

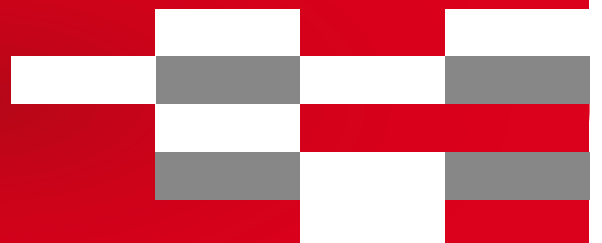


CITY FLEX Urban warehouses from 7R



Everything's
coming up
green

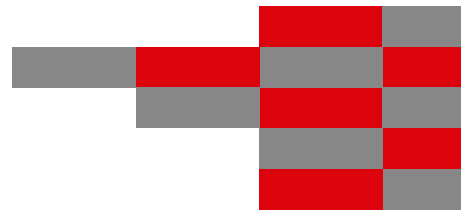
Technologies
for e-commerce
warehouses





FROM THE EDITOR:

Change is the only constant thing in life...



In 2018, this has been clearer than ever as it has accompanied us almost everywhere we go. The changes at 7R began with its management board which gained a new member, Bartłomiej Krawiecki. It continued with the launch of our innovative City Flex concept, a network of small warehouse facilities located within the administrative borders of cities. Finally, we changed the location

of our registered office, moving to new premises in Kraków. In the spirit of the changes we've made, we've decided to refresh the layout of Puls Logistyki and we hope that the new design will make it even more enjoyable to read. The subject matter, on the other hand, remains unchanged.

In the sixth edition of our magazine, we will cover a host of issues in-

cluding technology, energy-saving systems, and warehouse security. We will reflect on how to meet the expectations of customers in the logistics sector and consider how our market is being influenced by the rapidly-developing e-commerce sector. All this and much more awaits you in this new, redesigned edition of Puls Logistyki.

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Everything's

COMING UP GREEN

We want to eat organic food, wear eco-friendly clothes, and spend more of our working and living hours in buildings that are friendly for people and for the environment. Developers are now trying to meet these demands by building facilities that meet the requirements of environmental certification systems.

STORY BY: Marta Białowąs



Environmental certificates for buildings have been popular in Poland now for almost a decade. Office buildings were the first structures to be swept up in this new trend. As time went on, certification has become more popular in the retail center sector, although it's popularity still has yet to catch up to the office building market. A similar scenario occurred in the residential property market, where only a fraction of buildings have obtained green certificates. Only recently, environmental certificates caught the attention of construction companies developing industrial property. Currently, certified warehouses are something we have been hearing about more and more. It is likely that property developers have not spoken their last words on the subject.

A VAST ARRAY OF OPTIONS

Nowadays, certificates are not only a trendy way of increasing the com-

petitiveness of facilities and making them seem more attractive to customers. Oftentimes, the decision to obtain a certificate for a building stems from the environmental awareness of its owner, administrator, or even the tenants themselves (in the case of buildings that have already been developed).

There are two certification systems that are currently duking it out to be the most popular in Poland. The first, originating from the UK, is BREEAM (Building Research Establishment Environmental Assessment Methodology) and the second, developed in the US, is LEED (Leadership in Energy and Environmental Design). Both certificates are awarded by independent organizations that promote environmental awareness and have a similar objective – to encourage good environmental practices in the construction sector. The institution behind BREEAM is the Building Research Establishment (BRE), while LEED was developed by the US Green Building Council (USGBC). Two

certificates that still have yet to get a foothold in Poland are HQE (High Quality of Environment) and the German DGBN.

The most popular system, both in Poland and worldwide, is the one developed in the UK. It is generally felt that this system is flexible and easy to adapt to the local conditions in a given country. According to data presented by the Polish Green Building Council (PLGBC), in March 2016, 328 Polish real estate projects were awarded 437 certificates (a single piece of real estate may receive several certificates). Of all the certificates granted during this period, as many as 80% were BREEAM certificates awarded to 247 real estate projects. 77 facilities were also awarded LEED certificates. The remaining four certificates were HQEs.

In the two most popular systems, certificates may be awarded to facilities still in the design stage, already built, and in use, as well as brand new projects. Still, most certificates



in Poland are awarded to buildings that are under construction or have recently been delivered, i.e. facilities which were intended to be certified from the designing stage. It is more difficult for existing buildings, especially older ones built before these certifications became popular in Poland, to meet the relevant criteria. This often requires an overhaul and complete refurbishment of the facility.

A CLOSER LOOK AT BREEAM

To better understand its success, let us take a closer look at the most popular certification system. Why has it left its competitors behind? We have already pointed out that BREEAM is easy to adapt to the local context and its criteria largely reflect domestic construction regulations. Furthermore, BREEAM covers the entire product development cycle. By supporting local methods and practices, it is also the most cost-effective certificate. Therefore, investors are more willing to choose BREEAM over other certificates.

Each investment applying for a certificate is rated in ten main categories,



To recap, there are two certification systems that are currently the most popular in Poland. The first one, originating from the UK, is BREEAM (Building Research Establishment Environmental Assessment Methodology) and the second one, developed in the US, is LEED (Leadership in Energy and Environmental Design). Both certificates are awarded by independent organizations that promote environmental awareness and have a similar objective – to encourage good practices in the construction sector:

ries, which include: project management and the construction process,

the level of user comfort, electricity consumption, location and transportation to and from the building, water and sewage management, the materials used for construction, waste management, land use and environmental impact, protection against pollutant emission, and innovation.

