Accelerating the Pace of Last Mile Delivery

Presented by:

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### Demographics now (2017)

<table>
<thead>
<tr>
<th>Total population</th>
<th>Population density</th>
<th>Millennial population</th>
<th>Children, elementary age and younger</th>
<th>33% higher median household income</th>
<th>Average disposable income</th>
</tr>
</thead>
</table>

### Demographics in the future (2022)

<table>
<thead>
<tr>
<th>Total population</th>
<th>Population density</th>
</tr>
</thead>
</table>

Using Demographics to define last mile markets
New York
(ranked 1st in category)
Los Angeles
(rank 2nd in category)
2017 Population density (per sq. mi.)

Miami
(rank 1st in category)
2022 Population density (per sq. mi.)

San Francisco
(rank 4th in category)

- **50,730.3** to **59,360.4**
- **26,472.6** to **50,730.2**
- **13,125.1** to **26,472.5**
- **5,178.8** to **13,125**
- **5.5** to **5,178.7**
Millennial population

Ages 18-34

Chicago
(rank 3rd in category)
Children

Elementary school age and younger

Dallas
(ranked 4th in category)
Higher median household income

Population with income at least 1/3 higher than the Median Household Income

Philadelphia
(ranked 5th in category)
Mid-Atlantic
(ranked 3rd in category)
Top dozen last mile markets

- Seattle
- San Francisco
- Los Angeles
- Chicago
- Dallas
- Houston
- Atlanta
- Miami
- New York
- Philadelphia
- Mid-Atlantic
- Boston
State of our Industry

- 2 Hour Delivery
- Peak Seasonal Labor
- Free Delivery
- Digital Decisions
- Instant Feedback
Logistics – Last Mile

- Still in early stages
- Wide Variety – New & Infill
- High Intensity of use
- Location, Location & Flexibility
- Omni-Fulfillment Experimentation
Speed Matters
Anticipate the Requirements

<table>
<thead>
<tr>
<th></th>
<th>B2C</th>
<th>B2B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular parcel¹</td>
<td>High reliability</td>
<td>Instant</td>
</tr>
<tr>
<td>Rural areas</td>
<td>Drones (same day, if fulfillment times feasible)</td>
<td>Fulfillment likely not possible at economical cost levels</td>
</tr>
<tr>
<td>Density of &lt;50,000 inhabitants</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Urban areas     | Autonomous ground vehicles with lockers (e-grocery with today’s delivery model) |                      |
| Density of 50,000–1 million inhabitants |                        |                            |

| Urban areas     | Droids or bike couriers |                      |
| Density of >1 million inhabitants |                        |                            |
Chicago – Millennium Mile – parking garage
8’ cl ht

NYC – 7 West 34st, 12 sty, 477,000sf former dept. store

Seattle – 3 sty, 580,000sf new construction, 24 cl ht, docks on 2nd floor
# Reduce the Distance

<table>
<thead>
<tr>
<th>E-Commerce Building Types</th>
<th>Building Features</th>
<th>Principal activity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type</strong></td>
<td><strong>Site Selection</strong></td>
<td><strong>Size (SF)</strong></td>
</tr>
<tr>
<td>Last Mile</td>
<td>Within major metro area, proximate to concentrations of consumers, higher-density submarkets</td>
<td>&lt;100k</td>
</tr>
<tr>
<td>Last 50 Miles</td>
<td>Metro Sortation</td>
<td>&lt;100-500K</td>
</tr>
<tr>
<td>Last 500 Miles</td>
<td>Regional/National Sortation</td>
<td>Proximate to transportation hubs or routes, established regional distribution locations e.g., IE (US), Atlanta (US), Southern Netherlands (NL)</td>
</tr>
</tbody>
</table>
Remain Flexible
Last Mile / Urban Distribution Center

- Pallet Receiving
- Bulk Storage
- Outbound shipping lane
- Drive Through Bay for order Pickup
- Viewing Windows
- Retail Store
- Vehicle Entrance Ramp
MAKE YOUR BUSINESS FUTUREPROOF.

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Fulfillment & Delivery Solutions

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