

INTERNATIONAL BUSINESS OF THE MONTH

# Mail model

In the past two decades Bristol-based Mail Handling International (MHI) has developed into a service giving British businesses a rapid reach into global markets

Few businesses in the South West have as much of an international focus as Mail Handling International (MHI). The Bristol-based ecommerce and international mailing specialist focuses 70 per cent of its work outside the UK.

It has developed a pallet-style model, offering SMEs in particular efficiencies in numbers to keep up with the demands of a global ecommerce market that dictates rapid delivery.

It has come a long way since chief executive Paul Brown had the idea of a starting a mail handling business as a young graduate in Bristol more than 25 years ago.

Brown explains: "Back in 1993, I had an idea that direct marketing was going to be the way forward. I set up a mailing house, stuffing and printing envelopes – very low-level technology. But steadily we started doing everything from blood donor call-ups to financial mail and developed a good reputation.

"But by 1996/97 it became clear to me that we needed to start looking internationally."

Together with co-founder Alex Lawson, Brown set to work on developing a new internationally focused business.

"We were still a small company in the marketplace, with a turnover of a couple of million pounds," Brown explains. "This was before the internet really came along as a sales platform, and a lot of companies were ignoring international markets. So we said let's specialise in this."

At first, the company concentrated on just a few routes that gave them access into emerging markets in Asia and eastern Europe.

"I got on an aeroplane, went to Singapore and persuaded the Singapore post office to give me a postal contract into Asia," Brown explains. "I then went to places in the new and emerging European markets – particularly Slovakia.

"We were growing on this route, but then ecommerce came along. We said, maybe we should write some software to analyse the routes. By about 2000 we were a technology-driven postal business. From the initial five international routes we developed, we now have more than 90 international postal authorities on our platform."

MHI's evolving software allowed the business to use burgeoning artificial intelligence (AI) techniques to ensure deliveries were meeting the best possible levels of efficiency.

"AI is now a bit of a buzzword, but we've genuinely been doing machine learning in this business for ten years," Brown says. "We look at how our customers are mailing and how we can put the best consolidated routes together.

"For example, not everybody has ecommerce going to Portugal every day, but we have a pallet going to Portugal every day. So you can bring together five or six e-retailers and we can make sure we get to Portugal in the timeline of what's now being driven by the sales platforms – Amazon, eBay, Alibaba and so on. But people are also still communicating by post, so we carry mail for everyone from the Institute of Physics to the World Health Organisation."

The business now has 80 employees and a group turnover of £22m. It has evolved in recent years away from a



"I got on a plane and persuaded the Singapore post office to give me a postal contract into Asia."

**Paul Brown**

reliance on direct marketing material to a stronger focus on ecommerce.

"Now for around 90 per cent of the mail we send out, people would complain if they didn't receive it," Brown says, "whether it's a subscription to a magazine or a book you've ordered online".

Brown is proud to keep the business' base in the heart of Bristol on the city's Feeder Road.

"Bristol has a heritage in overseas trading. We've been a shipping hub for hundreds of years," he says. "Here you've got an international mail business that's not at Heathrow; it's here in Bristol, employing people in Bristol, bringing mail in from the USA to go into Europe, and sending mail across the globe, routing it through our software." ■