

DHL Express plans to offer sector-specific service to SMEs

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Coimbatore, March 13

For DHL Express, the challenge appears to be in providing sector-specific logistics solutions across verticals and focusing on the emerging SME sector.

With SMEs accounting for 45 per cent of total manufacturing output and contributing to over 40 per cent of the total merchandise exports by value, providing customised logistics solutions to the SMEs is becoming a focus area for DHL, said Mr Subramanian, Country Manager for India DHL Express.

The company has developed sector-specific logistics solutions to cater to the needs of the apparel and fashion industry, IT and ITeS, engineering and financial services sector among

others. "We see growth across all industry segments and are constantly innovating to meet the demand for such services," Mr Subramanian told *Business Line*.

FOR GARMENT INDUSTRY

Reiterating the need for such a solution for the apparel and garment industry, Mr Subramanian said, "in this era of multiple sales channels and online retailing, smooth logistics processes are essential - from material purchasing to the sampling business, to quality control (in production) and direct delivery to the boutiques of international fashion companies. Since most garment production is concentrated in Asia and Eastern Europe, complex international shipping instructions and cus-

tom regulations have to be complied with and this is where DHL has the expertise and network of reach in 220 countries and territories."

DHL's solutions include manufacturing and supplier services, origin management, freight management, destination management and in-country logistics, in addition to sector-specific solutions to cater the fashion and apparel sector.

"We provide - Textainers (which is a system of transporting hanging garments to protect garment in transit); BBX (Break-bulk shipment) - an integrated solution that consolidates multiple orders from distribution centres/manufacturers for international transportation and customs clearance. At destination, the shipment is bro-

ken into deliveries to individual consumers or stores; Jetline - a mission-critical international shipment guaranteeing international delivery within 24-hours within a network of 220 countries and territories; and Value added services such as labelling, re-packing, reverse flow of returns, single and set bagging and security tagging. We also deliver collections and handle inventory for major retailers with complex logistical requirements over multiple locations," he explained, adding "our global reach gives the manufacturer access to a much larger customer base."

"We will continue to invest in infrastructure, network and people to augment growth."

INVESTMENTS

He said the company made significant investments last year by adding to its aviation capacity. "In October 2011 we launched the Bangalore freighter service. The B777 freighter offers more than 100-tonne capacity and boosts transit times on key trade routes between Europe and Asia."

He said: "Normally, Express business grows in multiples of over two times the GDP growth, at 15-16 per cent.

"The total Express business market in India is estimated at \$700-800 million and we have a market share of over 40 per cent.

"The southern States have been major drivers of growth in the last decade."

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