



Ford's New Take on Getting Parcels to Your Door Could Help Speed Deliveries, Ease Congestion and Improve Air Quality

- Ford partners with delivery company Gnewt by Menzies Distribution (Gnewt) to trial new digital parcel courier service designed to help reduce congestion and offer faster deliveries
- Ford's new cloud-based software identifies optimum places for van drivers to pull over near multiple drop-off points; pedestrian and, one day, cycle couriers perform last leg of delivery
- Gnewt is an award-winning sustainable urban parcel courier specialising in zero-emission last-mile delivery services

LONDON, Feb. 18, 2019 – The next time you order a sweater it could arrive at your doorstep with help from a new “warehouse on wheels” – currently being trialled in London – that has the potential to help cut traffic, reduce emissions, and improve delivery times.

From groceries to fashion, the growth in online shopping across Europe means the number of parcel deliveries is expected to double in the next ten years. * Most of these deliveries are fulfilled by vans, leading to escalating congestion in many cities with average journey times in London having risen by more than 40 per cent in just three years. ** As a result, carriers are under increasing pressure to deliver more parcels, more quickly, with less cost, while continuing to ensure employee welfare and environmental responsibility.

Now, a new digital delivery service being trialled by Ford in partnership with Gnewt by Menzies Distribution will efficiently coordinate multiple modes of transport including pedestrian and – one day – bicycle couriers.

During the trial, Gnewt's “last-mile” delivery service will be driven by Ford's intelligent cloud-based, multi-modal routing and logistics software MoDe:Link, that manages all aspects of parcel delivery from depot to doorstep. This could help couriers, fleet managers, logistics and food delivery companies optimise processes and increase van utilisation, saving time and money while boosting capacity.

The service could also improve customer experience by offering improved delivery windows and reducing costs, speeding time from order to delivery by enabling vans to make more frequent round trips back to the depot. In addition, it could contribute to healthier streets and reduced traffic in major cities, cutting congestion around valuable kerb space where vans typically load and unload.

“Our goal is to keep larger vehicles like delivery vans operating in the high-load, less-congested environments in which they perform best,” said Tom Thompson, project lead, Ford Mobility. “However, for the last mile of a journey into an urban area, where congestion and lack of parking can be a challenge, it makes sense to offload deliveries to more nimble, efficient and cost-effective modes of transport.”

Ford is committed to tackling urban mobility challenges, in particular the deliveries of goods and services, through innovation, technology and partnerships. The “warehouse on wheels” concept is designed to be compatible both with Ford vans and those of other manufacturers. These vans then act as dynamic delivery hubs that collect orders from a depot and then briefly stop at strategic locations determined to be the most efficient for each batch of orders. Ford’s proprietary software platform coordinates with nearby foot couriers – or potentially with bicycle couriers, drones and autonomous robots in the future – to fulfil the last leg of each delivery.

Smart, sustainable deliveries

Multi-modal deliveries like these have the potential to be faster, cheaper and offer greater capacity than van-only deliveries. *** Ford estimates that one van and a team of four couriers on foot or bicycle could be used to deliver the same number of parcels as five individual vans when working as part of a multi-modal network.

For the London trial Ford is partnering with Gnewt, a sustainable urban parcel delivery service and winner of the 2018 U.K. Sustainable Logistics Company of the Year.

Gnewt operates the largest fully electric delivery fleet in the UK with more than 70 electric vans and has pioneered sustainable last-mile delivery services, working with leading retailers, e-commerce companies and logistics firms to deliver three million parcels a year to consumers and businesses in London.

Working with Transport for London and with several universities as part of the FTC2050 research project, Gnewt has been trialling urban portering services to measure the impact of this new approach as a model for reducing the number of vans needed to fulfil deliveries and cut emissions. ***

“We want to change the way we think about moving goods around our cities,” said Sam Clarke, founder and head of business development, Gnewt. “We are keen to understand how multi-modal deliveries can benefit our business, our customers, and – by promoting active travel and the associated health and environmental benefits of walking and cycling – our employees too. We are delighted to be working with Ford and helping to trial its revolutionary new software solution.”

Delivering the last mile

The U.K. Government has also recognised the need to develop smarter delivery solutions for urban areas, launching an open consultation to further explore last-mile deliveries and the opportunities available to deliver goods more sustainably. The call for evidence, to which Ford has responded, seeks to examine the environmental benefits of micro-vehicles, e-cargo bikes, and measures to improve logistical efficiency. ****

“Freight and deliveries are central to supporting London’s economy, with half of the value of the capital’s household expenditure relying on it,” said Michael Hurwitz, director of transport innovation, Transport for London. “However, congestion and poor air quality are some of the biggest challenges the city faces. More last-mile deliveries made in this way, alongside the growth of micro-consolidation centres, are essential to tackle the pollution problem and keeping the roads moving. Ford’s harnessing of technology to change the model for supplying homes and businesses should be applauded and is an example for others in the sector to follow.”

Building on the company's success as the top-selling commercial vehicle brand in Europe, the London trial is one of several initiatives in which Ford is looking to address delivery and urban mobility challenges in the city of tomorrow.

In the U.K., Ford is working with Transport for London on a multi-million-pound project to trial 20 plug-in hybrid Transit vans that run solely on electric power for most city trips. The trial is being extended to the City of Valencia, Spain and Cologne, Germany this year. In the U.S., Ford continues to innovate in urban goods and service deliveries as it prepares for a future with self-driving vehicles. Ford has teamed up with Postmates, an on-demand delivery platform in Miami and Miami Beach to operate a self-driving delivery service.

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* *Parcel Delivery: The future of last mile* (McKinsey&Company, Sept. 2016)
https://www.mckinsey.com/~/media/mckinsey/industries/travel%20transport%20and%20logistics/our%20insights/how%20customer%20demands%20are%20reshaping%20last%20mile%20delivery/parcel_delivery_the_future_of_last_mile.ashx

** Average time for 5-mile journey 2012-2015: <http://inrix.com/wp-content/uploads/2017/09/INRIX-London-Congestion-Trends-May16.pdf>;

*** *FTC2050 Portering Trial Report*: http://www.ftc2050.com/reports/Final_report_portering.pdf

**** <https://www.gov.uk/government/consultations/the-last-mile-a-call-for-evidence>

About Ford Motor Company

Ford Motor Company is a global company based in Dearborn, Michigan. The company designs, manufactures, markets and services a full line of Ford cars, trucks, SUVs, electrified vehicles and Lincoln luxury vehicles, provides financial services through Ford Motor Credit Company and is pursuing leadership positions in electrification, autonomous vehicles and mobility solutions. Ford employs approximately 199,000 people worldwide. For more information regarding Ford, its products and Ford Motor Credit Company, please visit www.corporate.ford.com.

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About Gnewt by Menzies Distribution

Gnewt by Menzies Distribution is the UK's largest fully-electric parcel delivery service. Founded in 2006 Gnewt delivers over 3 million parcels a year using a fleet of more than 70 electric vans. Gnewt is the sustainable delivery arm of Menzies Distribution. For 180-years Menzies Distribution has specialised in time-critical logistics, specialising in retail delivery, carrying news products and travel brochures to tens of thousands of locations every day, alongside parcel and freight logistics. With more than 50 depot locations across the UK and Ireland, Menzies Distribution's trucks and vans drive 135,500 miles every day, deliver 110 million units every year and reach from the hearts of major cities right out to the most remote communities in Britain.

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