What is “Last Mile Logistics?”

Timur Tecimer  Overton Moore Properties
Rick Kolpa      Prologis
Pat Ryan        Cabot Properties
Ben Conwell     Cushman & Wakefield
The Rules of Fulfillment Have Changed
The Need for Speed

Retailer’s Dilemma
Retailer’s Inventory-to-Sales Ratio

How Important is eCommerce to Industrial?
Net Absorption (MSF)

Source: U.S. Census Bureau, Company filings, Federal Reserve, Cushman & Wakefield Research
Two factors that will shape successful fulfillment chains over the next five years

Cushman & Wakefield
And the Growth is Far From Done

Amazon captures almost 50% of eCommerce

Amazon Distribution Network
Number of facilities

- **Fulfillment Center**
  - Massive warehouses with large variety of products, and high-speed conveyor systems; role is to fill customer order.

- **Regional Sortation Centers**
  - Smaller facilities designed to aggregate boxes into a defined grouping of ZIP Codes.

- **Delivery Stations**
  - Close to metro areas, often near airports; sort packages for outbound routes for last-mile delivery.

- **Prime Now Hubs**
  - Near centers of large metro areas; stocked with popular items for Prime Now customers to receive as quickly as one hour.

Source: MWPVL International
Note: 2017 figure includes both current and future facilities anticipated to be active before year end 2017
Data as of October, 2017
Explosion of Emerging Delivery Technologies
Video Clip
Prologis Georgetown Multi-story
Questions?