

Dr. Klaus Zumwinkel on the subject of integration

Q: Dr. Zumwinkel, Deutsche Post World Net's Annual Report for 2001 has the thread of "integration" running through it. What exactly does that mean?

"Integration is one of the most important tasks facing us today so that we can shape the future of our company. It has both an inward and an outward component: on the one hand we're completing the integration of our recent acquisitions into the Group; and on the other hand it's about meeting the global and increasingly complex demand for logistics services with our offerings, so that we can satisfy our customers' every need. A simple example: a customer requires broad-based logistics support. Our offering includes order processing, warehouse management, transport, distribution and complete financing – which adds up to five individual services integrated into a single offering. The



customer can get all this from a single source – from Deutsche Post World Net. We can do all this because we have the expertise and the capacity within our Group.”

Q: Is this the future of logistics: customers focusing their requirements on a single provider?

“It won't always be just one provider, but the trend is leading to fewer, qualified companies. We've set ourselves the goal of becoming our customers' partner for global logistics. We already made acquisitions with this objective in mind in recent years. The integration of individual services simultaneously requires integration between our corporate divisions. So in one case, we have the Group companies DHL and Postbank working on a joint project for our client Fiat Auto. And in another we have our logistics subsidiary Danzas and the Business Division Express Europe working together for our international client IBM.

Working with each other, learning from each other – this is the concept behind dual integration: inward integration throughout the Group and outward integration toward the customer.”

Q: In the last few years, the markets for logistics offerings have undergone increasing concentration. A dwindling number of increasingly large companies are going head-to-head for their market share. Is this also a consequence of integration?

“Definitely. Quite often firms don’t just disappear from the market, instead they’re absorbed into larger groups. For example, our European express network today is made up of a large number of smaller, established national companies in around 20 countries, which means that we can offer European express services to 420 million people. And that’s with companies that have a strong presence and a trusted name on their home markets. But they work for Deutsche Post World Net and have been integrated into our Group.”



Q: Seizing new positions, growing stronger and becoming a global player – this is the way you described the process that has defined the Group over the last ten years. A successful turnaround, advancing internationalization and finally the IPO – where do you see Deutsche Post World Net today? And where is the company headed?

“In the past ten years we’ve achieved a great deal. And we won’t stand still now. We’ve stated our goal quite plainly: we want to be the number one global player in the logistics market. There’s no time to stop for breath. Deutsche Post World Net today is bolstered by four strong pillars. And we’re going to make them even stronger. The integration of our services is creating synergies that will increase the success of the Group and the value of Deutsche Post stock. The future of logistics lies in integration and globalization – and we’re helping to shape it.”