FORVARD



On the right track at Tilbury

Issue 6 | A business update from MARITIME

Latest News



COSCON A major boost for Maritime



More power 326 new trucks since the start of the year



Maritime Online New website launched

Investment, expansion and diversification

The first half of 2010 has seen the start of a modest recovery in the UK economy and a remarkable turnaround in the fortunes of the container shipping industry.



According to John Williams, Managing Director, "For many, the recovery in volumes has been a lifeline and an opportunity to start to repair balance sheets and get finances back on an even keel. At Maritime, the effects of the global recession have been

equally challenging and the improvements in the container industry will hopefully lead to better times ahead for all."

Behind the scenes Maritime has been working hard over the last six months to complete the integration of DHL Container Logistics and consolidate the combined container transport activities of the businesses and develop the newly acquired container depots at Felixstowe and Manchester.

In April, Maritime was appointed as COSCON's lead haulage partner in the UK in a long-term deal for UK container transport involving the transfer of COSCON owned vehicles and personnel. "This is a major win for Maritime and we are extremely proud to be COSCON's principal haulier in the UK."

At the same time Maritime embarked on the biggest investment programme in the Company's history.

An incredible £35m had been spent, in part, on a fleet renewal programme with 379 new vehicles ordered in 2010. Over 100 trucks are fleet additions. Elsewhere, new freehold facilities at Northampton and Leeds will come on stream in September and October. Both depots will combine loaded and empty lifting to support transport operations and will serve as the template for the Maritime depots of the future.

Maritime has also diversified into rail terminal operations, as the new operator of Tilbury Railport. The move will provide the Company with the opportunity to develop a greater understanding of rail terminal operations and act as catalyst for future rail connected terminal facilities.

In order to service all of the new depots and rail terminals, the Company has acquired 10 new container handling machines, the largest purchase of its kind in the UK in the last 24 months, with the back up of temporary equipment to service the business until the new lift trucks arrive in 2011.

"This is an unprecedented investment programme for Maritime, but we felt it was the perfect time to strengthen and expand the business, just as we emerge from recession," said John Williams. "We were in the very fortunate position going into the downturn to be able to capitalise on our opportunities and in turn create a really strong platform to service our customers."

COSCON contracts Maritime

Hot on the heels of the DHL Container Logistics acquisition, Maritime has won a major new contract with premier Chinese carrier, COSCON. The contract, which started in April is a major boost for the Company.

The appointment, as COSCON's lead haulier, involved the transfer of the shipping line's 28-strong vehicle fleet, together with a driving force of 30 and a two acre parking facility in Felixstowe.

"We are delighted to become COSCON's major transport partner in the UK," said John Williams, Managing Director. "This is a really fantastic appointment with a major global

carrier with ambitions to strengthen their position further in the container industry."

A contract team of five, headed up by Paul Godfrey, is based at COSCON's depot on Dooley Road in Felixstowe. The COSCON vehicle fleet has remained on site with the trucks retaining the carrier's distinctive livery. The vehicles form the core COSCON fleet and the rest of the work is handled by Maritime's



national network and coordinated by the contract team.

"We are extremely pleased with our decision to appoint Maritime as our major trucking partner," said Liang Fang, Managing Director, COSCON UK. "We have enjoyed a very smooth, seamless start and we look forward to building our relationship with Maritime in the UK."



Leeds – first of a new breed

Maritime is rolling out a new breed of depots for the container sector. The new Leeds facility opens in October and combines loaded lifting and storage and transport operations. This purpose-built site is located at Stourton in Leeds in the heart of the container industry in the North

East. The site is close to the rail terminal, empty container storage yards and the major M1/M62 motorways connecting Leeds to the rest of the country.

The 3-acre depot has vehicle parking for 50 trucks with on site state-of-the-art environmental vehicle wash facilities. In addition, the new facility has 1.5 acres of dedicated loaded storage and will have loaded and empty container handlers in place in early 2011. Storing three high, the depot will be able to hold 700 teu at any one time and will greatly enhance the flexibility of the Leeds transport operation.

The new facility is fully secure with a permanently manned secure 'In' and 'Out' gate system, CCTV and surround palisade fencing, making it ideal for holding loaded containers, off-dock, in transit.

The staff at Leeds under Depot Manager, Darren Heyhoe, have a brand new single-storey traffic office, sharing welfare facilities with drivers. A total of seven staff and 36 drivers will move from the existing site on Haigh Park Road to the new offices, with plenty of additional office and yard space for future development.

"We are really pleased with the new Leeds facility," said Dave Boomer, Operations
Director. "Not only does it give us the right set up for our business today, it provides a fantastic platform to develop in the North East and offer more flexibility to customers as well."

Maritime launches new website

Maritime has a brand new website. The new look website brings together all of the parts of the Company in a fresh and easy to use format for visitors.

"It is a completely new design which makes it easier to navigate through the site and we hope will be a much more enjoyable experience for the user," said Andrew McNab, Business Development Director. Please take a look. Visit **www.maritimetransport.com** and see for yourself.



More horsepower at Maritime

The fleet has been at the centre of Maritime's major investment programme in 2010. Orders have been placed for a total of 379 new trucks since the start of the year, the largest yearly fleet purchase in the Company's history. So far 50% of the vehicles have been put on the road and the remaining trucks will arrive in time to provide peak resource cover.

The size of the order book has been driven by a number of important factors, not least the urgent requirement to replace of all of the DHL Container Logistics vehicles, together with Maritime's own fleet renewal programme. Another factor has been the virtual disappearance of the owner driver from the industry as a result of the recession.

