

DHL invests SGD 140mn in Singapore

18 October 2016 | News | By BioSpectrum Bureau

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Singapore: DHL Express has launched S\$140 million (~85 million) DHL South Asia Hub, a 24-hour express hub facility located within Changi Airfreight Centre (CAC) at Singapore Changi Airport. The 23,600 sqm facility is outfitted with fully automated express parcel sorting and processing system and is set to boost its operational capacity and efficiency, offering speedier deliveries for customers.

The new facility is 33 percent larger than the previous hub. Coupled with the enhanced operational efficiency, the new hub provides DHL with additional capacity. Besides allowing it to handle the growing shipment volumes, some export shipments can now be sent directly to the hub, bypassing the service center. This streamlines its overall operations by reducing travel and shipment handling time. With the hub located within the CAC, a 24-hour Free Trade Zone managed by Changi Airport Group (CAG), it also improves the flow of goods between aircraft and the facility and allows consignments to be shipped or transshipped within an hour.

Ken Allen, CEO, DHL Express, said, "Over the years, we've invested significantly to bolster our network and services in Asia Pacific. Our investment in the DHL South Asia Hub is the most recent in a series of global network investments made, and is the largest infrastructural investment made in Singapore to date. The country's strategic location not only boosts our operational network capabilities, but also supports growing trade in the region aided by a stronger global economy."

Ken Lee, CEO, DHL Express Asia Pacific, said, "The DHL South Asia Hub is a significant milestone in further enhancing our multi-hub strategy in the region. With four hubs in Asia Pacific, Hong Kong, Shanghai, Singapore and Bangkok, this links over 70 DHL Express Gateways located throughout the region. Together, these facilities reinforce our customer commitment to provide the most efficient international express connectivity between key markets in the region. This will also allow us to add more network flights in and out of Singapore, such as the recent introduction of the Phnom Penh-Bangkok flight that adds to our existing Bangkok-Singapore service, as regional trade continues to grow."

"The hub allows us to meet customer needs more effectively in this age of an on-demand economy. With our fully automated

system, the facility processes up to 24,000 shipments and documents per hour and can handle over 628 tonnes of cargo during the peak processing window, tripling our cargo handling capacity and processes shipments six times faster as compared the manual operations in the previous hub. The increased efficiency allows us to look into streamlining our service center operations in Singapore from end to end, giving our customers even faster deliveries and better business efficiency," said Frank-Uwe Ungerer, Senior Vice President and Managing Director, DHL Express Singapore.

The increased efficiency is achieved from the improved sorting speed and accuracy of the automated system, multi-dimensional tunnel scanners that accelerate barcode reading, and automated X-ray machines that scan packages up to three times faster than previous systems. In addition, the facility is partially powered by solar energy, which supplies about 20 percent of the hub's total energy consumption. These automation systems also enhance productivity, enabling employees to focus on higher value tasks such as risk mitigation to prevent potential shipment delays, issues management, and additional security inspection.

Mr Lee Seow Hiang, Chief Executive Officer, Changi Airport Group, said "We are heartened that DHL Express chose Singapore as the base for its new South Asia Hub. The opening of this hub is a significant milestone in our close partnership with DHL Express, and a major development in our journey of growing the air cargo hub at Changi Airport. With the capacity to handle more items through smarter design and a higher level of automation, this landmark facility is a much-valued boost to the express cargo handling capabilities at Changi. We are optimistic about the continued growth of this segment and look forward to supporting DHL Express' operations here."

DHL employees of the hub also benefit from ergonomic features such as height-adjustable Unit Load Device (ULD) platforms and extendable conveyors that allow parcels to be loaded safely and seamlessly.

Mr Kelvin Wong, Assistant Managing Director at the Singapore Economic Development Board, said "This investment in a state-of-the-art hub facility demonstrates DHL Express' strong commitment to achieve higher productivity and excellence in their operations. Such developments bode well for Singapore as we continue to leverage advanced technologies to augment our workforce and manpower profile, and to grow our air cargo and logistics handling capacity. We are also heartened by DHL Express' continued efforts to provide attractive working conditions and career pathways for its employees."