



Case study

Central Bedfordshire

The right place for advanced logistics

The last few turbulent years have surely taught us all to expect the unexpected. For many of the UK's advanced logistics businesses, navigating leaving the EU and Covid-19 have had transformational effects. While suitable sites, connectivity, and workforce availability continue to be critical criteria in the geographic location of new logistics facilities, automation and cloud computing solutions are now also key to competitiveness. In all these respects, Central Bedfordshire believes it offers the competencies required by businesses.

As modern online shoppers we've all come to expect a lot. The product must be in-stock, the cost reasonable, delivery ultra-rapid and sustainability included. In a highly competitive sector, it means UK logistics and supply chain management firms are under constant pressure to perform and evolve their service on multiple fronts.

Add to this all the impacts of leaving the EU, a pandemic, global security concerns and rising inflation, it's no surprise that many advanced logistics companies are also having to re-evaluate their operations to become more responsive and resilient.

When it comes to making significant new business investments, never has it been more critical for logistics firms to carefully consider the role geographic location plays in mitigating risk and assuring success. Has it the connectivity, the capacity, the sector expertise, the workforce and housing? Will it help us to weather the next perfect storm?

In all such regards, and others of a more technical nature, Central Bedfordshire offers investing logistics firms the opportunity and tools they need to succeed. And it's an area that's already home to large-scale operations of many well-known sector brands, including Amazon, Co-op and Ocado.

To answer then the question 'why Central Bedfordshire?', a quick study of those factors and technical trends critical to logistics business success in the future will provide the answer.

Case study

Central Bedfordshire

Global connectivity

The crucial role road transport plays in global logistics and supply chain management means fast, direct access to the UK's motorway network remains a strategic priority. And this makes Central Bedfordshire a prime proposition for inward investors.

With both the M1 and A1 running through it, the area is perfectly placed for reaching all of the major population centres of both England and Wales within four hours. Importantly, the country's highest disposable income areas of London and the South East of England can be accessed quickly and easily.

Equally accessible, via a short trip north up the M1, are the intermodal freight terminals of DIRFT (Daventry) and Northampton Gate. Bringing added flexibility to logistics planning and optimisation, such locations are playing a crucial role in reducing delivery times, costs, risks and emissions.



Being placed between two major motorways, the A1(M) and M1, gives us the access to reach every region in the UK.

Atif Rasheed

Chief Operating Officer of Unisnacks Ltd

For cross-border trade Central Bedfordshire is again particularly well placed. Heathrow, the UK's biggest air cargo terminal can be reached by HGV within an hour, and the second largest, at East Midlands Airport, is accessible within an hour and a half. While the deep sea container ports of southern England, at Felixstowe, Dover and Southampton, are all within a 3-hour drive. Central Bedfordshire's A1 road links to the East of England and Freeport East (including Felixstowe), gives the area even greater logistical importance.

Photo credit: Amazon

Case study Central Bedfordshire



Key

- | | | | |
|----|--|-----|---|
| ● | Town / City | 🌳 | Area of Outstanding Natural Beauty (AONB) |
| ✈️ | Airport | — | Motorway |
| ⚓ | Sea port | — | Major road |
| 🚉 | International rail terminal | ⋯ | Key rail routes |
| 🎓 | University | --- | East West rail |
| 🏠 | Strategic development sites (Central Bedfordshire) | ⋯ | East West rail (indicative - route TBC) |
| 🚚 | Intermodal freight terminals | | |

Case study

Central Bedfordshire

Space to expand

By the very nature of their business models of course, advanced logistics and supply management companies need plenty of land for national or regional operations.

And with the prospect of increased inventory holding to ensure greater resilience, burgeoning online returns (reverse logistics) and the circular supply chains that follow, then the need will only increase.

For all kinds of large-scale commercial warehouse, distribution centre and fulfilment centre projects then, Central Bedfordshire offers inward investors a range of strategic development sites.

These include:

- Marston Gate, near Cranfield. Promoted by Prologis, allocated for up to 30 hectares, direct access to the M1 at junction 13.
- Sundon Rail Freight Interchange, near Toddington. 40 hectares, direct access to the M1 at junction 11a, on site rail freight interchange.

At the same time, on-demand, same-day or next-day delivery can still be a struggle for many supply chains at times of peak demand, and last mile delivery solutions are likely to evolve and change the logistics landscape yet further.

One solution, already seeing implementation, sees supply chain management operations move to a more local level, to smaller urban or out-of-town fulfilment centres that help reduce road miles. Central Bedfordshire is playing its part with both the space and the connectivity needed.

Optimised by artificial intelligence and machine learning will ensure fast and efficient local delivery, improving customer experience and keeping up with demand.

