (preadvice = 13:30)	13:00 (preadvice = 13:30)	13:00 (preadvice = 13:30)
Nightstar (in-night deliveries)	17:00	15:30	n/a	n/a

How?









Implant DHL Express

- 200 sqm dedicate area on the site
 - LBA – certified
 - 400 shipments per hours prepare on site and ready to go direct in the aircraft
- => Give us the possibility to process late order, so that your shipment get their flight!



The End Of Runway Service Bouquet

The 'EOR' provide a wide range of extra services above simple order fulfillment

Technical services solution set								
Pre-sales				After-sales				
Services	Contract assembly	Configuration & customization	Kitting & postponements	Medical device handling	Screening & recovery	Technical call ctr. support	Return & repair management	ASP management
	 Assembly of components/ modules to finished goods	 Configuration, localization and customization of generic goods (e.g. software upgrade)	 Packing of retail kits on integrated kitting lines and final postponements on generic product before it goes to retail	 Clean room and temperature monitored (2° - 8 °) environment	 Electronic functional testing of modules and finished goods	 Tech support for diagnosis and repair issues, escalation mgt	 Integrated return logistics and repair of defective service parts	 Authorized Service Providers mgt, repair audits, training & certification, parts mgt
Support	<ul style="list-style-type: none">IT platformService parts procurement				<ul style="list-style-type: none">Service parts planningVendor management		<ul style="list-style-type: none">Resource management	

Show Case Oracle: urgent parts

DHL used its Global Technical Services to integrate the oracle Repair and Return process

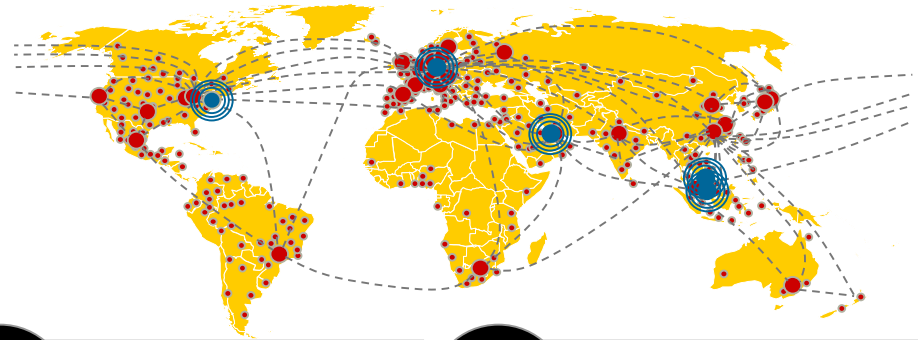
Infrastructure

Oracle is benefiting from our existing Infrastructure, technical services and location resulting to low transportation costs and creating a competitive advantage.

Our locations are :

- Areas of **high population** density to establish proximity to customers and markets
- **Hub locations** to profit from existing infrastructure and cut transportation and handling costs
- **Country hub locations** for countries that have Regulatory challenges with the import and export of product

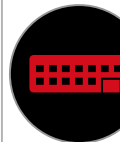
Global key locations



93+ warehouses for replenishment EMEA wide



~100 local screening & level 1/2 repair facilities



1400+ local warehouses for mission critical deliveries



Multi modal transportation (Road, Sea Air)



