

Newsletter

Issue Four

Season's Greetings and Our Best Wishes for 2022

Hurricane Commerce, ELI Holdings and the China Europe eCommerce and Logistics Club (CEELC) would like to wish everyone in our networks a happy holiday season and our best wishes for 2022.

It has been a busy year with new regulations affecting the way retailers, marketplaces and their logistics providers conduct global eCommerce.

Having complete and accurate parcel data is now business critical. We are hearing lots of examples of shipments being held by customs authorities in the European Union, United States and elsewhere because they do not have the required data.

We expect to see this problem intensify in the early part of 2022, so please contact ELI or Hurricane now to find out how you can ensure you have the best possible data solutions to succeed in global eCommerce.



New Customer 1: 4PX

Hurricane, supported by ELI, is now working with 4PX as its global cross-border data partner.

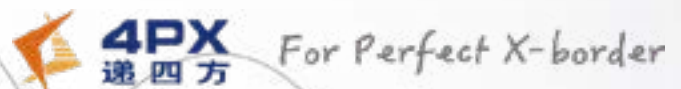
4PX, which employs 10,000 people across more than 100 worldwide locations, provides a range of logistics, software and consulting services to over 1 million retailers selling to 200 million consumers around the globe.

4PX has integrated the Zephyr API to ensure that its product descriptions, HS6 codes and import and export codes are complete and accurate.

Derek Wang, Director Logistics Product and Network for 4PX, said: "We aim to provide our merchants with an end-to-end cross-border eCommerce solution.

"Having the right data for your products is an essential first step in this process and becoming increasingly important as the EU, UK and other countries around the world take away the VAT exemption on low value items.

"Having accurate product descriptions and HS6 codes means ensures that you are calculating the taxes and duties that are applicable wherever you are shipping in the world. This will mean faster clearance through customs and the best possible consumer experience."



New Customer 2: Yanwen Express



Another major logistics company to have selected Hurricane's technology is Yanwen Express.

Yanwen has integrated Hurricane's data enhancement solution Zephyr, to ensure its shipments have complete and accurate data including products descriptions, HS6 codes and import and export codes.

Yanwen employs over 4,000 people and hands over almost 3 million parcels and packets every day to its network of carriers.

Zephyr is Hurricane's AI-driven, real-time data enhancement solution with the ability to process over 700 million requests per day with

an average response time of 100 milliseconds.

Martyn Noble, CEO of Hurricane Commerce, said: "Yanwen is one of the best known and fastest growing 3PLs in China which recognises the importance of having data competency to support the requirements of existing and future customers."

A spokesperson for Yanwen Express said: "Hurricane's world-leading cross-border data technology enables us to meet the new regulatory requirements and ensure that our customers' parcels continue to move seamlessly to consumers wherever they are in the world."

PARCEL VOLUMES CONTINUE TO GROW

The recently published Pitney Bowes Shipping Index 2021 showed that 3 in every 5 parcels is generated in China.

During 2020, China shipped 83.4 billion parcels – an increase of 31 per cent year-on-year.

China's dominance of global eCommerce has been reinforced by the success of the recently concluded Double Eleven shopping festival.

Chinese online payment clearinghouse NetsUnion and card payment giant China UnionPay reported online payments worth 22.32 trillion yuan (about \$3.48 trillion) during the period November 1 to 11, according to data from the People's Bank of China (PBOC).

Alibaba's e-commerce platform Tmall generated 540.3 billion yuan (about \$84.54 billion) in gross

merchandise volume (GMV), while one of the major winners was JD.com, another Chinese e-commerce giant, which hit a new record of over 349.1 billion yuan – almost 30 per cent higher than 2020.

Logistics providers were also kept busy during the November 1 to 11 period, handling 4.78 billion parcels - a year-on-year increase of more than 20 per cent.

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Are you ready for HS2022?

Hurricane and ELI are busy helping customers in China and elsewhere prepare for the next major regulatory change affecting cross-border eCommerce.

On January 1st 2022, the World Customs Organisation (WCO) will implement Harmonised System 2022.

Failure to update classification codes by the January 1st deadline will result in shipments being delayed by customs.

The new HS 2022 edition introduces 351 amendments, covering a wide range of goods across industries. Among the items affected are e-cigarettes and other vaping products, drones and smart phones.

For many retailers and shippers, the data requirements will change in areas including HS codes and duty and VAT rates, as well as having implications for prohibited and restricted goods screening.

One of the biggest impacts will be around the accuracy of the landed cost of a product – the total amount it costs to create, transport and deliver to the end customer.



Follow us on WeChat

Hurricane has seen a great response to our WeChat account since it was launched earlier this year.

Follow us to keep up to date with the latest eCommerce and logistics news.





OXFORD EVENT HAILED A SUCCESS

We were delighted with the response to the Second UK and China Cross-Border eCommerce Forum which was held at the Peking University Business School in Oxford during the summer.

The event was entitled 'Post-lockdown challenges and opportunities for global cross-border eCommerce' and was a mix of in-person and virtual with over 150 delegates taking part, including

representatives from government and some of the biggest names in global logistics and online retail.

Hosts for the Oxford event were the China Europe eCommerce and Logistics Club (CEELC) and the UK & China Chamber of eCommerce (UCCE).

Among the businesses taking part on the day were JD.com, Yodel, and The Very Group.

We hope to run a similar conference during 2022.

On the Road in 2022

Hurricane and ELI are looking forward to travelling to meet customers and contacts in 2022.

Hurricane will be a Premium Sponsor at all three World Mail & Express events being held next year in the US, Middle East and Asia.

We will also be attending several of the leading global eCommerce and logistics conferences and exhibitions in China.

We are looking forward to being able to provide advice, support and consultancy to logistics providers, merchants and marketplaces involved in cross-border trade.

Hurricane is Supplier of the Year



Hurricane was named Supplier of the Year at this year's Parcel & Post Technology International Awards.

The announcement was made on the first day of the Parcel & Post Expo 2021, held in Vienna in October.

The Supplier of the Year category was seeking to "recognise a company which has had a big impact on the industry over the past year, whether it's for investment in new technologies, work with the postal operators or because of impressive growth. The winner of this category will have played a major role in helping to improve the future of the postal industry."

Interested in joining the CEELC?

One of our big goals for 2022 is to continue growing the China Europe eCommerce and Logistics Club (CEELC).

The club's mission is to bring together senior leaders from the worlds of eCommerce and logistics, creating connections, networking opportunities and opportunities for knowledge sharing.

During 2022, we hope to provide lots of opportunities for members including conferences and social gatherings.

Please contact a member of the ELI or Hurricane team for more details.