

Your challenge, our solution –  
**logistics** for the  
**Consumer Industry.**



## Our Consumer Vertical Market – the best connection to the consumer industry.

DB Schenker provides the best combination of performance, service and quality, regardless of the complexity or scope of logistics operations and requirements. As an integrated logistics services provider, DB Schenker manages and operates customers' transportation chains, providing land transport, rail and intermodal, air- and ocean-freight services together with complex contract logistics operations.

### Our performance enables your successful logistics operations.

We handle goods in end-to-end supply chains and offer our customers high quality, innovative and cost-efficient transport and logistics solutions from a single source. Furthermore, we are constantly enhancing logistics processes – locally, nationally and globally.

We are present in 130 countries with over 100,000 employees, providing global coverage while maintaining local understanding and operations. Our 2,000 locations are in all the most important economic regions, providing a worldwide network dedicated to customer service, quality and sustainability.

### We rank in the Top 5 of global providers across all our products:

- **No. 1** in Europe in Land Transport Shipments (in thousands): 95,325
- **No. 1** in Europe in Rail Freight Transportation volume (in million tons): 399
- **No. 2** worldwide in Air Freight Air freight volume (in thousand tons): 1,095
- **No. 3** worldwide in Ocean Freight Ocean Freight volume (in thousand TEU): 1,905
- **No. 5** worldwide in Contract Logistics Turnover (in million euros): 1,750

Source: Annual Report Deutsche Bahn AG 2012

## Your reliable partner for the Consumer Market.

DB Schenker supports the consumer industry in establishing the most efficient logistics operations and solutions around the world for all your products.

### Quality performance for your success.

We have industry experts who understand the challenges of your industry and the tools and solutions needed for success. Our expertise in all modes of transport and in contract logistics makes us the ideal logistics partner.

- We have a global team of experts in place to ensure the best support to our customers along your entire supply chain.
- We have implemented a sub vertical approach for all Consumer Market segments

### Innovative and efficient solutions for the Consumer Market.

The different segments in the consumer industry all demand unique logistics and warehousing solutions. Our extensive experience throughout this market provides you with a competitive advantage in your supply chain, reducing spend while increasing efficiency.

At DB Schenker, we have numerous blue-chip Consumer industry customers with whom we have developed long-term partnerships. We have broad-ranging experience at generating cost-saving efficiencies while increasing productivity to provide improved supply chain effectiveness and true value to you.

We work closely together with our customers to develop customized supply chain solutions, individually fine-tuned to specific needs – enabling optimized inventories, shortened time to market and improved relationships with business partners.

DB Schenker's global network, together with a strong local presence in countries throughout the world, allows the reliable handling and execution of supply chains in all geographies, with worldwide access to our complete portfolio of logistics services. We link all transport modes, including Rail Freight, Land Transport, Air and Ocean Freight, and integrate our solutions with value added services and warehousing to create true end-to-end solutions.

Furthermore, we offer a wide variety of supplementary services, including customs clearance, co-packing, fulfillment, production supply, projects shipments and fairs and exhibitions services.



Photo: © Ojo Images, F1online





## Top-selling solutions for the Consumer industry.

The reliable delivery of products is a key to commercial success. We have developed industry specific solutions to ensure that your freight is delivered safely, securely and on time – worldwide.

### Our approach to the Consumer Market:

- Specialization and industry knowledge
- Sharing of industry best practices
- Development of unique operational and commercial solutions
- Development of innovative products & solutions
- Focused strategy for sustainable growth and development

### DB Schenker's Consumer Vertical Market comprises companies from different industry sectors, but there are many common logistics needs:

- Warehouse/DC management
- Land Transport – domestic and international
- Freight forwarding and associated services
- Ocean Freight as NVOCC – particularly niche lanes
- Intermodal and rail
- Air Freight

### FMCG and CPG (including cosmetics)

- Manufacturing generally close to the customer base:
  - Less intercontinental transport
  - Usually ship FTL/FCL rather than LTL/LCL
  - Limited Air Freight
- Increase in e-commerce anticipated – increasing need for B2C solutions
- High profile products and companies – public impressions are important
  - Environmental sustainability – pressure to switch from road to rail and intermodal
  - Corporate “good citizens”

