Development of express services

The express industry originated in the US in the late 1960s and flourished following the deregulation of air cargo in the US in the late 1970s. The express delivery companies met the increasing need of companies for time-definite, guaranteed delivery that could not be met by either postal services or freight forwarders. As a result, the industry has grown quickly and in the 1980s moved beyond the US domestic market to become a global business.

The express industry has developed from the delivery of documents and parcels to specialist items such as high-tech products, semiconductors, and general airfreight commodities. Typically, the types of goods transported by express services are high-value / low-weight items such as electronic components, designer fashions, and pharmaceutical products; however, express delivery is frequently called on to delivery urgent shipments of large, urgently-needed articles such as parts for aircraft and equipment for mining, construction, and manufacturing operations. The Air Transport Action Group (ATAG) estimate that the value of goods transported by air represents about 35% of all international trade. However, by weight, the share is estimated to be is much lower, at around 1%, reflecting the high unit value of goods transported by air. Express services represent a substantial proportion of this international trade: it constitutes almost half of the intra-European air cargo market.¹

Express delivery a US$175 billion a year global business...

The express industry globally is estimated to have generated sales revenue (i.e. turnover) of US$175 billion in 2008. Stripping out the effects of inflation, the express industry’s sales revenue is estimated to have risen by just over 20% in real terms since 2003 – i.e. at an average annualised rate of 4% a year, slightly ahead of the rate of growth of the world economy as a whole.

Chart 1-1: Sales revenue of the global express industry versus GDP

¹ [http://www.euroexpress.org/about_the_eea.php?section_id=1](http://www.euroexpress.org/about_the_eea.php?section_id=1)