

# FINANCIAL REVIEW

SE **Property**  
HD **E-tailing drives mega warehouses**

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Goodman **Group**'s biggest global logistics project is a 128,000-square metre fulfilment centre in Wroclaw, Poland, being built for online retailing giant Amazon.

The facility, which will take less than a year to build and is due to open this year, could comfortably fit six Melbourne Cricket Grounds inside, with room to spare.

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The scale of the project – the largest logistics facility in Europe – is an indication of the impact of online retailing on the global industrial development market.

Amazon sells about \$US32 billion worth of goods in Europe every year. Every item needs to be delivered, sorted, stored, picked, packed and distributed to **purchasers** from hubs like the Wroclaw **site**.

A report by global **property** services **group** JLL estimated business to consumer e-commerce sales totalled \$US1.2 trillion in 2013, with the sector posting a growth rate of about 15 per cent since 2007 compared with less than 1 per cent for the retail sector as a whole.

According to JLL, Britain is the biggest adopter of online shopping (almost one in 10 sales by value is completed online) followed by the US, Australia, Germany and France.

"E-commerce represents the latest big driver of change in retail logistics and physical distribution networks."

Forrester Research estimates total online retail sales in the Asia-Pacific region's largest markets – **China**, Japan, South Korea, India and Australia – will grow to \$US827 billion by 2018; an increase of \$US430 billion from 2013.

By 2020, there will 346 million online users in the region.

"E-tailing growth is only the tip of the iceberg in Australia," CBRE's head of industrial for Australia and New Zealand, Matt Haddon, says.

CO magmgp : Goodman Group

IN i656000301 : E-tailing | ireest : Real Estate | i64 : Retail/Wholesale | icre : Real Estate/Construction |  
iecom : E-commerce | iint : Internet/Online | iretail : Retail | itech : Technology | i81502 :  
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