

How Brexit presented a golden opportunity



Brunel European took a proactive approach to the challenges of Brexit, developing new solutions for its European road freight customers and as a result scooping the 2021 BIFA Supply Chain Management Award



Brunel European's BIFA Supply Chain Management Award win was based on its work for a Spain-based retail logistics company, which approached Brunel European in December 2020 to provide UK supply chain solutions as it was encountering huge delays with parcel carriers owing to Brexit.

On behalf of its client's customers, Brunel began delivering UK-bound goods to its own external temporary storage facility (ETSF) in Ipswich for storage prior to processing by UK Customs or re-export.

Mike White, group operations director at Brunel European, explained: "We raise a T1 document from Spain to our bonded Ipswich site and we then Customs-clear and discharge all the documents, and the drivers continue to the parcel hub carrier."

The drivers are normally held in Ipswich for three hours maximum (a huge improvement on the sometimes month-long delays Brunel's client had previously experienced); the system has been working "seamlessly" since January 2021, White said.

In-house brokerage

Brunel also developed its own in-house 'J Freight' Customs brokerage package to enable multiple-origin cargoes from up to 30 different countries to be declared correctly and with all duty and VAT paid, expediting the clearance process and ensuring compliance.

Three different modes of clearance are used per truck – inward processing relief, bulk data and home use – plus different forms of duty relief claimed, depending on various free trade agreements from origin.

Given that it has specialised in European road freight for 15 years, one might assume that



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Brunel European would have suffered disproportionately from the impact of Brexit.

However, White said: "We saw a unique opportunity to develop our already established China imports Customs team on our deepsea division and train up a new EU brokerage team, thereby offering full EU transport and brokerage solutions to our EU clients – and also filling the Customs clearance void as 200,000 EU importers looked for a Customs broker."

"This was a golden opportunity. We believed that as Customs was effectively adopting the ROW model, everything entering the UK from the EU needed import brokerage services, and we knew our European transport division would hugely benefit in being able to offer end-to-end solutions for all our clients, so we linked the two together. We also invested £500,000 in our own ETSF in Ipswich to further enhance our service offering."

Adapting

It has not been easy to manage the often last-minute changes that Brexit has entailed, but Brunel's strategy has undoubtedly paid off. White said: "We just had to adapt and use our core experienced Customs team of 20 years, which was invaluable in terms of training additional staff.

"European transport business is up 40% and we have attracted a lot of third-party brokerage from blue-chip companies, household names and major retailers, who choose to work with one company that can give them peace of mind and take care of all the new paperwork and delivery to door," he added.

"We believe we have filled a void in the market as some of the major European transport companies had to protect their own network of clients; there was a large gap for an independent company not tied to an existing network to develop and offer full door-to-door solutions and give value for money at the same time."

Brexit has been challenging but White said he has "quite enjoyed it – we are in the business of finding solutions for people, after all". He added: "We have all had to develop a more specialist, skilled service, which is good for the industry long term."