FASS FORVARD



A business update from **MARITIME**New Handling Horsepower

MARITIME

Issue 7

Latest News



DistributionUp and running



Hams Hall New hub plans

Strong foundations for Maritime's future success

As the Company celebrates 10 years in private ownership, despite renewed market uncertainty and fragile growth, Maritime continues to invest and develop its range of services to support customers and their supply chains, building on a record investment year in 2010.

Already this year, Maritime has launched a new curtain-sided distribution business to provide complementary services to existing container customers, offering greater support from port to door or store.

"Our decision to diversify has been a strategic aim for a number of years," said John Williams, Managing Director. "We have always felt that we could make a positive contribution in this sector and equally importantly, provide Maritime with a wider offering, not wholly dependent on any single service area."

The new business was launched in January and is already handling 350 loads a week throughout the UK. A new curtain-sided trailer fleet has been steadily growing and is now 100-strong with plans to increase the number later in the year.

"We aim to develop our distribution business to match our market-leading position in the container transport sector and provide customers with a different perspective on their transport requirements," said John Williams.

At the same time, Maritime has looked to capitalise on favourable market conditions, purchasing a second site at Northampton as a vehicle parking hub and has established firmer roots at Hams Hall by acquiring a substantial, 13-acre site, in two plots, for future

growth. Plans for the development of both sites are being drawn up and work will commence as each is required.

"These freehold purchases will really give us a strong footing in the Midlands and provide an excellent platform to develop our container business and grow our new distribution arm," said John Williams.

Underpinning all of the Company's developments has been a commitment to maintaining a first class fleet and 228 new vehicles are scheduled to enter service throughout 2011, synchronising with planned vehicle replacement dates and peak requirements.

A massive container-handling contract to equip all of the depots has now been rolled out across the Company too, completing the introduction and regeneration of equipment in every area of operation.

"We recognise that in order to provide our customers with the best service and ultimately the best deal, we have to have credibility backed up by capability, in all areas," said John Williams. "As a Company, because our customers come first, we will continue to do what is best for the business and invest in our future success."





Maritime's new handling horsepower

Maritime has taken delivery of ten, brand new container handlers from Konecranes in Sweden. The machines, a mix of empty container handlers and heavy lift reach stackers, are now fully operational across the network.

"This is a very significant investment for the Company," said John Williams, Managing Director. "We have replaced all of the handling equipment at the container depots acquired through the purchase of DHL Container Logistics last year and introduced new, heavy lift handlers at our Railport and off-dock storage depots."

"The order for the equipment, an expenditure of

over £2.5 million, has been the largest in the UK for two years and places Maritime at the forefront of container handling in the UK," said Alan McNicol, Finance Director. With state-of-the-art handlers at each of its container-handling centres, Maritime has created a platform to improve productivity, introduce greater flexibility to its operations and reliability to customers in a single move.



"We now have the best equipment employed at each of our container handling sites and with great service and 24-hour operations for loaded lifting, we are able provide customers with around-the-clock support to manage their supply chains," said John Williams.

As well as improving empty container storage options at Felixstowe and Manchester and train turnaround times at its Tilbury Railport, Maritime can now offer off-dock solutions at Northampton and Leeds to stage deliveries and provide certainty to supply chains enabling customers to call off containers close to their final destination, when the goods are required.

Location of handlers – at a glance:

Depot	Storage Capability	Handlers
Felixstowe	Empty Containers	2x Empty Container Handlers
Leeds	Loaded Containers	1 x Heavy Lift Reach Stacker
Manchester	Empty Containers	2 x Empty Container Handlers
Northampton	Loaded Containers	2 x Heavy Lift Reach Stackers
Tilbury Railport	Empty & Loaded Containers / Swap bodies	2 x Heavy Lift Reach Stackers 1 x Empty Container Handler

Fleet boost with new truck orders

After a bumper year of vehicle purchasing in 2010, as part of a massive fleet regeneration programme, orders have been placed for large numbers of new vehicles to arrive throughout 2011 too, to support the needs of the Company's container and distribution activities.

"2010 was a big year for our fleet department. We put 326 new trucks on the road," said

John Williams. "We had to deal with the urgent replacement of all the trucks that came with the DHL Container Logistics acquisition.
We also had to rebalance our own fleet as we had gone through

a whole year in

2009 without placing a single order because of the poor market conditions."

A third factor pushing up vehicle orders has been the loss, through recession, of significant numbers of owner drivers and small hauliers.

"In the past

there was a strong owner

driver/smaller operator sub-contractor resource base in the UK. This has virtually disappeared in the last three years, increasing the dependence on owned vehicles," said John Williams.

In 2011 a further 228 vehicles have been ordered to mirror the increased demand in resources. All of these trucks are Euro 5 and London Emission Zone (LEZ) compliant. The trucks on order are a mix of DAF, MAN, Mercedes Benz, Scania and Volvo which already form the basis of Maritime's tried and tested fleet, providing the best efficiency, comfort and residual values for the lowest whole of life costs.

"By maintaining a young fleet, we continue to be at the forefront of technological improvements and reliability," said Derek Daly, Fleet Director. "And we're now operating one of the lowest carbon emission fleets in Europe too."



Tilbury Railport coil coup

Interest in Maritime's Railport at Tilbury is growing apace and earlier this year, following an intensive trial, the facility became the chosen hub for steel coil transhipment for P&O Ferrymasters. P&O Ferrymasters manages the door-to-door movement of the coils from Wales to mid and Eastern Europe on behalf of Tata, one of the world's biggest steel manufacturers.