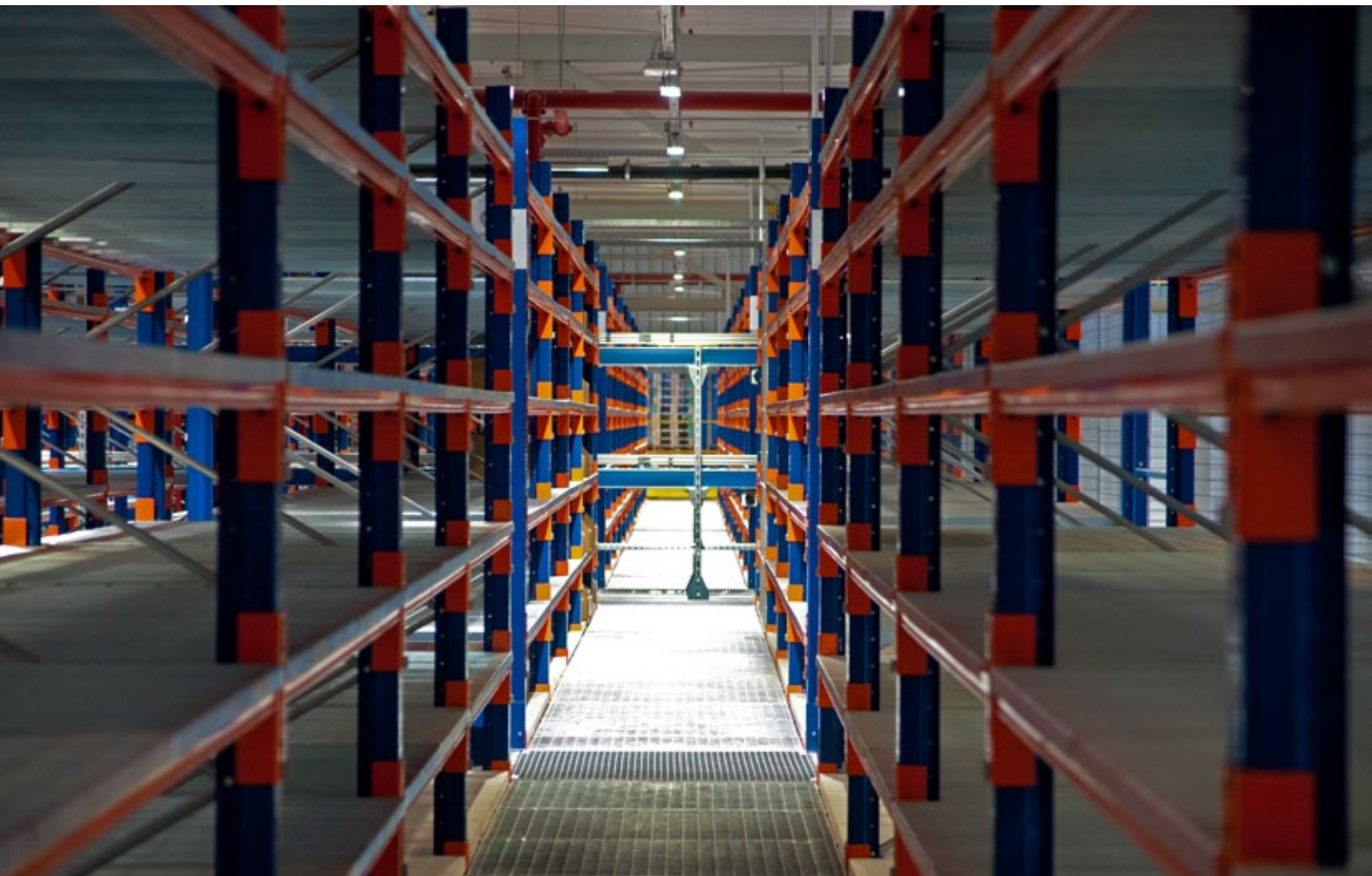
In each category, facilities receive points (credits) which are later converted into percentage points, multiplied by weighting factors given to each category and then added together. The final grade depends on how many criteria have been met. The last stage of the process consists of awarding each project a general grade: pass (meeting 30-44% of the requirements), good (45-54%), very good (55-69%), excellent (70-84%) or outstanding. This last grade has been introduced for extraordinary facilities that meet over 85% of the requirements. No facility developed outside of the UK has ever been awarded this grade.

A green certification is undoubtedly an excellent solution for savvy investors. They will be aware that any costs put into making a building meet certification requirements will be recovered in the long run.

A PERFECTLY safe warehouse

How do you keep a warehouse facility secure? To what extent can stored goods be protected and how can you make sure that no uninvited guests will get into the warehouse? It is a good idea to consider installing modern security systems as early as possible, even at the design stage.

STORY BY: Elwira Charyga



From the planning phase to the operation stage, a number of solutions can be implemented in a warehouse facility to completely eliminate dangers or at least significantly reduce the risk of them happening. Which are worth considering and how can you protect a warehouse facility against any dangers?

PROPER SPATIAL PLANNING

The security of a warehouse facility should be considered as early as the design stage. It is important not to exceed the permitted load-bearing capacity of the shelving units, floors, and ceilings. Furthermore, passageways should be a proper width (of at least 0.75 m, and 1 m for two-direction passageways). Since there is traffic inside the warehouse, the space should be properly marked, structures should be covered, and all installations should be adequately secured. The division of space in the building is an important issue; it is necessary to set out communication routes, install speed bumps and cable ladders to secure electrical wiring, and mount bumpers that will protect forklifts from colliding with shelving units. It is important to keep safety issues and improvements in mind while handling goods.

A system of wheel guides for TIR trucks is used to prevent collisions and damage to gates and the walls next to the loading docks. These wheel guides make it easier to handle goods, minimize the wear of ramps, and prevent the vehicle from being damaged. Their main function is to help drivers accurately steer their trucks into a proper position next to the dock. An additional

row of lighting directed towards the handled goods installed near the docks is also a significant improvement on the site.

THE HIGHEST LEVEL OF SECURITY

Fire protection is another key issue which should be taken into consideration as early as the designing stage of the facility. While taking the proper precautions, property developers should consider issues such as the size of the warehouse, its height, and



We adjust fire protection solutions on a case by case basis to adapt to the way goods are stocked and which products are being stored.

the type of goods it will be storing. One of the major challenges at this stage is making sure that flammable materials, explosives, and hazardous substances are properly stored. To this end, it is essential to make sure that spaces for storing particular products are properly organized, with safety measures (e.g. fire-fighting systems) and effective evacuation plans put in place for the facility. Firefighting systems are designed and mounted in a way which makes it easy to locate and put out a fire in its ear-



Waldemar Paszko

**Project Management Director
7R SA**

ly stages. To ensure maximum safety, each warehousing space should have its own fire protection instructions, enumerating risks, specifying how it should be used to reduce fire risk, and instructing people how to act in the case of a fire. Warehouse facilities are also equipped with a fire alarm control panel which will automatically notify the fire department in the event of a threat.

Waldemar Paszko, Project Management Director at 7R SA, comments: "In our warehouses, we make sure that all the fire protection systems are at the highest possible level. All of the facilities which we are currently developing have a high structural fire resistance rating of over 4,000 MJ/sq. m. We adjust fire protection solutions on a case by case basis to adapt to the way goods are stocked and which



Izabela
Gajek

Property Manager 7R SA

products are being stored. Our warehouse facilities are equipped with well-designed and fitted water or foam sprinkler systems combined with a low-voltage detection installation. The location of sprinklers or foam



Innovative security solutions may significantly reduce risks on and around the warehouse's premises.

generators is based on the requirements of the most common norm, the NFPA, in the ceiling space and, additionally, in the warehouse shelving units. In our cold stores, we usually mount "dry" sprinklers or glycol sprinklers. The sprinkler system is combined with an automatic desmoking system, to ensure a safe evacuation.

Additionally, 7R's warehouses are equipped with indoor fire hydrants and portable fire extinguishers with proper evacuation markings. We also use first alert smoke and fire alarm systems. To ensure fire safety, we adjust other systems as well. For example, we have mounted devices that cut off the gas or electricity supply in the event of a fire and have installed emergency and evacuation lighting systems."

THE SUPERVISION OF AREAS SURROUNDING THE WAREHOUSE

There are a wide range of safety solutions on the market. The security system in a facility usually includes a security worker, mechanical security measures (appropriate security measures such as gates and bars), and electronic security systems, such as CCTV or SSWN, which additionally protect the area against theft.

Izabela Gajek, Property Manager at 7R SA, comments: "In order to ensure proper security in two of 7R's buildings, we decided to introduce a virtual fencing system, consisting of surveillance cameras and infrared motion detectors. It is an innovative system which monitors movement in the area, allowing us to avoid dangerous situations and resolve issues over potential collisions."

7R also introduced several improvements to our vehicle traffic management system. For exam-



In order to ensure proper security in two of 7R's buildings, we decided to introduce a virtual fencing system.

ple, it implemented a system allowing visitors to collect tickets with printed barcodes, the date, and the time of entry. Once they leave, visitors pay a parking fee depending on the time they spent on site. However, this solution works best for spaces with a larger number of visitors, such as public offices or retail centers. Logistics facilities have rather different needs.

"To ensure security at the entry gate to the logistics park, we also plan to implement a license plate recognition program so that vehicles registered in our database will be automatically allowed to enter the premises. Visitors who are not recognized by the system will have to confirm their identity before being allowed to exit the site. Innovative security solutions may significantly reduce risks on and around the warehouse's premises. We need to do whatever it takes to ensure maximum security of our investments" – says Izabela Gajek, Property Manager at 7R SA.