Photo credit: Unisnacks Europe Ltd



Case study

Central Bedfordshire

Amazon, Central Bedfordshire operations

Online retailer and technology provider

One of the planet's best recognised and valuable IT brands, Amazon is regarded as the world's largest internet company, online marketplace, AI assistant provider, cloud computing platform and live-streaming service.

As a mark of the advantages Central Bedfordshire brings to large-scale distribution, the company operates three well-established sites across the area, a mix of fulfilment centres and logistics hubs. It has two near Dunstable, off junction 11 of the M1 and another just off junction 13.

A fourth site, Baytree Park, has now been added, just outside Houghton Regis, Dunstable. Providing further permanent jobs and driver opportunities, this new Delivery Station will power the last mile of Amazon's order process, helping to speed up deliveries to customers.

The delivery station will receive packages from Amazon's neighbouring fulfilment and sorting centres, and load them into delivery vehicles for dispatch to local customers.

Omer Kartal, General Manager at Amazon's Dunstable Fulfilment Centre, said, "We're a global business with local roots set firmly in Central Bedfordshire, where we've been fortunate to benefit from both an excellent location and a very talented workforce.

"Our fulfilment centre, which provides fast and efficient delivery for customers thanks to the commitment of our staff, has been in operation for nearly seven years. Throughout that time the local authority has always been engaged in what we do and supportive of our work in advanced logistics.

"We're looking forward to ongoing liaison with Central Bedfordshire Council as we continue investing in this area, creating new jobs, and supporting our brilliant local community."



Case study

Central Bedfordshire

The right workforce

As a traditionally people-intensive business, the availability of a local workforce that's ready-to-go is naturally a prime consideration for new investment. And as an established location for logistics operations, Central Bedfordshire offers an advantage.

With some of the world's most advanced logistics businesses already operating in the area, it boasts more than 23,000 logistics and distribution workers across its core labour catchment area. This equates to around twice the UK average as a percentage of the overall workforce.

What's more, labour costs are significantly lower than in neighbouring locations, being 5% less than in Milton Keynes for example.

All that said, forward-thinking logistics companies throughout the UK have come to realise that the rapid and continued growth of e-commerce will ultimately mean that the ensuing labour requirements will always grow faster than the local logistics labour pool.

As a direct result, the automation of logistics processes will become an even more important priority. As discussed below, not only does it help fill any labour gaps, it also means workers can be relieved of the least satisfying, most repetitive operations, making logistics jobs more interesting and attractive than alternatives.

And here Central Bedfordshire offers yet more advantages. The area is at the heart of a high-growth knowledge economy spanning from Oxford in the west to Cambridge in the east. And so it's also a centre for the digital and high-performance technologies that ultimately support logistics automation.

Important to note then for inward investors, is that the Central Bedfordshire core labour catchment area is also home to more than 29,000 workers involved in a wide range of research, engineering and technology professions, with a wide range of transferrable skills.



23,000

logistics and distribution workers



29,000

research, engineering and
technology professionals

Case study

Central Bedfordshire

Co-op food group, Biggleswade Central Bedfordshire

Network of supermarkets and convenience shops

One of the world's largest consumer co-operatives, owned by millions of members, Co-op is the UK's largest convenience retailer. It has around 2,600 local stores in the country and employs nearly 70,000 people.

To further reinforce its commitment to provide 'best in class' distribution to its food store network, the retailer recently opened a new 660,000 sq ft regional distribution centre in Biggleswade just off the A1 at Symmetry Park.

Representing an investment value of £45m and creating up to 1,000 new jobs, the new facility supports Co-op's ambitions for continued growth in London, the South and the Southeast of England.

Ahmed Sharif, Co-op Distribution General Manager, Biggleswade Depot, said, "Located just off the A1, less than 30 miles north of the M25, our purpose built new depot allows Co-op to bring thousands of its products closer to communities, enabling our members and customers to shop conveniently, whenever and however they choose to shop. It forms part of Co-op's work to ensure it has the right distribution facilities, skills and resource in place to serve communities across the South East, both now and, in the future."





Photo credit: Amazon

Automation gains

Advanced logistics players like Ocado, Amazon and DHL have for some time been employing automation to raise the efficiency of logistics and warehouse operations.

By taking the most repetitive and arduous tasks and giving them to robots and/or cobots (collaborative robots), humans can take care of the more important, stimulating and value-adding tasks. And by reducing employee involvement in this way, labour shortages can also be addressed.

A work environment alongside robotics and modern automation can also be more interesting. It helps raise the overall quality of work and nurtures transferrable digital skills, thereby increasing labour retention in the logistics sector.