### White Goods, Furniture, Kitchen Equipment

- Manufacturing more centralized than FMCG
- Low ratio of value to size – bulkier, more voluminous cargo in many cases
- Limited air potential
- Increase in e-commerce already being realized – increasing need for B2C solutions

### Toys, Tools, General Consumer Goods

- Evolving models for manufacturing locations
  - Formerly more centralized
  - Low cost manufacturing now common
  - Often quite extended transport chains
- Data visibility and integrity increasingly important

### Beverages

- Specialist needs, knowledge and understanding of the business needed to compete in the beverages space – DB SCHENKER *ocean* beverages a key partner in development of the sector
- The differing needs of product supply companies and bottling companies need to be understood
- Snacks are becoming an increasingly important product for soft drinks companies – different transport needs
- Waters business is drive by volume, and rail/intermodal transport are key components in Europe

### Conglomerates

- DB Schenker global account for major companies
- Logistics needs vary considerably depending on the division of the group members
- All DB Schenker products





## DB Schenker Consumer Vertical Market. Special solutions and services for the Consumer Market.

### The key responsibilities of the Consumer Vertical Market:

- Develop and implement the defined global and regional Vertical Market structure
- Define the strategy for the Consumer market by account, region/country or product
- On-going review and update of accounts and account categorization
- Lead regional and national management in the development of account management structures
- Define strategy with Product Management for business development
- Provide sales support and market expertise locally, nationally and globally
- Ensure exchange of information/intelligence on existing solutions through
  - Regional meetings
  - Shared data via SharePoint, other media
  - Case studies

### Competencies and focus areas for the Consumer Market:

- Network Design: Supply Chain Management, optimization, rationalization
- PO Management: tracking, follow up, forwarding
- Consolidation: multi-vendor, multi-country
- Transportation: all modes as carrier, as forwarder, as Control Tower
- DC Management: single user/big box; multi-user; co-packing & customization
- On site services: value added, temp labor, site management
- Transport Management: Control Tower, LLP, Customs Clearance operations
- Consulting: SC modeling, optimization, etc.

### Customer benefits at a glance:

- Consolidation of the industry
- DB Schenker is one of few global players for all modes
- Leverage experience

### Consumer Vertical Market logistics demands and DB Schenker capabilities:



#### External demands

- Generally FTL
- Limited part load/LTL potential
- Domestic needs in most countries
- Also international
- Increasing direct to Consumer needs (e-commerce)

#### DB Schenker capabilities

- Market pricing needed, but service differential also important
- Attractive services and/or commercial modes are offered to our customer base
- Harmonization of our FTL product offerings
- Strong domestic capabilities in many markets

#### External demands

- Trend towards out sourcing non-core competencies
- Often large “Big Box” single-user DC’s
- Multi-user DC’s in smaller countries/regions
- Different commercial models (open book, closed book, other ...)

#### DB Schenker capabilities

- Opportunity for growth
- Existing program to transfer knowledge into other regions
- Need for innovation commercially and operationally
- Continued growth & expansion

#### External demands

- Largely FCL – although some LCL & origin consolidation possibilities
- Often contract direct with carriers as a policy
- General lack of awareness of the benefits of using an NVOCC
- Low volume lanes potential niches
- Forwarding, customs clearance operations and other related services

#### DB Schenker capabilities

- Innovative approach to end-to-end ocean transport chain solutions
- Origin consolidation and LCL services available globally
- Forwarding, customs clearance and other service capabilities are door openers

#### External demands

- All Consumer customers have strong environmental sustainability drivers
- Direct rail has potential
- For intermodal, price and transit times are key
- Immense potential for future growth
- Environmental positives need to be balanced with price and service