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Technologies

FOR E-COMMERCE WAREHOUSES

E-commerce is gaining strength. Each new development in the sector is worth some thought. Dominant trends should be taken into consideration while planning investments in businesses operating in the e-commerce environment. Logistics and transport companies must keep them in mind as well since, not long from now, the companies that offer the best solutions to support online sales, in addition to warehouse services for traditional store networks will win the customer over.

STORY BY: Piotr Kołaczek

Last year, the e-commerce market was dominated by three major trends: an increase in the number of orders placed from mobile devices including smartphones, a growing emphasis on delivering parcels on the day of placing the order, and the customization of orders. This last one involves, for example, making the largest possible number of versions of goods that customers are interested in (in a variety of colors, sizes, and additional options) available on hand. Logistics companies and warehouse operators must keep this trend in mind. If they fail to deliver an interesting offer to customers, they are out of the competition. New services are also emerging, such as drop shipping (shipping goods to the end user directly by the manufacturer) or cross-docking (storing goods only for the time required to reload them).

RETURNS

The fact that customers are fond of making purchases through smartphones means that they often buy products in passing while doing other things. Acting on a whim results in an increase in the number of transactions but also means that purchases are more likely to be canceled at different stages of processing of the order and that customers are more likely to return goods.

A warehouse designed for e-commerce companies must be able to handle increased traffic, taking into account that some actions performed in connection with an order will not translate into increased income. It is necessary to implement technologies that will accelerate the process of preparing the parcel and

In 2017, Poland ranked third in Europe in terms of leased warehouse space. Almost 30% of net demand is generated in central Poland (Łódź, Stryków, Piórków Trybunalski) and almost 20% in Warsaw and the Upper Silesian region, respectively.

accepting returns while, at the same time, allow for cutting costs. It will be helpful to implement solutions that facilitate the process of finding specific products in the warehouse while accelerating internal transportation and the completion of the order. Handling returns also requires an equally quick and thorough way of checking the condition of the returned product and preparing photographic records.

WHERE DID I PUT IT?

The choice of the place to store goods must go hand in hand with dynamic warehouse space management. Designating fixed spaces to store goods cuts the time required to find and identify the product but at the same time contributes to the fact that the warehouse space is not used to the fullest. Storing goods based on the availability of free space helps to utilize warehouse space to its fullest but also causes confusion and makes it more difficult to find specific products.

Electronic RFID tags can solve this problem. Light, significantly cheaper, and combining an electronic



The demand for warehouse space in Poland is also influenced by prices which are among the lowest in Europe. The highest rates were offered in Warsaw and Kraków, where monthly rents amount to, respectively, EUR 4.1-5.1 and EUR 3.8-4.5 per square meter, but in the next year or so, prices may increase because land prices will go up, together with construction costs and interest rates.

system for storing information about the product with a micro antenna, these tags do not require a constant power supply and can help find products in warehouses of all sizes. RFID devices (transceivers) located in various parts of the warehouse cyclically read tags placed on nearby packages and send data to the supervising computer system. This system “learns” where a product is stored, receives detailed information about what exactly is in stock, and registers every release and collection of goods.

I NEED THAT ASAP

E-commerce customers set the bar high. They want to buy goods cheaply and they want to collect their purchases immediately. A week-long wait is out of the question, it would be best to have a parcel de-



While reviewing an analyses of the e-commerce market over the last year, three dominating trends can be seen: an increase in the number of orders placed from mobile devices including smartphones, a growing emphasis on delivering parcels on the day of placing the order, and the customization of orders.

livered on the same day. Sellers do their best to meet these expectations. In a country the size of Poland, delivering goods on the same day is possible provided that an online seller makes use of three or four strategically located warehouses. Small

and medium businesses might not be able to handle such a network on their own, so they often choose logistics companies that, in the price of the main service, offer access to an IT platform supporting sales from several warehouses, including stock movements, statistics, etc. The operation model of this kind of system is self-explanatory: it is a platform with online access, allowing for the adjustment of available options to the needs of a specific business partner. In practice, the system will probably take the form of a module cooperating with the warehouse management software already in use.

E-COMMERCE: AN OPPORTUNITY OR A THREAT?

It depends on the strategy adopted by the warehouse owner. You may try to avoid providing services to e-commerce companies while concentrating on large networks selling goods in brick and mortar locations. In several years, though, these stores will probably also modify their business model and introduce online sales. They may not replace brick and mortar sales, but will certainly work concurrently with them.

The perfect warehouse

FOR A LOGISTICIAN

While choosing a warehouse facility, logistics operators make decisions based on factors that increase their competitiveness, improve handling and distribution of goods, and optimize delivery costs. Is there a fixed solution for securing the perfect conditions for development in the logistics sector?

STORY BY: Elwira Charyga



When leasing warehouse space, a logistics operator pays particular attention to the location of the facility, since it determines the pace of distribution. However, it is not the only factor which influences the decision-making process. Fierce competition and dynamic market conditions require logisticians to adapt and to implement solutions that improve the

process of delivering goods to the customer. One of these solutions is cross-docking that enables handling goods and sending them to the end user without storing it in the warehouse. Cross-docking also reduces storing and servicing costs. Warehouse facilities which have been modified to fit the work of logistics operators are 48-meters deep and have better

lighting (at least 5% of daylight). Furthermore, due to a greater number of re-loading operations, companies often decide to equip the facility with more docks, gates, and parking spaces. The requirements are often unusual, and their implementation depends on the possibilities and receptiveness of the property developer offering a specific warehouse space.

FLEXIBILITY ACCORDING TO 7R

A flexible property developer meets their customers' expectations, making sure that the potential of the leased space is exploited to the fullest. Modern warehouse space, perfect location, and investors that deliver tailor-made solutions are factors that have been proven to attract investors from the logistics sector. In the case of 7R SA, using original solutions and implementing additional improvements for tenants from the logistics sector were keys to our success. 7R adapted their space to meet the requirements for logisticians such as ROHLIG SUUS Logistics, Raben, DPD, and JAS-FBG. Leaders in the logistics sector needed solutions which would improve their distribution process. In the case of Rohlig, which decided to lease space in 7R Park Kraków, 7R implemented a customized column pattern and introduced solutions which allowed for the optimal utilization of the leased space. Additionally, the developer ensured that the facility has a custom height adjusted to the tenant's needs, and a cross-dock area.

7R Park Beskid, 50% of which had secured tenants as early as in the construction stage, also proved to be an attractive location for logisticians. The investment in Czechowice-Dziedzice consists of two top class-A warehouse facilities with a total area of 30,000 sq. m.

DPD Group, the second largest international carriage company delivering 3 million packages a day, needed a warehouse space with an above-average number of docks, a sorter for the quick handling of goods, and a larger than usual number of parking spaces.

Małgorzata Maj, the Spokesperson for DPD Polska Sp. z o.o. and PR Manager, says: "We decided to rent

5,000 sq. m. of space in 7R Park Beskid due to its convenient location near the Czech and Slovak border, which will facilitate international transportation. The property developer adjusted the project to meet our requirements, delivering all necessary improvements."

It is important to approach tenants individually, listen to their needs, and use the warehouse space as effectively as possible so that it matches their operations. Raben, a company offering complex logistics services, decided to lease almost 4,000 sq. m. in the logistics park in Czechowice-Dziedzice.



Modern warehouse space, perfect location, and investors that deliver tailor-made solutions are all factors that have proven to attract investors from the logistics sector.

"We are very happy with the improvements delivered to us by 7R. The building was designed with a cross-dock system, additional parking spaces for trucks waiting to be loaded, and the DALI lighting system ensure that our operations are efficient and as effective as possible" says Małgorzata Kacyrz, the Department Manager at Raben Logistics Polska in Czechowice-Dziedzice.