8 Level 1/2/3 repair vendors hubs/competency centers



5 regional logistics customer service centers

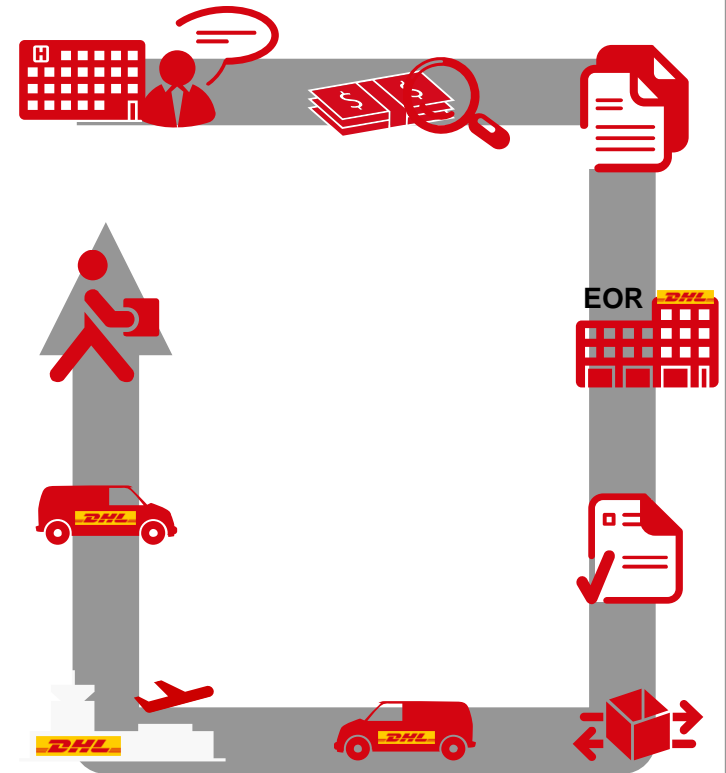
Show Case **Oracle**: urgent parts

A specific device is required Pre9 next day in a bank in **Zürich, Switzerland**

Key steps from demand to delivery

Day 1	17:30h	Bank calls Oracle Dispatch Team, order by phone is taken
	19:50h	Customer credit check, check of stock availability and order creation in GSI
	20:15h	Order is transmitted into DHL 'EOR' Leipzig WMS –Select Upgrade
	20:45h	DHL CS is qualifying the order and prepares Invoice and Export declaration
	21:35h	Picking & packing, order confirmation
	23:30h	Implant Express station: Shipment receives all necessary Express Scans
	00:00h	Direct injection into Air Hub and departure
Day 2	02:50h	Arrival at Zürich, unloading, sorting
	07:10h	Loading onto delivery vehicle
	08:30h	Delivery at 08:50h to FE or Customer

Flow of information and product



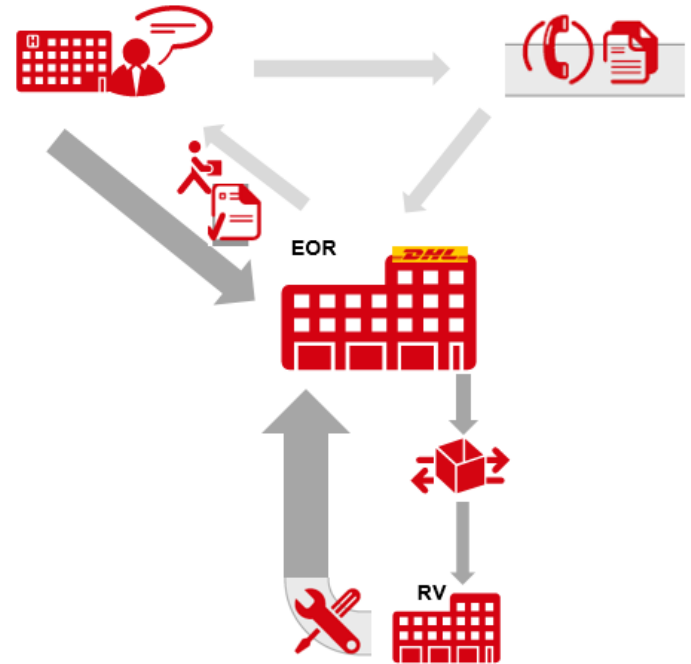
Show Case Oracle: Return and Repair Cycle

