



## Market

The US\$ 48 billion package delivery industry revolves around three large players, and DHL is amongst them in terms of its reach and network. Outside the industry, DHL is often referred to as a courier company – a term that harks back to the days when an international package, whether it was a box or a document, was accompanied by one person until it reached its destination. To this day, many people still expect the same personalised service, as they place their trust in the courier who collects a package from their office or front door.

In reality, however, this image of a courier company – and an industry – is outdated. The seemingly straightforward pick-up and delivery takes place only because a sophisticated logistics operation is behind it. This infrastructure of people, and a network of aircraft, trucks and vans, takes over as soon as a package leaves the sender – and until it reaches its destination.

Thanks to modern technology, a package is tracked at every step of its journey, and this provides the same trust that customers once placed in couriers. Today, DHL handles over 600,000 packages in Sri Lanka alone and more than 1.5 billion packages worldwide. DHL is no longer a company that simply delivers urgent documents for those that can afford it – it is now an essential partner for thousands of businesses, because it offers speedy access to markets and customers around the world.

As the world's leading express and logistics company, DHL is a truly global brand. Operating in some 225 countries and territories worldwide, it employs over 285,000 people and services more than 4.2 million customers.

## Achievements

DHL sets the standards for the whole industry, reflected in a long list of prestigious awards.

These include being Best Express Operator for the twentieth consecutive year; Best 3PL (third-party logistics provider) and Best Lead Logistics Provider (4PL); Best Air Freight Forwarder; Best All Cargo Airline; and Best Cargo Carrier Europe – all at the Asian Freight & Supply Chain Awards 2006, organised by Cargonews Asia.

DHL was also won the Asia Platinum Award in the Airfreight/Courier Service Category for the second consecutive year at the *Reader's Digest* Trusted Brand Awards 2006. For the same category, it received Platinum Awards in



Hong Kong and Malaysia; and Gold Awards in India, Philippines, Singapore, Taiwan and Thailand.

The brand also won the Chief Information Officer (CIO) Award at the CIO Asia Conference and Awards 2006.

The Air Freight Forwarder of the Year Award was secured by DHL, for the third time, at the Asia Logistics Awards 2005, organised by Lloyd's Freight Transport Buyer Asia.

A survey conducted by global market-research company Synovate, with Asian Integrated Media, ranked DHL first among express and logistics companies, and 33<sup>rd</sup> in the Top 1,000 list for Asia-Pacific.

At the TAPA Awards, DHL received Category A certification from the Technology Asset Protection Association, for its key facilities in the Asia-Pacific. The number of DHL's TAPA-certified facilities in the region, including in Sri Lanka, is now over 90.

## History

On September 25<sup>th</sup> 1969, DHL was incorporated by two friends, Adrian Dalsey and Larry Hillblom, who both worked for a small San Francisco delivery company, MPA. Hillblom was contemplating investing US\$ 3,000 of his stock market earnings in MPA, but Dalsey

persuaded him to use this money to launch a company of their own. A real-estate businessman, Robert Lynn, joined the two – and together, they set up DHL's first courier service, between San Francisco and Honolulu.

Carrying the documents themselves on overnight flights, they established the concept of air-express delivery. Shipping companies and banks were DHL's earliest customers, encouraged by a service that could beat the postal system – one that was also safe and guaranteed. Before the days of electronic money transfers, customers often used DHL to transport cheques running into millions of dollars on their behalf.

The DHL network expanded with incredible speed. The company travelled westward from Hawaii, into the Far East and the Pacific Rim, then to the Middle East, Africa and Europe. In just four years, the company had expanded exponentially – it was capable of offering services to 3,000 customers, thanks to a 300-plus workforce.

By 1977, DHL had extended its range of services and it started delivering small packages as well as documents. And 1982 saw the first substantial spurt of growth, with an additional 30 countries and territories added in one year alone. A year later, it opened offices in Eastern Europe, the first air-express company to do so; and in 1986, it commenced business in China, the first air-express company to do so once again.

By its 20<sup>th</sup> anniversary, DHL had offices in 175 countries and employed 20,000 people. A year later, it underlined its international strength by signing a landmark deal with Lufthansa Cargo, Japan Airlines and Nissho Iwai, thereby forming the first Global Transport Alliance and positioning itself to meet the growing aspirations of its customers.

In 1993, it announced a US\$ 1.25 billion investment in infrastructure and technology to fuel its expansion, including doubling the capacity of its hub in Brussels – its largest outside the US. This was followed, in 1996, by the opening of an Asia-Pacific hub in Manila and an Express Logistics centre in Singapore.

In 1998, Deutsche Post AG became a majority shareholder in DHL. DHL thus became wholly owned by Deutsche Post World Net (DPWN). Some five years later, DPWN merged all its express and logistics entities (including Danzas and Securicor Omega) under the international DHL brand.

DPWN, DHL's parent company, then completed its acquisition of Excel PLC (the largest logistics company in the US), to serve on a broader scale, reach more destinations and offer a comprehensive range of supply-chain services.

As an agency operation which commenced in 1980 with no more than ten employees, DHL Sri Lanka has grown both in size and performance during the last 25 years.

