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SHOP DIRECT SIGNS AN AGREEMENT TO LEASE NEW LEICESTERSHIRE FULFILMENT CENTRE

The automated site will be fully operational in 2021

[Shop Direct](#) has announced more details of its new 850,000 square foot*, state-of-the-art distribution and returns centre at the [East Midlands Gateway development](#) near Castle Donington, Leicestershire, which is scheduled to be fully operational in 2021.

The facility began construction in May 2018 and Shop Direct has now signed an agreement to enter into a 21-year institutional lease commencing March 2019. Shop Direct will take possession of the new fulfilment centre in early 2020 and expects it to be fully operational by 2021.

The new purpose-built, best-in-class facility will move all aspects of Shop Direct's one-man fulfilment operation under one roof, including inbound, distribution, outbound and returns, and has significant potential for future internal and external expansion.

The site's central UK location in the East Midlands will enable the business to increase its cut-off time for next day delivery to midnight from 7pm currently, and explore the introduction of same day delivery in the future. When completed, it will be served by its own rail freight terminal, with close links to the M1 and East Midlands Airport.

The location puts Shop Direct in closer proximity to its imports, carrier partners and customers, meaning the company will save an estimated one million road miles per year. Other companies set to launch operations at East Midlands Gateway include global retailer Amazon, and food and drink giant Nestle.

Employing 500 permanent colleagues and an additional 200 to 300 agency colleagues during peak periods, Shop Direct's new fulfilment centre will use the latest automation technology from Knapp, a leading automation solutions provider.

This will include automated item selection, advanced picking, a single and multi-order automatic packaging facility, and automated sortation capabilities. It will allow products to be processed through the fulfilment centre, from order placement to 'ready for dispatch', in just 30 minutes.

The technology, which is now in production, as well as the consolidation of three sites into one fulfilment and returns centre, will contribute an estimated £25m in efficiency savings per year for the group from 2021 and significantly enhance the company's retail proposition.

Phil Hackney, group operations director at Shop Direct, said: "This fulfilment centre represents a significant and exciting milestone for our business. It's part of how we'll continue to meet the ever-changing needs of our four million customers and position ourselves for ongoing, sustainable growth in the years ahead.

"The site's central UK location and world-class infrastructure will bring us closer to our customers and the best in class automation technology will mean we can serve them more efficiently than ever before. It will give us new delivery options for the future, like same day, and has capacity for future expansion as our business continues to grow."

ENDS

*Total floor space is 850,000 square foot. Ground footprint is 500,000 square foot.

CONTACT INFORMATION

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ABOUT SHOP DIRECT

As the UK's largest integrated pureplay digital retailer and financial services provider, Shop Direct has annual sales of £1.93 billion. Our brands are Very.co.uk, Littlewoods.com, VeryExclusive.co.uk and LittlewoodsIreland.ie. We receive an average of more than 1.3 million website visits every day, with 69% of online sales completed on mobile devices.

We exist to *make good things easily accessible to more people*. With our multi-category range of famous brands, market-leading technology and data capabilities and unique financial services products offering flexible ways to pay, we're well placed to deliver on that promise.

We sell more than 1,800 famous brands, including big name labels and our own exclusive brands. We have four million customers and deliver 49 million products every year. Our free click-and-collect service, CollectPlus, delivers to 7,000 stores across the country, increasing ease and convenience for customers.

For more information on Shop Direct, visit www.shopdirect.com or follow us on Twitter at [@ShopDirect](https://twitter.com/ShopDirect).