



## **Spicers awards new £38m five-year contract to DHL**

### **DHL Supply Chain develops innovative logistics solution for Europe's leading office products wholesaler**

**London, UK – 08. January 2010:** DHL Supply Chain has won a new contract worth £38m (approx. 42.7m euros) across five years to handle the UK distribution for Europe's leading office products wholesaler, Spicers.

DHL will manage distribution across Spicers' supply chain network from regional distribution centres located in Greenwich, Chessington, Bristol, Birmingham, Heywood and Glasgow to dealers and customers.

Following a competitive tender process, DHL was awarded the new customer contract based on its recommendations for increasing value across the company's existing transport network, as well as offering the best cultural fit with the Spicers business. The office products wholesaler also recognized DHL's ability to provide a flexible logistics solution, which can be adapted to changes in the business environment.

Vida Barr-Jones, Logistics & Customer Service Director at Spicers, says: "DHL has shown real understanding of our business and our values, while demonstrating the ability to be flexible in its approach and innovative in its thinking. Awarding this new five-year deal to DHL reflects the confidence we have in the team and we look forward developing a strong partnership to drive further cost savings and improved service delivery."

DHL will manage a dedicated fleet of 98 vehicles. Focused on enhancing efficiency, and thereby reducing costs across the supply chain, DHL will continue to drive improvements through the ongoing implementation and effective evaluation of the information provided by the following systems within Spicers' transport network:

- Deployment of vehicle telematic systems to enable DHL to monitor fuel usage and better understand how the vehicle is being driven. Information generated by this



system will help DHL to train and manage drivers to minimize fuel consumption.

- Implementation of tracking systems to allow DHL to oversee route planning, understand the need for variances, and enable future planning across the network. As well as providing increased transport efficiency, this system will improve the security of vehicles by enabling any stolen lorry to be traced.

In addition, fuel efficiency improvement will be delivered through the deployment of new vehicles fitted with the “tear-drop” body design. The rigid design is expected to improve fuel consumption by approximately eight per cent.

All 180 employees from the previous contractor have been retained by DHL, which is committed to maintaining service levels through the transition, while identifying areas for development. This includes coordinating a series of improvement workshops to encourage collaboration within teams and to build on the existing expertise within Spicers’ supply chain.

John Boulter, Managing Director, Non Food Retail UK, DHL Supply Chain, says: “Building on the great foundations at Spicers we have been able to implement improved technologies and systems to reduce costs and maximize efficiency. We are extremely excited about the opportunity to develop a long-term partnership with Europe’s leading office products provider and utilize our own expertise to benefit their wider business.”

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**DHL** – The Logistics company for the world

DHL is the global market leader in the logistics industry and “The Logistics company for the world”. DHL commits its expertise in international express, air and ocean freight, road



and rail transportation, contract logistics and international mail services to its customers. A global network composed of more than 220 countries and territories and about 300,000 employees worldwide offers customers superior service quality and local knowledge to satisfy their supply chain requirements. DHL accepts its social responsibility by supporting climate protection, disaster management and education.

DHL is part of Deutsche Post DHL. The Group generated revenue of more than 54 billion euros in 2008.