





# **FUTURE LOGISTICS CHALLENGE**

# Handbook



38440 Wolfsburg

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## Introduction







Volkswagen Commercial Vehicles and Hermes Europe have launched the Future Logistics Challenge, powered by betahausX.

The goal of the challenge is to find smart solutions which will re-imagine the future of the delivery driver experience and smart delivery vehicles; the ultimate goal is to simplify the job of Hermes couriers through connected commercial vehicles and integrated software solutions.







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### Who's involved?

#### Volkswagen Commercial Vehicles

As a stand-alone brand within the Volkswagen Group, Volkswagen Commercial Vehicles is globally responsible for the development, construction and sales of light commercial vehicles, producing the Transporter, Caddy, Crafter, and Amarok ranges. In consultation with its customers, Volkswagen Commercial Vehicles draws up appropriate vehicle concepts, telematics and logistics solutions for the sparing use of resources at the highest possible level of efficiency. Volkswagen Commercial Vehicles employs over 24,000 people globally.

#### volkswagenag.com

#### Hermes Europe

Hermes is an international trade and logistics services provider based in Hamburg and part of the Otto Group. The company is a leading specialist for retail-related services and a partner of numerous distance sellers, multi-channel retailers and online retailers in Germany and abroad. The range of services offered by the companies operating under the Hermes brand covers the entire retail value chain: sourcing, quality assurance, transport, fulfilment, home deliveries, two-man handling and global e-commerce services. In the 2018 financial year, the Hermes Group increased its total revenue to 3.20 billion euros. Hermes employs roundabout 15.500 people and is present in the most important European e-commerce markets with its own parcel companies.

#### hermesworld.com

#### betahausX

betahausX has 10 years experience in designing and delivering international startup competitions, hackathons, startup immersions and corporate accelerators. With its global network of startup and innovation ecosystems, betahausX helps connects startups with clients, investment and opportunities to help them grow and scale. betahausX is the daughter company of betahaus, one of Europe's first coworking spaces.

#### betahausx.com

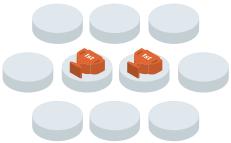




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# What will happen?

Up to 10 startups will be invited to Berlin to present their solutions to the jury of experts from Volkswagen Commercial Vehicles & Hermes Europe. These startups will attend the Mentoring days - two days when they meet experts and specialists from the companies, and pitch at the Pitch day where the jury selects the winner.



The two most promising startups will win the chance to develop their solution into a Proof of Concept along with 125.000€ each from Volkswagen Commercial Vehicles and Hermes Europe.

The Future Logistics Challenge will take place at betahaus Berlin on November 5, 2019.







### **Prizes**

Two winning startups win the prize of Proof of Concept + 125.000 EURO:





#### **Proof of Concept**

The startup works on the 3-6 month program to deliver their solution to the partners Volkswagen Commercial Vehicles and Hermes Europe.

#### 125.000 EURO

The winner receives 25.000 EURO after winning the challenge and up to 100.000 EURO after PoC program being delivered\*.

\*Startup and partner will mutually agree on the scope of PoC program; this will include a predefined budget and milestones to be delivered with set dates.





# Key dates and what to expect



Date	Milestone	Subtext
July 11, 2019	Applications open	Submit online application with how your solution can help Hermes Europe or Volkswagen Commercial Vehicles' use cases
September 23, 2019	Applications close	Midnight, September 23 - applications close
September 23 to October 10, 2019	In-depth interviews	Selected startups invited for a 25 minute online video interview
October 11, 2019	Finalists announced	Up to 10 finalists invited to Berlin for mentoring days and the pitch day
October 21-22, 2019	Mentoring days	Two days where finalists meet mentors and experts from Hermes Europe and Volkswagen Commercial Vehicles.  Startups will receive personalised pitch performance training and guidance to help develop a coherent value proposition for the final pitch to Hermes Europe and Volkswagen Commercial Vehicles.
November 5, 2019	Pitch day	The final pitch event - startups present to the jury of high level individuals from Hermes Europe, Volkswagen Commercial Vehicles and other field experts.  There is also an exhibition space and startups will have a table to showcase their startup and network.
	Announcement of 2 winners	The two winning startups will develop their idea further with Hermes Europe and Volkswagen Commercial Vehicles in the Proof of Concept program.





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### Who can enter?

The goal of the challenge is to find smart solutions which will re-imagine the future of the delivery driver experience and smart delivery vehicles; the ultimate goal is to simplify the job of Hermes couriers through connected commercial vehicles and integrated software solutions.

#### Startup solutions

Startups may have solutions from the areas listed below. Find below use case examples, however, the list is not exhaustive and scope is open to other solutions as long as it's fitting to partners' business needs.

#### **Delivery Driver Experience**

Use Cases	Use case examples can include but are not limited to
Predictive analytics	Business intelligence and predictive analytics.  Solutions that can help with business optimisation and new business model development.
Multi-modal networks	Multi-modal networks in a B2B context, eg, identifying the ideal combination of a diverse fleet of E-Cargo bikes, vans, transporters, trucks, bicycles etc.
Digital workflow management	Broad scope that can include concepts such as document management, accounting, order processing, etc.  In-vehicle CEP-Store which incorporates several modular bookable services.
AI/ Machine learning	AI & Machine learning which helps optimize the delivery driver experience.
Data visualisation	Data visualisation that optimizes the delivery driver experience and improves current processes such as the number of upcoming deliveries, capacity of cargo, upcoming tasks and routes; output of results can be provided acoustically or haptically to the driver.
Process automation	Process Automation in last-mile including the depot - the point in the supply chain from where the parcels enter the last-mile.
Communication optimisation	Communication solutions could optimize communication among all stakeholders such as the courier, corporate, drivers, car, customer.







