



CANADA'S PARCEL LOCKER COMPANY

"We're very pleased with the new lockers, and getting some good feedback from the tenants. We also like the fact that we are using a Canadian company for this service."

— BEN ALEXANDER, KINGSETT CAPITAL (TORONTO)

OFFICIALLY APPROVED by CANADIAN CARRIERS

CANADA'S SMART PARCEL LOCKER



TO BOOK A ZOOM CALL OR
FOR MORE INFORMATION CONTACT:
CARL LAUNT
CARL@CARLLAUNT.CA
902,830,3100

CANADA'S PARCEL LOCKER COMPANY

CONFIDENTIAL



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1.0 WHY SNAILE CANADA?

Officially approved by all major Canadian carriers, therefore they deliver parcels to Snaile through official corporate channels. That means no liability from a driver deciding to deliver outside official channels and that means a quick delivery uptake.

Snaile is not a reseller which means we are responsible end-to-end 100% of the time. Therefore we assemble, install, support, fix, employ and innovate right here in Canada and control what we sell.

Largest Canadian network operating in 24 Canadian cities. A large network means we have to maintain a robust remote and on-site support network right here in Canada.

PIPEDA law compliant. We have a Chief Information Security Officer with a background from Canadian Tire & Loblaws and host our Cloud in Canada so your data is protected by Canadian laws. We don't host our Cloud in the USA where your data is not protected by our Canadian laws.

Snaile has **motorized locks** since November 2019. This means no more stuck parcels

FIRST PLACE



SECOND PLACE



SECOND PLACE



FIRST PLACE



2.0 Snaile Automated Parcel Lockers

Snaile's Canadian and trilingual (French, Mandarin & English) parcel lockers allow for the automated delivery and pickup of many types of packages. These can be in multi-residential, commercial, retail and school campus applications.

Packages can be parcels, perishables (refrigerated, frozen or keep warm), dry cleaning, keys, envelopes, tools, parts, orders....

APPLICATIONS



“I was challenged to come up with new and more efficient ways of doing things when it came to accepting inbound and processing outbound packages, after much research, it was a no brainer to go with Snaile. The software is super user friendly and easy to navigate, and the support staff is also very helpful, friendly, and easy to deal with.”

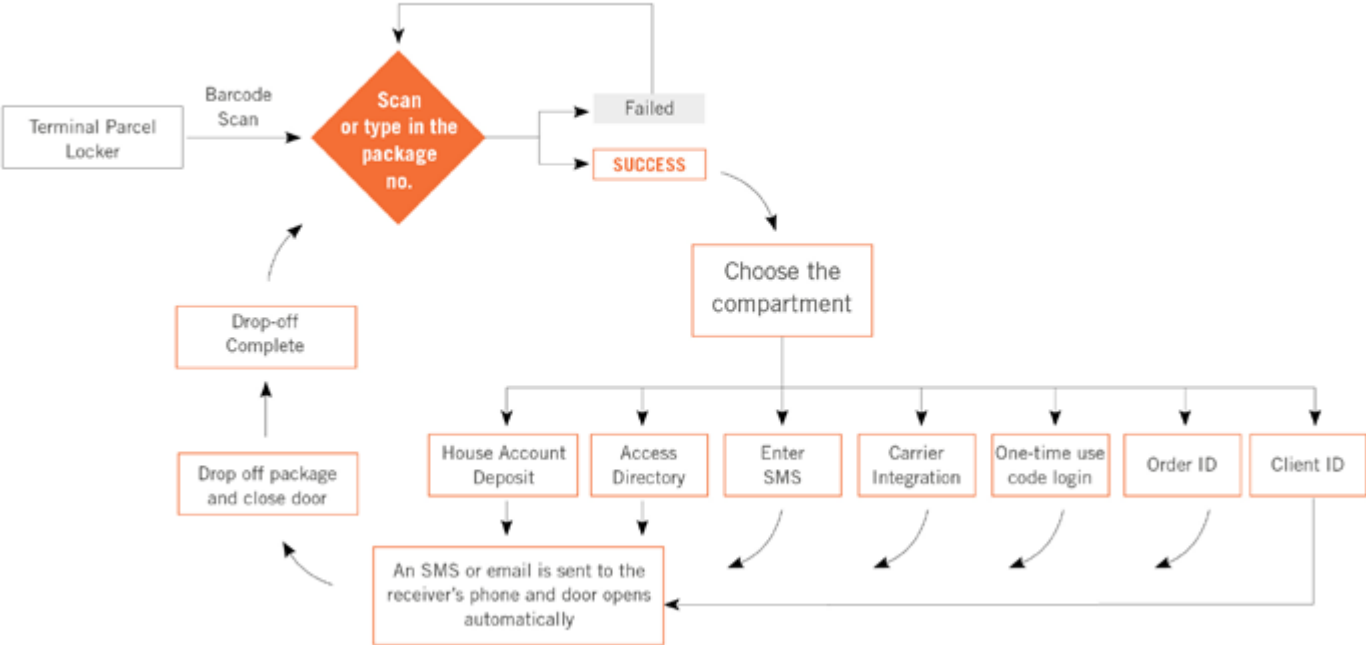
— FRANK DONIA, ONTARIO POWER GENERATION

MULTI-RESIDENTIAL, OFFICE & RETAIL

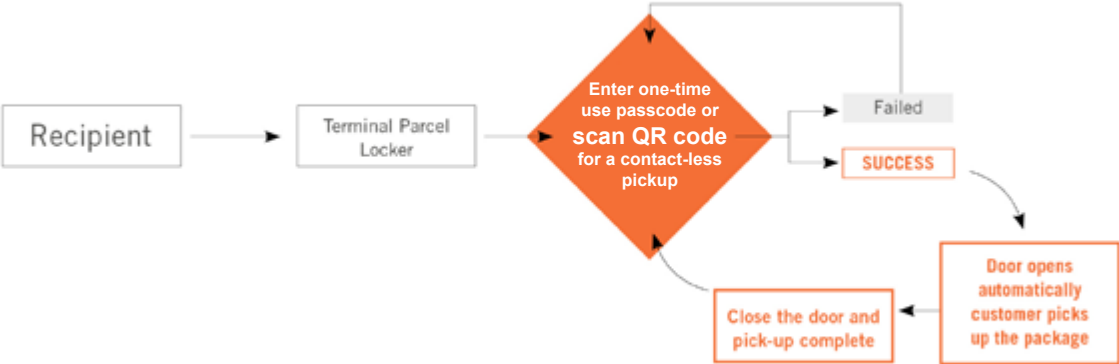
Check out how they can work in a multi-residential, office and retail application



