

# Vienna Logistics

Examples, Comparisons, Comments  
From a Service Provider

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# Veloce, GO! History I

- 1987 Veloce formation
  - One of first cycle messenger companies on the continent
  - Officer of trade registration: „a Radl hot koa Nutzlost“ (no payload of a bike) -> no licence

# Veloce, GO! History II

- 1995 Austria becomes EU-Member
  - Customers: international horizon
  - Manufacturing companies moved out of city
  - Veloce: vans also employed
  - Veloce: +1000 ad hoc deliveries p.d. -> biggest cycle messenger company on continent.
  - Formation GO! Express & Logistics
    - National and international express service

# Veloce, GO! History III

- 2000-2002 burst of the dot.com bubble
  - Recession in target group markets
  - Email/internet became popular
  - Mobile phones became popular
  - Further internationalisation
  - Substitution of transports of DOX by electronic transfer
  - Consolidation and fragmentation of courier market

# Veloce, GO! History IV

- Veloce:
  - € 2,5m, ca. 100 couriers,
  - ad hoc, same day express, Visa service
- GO!:
  - € 6m, 6 branch offices in Austria, national linehaul network with international links, Partner of the European GO! Network.
  - Overnight-, innight express and special solutions

# CEP - Courier, Express, Parcel

## Courier

- Same driver picks up and delivers the consignment
- Limited consolidation
- Personality important
- Charging on distance, time, weight
- Very short delivery time (individually)

## Express, Parcel

- Several hand overs: pick up - line haul - hub - line haul - delivery
- Consolidation very important
- Standardisation
- Rate per item, weight
- Fix period for delivery

# City Courier Market

- ~80.000 deliveries per day in Vienna in total
- ~4.000 ad hoc deliveries: A to B, C to D, ...
- Rest are consolidated deliveries: A to B,C,D,E,...
- Double counts
- 4 big players, countless very small ones
- Price: (circa)
  - ad hoc: € 5.- - € 20.- per trip
  - consolidated: € <3.- -€ 7 per stop/shipment

# Other markets

- Bike messenger service:
  - Trips p.d.:  
MUC ~500, VIE ~1000, BUD ~1500
- Delivery costs Parcel Service:
  - Berlin: ~ € 1,12 p. parcel
  - Vienna: ~ € 1,35 p. parcel (~+20%)

# City toll

- Less privat traffic
- Effects on business traffic:
  - More fluent traffic,
  - Higher average speed -> higher productivity
  - Day ticket system: surcharges on prices, logistics not effected
  - Single entry ticket system: surcharges
    - ad hoc: HUBs near the „border“ may become reasonable
  - € 6.- p d. -> ~ +4-6 % costs

# Low emission vehicles

- Mileage p.d.: avg. 150-250km
- Use of E-cars, or LPG-cars theoretically possible.
- Cars are often owned by single person- or very small companies.
  - Cars are used as privat cars too.
- ->Investment subsidy necessary (government).
- ->In case of a city toll: free entry for low emission vehicles

# Case Study

- Veloce „City mail“
  - Consolidated delivery of DOX, envelopes...
  - Within 4 hours (8.00-12.00h, 13.00-17.00h)
- Customer:
  - ~200 deliveries p. d.
  - Regular customers want fix delivery time
- Veloce concept:
  - Seperate fix tours for regular customers
  - Variable tours within fix periode
  - 100% delivery performance, savings 25%

# Limits of Optimisation

- „City Mail“:
  - Very good standard service and price
- Some other companies with equal needs kept their old system.
  - Differentiation of service
  - Competition
  - Courier Service is a personal business!

# Thanx for Listening

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