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Fraud prevention	Fraud prevention in relation to the car-infrastructure, the driver or the drivers handheld, for example, theft.  Re-usable RFID tracker warning when somebody enters the car while the driver is outside the car.
Interactive driver apps	New apps that simplify the life of the courier.  Has compatibility with handhelds.

#### **Smart Delivery Vehicles**

Use Cases	Use case examples can include but are not limited to	
	IOT/sensor services that accelerate the connectivity of the light commercial vehicle.	
IoT/ Connected sensors	Sensor technology that can be placed in the car-hand-held-driver ecosystem to generate data for analytics that can feed into optimising the business - data that drives new business models, services, products.	
In-car & around the car infrastructure	Solutions that manage the positioning/ organising/ loading/ sorting/ triggering/ communicating within the car's interior and exterior infrastructure.	
	Also known as inventory management/ indoor navigation/ complete goods handling.	
Supply chain / logistics analytics	Supply chain/ logistics analytics within the smart delivery car such as the load and fleet that can be integrated with other tools.	
Sustainable delivery	Solutions to make delivery vehicle smarter whilst creating a sustainable and ecological impact.	
Connectivity services	Solutions that enhance, improve, alter or define the communication between car, courier, client, and other stakeholders.	
Enabling services for third parties	Solutions that support and optimize operations for third parties such as drivers, leasing, insurance, technical support, etc	



### Solutions which are NOT relevant for the scope of the challenge

- Pure hardware solutions/technologies, e.g. a startup that only manufactures sensors
- Asset-heavy business models/ services
- Alternative delivery vehicles (drones, cargo bikes)
- Autonomous driving solutions
- Slider solutions for cars, e.g. mobile shelves/racks that can be pushed from warehouse into the car





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#### Startup stage

Startups or teams with a prototype or already developed a solution that can be adapted to partner needs as a Delivery Driver Experience and/or Smart Delivery Vehicle solution.

#### Global entries

The Future Logistics Challenge is open to entrants from across the globe. However, applicants must be able to attend the mentoring days and event in Berlin, and subsequently implement the PoC in Germany.

English is the official language of the challenge. All applications submitted and communication must be made in English.

### **Intellectual Property**

Startups own their IP. Please refer to T&Cs for further details.





# Judging criteria

The information below should help entrants understand the judges' expectations.

Each startup will be evaluated and assessed on the five criteria below.

Up until the pitch event, applications will be judged on their potential to satisfy the judging criteria and deliver impact for partners' needs.

#### **Business** case

#### Solution shows a market overview, a positioning and a working business case.

Evidence of real problem solving, USP, value-added, concrete business model.

#### Partner fit

The solution solves a problem and/or use case for partner(s) and presents the opportunity for further joint development.

There is a strong strategic fit, unique partnership, and market potential for partner collaboration.

#### **Implementation**

Solution is either ready or easy to adapt to the partner's requirements.

Scalability of the solution within the use case.

#### Technology

Technology is innovative and well designed, startup provide evidence it's been tested/validated.

#### Team

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Team has capacity to implement solution (experience, qualifications, skills).

Clearly delivered message in presentation. Handled Q&A.







### **FAQs**

#### How do I register for the challenge?

- 1. Read this handbook to confirm you meet all the eligibility requirements
- 2. Register your startup via our online application form. (link)
- 3. Fill in the application, this will require:
  - Information about your startup
  - Provide examples and evidence of previous application of your solution to solve the partners use case
    - You can save your entry and come back to it later using the same registration details.
- 4. Submit your application before deadline (The deadline for entries is 23:59 CET on 23 SEPTEMBER 2019)

#### Does it cost anything to register?

No, there are no costs to register for the challenge.

#### Are travel costs reimbursed?

Teams invited to Berlin will be reimbursed up to 400 EURO for their travel costs.

#### What can I expect from the Proof of Concept/ pilot program?

After the winners announcement, the winning teams get directly in touch with the partners and arrange the date of the follow-up meeting, where details of the PoC will be further defined. Each Proof of Concept is specific and has various implementation requirements, yet the time frame of the PoC should be within 3-6 month period.

#### What are the partners looking for?

Applicants must have an understanding of the partners' possible use cases and be able to demonstrate how their solution is useful to the partners and their problems.

Partner use cases will be shared with finalists during the Mentoring days so that startups can tailor their solutions and prepare their pitch presentation.





#### How do I know I've been picked?

Shortlisted applications will be interviewed before their participation is confirmed for the Future Logistics Challenge in Berlin.

Shortlisted applications will be receive communication that confirms their acceptance and participation in the challenge.

Please refer to timeline for Key Dates.

#### **Intellectual Property**

Startup own their IP. Please refer to T&Cs for further details.

#### **Terms & Conditions**

Read the full T&Cs here.

#### Still have a question?

If you've read the handbook and you still have questions, contact the team at  $x \otimes betahaus.de$ 