CARRIER WORKFLOW – CANADIAN PARCEL CARRIER APPROVED



RECIPIENT WORKFLOW



2.1 Why Do We Need Snaile Parcel Lockers?

A multi-residential perspective



2.2 Benefits to buying Canadian



ANTI-JAM Motorized compartment locks

Solving forced-in, stuck parcels with Snaile's new motorized compartment door locks



play video

 <p>ENGLISH, FRENCH & MANDARIN French & English locker interface and Toronto based 24/7 bilingual phone & web support</p>	 <p>HANDS-ON GO-LIVE Our Customer Specialists are on-site* for the first 2-3 days when you go live <small>* may be subject to availability of time for our specialist's representative</small></p>	 <p>100% CANADIAN Supported, installed & serviced from within Canada. Snaile is not a reseller</p>
 <p>CANADIAN CERTIFIED Lockers are electrically certified to be used in Canada</p>	 <p>LAW COMPLIANT Only Canadian lockers that host software in Canada and are compliant with PIPEDA laws</p>	 <p>CANADIAN WIDE COVERAGE 40 regional install and service teams across Canada</p>
<p>-40°</p> <p>BUILT CANADIAN TOUGH Rated to -40C for outdoor applications & double coated</p>	 <p>WARRANTY 3-Year Warranty</p>	
 <p>FINANCING Financing & profit share plans available</p>	 <p>CANADIAN FUNDS FOB Mississauga Ontario, no import duties, no import brokerage and no exchange rates</p>	 <p>FIELD REPLACEABLE COMPONENTS Major components & suppliers (American Megatrends, Honeywell, Windows Embedded, Touch International)</p>



2.3 Key Differentiators

Aside from being less expensive (usually 20-35% less than US suppliers and resellers) and quoted in Canadian funds FOB Mississauga, Ontario some differentiators include:

- 100% Canadian manufacturer, not a reseller.
- French, Mandarin & English locker interface and bilingual 24/7 customer support
- Unique “Hands-on, Go-live” Program, where our Customer Integration Specialists are on-site for the first few days to get carriers and residents familiarized + using system (qualifying accounts)
- 40 regional install offices throughout Canada supporting our engineers via our partner AMJ Campbell and national in-field service provided by Ricoh Canada
- Our parcel lockers are legal to plug into the Canadian electrical system as we have Electrical Safety Authority certification. Our US or overseas competitors could be subject to a \$1M fine from ESA.
- Snaile’s parcel lockers comply with Canada’s PIPEDA laws. PIPEDA covers PII (Personal Identifiable Information) (i.e. SMS numbers, email, name, address) and means data has to stay in Canada to be fully compliant
- Only lockers accepting deliveries from all Canadian carriers
- Full online Cloud management platform hosted in Canada
- Integrated with Yardi, Condo Control Central, 1VALET, SmartONE and more.
- Only parcel locker company with two (2) world-wide international awards for its postal technology
- Will always remain unaffected to US/Canada ongoing retaliatory trade tariffs (i.e. metal tariffs)
- Software Escrow Agreement available



2.4 Snaile Locker – Customer Locations

Our lockers are getting a lot of use, even more so since the pandemic.”

— JEFF MACPHERSON, MANAGER WESCO



2.5 Snaile Install by Location Type



Hallway off Lobby



Parking Floor



Lobby



Wind Vestibule



Outside under Podium 1



Outside under Podium 2



2.5 Snaile Install by Location Type Continued



Purolator Outdoor (Before)



Outdoor Shelter



Converted Bike Cage Outdoor 1



Converted Bike Cage Outdoor 2



Move in-out room



Mailroom



2.5 Snaile Install by Location Type Continued

I am still receiving the positive feedback from tenants and couriers. Canada Post is thrilled with the addition. Especially during this peak delivery season.

— JENNIFER TROWSSE
CLARIDGE HOMES - STIRLING PARK RENTALS



Commercial Office Tower
Ontario Power Generation



Store Before Locking Curtain
UPS



Custom Pipe Locker
Wesco



Outdoor Shelter



Thanks again! You went above and beyond!!!

– M.O. GERN, RESIDENT AT TAGGART REALTY MANAGEMENT

3.0 National Official Canadian Carrier Adoption

After the completion of a successful Pilot Program at select Canadian multi-residential buildings (October 2019) Snaile received the corporate green light sanctioning the delivery to Snaile lockers by all major Canadian carriers including Canpar, DHL, FedEx, Intelcom (a major Amazon carrier), Purolator and UPS. This means that drivers know in advance direct from their head office that they are to deliver to a Snaile locker before they even show up to a Snaile install.

Carrier logos and their respective/unique delivery workflows are now displayed and accessed by Canadian carriers at each Snaile locker site throughout Canada. All other carriers such as the local flower shop or prepared meals service that do not have their logo displayed, can also make deposits via the “Other Carrier” workflow button. Snaile assigns on-boarding specialists to each new location on the go-live date to greet carriers and walk them through a typical deposit process, introduce the smart amenity to residents and staff and to train property managers with all the tools and features the Snaile Cloud offers.

This is the first and only official sanctioning by Canadian carriers of automated parcel lockers in Canada for use in multi-residential applications.

Other parcel locker companies make a building's locker introduction by phoning the carrier's local supervisor (under the radar) in hopes the drivers will actually receive the message and then actively adopt the new parcel delivery method. This method can never reach all the carriers. Our findings prove that Snaile's live on-boarding session is critical to making the parcel locker program a successful one.

Many carriers (at a corporate level) are unaware that these non-Snaile lockers exist, as such there is no official adoption, standard operating procedure or official delivery stamp (ie marked as delivered to a locker). This makes consistency virtually impossible since the drivers change and thus familiarity is lost. Many other non-Snaile parcel locker companies that do not have official carrier buy-off in Canada have been known to post the carrier login code on the non-Snaile lockers (property managers have been known to adopt this method as well in efforts to facilitate carrier deposits), further substantiating that there is no systemic adoption of their locker systems in Canada.