Raben and DPD are frontrunners in their fields and they decided to

cooperate with 7R for the first time. JAS-FBG, on the other hand, was a completely different case.

The logistics operator has signed yet another agreement for the lease of space in a 7R facility. Apart from a section of a newly-developed facility in the Silesian region, the company already rents a warehouse in 7R's Kraków Logistics Park.

Daniel Chodukiewicz of JAS-FBG says: "Based on how good our cooperation with the property developer has been to date and the need to change the location and warehouse space in the Podbeskidzie region, we decided to extend our agreement and lease almost 5,000 sq. m. The facility in Czechowice-Dziedzice will expand the possibilities our company can pursue in terms of contract logistics and will give us more access to customers from the Podbeskidzie region, allowing for the cross-docking of their products intended to be shipped to Southern Europe".

SOUTH OF POLAND STILL TOPS THE PODIUM

Silesia is the perfect place for development in the logistics sector. The region was one of the five fastest-growing markets in 2017 (together with Warsaw and its surroundings, Szczecin, Central Poland, and Poznań). Almost 75% of the total new supply, which amounted to 2.3 million square meters (over a million more compared to 2016) was delivered in these regions. The Silesian Voivodeship is currently the second largest warehouse space market in Poland and all signs indicate that this area will continue to develop dynamically in the near future. Land prices are competitive, base and effective rents are stable and, due to the planned expansion of the road infrastructure, Upper Silesia will soon become a supra-regional distribution center.

We want to be pioneers

IN THE URBAN WAREHOUSE SECTOR

7R is building an urban warehouse network. The first facilities will be developed in Szczecin, Łódź, and Gdańsk. “City Flex projects will become our signature facilities. We made sure that their design is attractive. Our visibility in the market will increase because we will have many facilities of this type scattered across Poland” says Tomasz Lubowiecki, CEO of 7R. Simultaneously, the property developer is working on more logistics parks. Soon it plans to expand to Rzeszów, Słupsk, and Wrocław.

INTERVIEW BY: Grażyna Kuryłło, propertynews.pl



Tomasz
Lubowiecki

CEO of 7R SA

This year marks 7R's tenth anniversary. Because of that, you planned to beat the record of building ten warehouses every year. Will you be able to achieve this goal?

Tomasz Lubowiecki, CEO of 7R: This is a huge challenge. Last year we built and delivered seven facilities, we joined the country-wide league of property developers, and I think that this year we also have a chance of achieving our goal.

You are planning to deliver your first City Flex warehouses in the fall. How long did it take to develop the concept of the urban warehouses that you want to create?

We began our work on the program six months ago. We have already built six plots, in Szczecin, Łódź, and Siemianowice Śląskie,

among other places. The facility in Gdańsk was delivered within two weeks and we are currently modernizing our existing small business unit in Sosnowiec. We are negotiating the remaining locations. We want to deliver from 10 to 14 City Flex units throughout the country within 24 months.

Will you equip each City Flex with cross-docks?

The thing that will distinguish us on the market is the depth of our warehouses. They will be 48-meters deep, while a classic big box has a depth of 96 meters. We will install cross-docks on request if the plot allows for such improvements. The most important factor is the plot's location because we are interested in plots within cities, which are very hard to come by.

For more information on the warehousing and logistics market, please visit propertynews.pl.

You are the first property developer to create a network of urban warehouses. Many companies in the sector had a similar idea but no one ever managed to create an entire program. Will you be the pioneers on the market?

We would like to be. We see this program as a challenge, but we also want to be distinguishable on the market. City Flex projects will be developed in cities, in convenient locations, therefore they will become our signature facilities. We are known for the original designs of our warehouses and we plan on using this advantage in designing City Flex units as well.

Where will the first City Flex units be developed?

In Szczecin, Łódź, and Gdańsk. We are also working hard on finding other locations across the country so that over a short period of time we could create an entire network. In some cities, there are individual small business units, but they are usually developed in older buildings and cannot be compared to the standard we are about to propose in our City Flex units. All facilities will have a BREEAM certificate.

Warsaw is also a difficult market since there already are urban warehouses located in the area.

Warsaw is practically an unlimited market for projects like these. We see space for at least five City Flex units there. We would be happy to deliver that many warehouses in the first development stage, but it will

probably be a difficult objective to reach. Because of high prices of plots in convenient locations, rents in City Flex units will be approximately 15-20% higher than in classic big boxes. The most obvious location in Warsaw is Okęcie but we would also like to have warehouses in Praga and in the northern part of the city.

What kind of customers does 7R attract?

We build for large businesses. For example, we are negotiating with an e-commerce company that wants to rent three locations at once. This means that our model of a tenant signing one joint agreement for the lease of space in several warehouses as part of the City Flex program is already successful.



Which cities are attractive from the point of view of City Flex projects?

Every city that was once a voivodeship capital. After all, major delivery companies operate in all of them. For example, we will soon commence the development of a big box project in Słupsk for a major customer, but we can already see that this city has the potential to host a City Flex unit, even though it is not one of the largest hubs in Poland. We will be looking there for a plot near the city center.

Are you looking for niches in the eastern part of the country?

We do see potential in this part of Poland. Currently, more roads

are being built and access to the workforce in the region is much better than it used to be. There was a time when Lublin was popular among warehouse developers, but this positive trend soon came to an end. I think that it is a promising direction, like Białystok or Kielce. We are also working on a project in Rzeszów which, in my opinion, is an excellent location. A false start is out of the question, it's high time to invest there. This is a very dynamic and well-managed city.

What about Western Poland?

This is also a region with a variety of locations which are not obvious choices for investments but are developing rapidly, like Bolesła-

wiec, near which Amazon wants to open its next warehouse. We are planning a logistics park in Wrocław and we already have a plot.

Do you develop warehouses for speculative purposes?

Out of the seven facilities developed last year, two were built on the request of two concerns: Teekanne and Velvet. Five of the remaining warehouses were generally developed for speculation since at the beginning the commercialization ratio was 30%. At delivery, each warehouse was leased out in 100%. Therefore, speculation is not risky because the market is ready to absorb it, especially in convenient locations.

Favorable winds

IN THE POMERANIAN WAREHOUSING MARKET

For the last ten years, 7R has gained experience in the Tricity market, developing 7R's Gdańsk Logistics Park. Ryszard Gretkowski, Vice President of 7R SA, tells us about the completion of the project and plans for further investments.

INTERVIEW BY: Marta Białowąs

Last year 7R completed the construction of its sixth warehouse within 7R Gdańsk Logistics Park. Do you have any further plans for this investment?

At the end of last year, we delivered our last building in Gdańsk and therefore reached the limit for this park's expansion. The warehouse with an area of 18,000 sq. m., similar to other facilities in Gdańsk-Kowale, was fully delivered soon after the construction was completed, which once more proved that tenants find the location very attractive. This is also confirmed by the fact that one of the companies that leased space in our sixth facility was LPP, a company that over eight years ago, was our first tenant in Gdańsk and which, over the years as its operations grew, systematically expanded the space it occupied at our logistics park. The total area of all the warehouses within the park is over 140,000 sq. m. Our first facility there, developed over the period of almost two years, was delivered to tenants in 2010. Today that may seem like a long time but at the time it was a standard practice on the market. The situation changed over time and



We are considering the entire Tricity area and its immediate vicinity for new investments. We are interested in developing areas close to the A1 motorway, near Tczew and northward.

the park in Gdańsk-Kowale started expanding at the pace of practically one warehouse per year due to the growing need for modern warehouse space in the region.

