

Quehenberger Logistics Press Release 22<sup>nd</sup>, April 2021

# Contract logistics is booming at Quehenberger also in the Corona crisis

- Improved earnings in the Corona year
- Contract logistics expanded to 690,000 square meters of warehouse space
- Dynamic development in e-commerce
- The number of employees increased to 3,800 (including temporary workers)
- Increased efficiency through digitalisation

Large parts of the trade were in lockdowns all across Europe for several months, the fashion industry in particular is experiencing a sharp drop in sales, the automotive industry was already suffering before the crisis and is still suffering considerably from the economic development. On the one hand hoarding behavior in grocery stores, on the other hand repeated closings of restaurants and hotels. Online shops and home delivery are experiencing an enormous boom. Looking back, 2020 was a very challenging year for everyone.

## Quehenberger steers stable through the rough sea.

In 2020, Quehenberger Logistics recorded a year-on-year decline in sales of seven percent to EUR 427 million. Thanks to consistent cost management and a comprehensive push for efficiency and productivity, the logistic specialist was nevertheless able to improve the operating result.



#### **Determined on course**

Thanks to the targeted focus on core industries and core products, which Quehenberger Logistics has been following with particular consistency since 2019, a stable basis was already in place before the crisis. Christian Fürstaller, CEO and Managing Partner, is convinced that "thanks to a equitably customer and service structure in different industries, we are very well balanced and our focusing strategy has proven to be exactly the right one."

#### Strong setup across Europe

Independently operating regional units that think entrepreneurially and can act quickly and flexible, showed themselves to be Quehenberger Logistics' largest safety grid. "But above all, the high flexibility and the great commitment of the employees in all areas of the company allowed us to master this crisis. We are doing everything we can to find solutions for our customers, especially in challenging times", says Christian Fürstaller.

#### Workforce expanded

In the first phase of the crisis, Quehenberger pursued the goal of being able to keep as many employees as possible across Europe. Mainly due to the strong development and also the excess quantities in contract logistics, the workforce could even be increased by 350 FTE at the end of last year.

## Digitalisation, flexibility and transparency in the entire supply chain

"Thanks to our forward-looking digitalisation strategy in all areas, which we have been pushing forward under high pressure for several years, we certainly had an advantage during this time," says Christian Fürstaller. "We were surprised how smoothly it was possible to switch almost 80 percent of our administrative workforce to home office overnight".



Due to digitised processes with shorter lead times, Quehenberger Logistics was able to react flexible and adjusted continuously to new requirements at short notice.

Proximity to the customer became even more important - this was also possible digitally and via telephone at the usual high level.

In addition, our digital direct service, the Quehenberger Customer Care Platform (QCCP), has been extensively expanded and further developed. Quehenberger's cross-application web platform forms a consistent GPS-supported tracing chain and can provide customers with all the information they need delivered in real time.

## **Products and highlights**

#### Eastern Europe

Compared to 2019, in which steady growth was already recorded, the upward trend in Eastern Europe continued in 2020.

Quehenberger's dense Eastern European network now contributes over 40 percent to group revenue. Above all, the market position in Romania, Croatia, Slovakia and North Macedonia was expanded considerably.

Quehenberger now operates around 520,000 square meters of contract logistics space in Eastern Europe. The number of employees has also grown rapidly in recent years.



#### Significant development in Contract Logistics

The positive trend in Contract Logistics at Quehenberger in recent years is continuing. Quehenberger Logistics now operates 690,000 square meters of warehouse space for its customers throughout Europe and the 700,000 mark is as good as cracked. Quehenberger can score particularly well in 2020 in the e-commerce sector, where extremely demanding services are required.

Flexibility, professionalism and transparency are essential in order to control supply chain processes consistently and also to meet increasing requirements at an Omnichannel level and for E-commerce logistics. With new solutions for customers in Romania, Slovakia and North Macedonia, Quehenberger has tripled its capacity in the online fulfilment area.

#### Air + Ocean

The air freight business was able to be expanded significantly despite reduced freight capacities. The capacities, that were lost due to Corona, were compensated through the work of competent employees and a strong international network with creative solutions and the use of charter flights.

Thanks to a flexible carrier setup and a highly specialised air freight team, both the shortage of empty containers and the shipping space problem could be counteracted very successfully with fast and individual customer solutions. The Q Ocean XL product in particular recorded strong growth.

In addition, the Air and Ocean freight business was driven by high demand for medical products. Quehenberger Logistics handled some urgently needed transports in this area.



## **Retail / fashion**

The customer portfolio in the retail and fashion sector was able to be expanded further both before and during the crisis.

Quehenberger has dealt very intensively with the subject of Brexit and the new processing requirements to and from England. "The key to a smooth shipment process lies in the preparation so that there are no massive delays at the border," says Hermann Költringer, Managing Director, with certainty. Quehenberger Logistics is increasingly expanding its position as an England specialist through expert advice to its customers on Brexit and the good partner setup in the UK.

## **Outlook and strategic direction**

The management of Quehenberger Logistics is certain that the company will emerge stronger from the crisis and that growth of between eight and ten percent can be expected over the course of the year 2021.

The focus at Quehenberger will continue to be a solution and industry focusing strategy in combination with increased efficiency, especially through digitalisation. In addition, Contract Logistics remains the number 1 growth driver.

The systemic relevance of logistics became apparent during the crisis and Christian Fürstaller is convinced: regionality is increasing significantly. With the latest Austrian location expansion of 50,000 square meters in Loosdorf and the start of construction of a 22,000 square meters warehouse in Straßwalchen, the logistics expert is expanding its warehouse capacities in Austria to 170,000 square meters.

In addition to the expansion in Austria, new locations in Germany and Romania will follow.





#### About Quehenberger Logistics

Quehenberger Logistics is a full-service logistics provider and specialist in holistic sector solutions for industry and trade with a focus on Central and Eastern Europe. The owner-managed, mediumsized company based in Strasswalchen near Salzburg employs 3,800 people (including temporary workers) at 77 locations in 18 countries. Digitalisation and automation are the focus of the qualityoriented corporate strategy. www.quehenberger.com

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