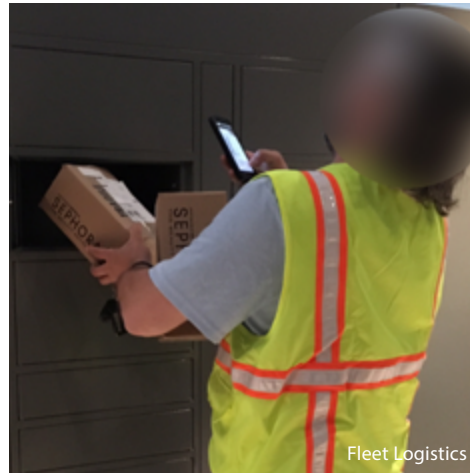


3.1 Carriers Delivering to Snaile Parcel Lockers

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Canada Post



Fleet Logistics



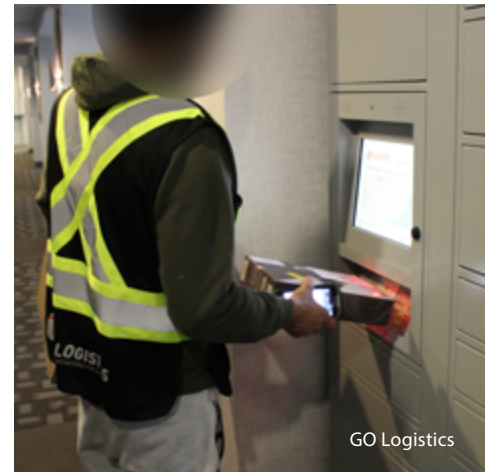
Staples



Canada Post



DHL



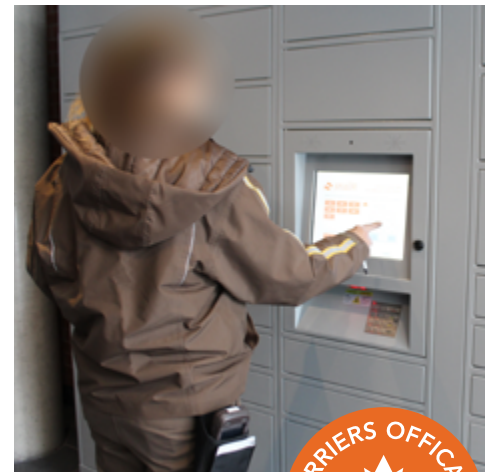
GO Logistics



Canada Post



FedEx



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Canada Post



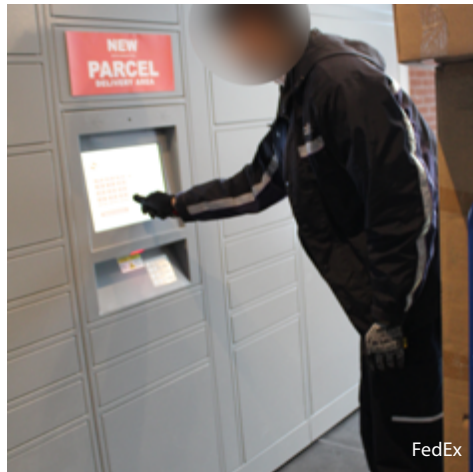
Purolator



Purolator



Canada Post



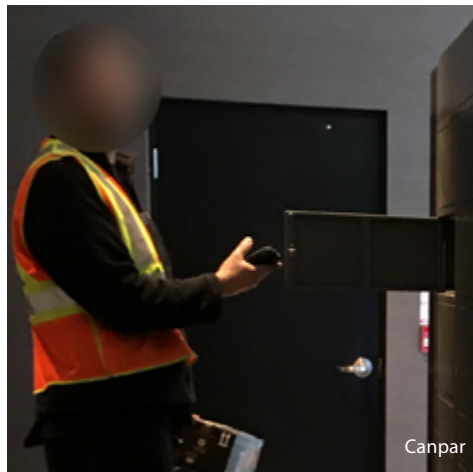
FedEx



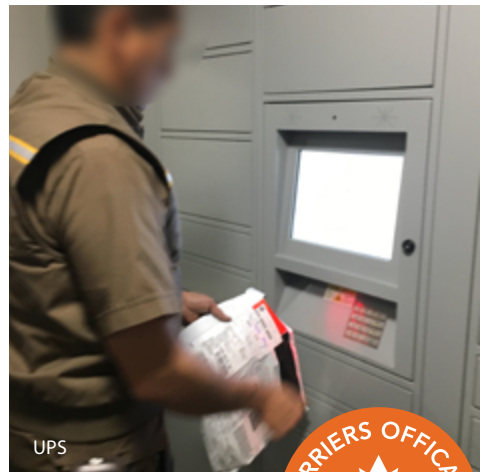
Intelcom



Canada Post



Canpar



UPS



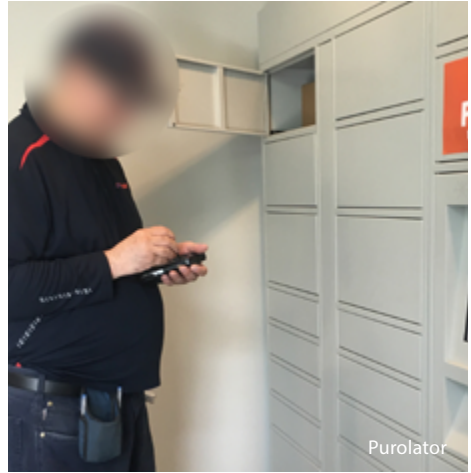
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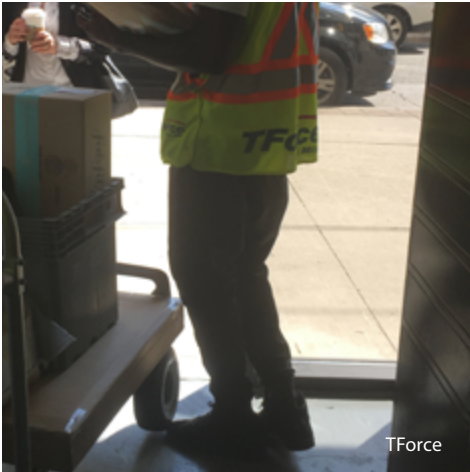
Amazon



UPS



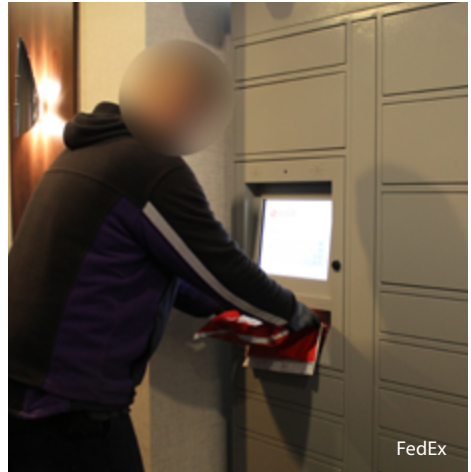
Purolator



TF2



Amazon



FedEx



Purolator



Intelcom



Canada Post



4.0 Lockers & Configurations

Standard layouts below, custom layouts and sizing available.