As the construction of 7R Gdańsk Logistics Park is now completed, is the company planning any further investments in the Tricity area? How would you rate the potential of this market?

The region is expanding dynamically, and the perspectives are even better now than they were a couple of years ago. Certainly, one of the key factors which made the Tricity region so appealing for investors was the expansion of the DCT terminal in Gdańsk. By now, the terminal has doubled its potential and it handles twice as many container ships as before the expansion. Ports in the Tricity area have also reached an unprecedented handling volume in the recent years. It is worth mentioning that the Central Port in Gdańsk is also planning its further development. A call for tender for a concept of the port's development was launched last December. The objective is to build several terminals, including a bulk terminal, a general cargo terminal, a passenger terminal and a RO-RO terminal on the area of 500 ha. All of these factors add up to an increased demand for warehouse space for unloading, handling, and shipping of cargo, and this demand could increase

Ryszard
Gretkowski

Vice President of 7R SA



even more if the plans for building the Central Port materialize.

7R was one of the first companies in the industry to notice the potential of the Tricity market. Over the years we have gained significant experience in this market which will now result in new investments. Our plan for the immediate future is to develop over 100 sq. m. of modern warehousing space in the region.

So what locations are the most desirable for 7R?

We are considering the entire Tricity area and its immediate vicinity for new investments. We are interested in developing areas close to the A1 motorway, near Tczew and northward. We are also considering areas around the Tricity Beltway junctions. Some plots have the additional advantage of being close to the Pomeranian

Special Economic Zone, which has been operating dynamically and attracting investors for a number of years now. Apart from the Tricity region we also see a lot of potential in Western Pomerania, especially in cities such as Szczecin, Słupsk, and Koszalin.

Is 7R planning to develop more standard logistics parks or will you be turning to your new concept of City Flex warehouses? Will both types of property attract tenants?

Tricity is a flexible area with space for both large big box warehouses and smaller facilities located just outside of city centers, fitting into our City Flex concept. These projects are not competitors in terms of attracting tenants. On the contrary, they complement each other and provide a more complex offer. If a customer required a large central warehouse in northern Poland,

we could provide it from our rich portfolio of large logistics parks, and if our tenant wanted to improve the distribution network on its final stretch, we would be happy to offer one of our City Flex spaces.

There is, of course, a group of tenants interested only in large projects that want to lease warehouses with areas ranging from several thousand to tens of thousands of square meters, and this is our target for big boxes. At the same time, we observe that there are lots of companies that require smaller spaces to arrange offices and warehouses. In some cases, they also require customer service points or exhibition spaces, so City Flex facilities are a perfect fit for them. In the next 24 months, we are planning to build 10 to 14 City Flex facilities all over the country. In order to meet our tenants' expectations, we are the first company in Poland to offer a single joint agreement for leasing areas in several City Flex facilities.

How are you planning to organize such a large number of construction sites over such a short time span, taking into account the current situation on the construction materials and contracting market?

Indeed, because of the excellent market conditions and many constructions underway, the availability of construction materials and contractors is quite limited at the time. That is why we decided to offer investment packages. One such package covers several buildings being developed by one contractor. In a similar way to offering a modern solution of signing one lease agreement for several warehouses under the City Flex program, we would like to start cooperating with general contractors and engaging a single company to develop several of our investments.



7R CITYFLEX
Szczecin

Urban warehouses

FROM 7R

The last several months were a time of dynamic growth for 7R. The record results achieved last year enabled the company to catch the wind in its sails. This year it is launching a new project.

STORY BY: Marta Białowąs



7R is introducing a new concept to the Polish warehousing market. The company is developing over a dozen Small Business Units scattered across the country, which will be a part of the 7R City Flex network. What makes this project different from other investments on the Polish market is that tenants will be able to sign one joint lease agreement which will cover several or, if needed, even over a dozen warehouses in different locations.

“We are the first property development company in Poland to

introduce the idea of concluding one joint agreement for the lease of space in several locations. Tenants that decide to cooperate with us within the City Flex program will be sure to get the same high standard in respect of facilities and services, with country-wide service, and a 24/7 tech team. We are certain that this will help our partners save time. Based on the first reactions we got and agreements that we have concluded, we can already say that this was a great idea” said Bartłomiej Krawiecki, member of the management board of 7R SA.

WELL-PLANNED

The new 7R facilities are dedicated to any company that needs smaller warehouses located close to city centers. Apart from the possibility of signing a single lease agreement, excellent location is one of the most important characteristics distinguishing City Flex units. All warehouses will be located within the administrative borders of cities, but with convenient access for TIR trucks, and nearby commercial venues such as retail parks



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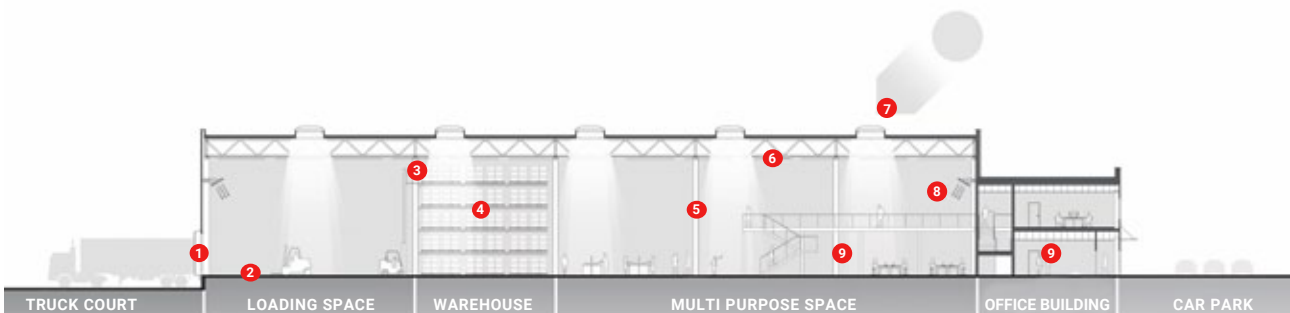
which can be easily reached by car or by public transport. This is a perfect solution for compa-



nies which would like to serve customers on site. 7R also plans to implement further improvements in this respect, one being a system allowing for a 24/7 collection of goods.

Central warehouses can also solve last-mile logistics problems encountered by more and more businesses, especially those that are competitive on the market be-

cause of their short delivery time. "There has been a need on the market for smaller warehouse spaces located inside the administrative borders of cities for some time now, as companies want to distribute their goods quickly and efficiently. The dynamic growth of the e-commerce sector increases the demand for such properties even more" says Bartłomiej Krawiecki.



- 1 Dock levelers and drive-in gates
- 2 Heavy load flooring: 5 tons/sqm
- 3 10.00 m clear height
- 4 Fire load above 4000 MJ/sqm
- 5 Modular design allows for easy growth
- 6 Energy efficient led lighting system
- 7 Natural overhead lighting
- 8 Energy efficient and sustainable echnologies
- 9 Customisable office and employees space

TAILOR-MADE

Facilities within the City Flex network are not designed like typical warehouses. The size of the buildings will range from 8,000 to 15,000 sq. m. The smallest available units will have an area of 900 sq. m. Depending on the needs of specific tenants, it will be possible to arrange servicing areas, commercial and exhibition spaces, office spaces, and other specific areas within the



Tenants that decide to cooperate with us within the City Flex program will be sure to get the same high standard in respect of facilities and services.

facilities. Small companies will be able to have all their necessary units under one roof: a warehouse, an office, a customer service point and a showroom.