DHL was the pioneering express company in Sri Lanka, being established at an important juncture – when the country was embracing open-market policies and the economy was

exposed to world trade. Local customers soon realised the value of door-to-door express deliveries for time-sensitive business transactions with international partners.

In Sri Lanka, DHL's network consists of over 40 vehicles, seven service centres, as well as over 180 trained professionals. It is the only air-express company to operate a bonded warehouse with on-site customs.

DHL continues to offer its customers value-added services such as customer service 24 hours a day, seven days a week, including pick-ups and deliveries, e-solutions to streamline shipping processes and pre-clearance via electronic customs declarations. As for its bonded warehouse, local customs and airline officials have collaborated with DHL to enhance the level of service provided to local importers and exporters. As a result of this support and commitment, DHL Sri Lanka stands out in its service performance.

One of its guiding principles is the creation of a team culture. The local office has invested precious time and resources to ensure that it continues to deliver a professional service to its customers.

Today, DHL operates as a joint venture with John Keells Holdings (JKH), whose flagship status in the local marketplace has enabled DHL to consolidate its industry standing. Not only is JKH Sri Lanka's leading conglomerate, it is also amongst the most respected entities in the island.

## Product

DHL's core business is about offering fast, responsive and cost-effective door-to-door deliveries, in addition to e-commerce fulfilment and intelligent logistics solutions.

It recently reorganised its four divisions that now make up the New DHL. They comprise: Ocean and DHL Express; DHL Freight; DHL Danzas Air and Ocean; and DHL Solutions. With a fleet of more than 400 aircraft, 76,000 vehicles and 6,500 offices in more than 200 countries, DHL boasts a formidable operation – one that is positioned to achieve success.

## Recent Developments

The newly established Quality Control Centre in Sri Lanka (SLQCC) enables DHL to identify potential delays and make contingency plans on this basis. It is linked to the region through the DHL Asia-Pacific Quality Control Center (APQCC) in Singapore.

On November 30<sup>th</sup> 2005, DHL announced that it was investing in a new country office in Sri Lanka, reinforcing its commitment to the country. The purpose-built 40,000 square foot office at Vauxhall Street, in Colombo, will house both the administration and operational arms of DHL Sri Lanka.

## Promotion

DHL is one of the best-known brands in the world, which is partly due to a long heritage of high-profile marketing support. Speed has always been a key differentiator: Its 1989 TV advertising campaign featured DHL vans speeding through



**Jumbo Box. The small way to send a lot.**

Leave it to DHL. If you are planning to send goods abroad, there's no match in price or capacity, to the DHL 25kg and 10kg Jumbo Boxes. Both boxes are made of sturdy, double corrugated cardboard and are supplied free of charge. You can fill the Jumbo box with almost anything up to 25kg in the Jumbo and up to 10kg in a Jumbo Junior. DHL will deliver them door-to-door to anywhere in the world for a low flat fee. For more details call 2304304 or visit [www.dhl.com.lk](http://www.dhl.com.lk)

ALL THE WAY

the air, passing fighter jets and international landmarks on their way to delivering their customers' packages.

Its import Express Campaign 2005 was geared to making importing a simple process for its customers, by eliminating red tape and providing convenience.

DHL has announced an expansion to its Time Definite Delivery (TDD) service. This will enable customers in Sri Lanka to send their urgent and time-sensitive documents and parcels to 158 cities in 34 countries in the Asia-Pacific, Europe and the Middle East.

And DHL sponsored racing-car driver Dinesh Jayawardana, the fastest driver in the country in standard-car categories.

## Brand Values

Perhaps the greatest testament to its brand reputation is that DHL has become a name that describes delivering a package in the fastest possible time. People who request something urgent to be sent by air often insist that it is DHL-ed!

DHL Sri Lanka has earned an enviable reputation for serving its customers – thanks to its can-do attitude. The brand is widely regarded as a pioneer in the use of technology to constantly raise the bar of service. In keeping with the core values of its global operation, the DHL brand in Sri Lanka embodies speed, dedication, precision and an investment in people.

As a reflection of this, DHL donated US\$ 60,000 to post-tsunami rehabilitation efforts. The company's employees made this donation to benefit victims of the tsunami in Seenigama,

near Hikkaduwa. The collection was matched dollar for dollar by DHL and the cheque for US\$ 60,000 was presented by DHL – South Asia and Indochina to the post-tsunami housing project.

The donation was used to build 50 houses for displaced victims of the tsunami. In these shop-house concept buildings, there is a living area upstairs and shop space on the ground floor, which will enable the owners to engage in business as a source of income, whilst residing in a safer area.

DHL has a long history of aiding countries and organisations at local, regional and global levels that have been affected by natural disasters.

## [www.dhl.com.lk](http://www.dhl.com.lk)

### THINGS YOU DIDN'T KNOW ABOUT

#### DHL

- DHL's brand name represents the initials of its founding trio.
- Sri Lanka's apparel and textile industry accounts for the largest slice of DHL's customer base.
- DHL is the Preferred Logistics Provider of the Sri Lanka Apparel Exporters' Association.
- The company was the first to bring air-express delivery to the People's Republic of China.
- DHL is wholly owned by Deutsche Post World Net.