

**Subject:** Visiting DHL Freight (Finland) OY / Vantaa

**Date/Time:** 11.05.2011 / 09:30 – 15:00

**Schedule:**

09:30	Arrival at DHL Freight Terminal in Vantaa
10:00 – 12:00	Meeting with Petra Laasko & Jenni Saarinen (incl. office visiting and conversations with expeditors and advisors)
12:00 – 13:00	Lunch break with Petra & Jenni at DHL canteen
13:00 – 15:00	Warehouse visit with Antti Karvonen

### Meeting with Petra Laasko & Jenni Saarinen:

#### Some facts about DHL:

The DHL Freight Terminal in Vantaa is quiet new – it was opened in 2006. It is a very modern building with 6 floors – on the 6<sup>th</sup> floor you can find a viewing platform and also a sauna for DHL employees. Sauna is very popular in Finland and certainly every company has its own sauna for its staff. Furthermore DHL offers its employees the possibility for a massage treatment four times a year at the DHL-own treatment room.

The terminal is rather close to Helsinki Airport in Vantaa – you can see there lots of planes starting and landing. Outside it's sometimes very loud – but inside the building you don't hear any aircraft noise. It was a great feeling for Sonja and me to stay in a company so close to the airport.

Furthermore DHL Freight has its own canteen/cafeteria – as the terminal is located in a complete business district without stores and it is very complicated for the staff to buy some food etc.

Petra and Jenni extended a warm welcome to us – we went to a conference room and they gave us a short PowerPoint presentation about DHL Finland.

DHL in Finland consists of 3 companies and 4 business units as follows:

- DHL Freight (Finland) OY ==> (= DHL Freight + DHL Express)
- DHL Supply Chain (Finland) OY
- DHL Global Forwarding (Finland) OY

The DHL-group head offices are located in Vantaa but DHL has subsidiaries in 10 other localities in the whole country (branch offices, terminals and warehouses).

DHL has contract logistic centres / warehouses with a total area of 75.000 square metres in 5 localities in Finland.

====>	Revenue of the DHL-group in Finland in 2009:	270 MEUR
====>	Staff of the DHL-group in Finland in 2009:	1150

There are DHL Freight Terminals in Vantaa and Turku.

The office as well as the warehouse is open on Saturdays and Sundays. In the office they have part time workers who come on these days to open the files in the computer etc.

During the summer time it's also possible that the part time workers are employed as full time workers (holiday replacement).

Afterwards Sonja and I had a discussion with Petra and Jenni on our questions as follows (we had sent them a list with interesting issues for us one week before our meeting):

1. Apprenticeship – Do you offer this kind of education to your employees (especially for youth – at the age of 15/16 – if no, then to adults?)? How much would be an apprenticeship salary?

We don't have many apprenticeship workers but many other possibilities for internship to get work experience. During the school terms we offer for young persons, studying on the 8 and 9 grades at comprehensive school a two weeks period as an instruction to working life (so called TET period = get acquainted with working life). It is part of the Finnish school system. The trainees don't get any payment.

During the summer time we can also offer a two weeks internship period for young people under 18 who study in comprehensive schools or high schools. It is called "Get acquainted with working life and earn-traineeship". It is agreed with most of the employer associations as to offer a possibility to get some work experience for young people who would not get otherwise a summer job. They get a salary of € 320.00.

For students of upper levels e. g. students in sales studies at the Haaga-Helia University of Applied Sciences we offer internship periods for 6 weeks in springtime and autumn. They don't get any payment but many of them have been offered a job at DHL afterwards.

Every summer we hire 2 to 4 university students mainly in logistics to work as DHL Log On trainees. They do project work and write a project report after each project. They get an ordinary summer job salary.

There are also other possibilities when needed.

Apprenticeship contracts for our own employees or externals can also be offered but it is not very common. The salary would be usually 90 % of the normal level paid in the job according to the labour contract. For young people under 18 we usually don't offer such possibilities, but it could be possible.

2. Do you offer “on-the-job-learning” workplaces for young students?

Yes. The students usually work for us as ordinary employees but the time can be included as work experience which they need for their studies.

3. When a new employee starts to work for DHL Freight in Finland – how does it work? Do you practice “Job-Rotation”?

We don't have any actual job-rotation-programme, but we do have a very active internal job market and it's quiet usual that people change their job – both inside their business unit and across the business units by applying for internal job postings. Some of them choose an international career within DHL. We have operations in more than 220 countries.

4. Salary for forwarding agents – how is it arranged? Are there wage agreements? Are there annual negotiations arranged by the labor union? Or do you pay the salary “according to the contract/agreement”?

It's agreed case by case. We comply with the rules of Federation of Special Service and Clerical Employees ERTO. But also work history counts for the salary.

5. Working hours by week? Do you pay extra hours? Or do your employees get bonus time?

We have 37.5 working hours per week. We don't pay extra hours. The rule is +/- 10 hours. Employees can take a day off if the work situation allows it.

6. Which kind of traffic do you handle (truck, national and international)?

We handle national and international traffic.

7. What about DHL-Transport logistics in Finland? Do you have the main HUB's (or one main HUB) here in Southern Finland? When you have a shipment from Oulu to Austria (groupage) – how does it work?

-) Freight terminals in Vantaa & Turku

-) Our subcontractor Transpoint (or DHL) picks up the shipment and delivers it to Vantaa (via Transpoint terminal), shipping to Lübeck, truck from Lübeck to Austria

8. Transport-Runtime within Finland?

Delivery time in Helsinki area – arrival date + 1

Delivery time remaining Finland – arrival date + 2

9. Transportation to Austria – how is it handled? Directly? Or transshipment via Germany or both?

Check answer no. 7

10. From which Finnish harbour your loads (FTL) start to Germany and Austria?

DHL uses the harbours of Hanko, Hamina and Helsinki.