Thanks to the multi-functionality of the area, the time that customers spend waiting for their order to arrive will be much shorter.



**Bartłomiej
Krawiecki**

**Member of the management
board of 7R SA**

ter. For example, once an order is placed at an online store (handled by office workers), it will be forwarded to employees working just “next door” in the warehouse, and as soon as the product is available, the customer will be able to collect it on the same day at the customer service point, which is also located in the same unit. In the case of larger companies that own huge central warehouses outside of cities, City Flex facilities will be the final, but equally important, link in the supply chain. From these warehouses, couriers will depart to deliver parcels to end users. Therefore, they will have a shorter distance to cover and they will reach customers faster.

EXCEEDING STANDARDS

All City Flex warehouses will be developed in line with BREEAM requirements. The buildings are

equipped with energy-saving LED lighting and additional row lighting in the docking area. Apart from the infrastructure necessary for quicker reloading and sorting of goods, the design of the buildings will also provide for mezzanines, among other solutions. The floor load-bearing capacity will be 5 t/sq. m. and the buildings’ clear height will be 10 m. The project developer will also secure fire safety by using a series of custom solutions. The buildings will have a high-rating of structural fire resistance of over 4,000 MJ/sq. m. Depending on the needs of specific tenants, it will be possible to equip the warehouses with loading docks and entrance gates from the ground level („0”). During the first stage, in the next 18-24 months, 7R will develop from 10 to 14 City Flex units. The company’s objective is to have one in every former voivodeship capital.

A favorable climate

FOR ENTREPRENEURSHIP

We are interviewing Mr. Marian Błachut, mayor of Czechowice-Dziedzice, a town with a population of almost 36,000, which gained town privileges back in 1951 following the merger of Czechowice and Dziedzice. The history of these two towns goes back as far as the Middle Ages. Today, Czechowice-Dziedzice is a “town with spirit” and an industrial center with a coal mine, a steel rolling mill, a match factory, and an electronics factory.

INTERVIEW BY: Dariusz Wajs

What advantage will Czechowice-Dziedzice see from a large warehouse base built in the area? What are your estimates of the proceeds this new investment will bring to the town budget?

We expect that 7R's substantial investment in the development of its Czechowice-Dziedzice warehouse will significantly increase the property tax revenue flowing to the municipal budget. However, the tax benefits that investors in Czechowice-Dziedzice are entitled to means this will not happen overnight. But considering that 30,000 sq. m. of warehouse space is currently under construction, we estimate that future proceeds to the town budget will amount to hundreds of thousands of zloties. Therefore, we are counting on a substantial increase in our budget, despite the fact that property tax rates per square meter in commercial facilities, which have been on the same level for years now, are among the lowest in the region. We welcome all new investments



Foto: Archive of the city office Czechowice-Dziedzice

in our town with open arms, as not only will they help our budget but also secure new workplaces for our residents. It is the duty of every local government that cares about the sustainable development of its municipality to look for new investments in the region.

Everyone tries to secure new investments so the competition in this field is fierce. Why is Czechowice-Dziedzice a good place to invest? What tools do the local government have to attract large investors? And to what extent are they effective?

To attract new businesses, we need to offer them areas that suit their needs, are conveniently located, and well-connected. Czechowice-Dziedzice can provide these kinds of areas. Additionally, we are constantly developing better road infrastructure around plots that show the potential for investment. Another factor which makes us attractive for investors is our openness and the capabilities of our officials. After all, it is our duty to assist potential investors in getting through the complicated web of provisions that regulate all new investments. A big incentive for investors who are considering doing business in Czechowice-Dziedzice is the tax benefit referred to earlier. This gives entrepreneurs tangible and measurable benefits in the most difficult stage of getting a new enterprise off the ground. The benefit which encourages investors to establish new companies and expand existing ones has been in place for several years now.

Thanks to a resolution adopted by the Town Council, our municipality now offers a three-year tax exemption to entrepreneurs that develop new investments of at least one hundred square meters. These tax benefits for investors in Czechowice-Dziedzice will be available until the 31 of December 2020, which means that a taxpayer may acquire the exemption right before that deadline. The exemption comes into force from the 1 of January of the year following the year in which the construction or expansion was completed, and the investment was delivered. The exemption period is 36 months and the eligible taxpayer must submit a request for de minimis aid to a relevant tax authority. However, apart from these tan-

gible incentives, there is also something else waiting for investors in Czechowice-Dziedzice. This is the favorable investment climate that our municipality is famous for. I am talking about the seamless collaboration of the local government and the SRO, which is very active in our town and which is represented by our own delegation to the Regional Economic Chamber of Commerce in Katowice. The result of this collaboration is that



It is a duty of every local government that cares about the sustainable development of its municipality to look for new investments in the region.

we are familiar with the expectations, problems, and needs of entrepreneurs, as well as their ideas and plans. We also appreciate what our entrepreneurs do for the municipality. That's why, for almost ten years, our municipality has awarded the best businesses with the "Czechosław" economic prize.

Could you tell us more about new investment plans in Czechowice-Dziedzice?

It's taken us several years but we have managed to tap into the growth potential of the areas surrounding the National Road

no. 1, since, apart from the investment carried out currently by 7R, there are a number of other projects being developed in our region. There are already other logistics and warehouse centers operating nearby, a Toyota car dealership, the only one in the entire Podbeskidzie region, and a Carlex Design facility. Carlex Design is a company that specializes in designing and manufacturing unique interiors and equipment for cars, planes, and boats. Designers are already working on other investments which should fill the vacant investment areas scattered around the NR1 within the next several years.

We have been working on these for a long time and all the actions I have already mentioned are now delivering benefits. It should be also noted that the vicinity of NR1 is not the only area that has attracted new, interesting investments. Thanks to our joint efforts with the District Governor's Office in Bielsko-Biała, we have already started the development of the Bielsko-Biała Aviation, Entrepreneurship, and Innovation Technological Park on the border of Czechowice-Dziedzice and Bestwina. The Park has access to an airport, has developed dynamically, and has systematically expanded the scale of its operations. It is investing in the expansion and enhancement of airport infrastructure and new manufacturing and warehouse spaces. With the visible support and engagement of the municipality, the Silesian Science and Technology Centre of Aviation Industry has been developed nearby the park. The center is known for designing and manufacturing composite components for the aerospace industry. As you can see, in Czechowice-Dziedzice we support innovation, encourage it, and do it successfully.

HOW DOES E-COMMERCE INFLUENCE the warehousing market?

The link between online sales and the warehousing market is obvious. Online success is only possible with excellent order management, as the nuances relating to waiting time, costs, after-sales service, and return management translate directly to the customers' shopping decisions. Which means that the logistics of online orders must be prompt, seamless, and cheap, which is impossible to achieve without a proper warehouse base.

STORY BY: Joanna Sinkiewicz

Let us begin with a short analysis of e-commerce, one of the most significant sectors of the world economy. Its global market value in 2017 amounted to approx. USD 2.3 trillion, which accounts for 10% of all retail sales. By 2021 this value is predicted to reach USD 4.5 trillion which will increase the share of this sector to 16% of all retail sale in terms of value.

Poland has one of the most dynamically-growing e-commerce markets in Europe. The value of sales has increased annually by 20% and the sector in Poland is currently valued at approx. PLN 40 billion. This translates into 4-5% of all retail sales. The value of the Polish e-commerce market is still noticeably below the

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Poland is one of the most dynamically-growing e-commerce markets in Europe.

global average and significantly below figures presented by European market leaders in the sector. For the sake of comparison: e-commerce captures 17% of all retail sale in the UK and 15% in Germany. Considering also changes to consumer habits, the gro-

wing number of Internet users, and changes in legislation which limit traditional forms of sale on Sunday, experts anticipate a further dynamic increase of e-commerce's share of total retail sales. It is estimated that by the end of 2020, the share of e-commerce will reach 10% of all retail sales.