A defective component needs to be urgent replaced and repaired afterwards

Key steps from demand to delivery

Day 1	17:00 18:00	Customer calls Oracle Dispatch Team Order Creation and Next Day Delivery proses begins. DHL is adding a Return Kit to the good new part.
Day 2	09:00 11:00	Customer receives good new part Customer is handing over the defective one to DHL based on the Return Kit Satisfied Customer!
Day 3	12:00 15:00	'EOR' Leipzig is receiving the defective component – put away into “def” stock. Oracle creates an order to Repair Vendor
Day 4	17:00	Picking-packing-dispatch- ready to ship
Day 5	14:00	Defective Component is shipped to RV
Day 5	09:00	Defective parts get screened and repaired
Day 7	09:00	Repaired part will be shipped back to 'EOR' Leipzig
Day 9	12:00	Leipzig received repaired spares from RV and stocks them available as “good”

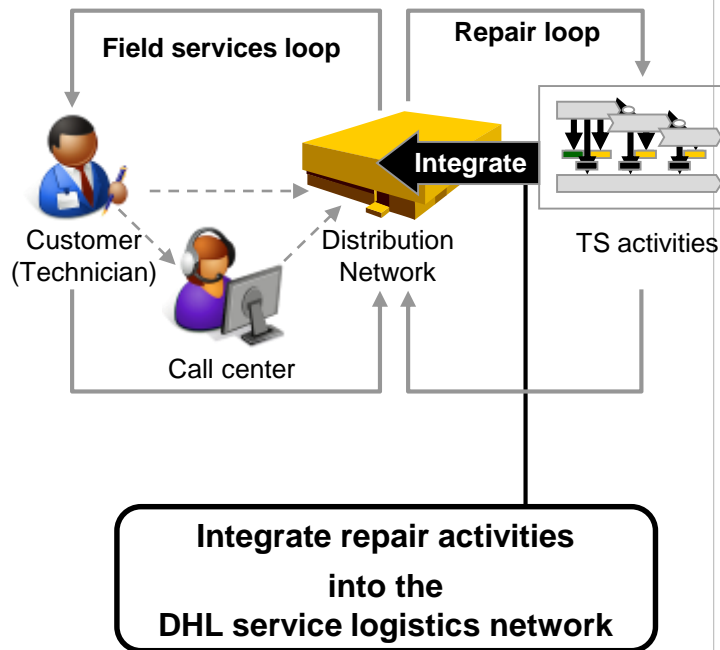
Flow of information and product



Show Case Oracle: : cost saving?

Integrating the repair process into DHL Supply Chain's footprint enables our customer to make significant operational cost savings