"Given the poor market conditions, we didn't make any fleet purchases in 2009," said John

Williams, Managing Director. "This year however, we had no choice. We had to replace part of the fleet and the vehicle resource that owner drivers had been providing, with Maritime vehicles."

All of the vehicles purchased are Euro 5 compliant, making Maritime's fleet one of the youngest and carbon friendly in the country. "Today over 75% of the fleet conforms to the Euro 5 emissions standard and this is only

possible because of our uncompromising replacement policy and ability to resell our used trucks," said Derek Daly, Fleet Director.

The new trucks sport Maritime's refreshed 'wave' livery, introduced into the fleet in April with the arrival of the first of the new trucks, to modernise the appearance of the vehicles, yet maintaining the Company's instantly recognisable profile on the road.



Terminal takeover on track

Maritime has become the new operator of Riverside Rail Terminal at Tilbury in a move that marks the Company's first step into rail terminal operations. It is part of a wider plan to develop rail connected operations at strategic locations around the UK to encourage more intermodal transport and develop its capability for customers.



"More and more companies are looking for rail solutions as part of an environmentally responsible approach to logistics and we are keen to facilitate this growing requirement," said John Williams, Managing Director "We have already taken over the existing rail contracts

and we plan to increase train throughput by bringing new services to the terminal."

The four-acre, four track facility, which is marketed as 'Tilbury Railport', is an established and proven common user facility and offers open access to all train operators for any type of unitised traffic. Tilbury Railport can accommodate two full trains at any one time and when fully operational, the facility will operate 24 hours, six days a week.

In addition, the terminal is immediately adjacent to a 200,000 ft² bonded warehouse with the potential to make rail-connected for cargo consolidation and deconsolidation.

"Rail plays a key part in the development of our overall service provision and Tilbury Railport is a really exciting move for us, boosting the Company's intermodal credentials, infrastructure and environmental commitment, as well as providing new employment at the port," said John Williams.

With access improvements to the rail network and the 2012 Olympic Games only two years away, there is already growing interest in the new possibilities for rail at the London Railport and Maritime is ideally placed to develop solutions for customers keen to use the terminal.

As well as providing train loading/unloading services, Tilbury Railport now offers secure, flexible, off-dock loaded and empty container storage too. A team of three staff and three forklift drivers, based at the terminal, run the facility.



Maritime has invested in new container handling equipment, the biggest order of its kind in the in the UK in the last two years.

The £2.5m investment is required to resource the container lifting facilities acquired through the purchase of DHL Container Logistics, the Tilbury Railport operation and to equip the new sites at Leeds and Northampton.

In total, ten machines have been purchased and will start to arrive in the UK from next January.

All of the equipment is from Swedish manufacturer, Konecranes (formerly SMV) and will be supplied by Warwickshire based Cooper Specialised Handling, the largest independent container handling distributor in the country.

"This investment is, in part, to replace existing machines but also to ensure that we have the

right equipment in operation throughout the Company," said Alan McNicol, Finance Director. "Konecranes are the best machines on the market right now and we believe that these handlers will provide us with the lowest whole of life costs too."

The decision to purchase Konecranes, after a comprehensive tender process, was based on quality and performance, uptime and servicing

costs, residual values and fuel economy.

Notably, Konecrane stand out as the most environmentally friendly of the all the makes currently on the market.

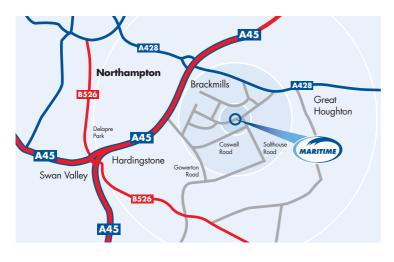
The handlers are highly specced and will be fitted with Konecrane's Eco Drive in cab technology to provide

real time, comprehensive performance information to maximise productivity and fuel economy. All of the trucks will come with enhanced safety features and an audio visual early warning system to detect personnel in close proximity.

"This is a major investment decision for us," said John Williams, Managing Director.
"We went for new equipment because the used market is too small to source all of the equipment we needed. We chose a single supplier with excellent products and first class support to provide customers with a consistently reliable service at all our depots."

Northampton network boost

Maritime's latest depot, at Northampton, will open for business this month. The site which was acquired from former Danish food producer, Danisco, is being prepared for operations to commence at the end of September. Works will continue on the site until 2011, but the facility will be ready to accommodate the first phase of operations.



The depot in Brackmills, Northampton in the centre of the UK's distribution heartland is ideally placed with major road connections only minutes away from the M1 motorway and with easy access to the A14, linking to all of the major ports.

Altogether, the new depot covers three acres and like Leeds, will incorporate both loading and empty lifting and temporary storage handling, alongside transport operations. A total of 20 new vehicles will be based at the site, together with drivers and a small transport and container depot team of three.

"This is a really exciting move for us," said Dave Boomer, Operations Director. "It puts Maritime firmly in the heart of the 'Golden Triangle', on one of best distribution parks in the UK and gives us even greater flexibility to service container volumes into and out of this important area."

The facility will have a new loaded reach stacker and empty container handler arriving in the New Year, with temporary equipment for loaded and empty container storage in operation until then.

"The key to our future success is in the strength of our network," said Dave Boomer. "We are fully committed to investing in our network and making it the very best that we can in order to service our customers' needs."

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