



Another sign of the maturity of e-commerce is that its popularity is rising fastest not for books, groceries or apparel but in the so-called “heavy and hard-to-handle” (H3D) niche, which includes such oversize items as furniture and household appliances. U.S.-based Pilot Freight Services, in its second-quarter financial results report last month, projected its H3D e-commerce business to grow by 30 percent by year-end.

HEAVY, HARD-TO-HANDLE CARGO GETS EASIER AT PILOT FREIGHT

Part of the reason for this sudden interest was Pilot’s purchase of Minneapolis-based Manna Freight back in July, which specialized in the last-mile delivery of bulkier goods online.

“Any reports that you see about where e-commerce is going, what has the fastest growth,” said John Hill, president and chief commercial officer of Pilot. “Furniture is the fastest-growing segment.”

While Pilot has been in the last-mile business for more than 20 years and is about eight times the size of Manna, the smaller company also set itself apart by offering “white glove” service for a small fee, including appliance hook-ups, furniture repair and setup of large items like bed frames and mattresses.

As the two companies continue their integration, Hill said Pilot is examining the IT systems of each entity to determine which is better. Pilot has a home-grow IT program, considered the “best state-of-the-art system” in the country, he added, while Manna also

has some proprietary IT services and “some they bought off the shelf. We’re looking at both sides of that.”

While Hill expects the resulting IT platform to be more Pilot-heavy, “there are pieces of the Manna side that we will incorporate into our platform,” he explained. “Eventually, the Manna name will go away and gradually be integrated into the Pilot system.”

Perpetuated by e-tail giants like Amazon and Overstock.com, these last-mile H3D companies ride on high volume and thin margins to nudge out brick-and-mortar competition.

Pilot also hosts a number of digital services, including an online shipping navigator, a digital scheduling service and a shipment tracking app.

“I think there’s so much runway, both for furniture and appliances, that’s going to be a core focus for us,” Hill said.

—Randy Woods