All Snaile lockers come with motorized compartment locks (not solenoid). Solenoid locks lead to stuck parcels when parcels are forced in.

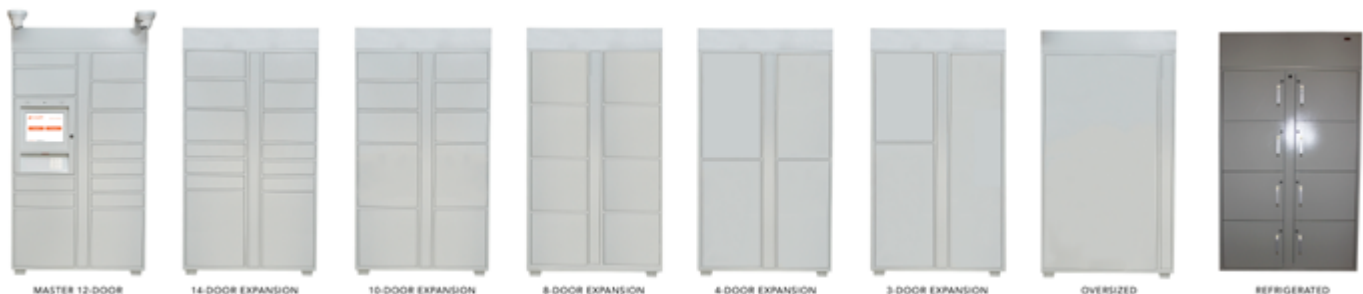
Every installation requires at least one (1) master unit. A master unit can control up to 300 compartments of any type (parcel, refrigerated, laundry...) The master unit requires a standard 15amp grounded plug and draws 60W at idle. The master unit also requires Internet access with an Ethernet (CAT5/6) connection being preferred and Wi-Fi or Cellular internet available. Snaile's master unit has an on board Residual Current Circuit Breaker with Over Current Protection (RCBO). Both AC and Internet should be located behind the master unit. The master unit should have 100mm back wall clearance to vent the CPU. There is no side wall or top clearance required other than room to slide unit in.



All modules (i.e. expansion, master, refrigerated) are anchored to the floor and have an anti-tip back wall bracket. This is required under Snaile's \$5M commercial product liability insurance policy.

Each refrigerated, freezer and keep-warm unit requires its own 15amp grounded plug, 100mm back wall clearance and draws 8amps. There is no side wall or top clearance required other than room to slide unit in. Expansion units (i.e. laundry, 10-door, 16 door) do not need side wall, top or back wall clearance.

PARCEL LOCKERS



MASTER UNIT SPECS

- Motorized locks
- 60W draw @ idle
- Requires 100mm back wall clearance
- Ambient temperature range: -20°C to 40°C or -40°C to 40°C with electronics heater upgrade
- UPS Emergency Power Backup available
- Manual lock open override
- 1.2mm cold rolled steel with powder coat finish (standard finish textured, smooth available)
- Kick plate
- Adjustable stainless steel feet



Kick plate hides feet.
Available in stainless steel
for outdoor applications.

EXPANSION UNIT SPECS (14-DOOR, 10-DOOR, 8-DOOR, 4-DOOR, 3-DOOR, 1-DOOR + LAUNDY)

- Motorized locks
- 24V system connected to master unit
- Zero clearance
- Manual lock open override
- Ambient temperature range: -40°C to 40°C
- 1.2mm cold rolled steel with powder coat finish (standard finish textured, smooth available)
- Kick plate
- Adjustable stainless steel feet



Adjustable stainless steel feet



Bolt down slide in/out anchor, available in
stainless steel for outdoor



REFRIGERATED UNIT SPECS

- 8 amps draw, requires own 15-amp grounded plug
- Requires 100mm back wall clearance
- Manual lock open override
- Ambient temperature range: 0°C to 40°C
- Internal temperature range: 0°C to 10°C
- Temperature alarm

Compartment inner sizes:

6x W334 x H360 x D488.2mm

2x W334 x H248 x D488.2mm

- Frame is 1.5mm thick cold rolled steel
- Door is 1.0 mm thick cold rolled steel
- Interior is 0.8mm thick SUS304 stainless steel
- Powder coat finish
- Kick plate
- Adjustable stainless steel feet

FREEZER UNIT SPECS

- 5 amps draw, requires own 15-amp grounded plug
- Requires 100mm back wall clearance
- Manual lock open override
- Ambient temperature range: 0°C to 40°C
- Internal temperature range: -10°C to 14°C
- Temperature alarm

Compartment inner sizes:

3 x W390 x H569.9 x D350mm

1 x W390 x H569.9 x D132mm

- Frame is 1.5mm thick cold rolled steel
- Door is 1.0 mm thick cold rolled steel
- Interior is 0.8mm thick SUS304 stainless steel
- Powder coat finish
- Kick plate
- Adjustable stainless steel feet



4.1 Features



TOUCH SCREEN

15 inch industrial touch screen.



FIELD REPLACEABLE PARTS

Motorized locks
Industrial CPU with Windows Embedded, Wi-Fi, 3/4G or Ethernet enabled,
Digital Video Recorder (DVR),
UPS electrical backup.
Can endure -40C weather.



BANK GRADE KEYPAD

Commercial key pad with home dot for Disability Act compliance.



CAMERAS

2 CCTV cameras
+ 1 pin hole camera with 1T hard drive
Holds ~ 3 months of video.
Field replaceable components.



INDUSTRIAL GRADE STEEL + COATING

(20-50% thicker than competitors).



COLOURS

Standard Stocked Colour Powder Coated (213 colour options).



4.1 Features **Continued**



SAFETY FIRST

Snaile strictly follows and certifies to Canadian Electrical Safety Standards.



CLOUD ADMIN

Full remote management, logs & reporting hosted in Canada at the Snaile Cloud.



CANADIAN DISABILITY ACT COMPLIANT

Right height screen, home raised dot on key pad and disability setting in Cloud to make sure parcels are never too high.



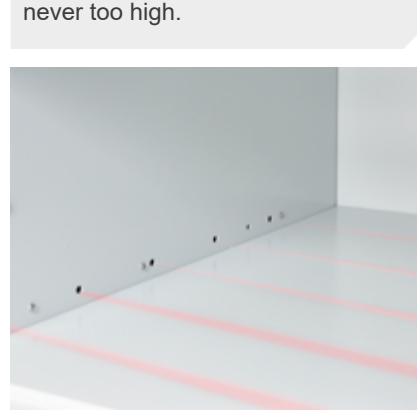
SOFTWARE ESCROW

Optional agreement that holds software source code at 3rd party with customer as beneficiary.