Additionally, the international aspect of online sales is also worth keeping in mind. There is a clear trend in the market consisting of the sale and purchase of goods abroad, known as cross-border. We have observed a significant increase in the number of international parcels, including orders submitted by foreign consumers to Polish online stores and vice versa.

Poland's great asset is its central location in Europe which allows for efficient service to a number of countries: the Baltic States, CE-ECs, and Western European markets. What also works in our favor is the costs of leases which are still among the lowest in Europe.

These factors have impacted the rising demand for logistics spaces reported by foreign e-commerce companies, which can be seen in the dynamic activity of these tenants on the market, for example in Western Poland. Here, the development of expressway S3 facilitates the effective distribution of parcels to foreign markets such as Germany and the Scandinavian countries. After the investment has been completed, it will also expand to Slovakia and the Czech Republic.

The dynamic development of the warehousing market in Poland in the last several years was largely dictated by the needs of e-commerce companies. A breakthrough occurred in 2013 with the conclusion of agreements for the development of the first facilities for Amazon. Over the last five years, e-commerce companies have leased in total almost 1.5 million square meters of space. Global platforms like Amazon and Zalando own the greatest share in the market. Two things, however, are worth remembering at this stage: firstly, spaces for e-commerce are not limited to huge distribution centers, and secondly, the actual demand created by the e-commerce sector is significantly greater than official statistics tell us.

As for the first issue, we can distinguish several types of warehouse facilities, depending on their function, i.e.: online order support centers, courier hubs and sorting plants, urban logistics centers, returns management centers, and online grocery warehouses.



Joanna Sinkiewicz

Head of Industrial & Logistics Agency



As for the second issue, i.e. the demand for warehouse space created by e-commerce, a great part of warehouse space used to manage online sales is still rented through logistics operators or retail chains that have merged the management of various sales channels into one warehouse. Information on the percentage of space designed for e-commerce is usually confidential.

THE SPECIFICS OF LOGISTICS FOR THE E-COMMERCE SECTOR

The main differences between traditional logistics and the specifics of the supply chain in the e-commerce sector are:

- very high standards for the organization of the supply chain - delivery time, diversity of collection points, seasonality of sales that translates into flexible warehouse space, and low costs;
- the diversification of space in terms of functions and related technical parameters for specialized facilities - online order support centers, courier hubs/sorting plants, urban logistics centers, returns management centers, and online grocery warehouses;

- requirements specific to the dynamics of changes and development of the e-commerce market - flexible agreements and expansion possibilities, extra space, e.g. mezzanines;
- the automatization of processes using specialized tools e.g. picking robots and picking technologies ("pick by vision" or "pick by light"); development of IT systems facilitating complicated delivery processes;
- requirements connected with a high employment level - greater security level, additional social rooms, larger parking lots for employees, availability of personnel, convenient road infrastructure;
- a location close to the labor market, ensuring the availability of skilled workers and excellent communication with end users.

In the future, we expect the development of new technologies that will allow logistics operators to provide their services even better. Innovative visions of deliveries predict the use of drones or autonomous vehicles which may prove extremely helpful in timely and cost-effective parcel delivery to customers in the e-commerce sector.

OUR MAN in Guatemala

An unknown, fascinating world may be just past the forest, to the left from the main road – or over several thousand miles away, on the other side of the ocean. What matters is the desire to explore something new, meet different people and get to know foreign cultures. To do that, you need to have the spirit of an explorer.

STORY BY: Marian Szulc | PHOTOGRAPHY: Rafał Żurawik, The Milk Magda Mleczko

Rafał Żurawik, a project engineer at 7R Investment Department, is a travel aficionado with a desire to explore exotic locations. Together with his girlfriend and a small group of friends, he recently visited the Philippines, Thailand, and Bali. This January, he traveled to Guatemala, a country one-third the size of Poland and located in Central America.

About a half of today's Guatemalans are descendants of Spaniards, who conquered this region in the 16th century, and the Maya, the indigenous residents of Central America and creators of an amazing civilization (building impressive pyramids, stone buildings, and creating a precise calendar) that rose in the first half of the first millennium AD and fell long before Mieszko I of Poland even though of christening the Poles. Not long ago, the Maya civilization got notable press coverage: six years ago, every couple of days, tabloids expected the end of the world, an event the Maya predicted to happen



in 2012. Well, either the Maya were wrong, or the interpreters mixed up their calculations...

When asked about the reasons behind selecting Guatemala as his travel destination, Rafał admits to basing his choices on the desire to explore new places and interesting cultures as well as... bargains. He claims not to spend a lot of money on

travel. His secret is that he hunts for cheap flights which from time to time appear online, even to the most remote destinations. Central America has been on his list for a long time, however, Guatemala came into the picture only because he found low-priced round-trip tickets through Houston (US) to Nueva Guatemala de la Asunción (Guatemala City), the official name of the Guatemalan



The volcano made rumbling sounds, spewed out smoke during the day and lighted the sky at night with lava oozing from its crater.



capital. He didn't stay there long as the group headed straight from the airport to Antigua Guatemala (Ancient Guatemala), a historical state capital located 20 miles west from Guatemala City, destroyed by an earthquake in the 18th century. From there, they traveled on to their main point of interest and took a hike to the Acatenango volcano (3,976 m (13,045 ft) a.s.l.).

On the first day of their two-day-long journey, they took an exhausting hike uphill. The group struggled not only with the tropical heat, extreme height, and falling oxygen levels but also the loose ground, composed mainly of volcanic ash. They decided to set up camp several hundred meters below the volcano's peak. Low temperatures of approx. 5 degrees Celsius made it almost impossible to sleep so they resumed their hike at two in the morning. Acatenango itself wasn't the main attraction; instead, the group wanted to see Fuego

(3,763 m (12,346 ft) a.s.l.), an active volcano located a couple of miles south. Three years before, its eruption had forced the authorities to order an evacuation of residents and to close the airport in Guatemala City.

Fuego (Spanish for "fire") did not disappoint. The volcano made rumbling sounds, spewed out smoke during the day and lit the night sky with the lava oozing from its crater. A truly unforgettable sight! The group spent the remaining part of their trip enjoying more traditional forms of sightseeing. They visited Antigua, which, despite being destroyed in the 18th century, still amazes visitors with numerous churches and Spanish baroque buildings. Later,

they spent three days on the Caribbean Sea (Guatemala is located between two oceans) and traveled to tropical forests in the lowlands. Rafał regrets not having enough time to see the northern part of the country with the remains of Maya structures. Unfortunately, his time off work was not that flexible. The trip was over; it is a shame that holidays always end too soon.

And what about the title of this story? Well, Rafał took 7R's banner with the company's logo with him on holiday and spread it on the top of the volcano, almost 13,000 feet above Guatemalan soil. Maybe one day Guatemalans will need large warehouse spaces?



HOW DO YOU CREATE A PLEASANT WORKING environment in the office

Work atmosphere is one of the most important factors contributing to overall employee satisfaction. It is also more and more important for job candidates. The latest research shows that it is the atmosphere at work and not, for example, remuneration that is the decisive criterion for job seekers.

STORY BY: Justyna Sobolak

This is a result of research conducted by the recruitment agency, Monster Polska. It turns out that work atmosphere is the key factor in the decision-making process among job seekers. 94.3% of the respondents chose work atmosphere from available answers. Flexible working hours ranked second with 85.9% of the votes, followed by professional development opportunities (84.5%) and the possibility of further education and knowledge exchange (83.7%). Work atmosphere is more important than, for example, salary.