11. What are the ferry costs for a FTL load from Helsinki (or the harbour you choose) to the German port? Which German harbour do you use?

DHL uses Lübeck harbour

12. How many shipments (DHL Freight in Vantaa) do you transport monthly to Austria – separated into export and import?

Totally about 300 shipments / month (more import than export)

13. Monthly volumes for DHL Freight Vantaa?

Totally about 6000 – 8000 shipments / month

14. What about DHL billing? Are your offers saved in the system? Do you have 100 % automatic invoicing?

Offers are saved in the system, this year automatic freight billing has been around 30 %, our billing department takes care of billing.

15. Who does the billing? A clearing centre? The freight-expeditor? An office clerk?

Check answer no. 14

16. Duties of a freight expeditor?

File opening, contact with partners, terminal, customers, taking care of documents, checking loading and unloading reports.

17. Is there a separation between FTL & Groupage freight?

Import (no separation)

Export (separation) => FTL planning team / Export traffic controller

18. With which (freight) system do you work? EURIAN? Does DHL Freight work with an identical computer system in whole Europe?

Different programmes are used in Europe.

## Warehouse visit with Antti Karvonen:

Anti showed us the whole warehouse incl. the dangerous goods area, the ramp for sidewise loading and unloading, the hall with the base station for the forklift trucks and the lorry parking places outside.

As DHL stores also high-tech-products its warehouse is quiet secured. There are video cameras installed in the whole warehouse area and furthermore it's necessary to pass several controls before entering to it (chip card and security code are needed!).

As already mentioned as well as the office building also the warehouse is relatively new – it was opened in the year 2006, too.

We also got the possibility to have a short look round in the national departments.

Antti told us some facts about the transport rules in Finland. In all Scandinavian countries there are different limits concerning length, width, height and the maximum permissible weight to the other EEC-countries.

For example a truck can have a maximum length of 25.25 m in Finland (Austria maximal 16.50 m for semi trailers and 18.75 m for rigid trucks with trailer). The maximum permissible weight could be in Finland 60 tons – but in Austria only 40 tons.

In comparison to the payload Finland comes to 38 – 42 tons and Austria to 24 – 28 tons.

DHL Freight arranges its local transports (Helsinki area up 60 kilometres distance – postcodes from 00 to 07) with small truck companies (most of them have trucks with DHL Logo) for bigger distances DHL uses a subcontractor called "Transpoint".

The local hauliers run two delivery tours every day.

The trailer pool of the Scandinavian countries consists of totally 2500 trailers (Finland, Norway, Denmark and Sweden) – Finland owns approx. 1000 trailers of this pool, approx. 1100 are in the hands of DHL in Sweden and the rest is for Norway and Denmark.

Most of the used trailers in Finland are Tautliners but DHL has also 80 coil-skip-trucks (Coil-Mulden-LKW's) for transporting big steel or paper rolls, 150 mega-trailers (high-volume-trailers) and 55 frigo trailers.

Every week DHL Freight in Vantaa handles around 350 trailers (loading or unloading).

The warehouse terminal is also open more or less 7 days a week – it only gets closed from Saturdays 9 p. m. to Sundays 6 a. m. The warehouse staff works in three shifts.

Furthermore DHL in Vantaa has the permission to operate its warehouse also as customs bonded warehouse. DHL has the licence to operate a mixed warehouse – so EEC-goods as well as customs bonded goods could be stored at the same places.

At our visit on Wednesday it was not that busy as on the other days. Antti told us that Wednesday is not that stressful day than the others. On this day there's only one international export departure to Hamburg via Lübeck. As the ferry from Helsinki needs approx. 30 hours to pass through the Baltic Sea it doesn't make sense for long-distance transports as the shipments would not arrive before Friday in the afternoon and then deliveries to the final customers would not be possible before Monday. So DHL arranges its international exports either on the beginning of a week or on Thursdays or Fridays.

One question of our list to Petra and Jenni was still open so we asked Antti for an answer. Sonja and I were interested in the ferry costs from Helsinki to Lübeck.

Antti calculated (ferry prices are often calculated in € per loading metre) and told us that the ferry prices vary from around € 750.00 to € 900.00 per truck and the prices are valid vice versa (e. g. Helsinki – Lübeck costs the same as Lübeck – Helsinki).

In the last months the ferry costs have risen or more precisely not the freight costs themselves but the "bunker adjustment factor" (= Treibstoffzuschlag im Schiffsverkehr) – it might be that the additional charges are more than 50 % to the normal freight rate!

## Summary:

As Sonja and I educate trainees from Austrian forwarding agencies (also from DHL in Austria) it was our wish to visit DHL Freight in Finland.

I (Sylvia) have still contact with former DHL colleagues in Austria and due to this I got a contact person of DHL in Vantaa.

An E-Mail was written quickly and I got a positive answer with an invitation from Petra Laasko very soon. Sonja and I had been very glad about this invitation and one week before our meeting we created our questions.

During our meeting we have not been disappointed. Petra and Jenni prepared a nice welcome for us and in total we spent a very informative, varying and pleasant day at DHL in Vantaa. We got the possibility to look over the shoulder of Petra's and Jenni's colleagues in the office and over Antti's shoulder in the warehouse.

As we know it's not easy (or not so common) to take part in such company presentations and visits we want to say "THANKS a lot" to the DHL-team for making this possible for us. We really have been appreciating it.

And special thanks to Antti for his profound guidance in German language! It was a pleasure.