INDUSTRIAL CPU WINDOWS EMBEDDED

Windows embedded, same operating system as medical devices, automatic teller machines, kiosks at airports and other crowded public spaces.



CONTENT DETECTION

Verify content to avoid false delivery notices and make sure you are notified when something is inside when there is not supposed to be.



4.2 Outdoor Locker Applications

Parcel lockers (master, expansions & laundry) come standard rated to -20°C, they can have a cold weather upgrade to rate down to -40°C. This upgrade takes the master from 10-doors down to 9-doors to accommodate the electronics heater.

Outdoor units are stainless steel and have a zinc-epoxy primer.

Refrigerated & Freezer require an ambient temperature of no less than 0°C.

All units must not be exposed to rain to avoid water freezing inside the compartment gaps. Snaile can supply shelters, canopies and heated shelters if required. Shelters are built out of 316 stainless. Glass or aluminum roof available, 10mm tempered glass is used and shelters are available with CSA listed motion activated LED lighting and optional heaters.



4.3 Colours & Finish

Snaile has available 213 colours in an industrial powder coat finish in the RAL K7 colour palette. Colour fan deck available upon request. Below are the standard colours available in a textured finish, called wrinkled power coat, smooth finishes available. The wrinkle finish hides marring better than a smooth finish. Smooth finish powder coats can accept a wrap treatment, wrinkle finish can not. Non-standard colours and smooth finishes are subject to an up charge.

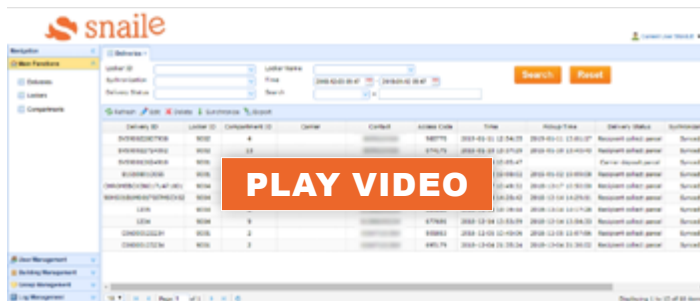
STANDARD COLOURS IN TEXTURED FINISH

 RAL7042 TRAFFIC GREY	 RAL7040 WINDOW GREY	 RAL7038 AGATE GREY	 RAL5009 AZURE BLUE
 RAL7035 LIGHT GREY	 RAL9018 PAPYRUS WHITE	 RAL1023 TRAFFIC YELLOW	 RAL7039 QUARTZ GREY
 RAL7044 SILK GREY	 RAL7046 TELEGREY-2	 RAL9003 SIGNAL WHITE	 RAL9016 TRAFFIC WHITE
 RAL8019 GREY-BROWN	 RAL9004 SIGNAL BLACK		



4.4 Cloud Management

Hosted in Canada at Amazon Web Services or at Microsoft Azure with off-site data backups, the SnaileCloud allows you to view delivery histories, recipient usage, issued passcodes, compartment status (idle, in use, content detected...) and so much more. You can also open up any compartment remotely if you need to override the passcode system. For employee accountability Snaile keeps a full history of your company's logins by user and the transactions each employee has made, i.e. the concierge opened a compartment remotely.



Snaile lockers are fully manageable online via the SnaileCloud at <https://lockers.snailecloud.com/>.

4.5 Data Security for Canadian Customers

As Chief Information Security Officer, Michael Castro protects Snaile's Canadian Customers data. Accomplished IT leader with 20+ years experience building and leading Information Security, Cyber Risk and Compliance at the enterprise level. Has successfully led all aspects of Information Security Programs: policies and procedures, oversight and controls, strategy, architecture development, and training. Mr. Castro recently served as the Head of Information Security and Risk Management (CISO) for Loblaw Companies Limited from 2014-2018. Prior to that he provided Security Advisory Services for Canadian Tire from 2013-2014, was the Country CISO for Ally Bank Canada from 2011-2014 and Security Lead for Suncor Energy from 2001-2011.

4.6 Open API

Snaile's open application program interface (API) allows for easy integration to your property management systems creating an instant link between the parcel locker's directory of municipal delivery addresses and tenant electronic contact information. Snaile has already integrated with popular systems like Yardi, Condo Control Central, Property Vista, SmartONE and 1VALET.

Snaile's API can also connect to orders and/or tenants.



“After evaluating parcel locker providers in Canada, Snaile demonstrated to us they have the right solution for the Canadian building industry.”

— Erin Fenn, Vice President of Sales and Marketing at 1VALET

4.7 Software Integration (Optional)

Snaile has developed partnerships with property management & order management companies to facilitate on-boarding tenants or client orders for multi-residential applications, commercial building applications & retail applications.

These partnerships provide integration via application programming interface (API) in order for Snaile to get and maintain contact information for a parcel recipient (i.e. SMS and/or email).

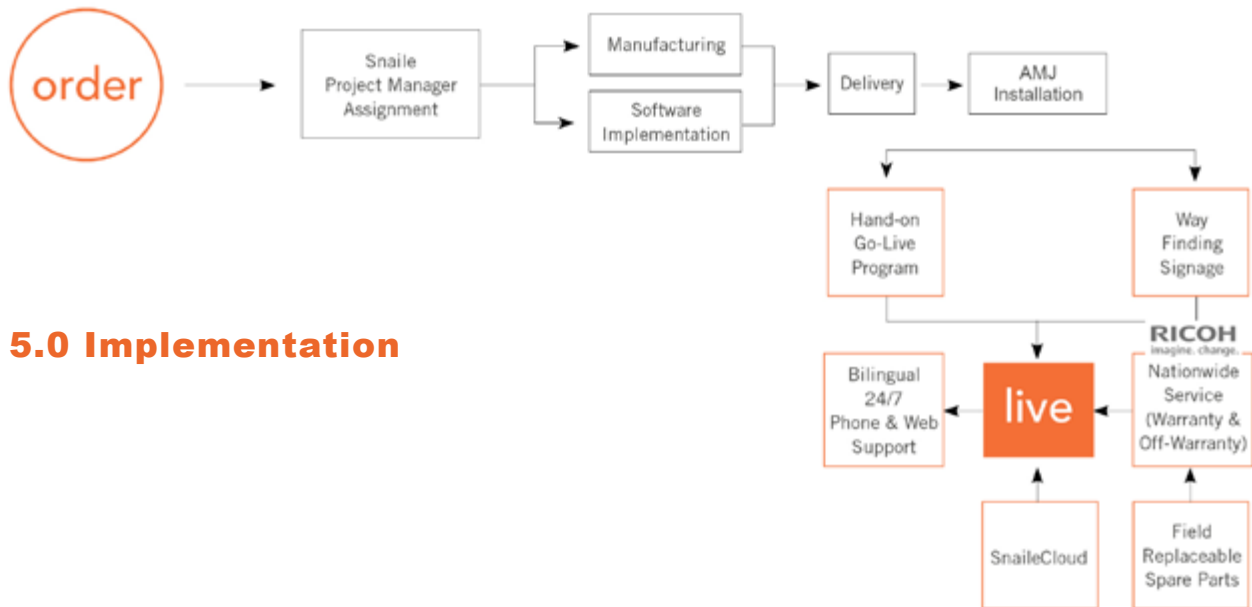
In a multi-residential or commercial building application this means Snaile can associate a tenant unit number with a way to contact that current tenant electronically.

