



# DHL opens state-of-the-art facility to assist exporters

DHL, the world's leading express and logistics company, recently opened a state-of-the-art Perth facility at Perth International Airport. The A\$6.4 million facility is a collaborative initiative between two of DHL's business units, DHL Express and DHL Danzas Air and Ocean, marking an important step forward in DHL's long-term regional growth strategy and will be a boon for WA exporters.

Acting as a gateway to Asia Pacific and Europe, the new Perth facility involves a significant upgrade of the existing DHL Danzas Air and Ocean facility, as well as the incorporation of the DHL Express operations in an adjacent space. The two DHL business units will work in collaboration, creating a one-stop-shop for the Western Australian business community.

DDAO has extended its existing office and temperature-controlled airfreight export facility with the addition of a 2000 sqm warehouse with the potential to move approximately 9000 tonnes of freight annually, or equivalent to over 14,500 shipments. Strategically located 100 metres from key business partners, including Australian Customs and Australian Quarantine Inspection Service, the facility has also been designed to allow for significant expansion in the future.

The DHL Express operations will be one of the fastest and most efficient in the industry with the installation of an advanced belt-driven process line that will streamline the flow of imports and exports, enabling time and cost savings. The new centre, fully equipped with state-of-the-art security systems and new x-ray machine, will further strengthen DHL's relationship with Australia Customs as it assists with checking all inbound shipments.

"With increasing trade links with Asia Pacific and the United States, the new Perth facility will play an important role in facilitating the efficient movement of goods between Western

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Pictured at the official opening are, from left: Harlis Malkic, general manager DHL Express Australia, Tony Boll, chief executive DHL Danzas Air and Ocean, South Pacific and Eric Ripper, Western Australia's Deputy Premier.

Australia and these markets," said Evan Maurice, WA state manager for DHL Danzas Air and Ocean.

At the official opening ceremony, Tony Boll, chief executive DHL Danzas Air and Ocean, South Pacific said: "We are very pleased to work together with DHL Express to create a one-stop-shop for our customers. DHL Danzas Air and Ocean have always strongly supported Western Australian industries on both a local and international scale. The opening of this facility demonstrates our continued support and investment in the local region."

Harlis Malkic, general manager DHL Express Australia added: "DHL Express has seen strong double-digit growth in the Western Australian market and throughout the Oceania region over the past five years. With a forecast for even greater growth, particularly in the oil and mining industries, we have developed a business strategy that will allow us to continue to support local industries with their importing and exporting requirements."

Eric Ripper, Western Australia's Deputy Premier said: "The DHL Perth

Facility is a significant step forward in terms of local infrastructure and underscores DHL's commitment to the specialised industries that operate in this region. The Western Australian Government recognises the important role that this facility will play in facilitating trade and supporting local business interests."

The opening of the Perth facility comes at an exciting time for DHL Express in Australia. In March, the A\$20 million DHL Oceania Hub was

inaugurated in Sydney, becoming the centre of DHL's regional operations, processing more than 90,000kg of freight daily. In addition to the Oceania Hub, new DHL Express facilities have also been recently inaugurated in Darwin, NT, and Newcastle, NSW.

In 2005, DHL Danzas Air and Ocean also opened a new 10,000-sqm Sydney warehouse that provides a central location for distribution services, and is close to carrier's depots, providing access to 80 per cent of the Australian population on an overnight basis. Operations in Brisbane have also expanded with the addition of a new 3000 sqm warehouse. The additions bring the number of DHL Danzas Air & Ocean facilities in Australia to 24, comprising 78,000 sqm of warehouse space.

Over the past few years, DHL's investment in Asia Pacific has totalled over US\$1.6 billion with a focus on the building of dedicated infrastructure, enhancements of existing hubs and gateways, updating technology and the continuous expansion of a dedicated Air Network.

Concern over rising oil prices fails

# DHL Export Australia ex

**OIL and fuel prices are now the number one concern for exporters according to a new survey by express logistics company DHL. The fifth bi-annual DHL Export Barometer also reveals that Australian exporters, despite starting to feel the effect of higher oil and fuel prices, are confident about their prospects for 2006.**

Produced in conjunction with Austrade, the national study of 308 of Australia's key exporters identifies export trends. The report reveals that oil and fuel prices are the number one concern for exporters (72 per cent), overtaking for the first time the impact of exchange rates on their business. Global political and economic conditions are also cited as negative external influences.

"Exporters are not only concerned about the effect of rising oil prices on overall global demand, but also the fuel-related cost pressures on their own businesses. Although this is seen as a barrier to trade for most Australian exporters, overall confidence has risen, largely driven by the optimism seen in the manufacturing and service sectors, and because all exporters appear to be used to living with a higher Australian dollar," said Tim Harcourt, chief economist, Austrade.

"The latest Barometer results are encouraging — with 62 per cent of Australian exporters anticipating their



# Export Barometer reveals Western export market most confident

orders to increase in 2006, the market certainly remains buoyant," added general manager, DHL Express, Australia Harlis Malkic.