B2B business model



Value proposition

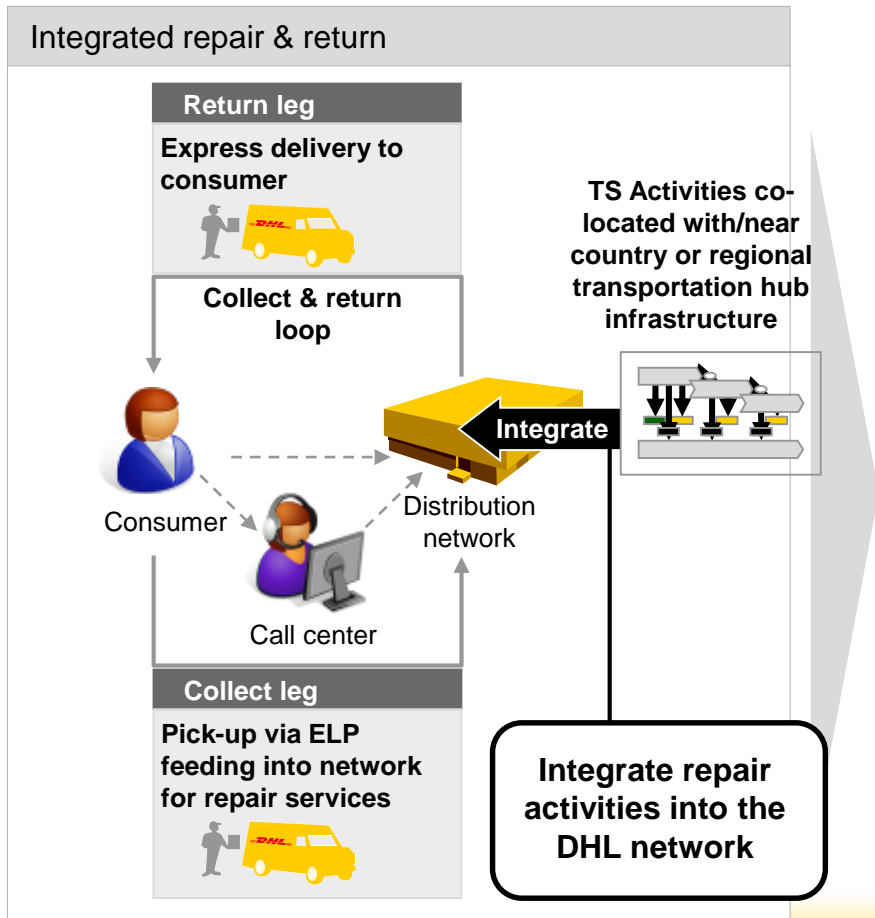
Customer benefits

- Decrease in transportation costs
- Minimize handling and touch points
- Faster repair cycles
- One-stop shop
- Working capital optimization & lower inventory in DHL network




 **cost savings of up to 20%**

Show Case Oracle: : reduction of cycle time?

The integration of the repair and return delivery process into DHL Express and Supply Chain is conducting to reduce the transport cost and the cycle time



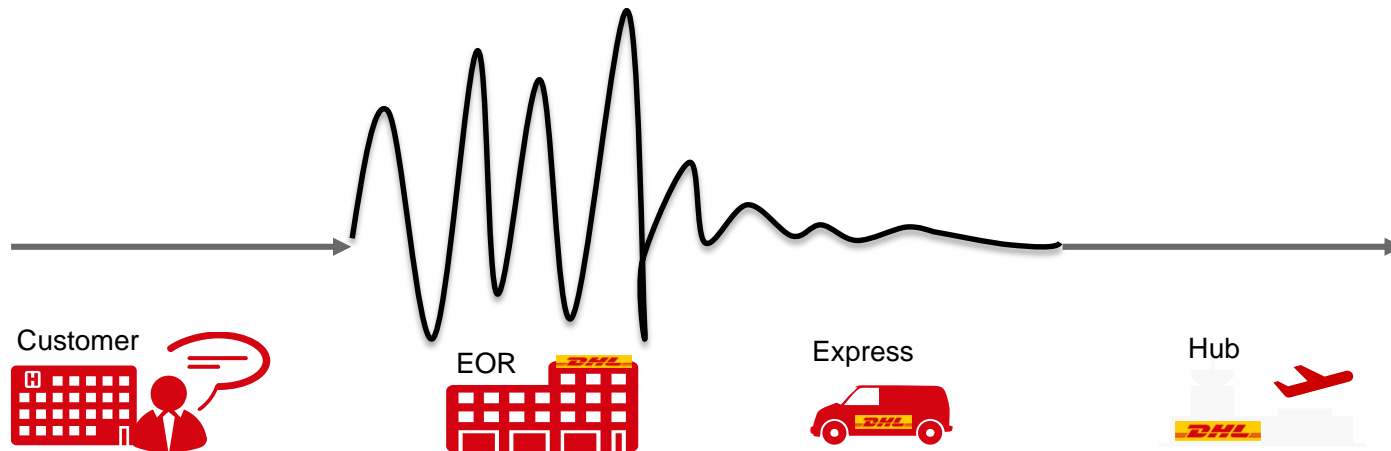
Service offering & value proposition

	Old: collect & return  & Ext. repair vendor	New: repair & return  & 
Solution	Transport of defective goods with optional return	Integrated repair service via DSC
Call center	Dedicated customer service if required	Technical call centre for returns avoidance
Reporting	Extensive reporting functionality	End-to-end reporting and management metrics
Visibility	Dedicated eCom for handling and monitoring across multiple legs	End-to-end visibility over multiple supply chain participants