In a retail application a recipient’s order can be associated with a way to contact electronically that recipient (SMS and/email)

The API calls into the management system daily to keep itself current.

When there is no API integration then the maintenance of the contact database in the snailecloud must be effectuated manually. An initial bulk upload is available with spreadsheet.





5.0 Implementation

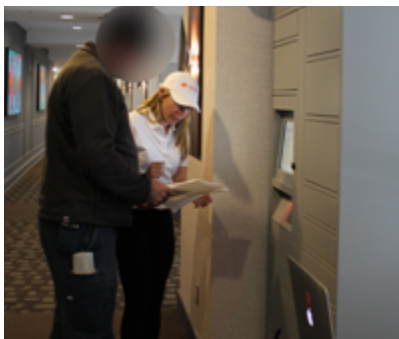
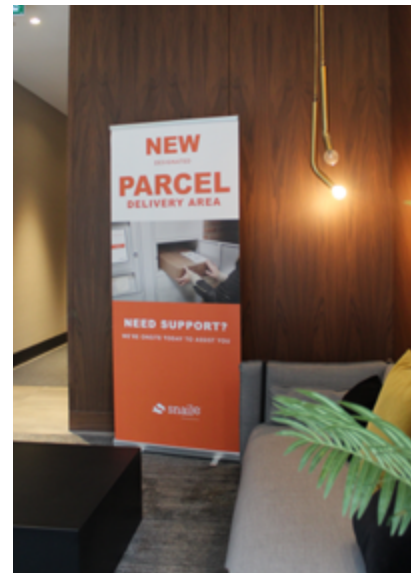
5.1 Hands-on, Go-Live Program

"You have been very supportive with me even though I have so many questions. I really appreciate your help!"

— Y. KIM
LEASING ASSISTANT BENTALLKENNEDY

Snaile is the only Canadian parcel locker company that provides on-site Customer Integration Specialists for the first few days of going live. By helping carriers and parcel recipients to familiarize themselves with lockers and typical usage scenarios, nothing is left to chance. Call centre web & phone support is typically initiated after Snaile turns on the locker installation and completes its unique on-site, hands-on implementation program.

*Qualifying accounts no charge, non qualifying subject to charge



On-site Snaile Customer Integration Specialist



6.0 Installation Timelines

Approximately 90-days ARO + deposit to install. Snaile builds to order.

7.0 Warranty & Replaceable Parts

- Every Snaile locker is guaranteed to be free of material defects or component malfunctions. Snaile provides a limited warranty that covers the repair, without charge, of any problem that occurs during the first 3-years for main PCB, lock control PCB, locks and IR sensors and 1-year for all other components. Snaile's warranty does not cover vandalism, theft, fire damage, water damage, or abuse outside normal use.
- Perpetual software warranty included with monthly service
- Off warranty repairs subject to Time & Material rates at the time of event

FIELD REPLACEABLE PARTS

- 15' touch screen display
- 4G, Wi-Fi & Ethernet router
- Honeywell barcode scanner
- Metal keypad
- CCTV camera
- Pin hole camera
- DVR + 1T hard drive
- Main PCB
- Relay PCB
- Motorized lock with striker
- IR sensors (emitter and receiver)
- Painted compartment door (may need to be ordered)

8.0 Insurance

Each property will be named under our Commercial General Liability policy of \$5M (CAD) underwritten by Intact Insurance

\$5,000,000 Bodily Injury and Property Damage

\$5,000,000 Product / Completed Operations Hazard

\$5,000,000 Personal Injury and Advertising Injury Liability



9.0 Service Level Agreement (SLA)

Snaile provides the following SLA, but is not liable for Internet connectivity issues, power supply issues or Force Majeure.

Equal to or greater than 98% monthly uptime, but less than 99% = 10% service credit of the given month

Less than 98% monthly uptime = 25% service credit of the given month

10.0 Software Escrow Agreement (Optional)



Snaile can offer as an option and at additional cost a software escrow agreement provided by Iron Mountain Canada. Also known as a technology escrow its designed to protect Snaile's customers from the risk of buying a solution which has software in the Cloud. All locker companies have software in the Cloud.

With a software escrow contract, Snaile's source code is managed in a secure escrow account held by Iron Mountain Canada a designated, neutral, and trusted third party. If Snaile is unable to support the lockers in the future for reasons such as bankruptcy, obsolescence, merger or acquisition the Snaile customer will be able to access the source code to keep their business up and running seamlessly. The goal is to get the Snaile customer up and running and provide a failsafe backup plan to software-as-a-service models (software in the Cloud). Should the escrow be acted on there would be no change to the Snaile lockers or operation, the customer would simply pay for their own Cloud hosting at the same Snaile Cloud provider and would effectively own the software outright. Hosting would cost less than your monthly license + service fee with Snaile.





11.0 Canadian Electrical Certifications

Snail lockers are certified under the CSA SPE-1000 standard by the Electrical Safety Authority and Snail products ship with the ESAFE label. CSA and ESAFE labels represent approval to the same standard and both are recognized in all jurisdictions in Canada. An ESAFE approval meets the requirements of Rule 2-024 – Electrical Safety Code, and the requirements of all other jurisdictions in Canada.