"The Export Barometer allows us to support exporters' by providing insight into current trends such as these, and working in partnership with Austrade gives us the opportunity to meet exporters changing needs and requirements."

The November result reveals China is the top export market, with over 50 per cent of Australian exporters expecting a rise in orders to China over the next 12 months. Additionally, this growth is expected to continue with China likely to be the top export destination in the world in 10 years' time.

The survey also examined capacity constraints, including manufacturing capacity, transport and infrastructure bottlenecks, all of which are believed to be easing compared to earlier in 2005. The most important supply side constraint reported is a shortage of skilled labour. In particular, exporters are affected by a lack of blue collar workers, with over two thirds of those experiencing labour issues complaining of a shortage of key, skilled tradespeople.



There has been a sharp rise in the number of exporters who are facing no barriers to trade (47 percent compared to 30 percent six months ago), proving that Australia's Free Trade Agreements (FTAs) are coming to fruition. In the

with 70 per cent of exporters anticipating an increase in orders over the next 12 months, and 68 per cent expecting an increase in profitability. Fifty five per cent of Victorian and Tasmanian exporters are optimistic

**When examined by state, Western Australia is the most optimistic region with 70 per cent of exporters anticipating an increase in orders over the next 12 months, and 68 per cent expecting an increase in profitability.**

about the next three months while, in distinct contrast to

the November 2004

case of the FTA with the United States, manufacturing exporters were the most positive on 48 per cent, while agricultural exporters were the most interested (60 per cent) in the potential FTA with China.

When examined by state, Western Australia is the most optimistic region

Barometer, South Australia and the Northern Territory are the least optimistic (28 per cent) about their immediate future. Additionally, more than half of New South Wales' exporters are expecting an increase in profitability over the coming year despite the fact that over two thirds are likely to be negatively affected by the rise in oil and fuel prices.



## 'World's largest network' covers 220 countries, 4.2m customers

The trend among the major manufacturers and exporters today is to focus on the core areas of production and marketing and outsource the entire logistics function including warehousing, inventory management and transport to specialists like DHL Danzas Air & Ocean.

DHL Danzas Air & Ocean has the world's largest express and logistics network through its parent company the giant Deutsche Post and World Net. The company covers more than 120,000 destinations in 220 countries and territories; has more than 4.2 million customers; and makes more than one billion shipments a year.

It acts as a general, impartial contractor, offering comprehensive supply chain management services from a single source — designed to minimise the costs associated with managing a broad range of relationships.

DHL works with various service providers and partners for its solutions. It has strategic partners in the areas of physical logistics (3PLs for transportation and warehousing), financial services, supply chain consulting and IT solutions — either within the Deutsche Post World Net (DPWN) group or outside.

DPWN — owners of DHL — have placed all worldwide and logistics under one brand.

This has seen Danzas and Deutsche Post Euro Express join forces with DHL, which means DHL is now providing total supply chain management by integrating express logistics, warehousing and freight solutions from a single source.

For air freight, DHL provides a global network, based on the hub and spoke method with time-defined and guaranteed services supported by preferred carriers. The company's 32 major sorting centres or hubs located strategically around the world are connected by spokes or the thousands of daily flights of owned, leased, chartered and commercial aircraft.

Offering standardised connections and fixed schedules on all main routes, DHL says all end-to-end logistics processes are supported by leading-edge information management systems, providing customers with complete shipment transparency.

- The word logistics comes from the French — 'logistique' — which is derived from 'loger', meaning quarters (as in quartering troops). It is related to the word 'lodge' (which is a much older word in English, but from the same Latin source). It entered English in the 19th century.



## Call centre tops for service

A NEW survey has revealed that DHL has shown that it delivers the highest standard of service to its customers in comparison to five other leading Australian express call centres.

With an average call pick up time of two seconds, which is up to 22 seconds faster than some of its key competitors, the DHL Express Customer Service Centre has been awarded by independent research group ACA Research an overall performance ranking of 91 per cent. This ranking cements DHL's position as the highest-achieving call centre in the express industry in terms of best possible service across a variety of performance indicators.

According to Fiona Finnegan, customer service manager, Australia, DHL Express, the one-to-one personal customer service that DHL offers its customers is one of the company's biggest assets.

"DHL customers can expect to speak to a person, as opposed to a machine, who will not only quickly answer their calls but will courteously take the time to help with any queries. Our staff are trained to answer all customer inquiries on the spot, ensuring there is no need to put a customer on hold or to transfer them to another operator," Finnegan said.

Other key findings of the ACA Research study include:

- 100 per cent of DHL's customers' calls and questions are answered on the spot, without transferring or holding.
- DHL Express has a 99 per cent customer satisfaction rate in the area of connection and greeting.
- DHL's performance on telephone courtesy is significantly higher than its competitors, with an overall performance courtesy rating of 95 per cent, and with 98 per cent of customers satisfied at the close of a call.



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