



ENEOS to launch last mile delivery service through service stations in Japan

The company will conduct its first large-scale pilot project that will implement 100 of its stations in Tokyo as distribution points and temporary storage facilities.

ENEOS and Mitsubishi Corporation (MC) have agreed to establish a joint-venture company aimed at optimizing delivery operations by leveraging service stations. The business shall take advantage of the retailer's fuel retail network, which spans more than 12,000 locations across Japan, to improve overland shipping throughout the country.

With each site functioning as both a last-mile distribution point and temporary storage facility, this new business promises to shorten the final legs of transport. The fact that each location tends to be already optimized to accommodate smooth inbound and outbound traffic makes them ideal logistics hubs. Using ENEOS's existing footprint should also help to minimize any additional costs associated with setting up delivery points.

Both firms have set out to complete its first large-scale demonstration project to assess the business's feasibility, scheduled to begin in 2023's fiscal year. The initiative will involve a total of 100 stations located in Tokyo and its surrounding three prefectures, where high demand for home delivery is expected.

The plan is to grow the business to cover between 500 and 1,000 sites by 2025 and commence its nationwide expansion in 2026. ENEOS and MC will also develop a delivery solutions app, which shall leverage data and expertise gleaned through the trials in connection with delivery-management systems used by shippers to promote smooth last-mile operations.