12.0 Support



TIER 1 GENERAL SUPPORT

24/7 French and English phone & web support based in Toronto, Ontario, Canada and handled by AnswerNet. AnswerNet has 15,000 customers and 25 locations throughout North America. This support level receives inbound requests through phone, Web forms, and email. Tier 1 support logs, categorizes, prioritizes, tracks, and routes (i) incidents reported by users or (ii) alarms raised by monitoring tools. It is intended to be the first to acknowledge an incident and tracks support tickets until successfully resolved. If Tier 1 can not resolve incident it is escalated to Tier 2.

TIER 2 ESCALATED SUPPORT

Tier 2 support is escalated back to Snail where software and hardware engineers evaluate and decide on corrective action. Software issues are resolved remotely by Snail engineers and hardware issues are escalated to Tier 3 Support.

TIER 3 HARDWARE SUPPORT

On-site equipment servicing provided nationally by Ricoh Canada, through it's Canadian Ricoh Service Advantage program. Ricoh's technically orientated support organization and field services technicians of more than 500 skilled Field Services professionals provide ongoing in-field support services to Snail lockers across Canada.



12.0 Support **Continued**

TIER 3 HARDWARE SUPPORT

Standard in-field service is performed during local business hours (i.e. 8AM – 5PM local time).

Service Level Objectives (SLOs) Snaile offers:

- Field Service activity will be completed during standard local business hours;
- Snaile provides Next Business Day response, with 3rd business day repair SLA based on Parts availability and shipping lead times
- Optional annual preventative maintenance program available (scheduled locker visits to ensure care & Function)

RICOH
imagine. change.



13.0 Financing

Snaile offers lease-to-own financing through its partner Alliance Financing Group Ltd.

ALLIANCE
Financing Group Ltd.

For the purposes of budgeting the following is a how typical payment plan works (OAC).

Purchase Price (CDN \$) \$8,999.00 (Net of taxes)

Term 60 months

Monthly Payment (CDN \$) \$214.00

End of term buyout \$10.00

14.0 Revenue Opportunity for Buildings & Carriers

Buildings that choose to charge for parcel locker use can collect tenant usage fees automatically through the Snaile billing engine.



15. Select Snaile Canadian Customers



CASE STUDY

16. Parcel Deliveries and a Canadian Multi-Residential Building's Challenges

Akelius currently owns 112 Canadian high-rise multi-residential buildings and is facing issues with respect to parcel management. While some of their buildings had a concierge or security, many buildings in their portfolio did not. All of the buildings were facing challenges with parcel delivery.

In concierge buildings, the concierge spent approximately 10 minutes **per delivery** logging receipt of the delivery – including the tracking number, carrier, tenant, and storage location. Then, they needed to store the package and notify the tenant to collect the parcel. If the tenant did not immediately do so, the concierge was required to attempt contact multiple times.

In buildings without concierge service, tenants were often inconvenienced by getting a parcel notification card. In many cases, the intended recipient was unable to locate the card. If they did find the card, they were then required to go collect the parcel from a carrier retail location, which might not be either close or convenient.

Still other buildings had carriers buzzing multiple units, attempting to find someone to let them enter the building. If they were able to gain access, they were then required to either find the appropriate tenant in the building or simply leave the parcel unsecured in the lobby or vestibule. This could lead to a parcel being stolen and is a violation of fire codes.

Canada Post deliveries, in particular, were often handled by placing the packages in proprietary parcel lockers, but for many of the parcels they delivered, this was impossible.

They then needed to follow the above processes, adding additional workload to the concierge and inconveniencing tenants.

In order to solve these ongoing problems and inefficiencies, Snaile was selected as the national locker parcel provider for this large building portfolio. Work began right away on the implementation in the first two properties which coincided with building renovations. First deliveries are expected in Q3/Q4 2019.

FIRST BUILDING SITE VISIT

To begin implementation, Snaile visited a building with a concierge in order to understand the current process and challenges. In the five minutes that Snaile was in the lobby waiting for the property manager, they witnessed two parcel transactions. These interactions made it clear that carrier agnostic parcel lockers are a necessary part of the solution to Canada's package concerns.

The first parcel delivery Snaile witnessed was delivered by an independent delivery agent, figure 1. This person was not one of the "big 6" (Canada Post, UPS, FedEx, DHL, Purolator, or Canpar); instead, they worked with a local carrier company. Snaile had the opportunity to speak with the individual, who we will refer to as a "jobber," about their work.



FIGURE 1



CASE STUDY

16. Parcel Deliveries and a Canadian Multi-Residential Building's Challenges **Continued**

According to the jobber, they work for a company that uses an app that is similar to the Uber crowdsource model. The jobber picks up as many as 100 parcels a day and delivers them with their personal vehicle.

These independent carriers are often less expensive than the big 6, or Amazon Logistics, and the trend of using their services is on a rapid growth curve. This can likely be attributed to two factors: the capacity and capping models used by some of the big 6 and the increased demand for faster deliveries. Services like Amazon Prime's free same-day delivery service, currently available in Toronto and Vancouver, support this demand.

The jobber notes that they are paid per delivery, so they are highly motivated to complete the delivery on the first try. Finding creative ways to enter the building is typical. Furthermore, because they aren't operating from a large, process driven company (like the big 6), their delivery practices may be unorthodox.

As Snaile observed, the jobber approached the concierge, even though the building tenant is present to collect their package, figure 2. Since the jobber is paid by delivery, their goal is to drop off the package and leave as quickly as possible. He interrupted the concierge who was attempting to locate the tenant's package. Since the jobber's only goal is to get eye contact to ensure that the concierge sees the package, the chain of custody is immediately murky; things can and go wrong with this approach.



FIGURE 2

At the same time, Snaile observed that a second box was on the floor to the right of the concierge's desk. We are later told by the concierge that this box contains food, and was left out so that it would not be forgotten about. It seems unlikely that tenants would prefer their food parcels to be sitting out; it also seems that this storage method makes theft likely and that this is a fire code violation. This is also aesthetically displeasing.

All of the issues noted here can be resolved with Snaile parcel lockers.

In many multi-residential buildings, Canada Post does maintain its own commercial parcel lockers, see figure 3. Canada Post will install up to three conventional, mechanical and "dumb" parcel lockers in a building at no charge. When examining the parcel log book, see figure 4 & 5, Snaile found that twelve Canada Post parcels had been logged and stored, but not in the Canada Post parcel boxes; they were stored in a closet. According to the concierge, this was because the logged deliveries were too big to fit into the lockers so he took custody of them.