As already mentioned, Central Bedfordshire is home to the kinds of high-tech firms that will help make it happen. Automation and robotic technology has become democratised and is now far more accessible to all kinds of logistics and supply chain management companies.

What's more, the local Cranfield University's School of Management's Centre for Logistics, Procurement and Supply Chain Management, and Supply Chain 4.0 Hub, have global reputations in the sector for advanced research and teaching. With expertise spanning both engineering and logistics, the university is a leader in big data, IoT, AI, robotics and automation.

Outside of the warehouse walls we could also start talking about all-electric delivery vehicles, self-driving / autonomous delivery vehicles, delivery route optimisation, or even 6-wheeled or flying drones for last-mile delivery, but that's a different discussion, and the future will tell.

Case study

Central Bedfordshire

Ocado Group, Central Bedfordshire

Online grocery retailer and technology provider.

As true pioneers of the online grocery market, Ocado has trailblazed through an increasingly digital world, leading the fast-increasing consumer shift to online shopping. At the heart of its activities lies its technological know-how and unparalleled IP.

The company's new 365,000 sq ft customer fulfilment centre near Luton is due to be fully operational in 2023. It will feature the cutting edge technology of its proprietary Ocado Smart Platform (OSP) for operating online grocery businesses.

This includes: the world's lightest and most energy efficient grocery fulfilment bot (the 600 Series), an optimised site grid, machine vision backed on-grid robot picking and automated delivery frame loading.



Case study

Central Bedfordshire

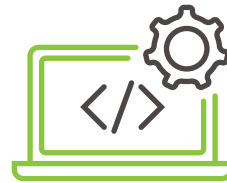
In the cloud

While cloud technology isn't anything new in global logistics and supply chain management circles, the recent Covid-19 pandemic has certainly seen it grow rapidly, and has highlighted its strategic importance in helping to tackle lockdowns, self-isolation, product quarantines and staff shortages.

Increasing moves toward digitalisation, big data, AI and IoT etc. will only see the cost of cloud technology fall. And as with automation, it then becomes accessible to a far wider range of companies including SMEs. So more and more logistics firms will be embracing predictive data analytics, ERP, inventory management and other software for optimising core supply chain processes.

Even in this regard, Central Bedfordshire has much to offer inward investors. Being located at the heart of the UK's knowledge economy means that the area has super-fast access to the digital technology hubs of Oxford, Cambridge, London and Milton Keynes.

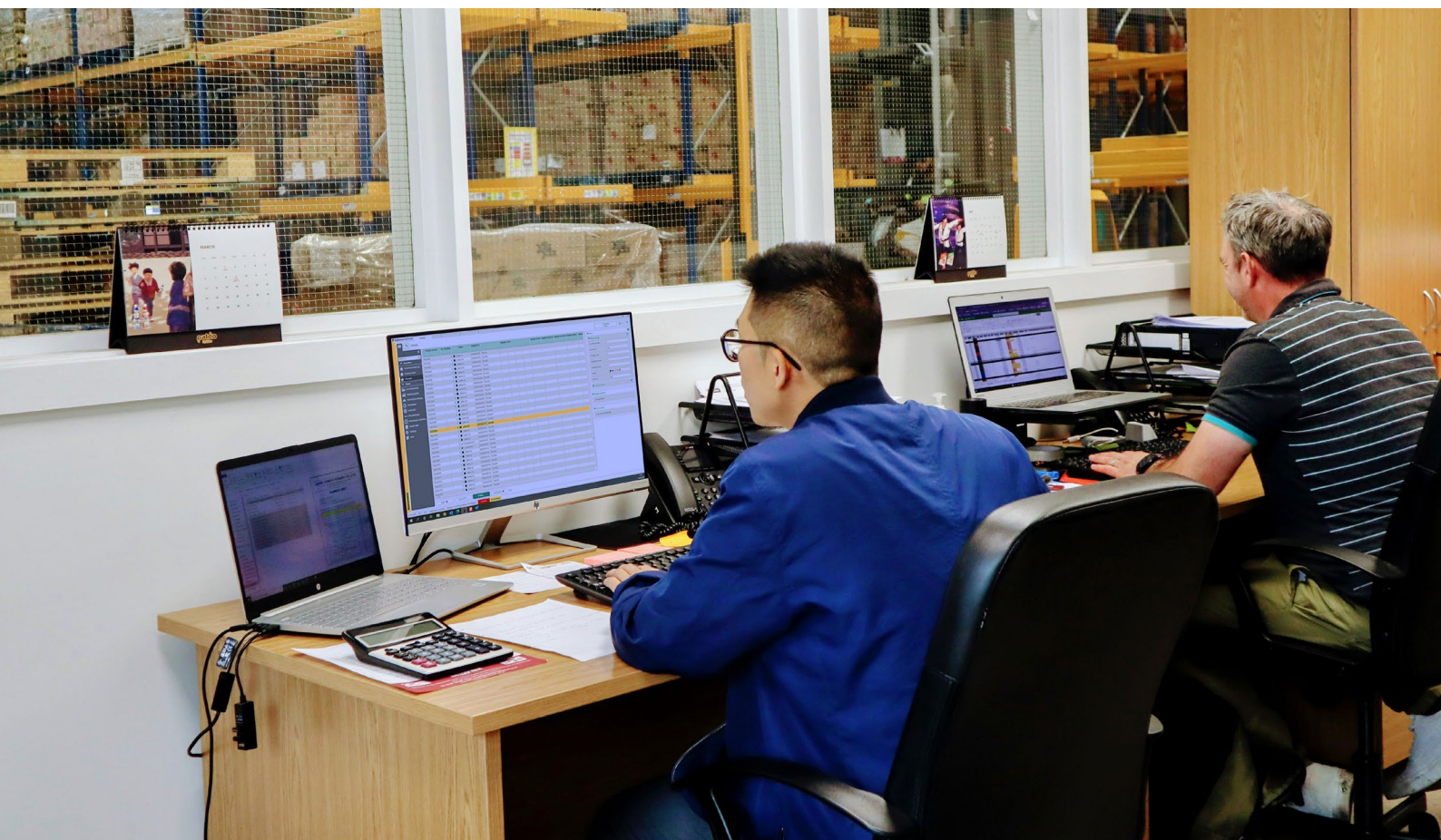
As a result, Central Bedfordshire's core labour catchment area also provides a highly skilled digital technology workforce, including 14,000 people involved in computer programming and related occupations. All the better for engineering that cloud.



