



STATE LIQUOR & WINE OUTLET STORES NH LIQUOR COMMISSION

November 20, 2012

Joseph W. Mollica, Chairman | Michael R. Milligan, Commissioner

Contact: Jeff Eisenberg
(603) 759-3001
jeffe@evradvertising.com

NEW HAMPSHIRE LIQUOR COMMISSION AWARDS TWENTY-YEAR WAREHOUSE SERVICES CONTRACT TO EXEL INC.

New Facility in Bow Will Begin Shipping in November of 2013

CONCORD, NH – The New Hampshire Liquor Commission (NHLC) announced today that the twenty-year warehouse services contract has been awarded to Exel Inc. (Exel). The contract term of twenty years was established to allow for vendor financing and to attract world-class bidders, local, national and international. The new contract, which goes into effect in November of 2013, is expected to result in significant savings to the New Hampshire Liquor Commission, its business partners and consumers.

“This contract award is a significant milestone in enhancing the service and revenue we provide to the State of New Hampshire,” stated NHLC Chairman Joseph Mollica. “The efficiencies and service advances provided by Exel will substantially upgrade our operations and bolster our competitive advantage.”

Compared to the rates in the current contract, in the first thirty months of the new contract, the NHLC projects approximately \$3 million in savings as a result of reduced costs. The projection for business partners and consumers is approximately \$4 million in savings during this same period of time.

Exel is based in Westerville, Ohio, and is a recognized world leader in contract logistics and supply chain management. Exel provides supply chain design, consulting, warehousing, fulfillment, and transportation services to help companies be more productive, more efficient and more competitive. Exel has established itself as the country’s leading logistics provider through work for clients that include some of the largest and most successful retail and consumer goods companies.

As the new warehouse services provider, Exel will now move forward with improvement plans which include a new warehouse site, state-of-the-art systems, and a building designed specifically for the needs of the NHLC and its customers. The new warehouse will be located in Bow and is scheduled to begin shipping on November 1, 2013. The 50,000 square foot warehouse on Storrs Street in Concord owned by the NHLC will remain in service. In total, the warehouse system will store, manage, and distribute over 10,000 individual SKUs of wines and spirits.

“We are excited about this opportunity to bring our experience and expertise to the warehousing services of the New Hampshire Liquor Commission,” said Fred Takavitz, Senior Vice President, Exel. “We look forward to further enhancing the success of these operations, which in turn ensures the success of the service and revenue provided to the State of New Hampshire by the NHLC.”

Exel was selected from five vendors that submitted proposals. All five vendors proposed a new warehouse site, emphasizing a smooth transition as an important requirement. The evaluation criteria included considerations such as vendor experience, pricing, financial stability, transition, information systems, service and innovation. The bid process was intensive and required the vendors to make competitive adjustments in order to stay in contention. At the conclusion of a thorough decision process, the Commission unanimously agreed that Exel provided the best overall solution.

The NHLC acknowledges with gratitude its long-term working relationship with Law Warehouses.

About the New Hampshire Liquor Commission

The NHLC operates retail locations throughout the Granite State and serves more than 10 million customers each year. Visit www.LiquorandWineOutlets.com to locate a store, search for product availability, learn about monthly sales, review wine tasting schedules, and sign up to receive exclusive savings with monthly Email Extras. More than \$2.4 billion in net profits has been raised since the first store opened in 1934. NHLC is expecting to net an additional \$1 billion for the state in the next eight years.

About Exel

Exel is the North American leader in contract logistics, providing customer-focused solutions to a wide range of industries including automotive, consumer, retail, engineering and manufacturing, life sciences and healthcare, technology, energy and chemicals. Exel's innovative supply chain solutions, skilled people and regional coverage bring together all aspects of contract logistics in addition to a wide range of integrated, value-added and specialist services. Exel is a wholly owned entity of Deutsche Post DHL, the world's leading logistics group. For more information, visit www.exel.com.

###