CASE STUDY

16. Parcel Deliveries and a Canadian Multi-Residential Building's Challenges **Continued**



FIGURE 3

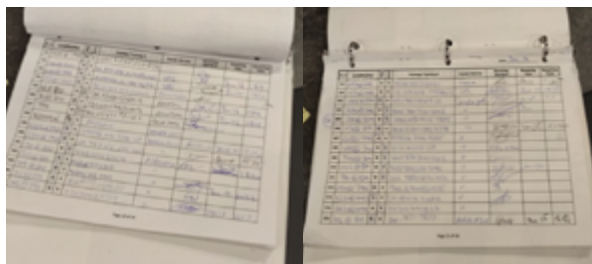


FIGURE 4

FIGURE 5

Snaile parcel lockers, meanwhile, will hold packages up to 900mm wide x 450mm deep x 1900mm high.

Due to the number of different carriers bringing parcels into a multi-residential building, it seems clear that a carrier agnostic parcel locker solution will make deliveries and pick-ups easier for residents while preserving valuable concierge time for more important tasks. For example, in the first building, only 50% of the parcels delivered were delivered by Canada Post; even if all their parcels could fit into their parcel locker, all other parcels would still need the attention of the concierge.

According to Pitney Bowes, Canada Post has 25% market share of all deliveries (same

day + next day/multi-day), as Canada Post does not participate in the same day delivery marketplace.

It is worth noting that our survey last year found that Canada Post was delivering closer to 70% of parcels; we can assume, therefore, that competitive delivery solutions have been gaining market share, and that new service providers are disrupting the delivery marketplace.

It is also important to mention that neither Canada Post nor any other carrier has control over the parcel size that a retailer ships in. This does complicate Canada Post's free parcel locker program since it is impractical to create more free lockers to accommodate all package sizes. Snaile's agnostic parcel locker solution, meanwhile, is modular and expandable, leaving it better able to handle the challenge.

SECOND BUILDING SITE VISIT

On the same afternoon, Snaile visited a second building in the same portfolio; this building did not have a concierge. In these types of buildings, parcel delivery service faces a different obstacle. Only Canada Post has access to the building due to legacy key access for letter mail. If the tenant isn't home, the other 50% of deliveries cannot be made. Since most tenants are working during peak delivery times, this often means multiple missed deliveries.

Snaile examined a Canada Post conventional mechanical parcel locker housed in the locked portion of the non-concierge building, see figure 6. There were two parcel notice cards,



CASE STUDY

16. Parcel Deliveries and a Canadian Multi-Residential Building's Challenges **Continued**



FIGURE 3

one from Canada Post itself and one from UPS. There are two possible reasons for the card from Canada Post: first, the parcel may not have fit in their conventional locker, as we saw in the first building, or the Canada Post locker was full, which is because there is a lack of capacity or the parcel collection velocity is too slow. The method of leaving cards for tenants is referred to as Carding or Door Knocker, both passive notification systems; the tenant is not electronically notified of their parcel, but simply has to find the notice card wherever it was located. There are frequent delays in parcel collection because the tenant doesn't realize the parcel has arrived or doesn't notice the card due to where it was left.

Snaile's system, however, notifies tenants through email or SMS that their parcel has arrived. This results in lockers that are cleared up to five times faster. The messages can also be set to re-send notifications at set intervals until the package is retrieved. Snaile locker systems, therefore, experience fewer capacity issues.

Also noteworthy and shown in figure 6, it is interesting that a UPS card is located inside the locked building. There are several ways that UPS could have gained access to the building, but none are sanctioned:

- UPS buzzed random tenants until someone let them in
- UPS gained access when a tenant entered or exited the building
- UPS gained access when a tenant buzzed someone else in
- UPS gained access when Canada Post entered or left the building

Whatever transpired, we see that UPS somehow gained access to the building, which means that other carriers and jobbers could do the same. This is a security issue, especially with the rise of new, unconventional delivery methods where there is little accountability or identifiability of plain-clothed drivers. Snaile would prefer to see its open access lockers placed on the outside of the locked door so that all carrier can access the Snaile lockers without entering the building.

Visit Snaile's Industry Talk and read the post called Carrier Access to Parcel Lockers at <https://www.snailelockers.com/blog/categories/best-practices>

CONCLUSION

We have seen how the delivery industry is changing, especially with new crowdsourcing delivery models and resulting jobbers, as well as how this effects building security, liability, and the cost of administration. At the same time, e-commerce is driving up parcel volumes and creating the need for a new type of parcel management system that is accessible on the unlocked side of the building (no concierge) by all carriers or in a dedicated parcel room that all carriers can gain access to via a concierge. In either case, a Snaile parcel locker system can alleviate most if not all parcel management issues. Contact Snaile today, Canada's Parcel Locker Company.





**PRICE +
COMPARTMENT
MATCH GUARANTEED. Ask us!**

QTY	PART	DESCRIPTION	Price	(CAD \$) TOTAL	(CAD \$) MONTHLY COST
1	#FM312B-10	1065mm Required 10-door Standard Parcel Master Unit (customized configurations available) - outdoor compatible steel available. In any standard colour. Comes with standard software, SnaileCloud, CCTV cameras. Expandable parcel modules, laundry modules refrigerated modules.	\$8,999.00	\$8,999.00	\$0
	#F29B-14	1000mm Optional 14-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour.	\$3,599.00		\$0
	#F29B-10	1000mm Optional 10-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour.	\$3,599.00		\$0
	#F29B-8	1000mm Optional 8-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour.	\$3,599.00		\$0
	#F29B-7	597.5mm Optional 7-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour	\$2,999.00		\$0
	#F29B-5	597.5mm Optional 5-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour.	\$2,999.00		\$0
	#F29B-4	1000mm Optional 4-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour.	\$3,599.00		\$0
	#F29B-3	1000mm Optional 3-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour.	\$3,599.00		\$0
	#F29B-2A	597.5mm Optional 2-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour	\$2,999.00		\$0
	#F29B-2B	475mm Optional 2-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour	\$2,999.00		\$0
	#F29B-1	1000mm Optional Oversized 1-door Parcel Locker expansion module add-on (customized configurations available). Outdoor compatible steel available. In any standard colour	\$3,599.00		\$0
	#MD214	Optional 1200mm 8-door stainless steel refrigerated locker.	\$7,699.00		\$0
1	Cloud Software	Required - Software, Service, Support and Software Upgrades/ Maintenance			XXX compartments \$XXXX
	Snaile Cloud Training	New personnel training (Initial Launch: no-charge)	\$500.00		\$0
1	Installation	Required - Installations of lockers not including electrical work and Ethernet work if required.		\$XXXX	
1	Shipping		XXXXXX	\$XXXX	
	Sub-total	Not including tax. Requires 50% deposit		\$ XXXX	\$XXXX/mo