But what influences work atmosphere the most? It turns out that it's not only our colleagues' attitude but even more so offices themselves. The word "wellness," up to now associated mainly with spas and wellness centers, is now used more commonly with reference to workplaces. Our offices must be comfortable, convenient, and give us a feeling of freedom. Nowadays, it is not enough to

choose a soft wall color and establish an ergonomic workplace set-up.

RELAXATION ZONES

Many employees have already started to notice this trend. Caring for the well-being of employees has gained a new, surprising meaning. Wellness in offices means grass instead of paneling, olive trees instead of walls and even beaches instead of floor tiling. Employees working in modern offices may relax on comfortable poufs and sofas, read the latest books from the office library, rest on a hammock or get a soothing massage. In a modern office there are no stairs; instead, there are elevators and slides. All this is supposed to make employees feel as good as possible in their workplace and almost as comfortable as at home. Besides, experts expect that in a dozen years or so, the boundary between professional life and private life will disap-

pear entirely. At work, we will feel at home. Even now, some companies have their own restaurants. There are gyms and fitness clubs in office buildings and employees can use them without limits. These solutions are supposed to promote well-being, on the one hand, and improve employees' physical health, on the other.

One of the most important changes is that many employers set up company nurseries and pre-schools. This is one of the key steps to encouraging women to return to work faster after giving birth, and one of the most important solutions influencing women's work atmosphere.

HAPPY REVOLUTION

The market now uses the term "happy revolution" more and more often. Employers must meet the growing needs of their employees. This way, can they make sure that their per-



sonnel is fully productive. However, work atmosphere needs to be developed in line with the employees' needs. Computer programmers have different needs than logisticians, who, in turn, have different needs than marketing specialists. Spaces should trigger creativity and motivate but at the same time be relaxing and soothing. Therefore, experts predict that in the coming years, offices will create more and more relaxation zones and employers will compete to find new ways to best meet their employees' needs.

ACTIVITY-BASED WORKING

However, it must be noted that relaxation zones are not the only developments that will play a key role in offices. What is also going to be significant is the idea of activity-based working. According to that principle, the workspace is not divided into in-

Flexible offices, that do not blindly follow designs or current trends, are the future. In these places, it is the employee who has the deciding voice.

dividual workstations but into zones designed for performing certain tasks. Flexible offices, that do not blindly follow designs or current trends, are the future. In such places, it is the employee who has the deciding voice. It is up to him or her to decide how the working station is arranged and whether to sit in a smaller room or work in an open space. The goal of activity-based working is to create a workplace where every employee can find their own perfect space for performing the task at hand and shape that space.

GOOD MOOD

An employee who is pleased with their workplace will feel comfortable, which in turn will translate into improved performance. Moreover, a happy employee doesn't only mean better results but also a better work atmosphere in general which brings the whole team closer together. There is a reason that companies in other countries employ so-called good mood managers who are supposed to collect information from employees on their working conditions and gather ideas about how the employer could make their work even more comfortable. The labor market has changed, and this change is best reflected in the design of new workplaces. Even today, designer offices and innovative solutions are essential to attracting new employees and keeping current ones.



KASPROWY WIERCH

Without limits

There is a spirit of competition in almost every one of us. It is important, on the one hand, to compare ourselves to competitors on similar level to ours, and on the other, to be able to see how the best perform under the same conditions. For this reason, the logistics company No Limit and Polskie Koleje Linowe organized, for the third time in a row, a competition in extremely popular alpine skiing. The competition was held on 24 March 2018 on the mountain that has gained a cult status among skiers and that is one of the most popular attractions in Zakopane.

STORY BY: Paweł Kawałek | **PHOTOGRAPHY:** Bartosz Pawlik, Wiktor Bubniak

Kasprowy Wierch is a peak with history and a true legend of the Tatra Mountains. The first skiing competition was held here in 1910 (on Hala

Goryczkowa) and since then Kasprowy Wierch has been consistently associated with various winter activities. Organizers were inspired by the this over

100 old year tradition and on the 19 of March 2016 launched No Limit Kasprowy, a winter competition on the longest giant slalom trail in Poland.

As the name suggests, there are no limits on the skills or motivation of the participants. Everyone showing a spirit of competition can participate in the event. Contestants compete in 15 categories; they may also take part in a team competition. The level is really varied: some skiers and snowboarders do it just for fun and recreation, while others are athletes with far greater experience. A few of them even participated in the Winter Olympics (this year the competition attracted the Polish team from PyeongChang: Michał Kłusak, Aleksandra Król, Weronika Biela, Igor Sikorski and Oskar Kwiatkowski) or in the international FIS-Ski competition. No Limit Kasprowy brings together students and seniors; 79-year-old Kazimierz Zubek and 78-year-old Ludwika Marczałajtis were among the eldest participants of this year's edition.

One of the most exciting competitions this year was the mono-ski race for people with disabilities. The participants normally spend their days moving around in wheelchairs but in the competition, they are equipped with an adaptive monoski. This is steered by balancing the whole body and by using two smaller skis mounted at the end of ski poles. It is safe to say that this is a contest where results do count, but what counts even more is integrating the winter sports' environment.

MORE AND MORE CANDIDATES

The event is held as an open competition which had contributed to more and more competitors signing up. The first event attracted 178 participants, a year later the number had increased to 258, and this year it was 288. The route of the third edition of No Limit Kasprowy was the longest yet and led from Gorczykowa Przełęcz nad Zakosy (1,816 m (5,958 ft) a.s.l) through Hala Gorczykowa, to the chalet in Polak. It was 3,000 meters



Some skiers and snowboarders do it just for fun and recreation while others are athletes with far greater experience – a few of them even participated in the Winter Olympics, including the Polish team from PyeongChang.

(1.9 miles) long, with the difference in altitude between the highest and lowest points maxing out at 560 meters (0.35 miles), and 52 gates were placed along the route. Marcin Blauth, CEO of No Limit, the event's organizer, thinks that this year's giant slalom demanded very fit competitors. The route started steep and had several sharp turns; it was designed so that competitors could go fast, and the first stretch was a parallel slalom. This competition required the participants to be extremely focused and to use their excellent skiing skills

to the fullest. The fastest competitors reached 100 km/h (63 mph). The participant with the best time in the third edition of No Limit Kasprowy was Andrzej Dziedzic (1 min 37 sec.). He reached the velocity of 115 km/h (71.5 mph). Among the female participants, Hanna Miśniakiewicz had the best time (1 min 42 sec.). The winner in the "converted" classification, taking into account the age and sex of competitors, was Wojciech Gajewski (1 min. 44 sec., "converted" time: 1 min. 31.54 sec.).

This year, the snowboarders with the best time were Oskar Kwiatkowski and Aleksandra Król.

In the mono-ski competition for people with disabilities, the best one this year was our Olympic bronze medalist from PyeongChang, Igor Sikorski.

Second place in the very popular M4 age category was taken by Tomasz Lubowiecki, CEO of 7R SA.

No Limit Kasprowy is expanding year by year, also thanks to the sponsorship of various companies. 7R was among the event's sponsors for the third time. This year's edition was also sponsored by MAK DOM, Mercedes-Benz Auto Idea and Film Produkcja.





Innovative warehouse concept -
gain more flexibility with new
7R City Flex network

- Urban location
- Flexible units with an area from 900 sq. m. suited to tenants' needs
- Meet expectations of the e-commerce sector
- One joint lease agreement for multiple location



7R City Flex Szczecin

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