#### DB Schenker capabilities

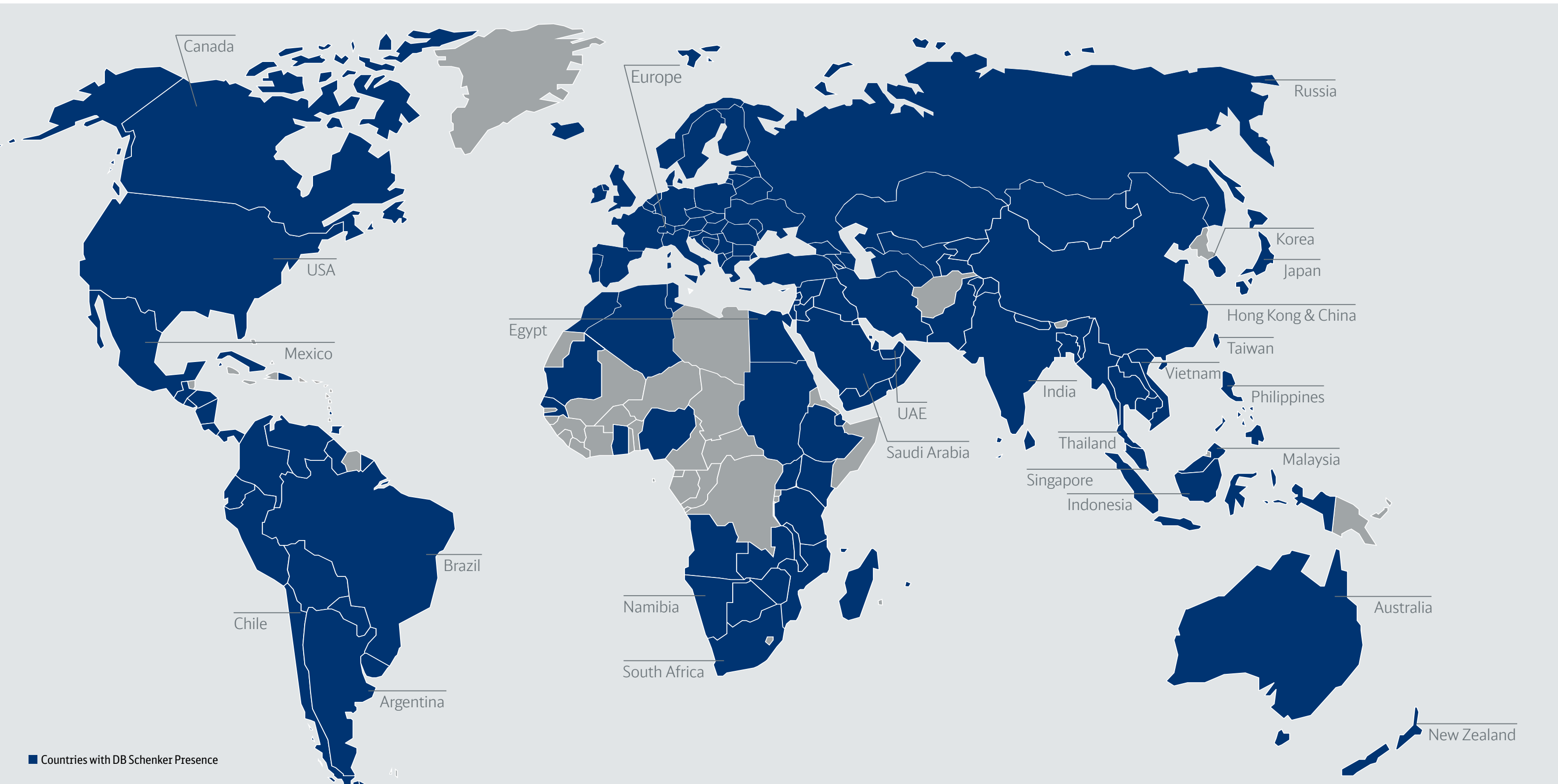
- Intermodal and Rail working well together to develop sustainable solutions
- Quote response time is important
- Transit time also critical

#### External demands

- Limited airfreight due to relative value of goods
- Often emergency therefore short lead times
- Large “spot” shipments

#### DB Schenker capabilities

- Need global spot quote pricing desk
- Need quick turn-around on pricing



**Global presence and local commitment.**

DB Schenker is present throughout the world.





## DB Schenker provides service throughout the world to the Consumer Market:

DB Schenker provides a wide array of services to our Consumer customers in numerous cities and countries throughout the world.

### Europe

- Belgium
- Finland
- France
- Germany
- Poland
- Russia
- Sweden

### The Americas

- Argentina
- Brazil
- Canada
- Chile
- Mexico
- USA

### Asia-Pacific

- Australia
- China
- Hong kong
- India
- Indonesia
- Japan
- Korea
- Malaysia
- New Zealand
- Philippines
- Singapore
- Taiwan
- Thailand
- Vietnam

### Middle East – Africa

- Dubai, UAE
- Egypt
- Namibia
- Saudi Arabia
- South Africa

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