



service sees Nightline collecting emergency farming equipment in the UK and trucking it through the night into the firm's flagship Dublin hub, and Nightline then delivering throughout the Republic and Northern Ireland.

Ruffin says: "Since we really started marketing the service earlier this year, we have won five new customers in the farming sector."

He believes the increase in volumes is because a fall in sales of new machinery to farmers in Ireland has sparked an increase in the spare parts market to keep existing equipment working longer.

Surviving the recession

"Like so many other sectors, agriculture had to cut back its spending during the worst days of the recession. That careful management of resources, together with apparent difficulties in obtaining supplies from some manufacturers, has led to us deciding to step-up our service to farming customers," says Ruffin.

Millbray also realised that the parcels market on its own is a tough place, so joined pallet network Fortec in 2004. Gee says this decision was fuelled by customers looking for a one-stop-shop service. Parcel customers had previously complained at having to deal with several partners, so it made sense for clients to move all the paperwork and services to under one roof, with one point of contact.

Ruffin concludes that any parcel carrier can remain strong, providing they continually innovate without

SIMON VEALE, DIRECTOR OF GLOBAL FREIGHT SOLUTIONS

"If you take the entire carrier market and examine the property portfolios and fleets, you will see that collectively there is an overcapacity, so for this reason it will always be very competitive with companies undercutting each other," says Veale.

He estimates that for the first half of 2011, B2B volumes have declined, while B2C consignments are likely to have increased by single digits from the first six months of 2010.

Veale claims there is a mixture of operators using either a subcontractor or full-time driver model, but admits the former is currently a more popular mode, as carriers look to cut overheads and work using a local courier network.

A GFS White Paper published in February calculated that £6.8bn worth of goods were purchased online in December 2010 – a 25% hike on the same period in 2009 – equating to an extra four million parcels daily for couriers to handle. However, as is fresh in the memory, Britain was blighted by snow, leaving some firms unable to make deliveries on time, and with no capacity to store unforeseen volumes.

Veale comments: "No one knows just how much busier this December will be with B2C volumes, compared to last December, but I think it's safe to say certain firms have learnt lessons, and will be committed to investing in extra staff and resources to be able to cope with any circumstances."

jeopardising service. He adds that while some carriers were unable to keep up high service during the snow disruption last December, those like Nightline and Millbray had the partnerships and strategies to cope with any chaos. He claims the next few years will reveal which carriers have the strength to survive an ultra competitive market. ■