The high value steel coils, up to two metres in diameter and weighing over 12 tonnes, are produced at Tata's Trostre plant in South Wales and are loaded and transported in closed-sided rail wagons to Tilbury by rail operator, DB Schenker.

"We are responsible for receiving and despatching the train," said Dave Boomer, Operations Director. "We tranship from the train to a secure, covered transit shed and store on the Port for collection and final delivery to the Continent where the coils are used in packaging manufacturing."

The steel coils, on special circular rubber pallets, are loaded on the final part of their journey into curtain-sided trailers and lashed down before setting off to Hungary, Germany and Slovakia and Maritime also has the task of recording that each coil is correctly loaded.



"The Railport is capable of handling many different goods arriving or departing by train, not simply unitised cargo in containers and swap bodies," said Dave Boomer. "This is just one example of our ability to provide a solution to customers who are keen to explore the possibility of rail borne transport to and from Tilbury and East London."

Curtains raised on distribution service

Having launched at the start of this year, Maritime's Distribution service has taken off and already the business is operating with 100 curtain-sided trailers and 50 dedicated vehicles. The service is managed from Northampton and the operations team, under Martin Roberts, is handling up to 350 loads a week.



"Our services are primarily multi-user, where the customer pays for loaded miles," said Dave Boomer, Operations Director. "We will provide dedicated solutions where required, but multi-user is the most carbon-efficient approach to domestic distribution and increasingly what the customer wants."

The current trailer fleet is based on a retail standard, SDC-manufactured, 13.6 m curtain-sided trailer with strapping systems to carry roll cages and pallets for side and rear loading and unloading.

"We are very pleased with the success of this activity so far and the support we have received from TESCO and a number of other blue chip retailers and importers," said John Williams, Managing Director. "Diversification into distribution is helping us to get a different perspective on the international supply chain and reduce our exposure to one or two sectors."

The move into distribution has enabled Maritime to become involved in UK logistics, beyond the container and participate in the next stages –

primary and secondary distribution of goods to and from distribution centres and to stores and to apply its own brand of transport, based on the Company's experience in the container sector.



"Although the business is quite different to container transport, the fundamentals remain the same and success is based on similar dynamics – managing people and assets and providing the customer with an outstanding service," said John Williams.





Plans for Hams Hall Hub

Maritime has acquired a new site for future development at Hams Hall. The site, in two parts, totalling 13 acres, will be developed for heavy lift container handling and distribution, as well as container transport.

"We have already outgrown our current depot at Hams Hall and have taken on a second site to accommodate our existing operations," said Simon Smart, Operations Director. "This acquisition will provide a long-term solution to support our customers in the West Midlands."

As well as substantial parking for both container and distribution fleets, the complex will accommodate an off-dock, heavy-lift park for loaded containers, mirroring other depots in Maritime's network at Leeds, Northampton and at the Tilbury Railport.

"We have been looking for a site like this for a number of years and the land we have bought is the best freehold development with planning that has come up for sale in this area," said Simon Smart.

The brownfield site close to the Hams Hall railfreight terminal, is on an established distribution park with excellent road links providing easy access to the M1, M6, M42 and M69 motorways. The development will future proof the needs of the business and when completed will be a flagship for the Company and customers alike.



New crop of GMs

Maritime has promoted Martin Roberts (right) and Martyn Brewster (below), to strengthen the Company as the business grows and diversifies into new areas.



Martin Roberts is now responsible for managing the Northampton and Tilbury transport depots

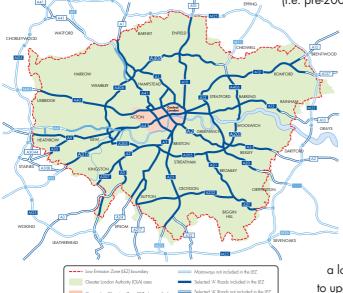
and looking after the operational needs and success of Maritime's distribution business.

Martyn Brewster has taken on the role of General Manager in charge of Maritime's container depots at Felixstowe and Manchester, as well as the Company's off-dock storage arms at Leeds and Northampton and the responsibility for the Tilbury Railport, all new developments that Maritime has brought on stream over the last 12 months.

"Our aim is to build organically and where possible bring people through the ranks and promote from within," said Dave Boomer, Operations Director. "Both Martin and Martyn have worked for the Company for many years, performing wide-ranging roles before stepping up into their new roles."

LEZ get ready

The Low Emission Zone (LEZ) introduced by former Mayor of London, Ken Livingstone, to improve air quality in the Capital and



surrounding areas, has been in existence for a number of years. There are now new, tighter restrictions coming into force in London from January 2012.

The changes which apply from 3rd January 2012 will mean that any pre-Euro IV vehicle (i.e. pre-2007) will have to pay £200 per

day to drive in the LEZ. The charge will apply 365 days of the year and is likely to affect up to 40,000 vehicles.

"Because of Maritime's rigid replacement policy, our fleet is fully compliant, but many companies large and small are not ready and it is likely that there will be more pressure on companies like us to handle deliveries inside the M25," said John Williams. "It is clear

a lot of operators haven't the means to upgrade their vehicles and inevitably there will be less resource in the market to handle LEZ moves."

For further information on how we can help, contact Steve Parry, Business Development Manager on 07973 880008 or e-mail us on enquiries@maritimetransport.com

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