14,000

computer programming
and related occupations

Photo credit: Unisnacks Europe Ltd



Case study

Central Bedfordshire

Unisnacks, Central Bedfordshire

Distributor of global snack brands

Unisnacks operates an AI (Artificial Intelligence) driven logistic centre in Biggleswade. In 2022, the company has plans to engage Cranfield University and benefit from their research expertise to achieve its strategic goals.

Atif Rasheed, Chief Operating Officer of Unisnacks Europe Ltd said, "We found Central Bedfordshire to be an ideal place, considering access to the 3 major ports that contributes over 50% of the UK's ports gross value addition, and we continue to invest in our capacity and infrastructure. Being placed between two major motorways, the A1(M) and M1, gives us the access to reach every region in the United Kingdom with our fleet of HGV trucks.

"The support from the council, availability of land, economic feasibility and access to logistics and supply chain infrastructure, makes Central Bedfordshire a prudent logistics hub. Together, we will be better and bigger in developing our centre of excellence for logistics in Central Bedfordshire, through collaboration."



Case study

Central Bedfordshire

Quality of life

Although we're discussing it last, it's by no means the least important factor in the decision to site a logistics business in a particular area. Quality of life is vitally important, more than ever perhaps. We all want the best, for ourselves and our families, and Central Bedfordshire certainly has plenty to offer, being consistently ranked as one of the best places to live in the UK.

Put simply, residents in the area benefit from a substantial lifestyle dividend. This includes more cost-effective housing, good schools, beautiful countryside and a thriving cultural scene. And the area's new, sustainable communities bring more flexible and convenient living and working.

The countryside really is breathtaking and includes the Forest of Marston Vale, Greensand Ridge and the Dunstable Downs as well as historic market towns and villages. Plus of course there's all the big city facilities of Milton Keynes, just 20 minutes away by car and London, just half an hour by train.

The area is also home to a number of the country's best-established and popular visitor attractions, including Woburn Safari Park and the UK's largest zoo at Whipsnade. Centre Parcs in Woburn Forest is a new addition, highlighting Central Bedfordshire's potential for growth.

Local council support

Central Bedfordshire Council's dedicated Inward Investment Team is available and ready to help all kinds of advanced logistics businesses to identify the right site and deliver on their projects.

Its flexible and proactive approach to planning aims to make the process as business-friendly as possible, to facilitate inward investment, economic growth and job creation in the area.

The council's range of support services includes:

- Single-point-of-contact account manager
- Bespoke research and intelligence
- Help with property searches and advice on relocation benefits
- Access to local supply chains and business networks
- Introduction to finance and grants organisations
- Access to workforce recruitment, education and training solutions.

For local support with your advanced logistics business relocation or expansion project in Central Bedfordshire:

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