• Faster cycle times

Show Case **Oracle**: reduction of the complexity

We are managing the complexity of the process for Oracle

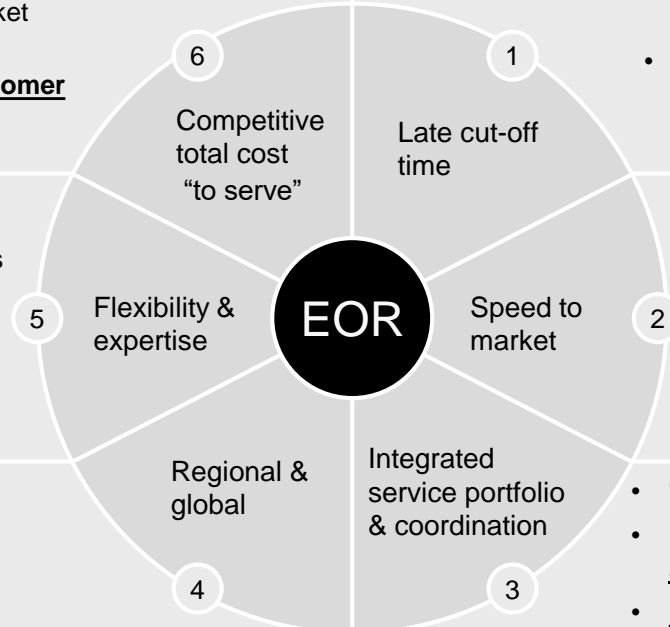


EOR: Your Benefits

- Centralization of inventory, a shared infrastructure and reduced time to market **offer an optimal cost/service mix**
- Competitive cost through multi-customer environment**

- Our customers can shorten response times and extend their service windows as we offer **24x7x365**
- Cooperation with DHLs BU allowed **customized cut off time**
- Customs Services**

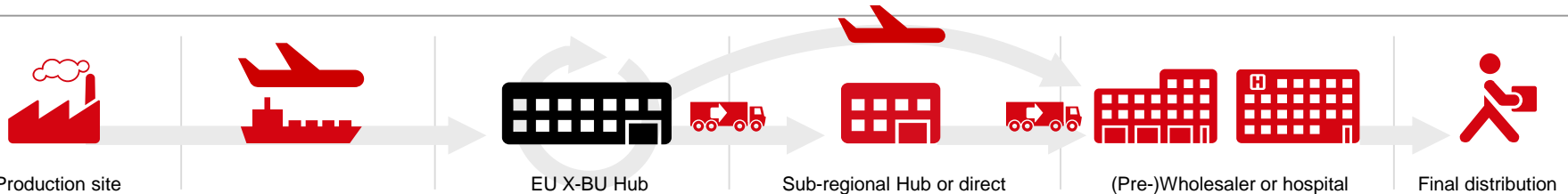
- Our customers can **reach their customers** at all major European destinations **by 9 am**
- Access to global DHL network and gateways to **220+ countries** and territories



- Postponement of configuration services contributes to **reduction of stock levels**
- Cooperation with DHLs BU allowed **late cut off time**

- Access to multi-modal network allows **optimized transportation mix**
- Shorter turn** around times allow **inventory reduction** in the service supply chain
- Urgent repair** & other VAS
- Reduced time to market allows **reduction of stock levels**

- "One DHL" promise **reduces complexity**
- Economies of scale through **shared services**
- Multi-channel** distribution from a single location
- ISO and TAPA **certified**



Corporate divisions – The DHL divisions



The logistics company for the world



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