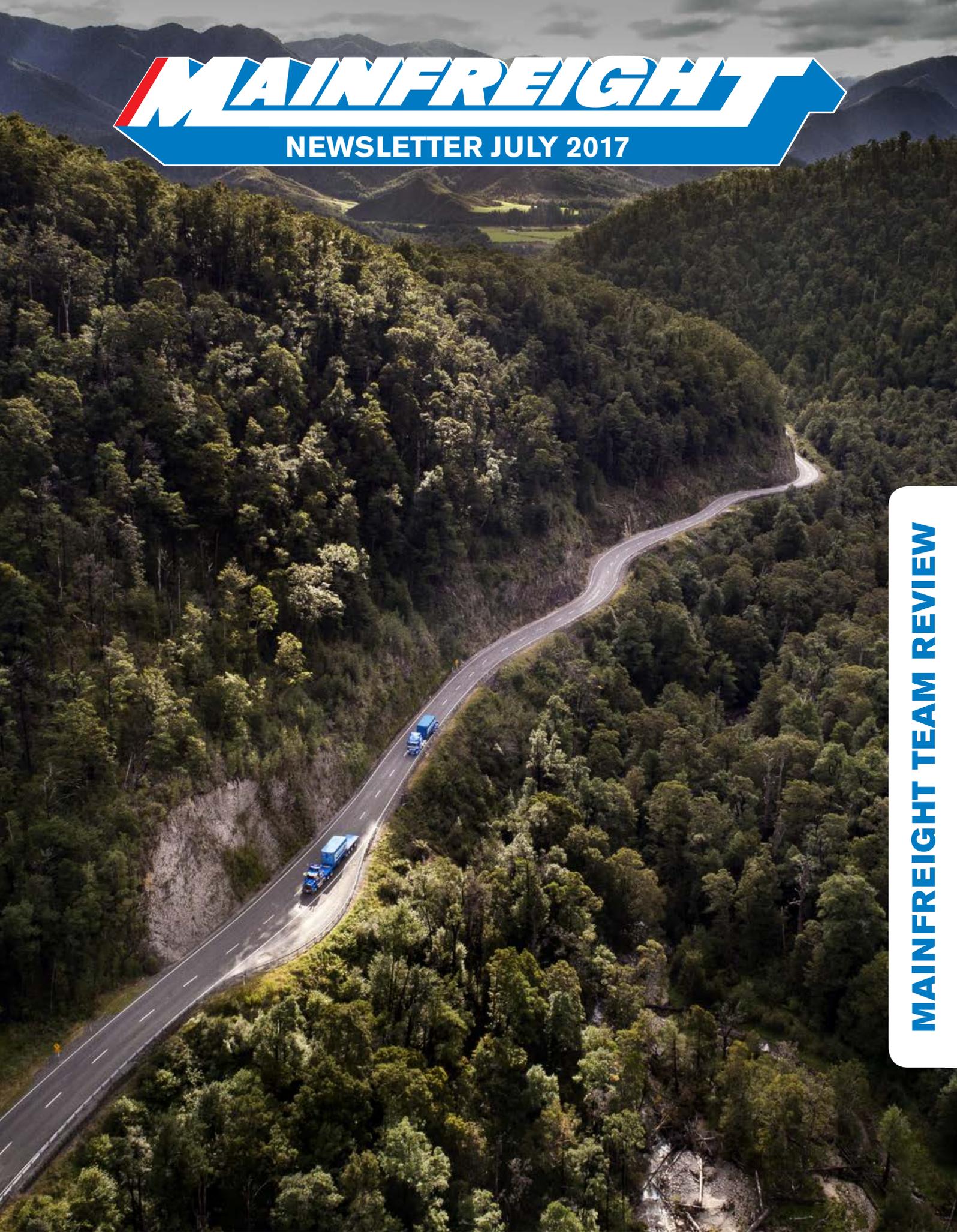


# MAINFREIGHT

NEWSLETTER JULY 2017



MAINFREIGHT TEAM REVIEW





## A Word from Don

**W**elcome to our mid-year newsletter, where our team are able to both contribute and access interesting and valuable information from around the Mainfreight world. We are also pleased to share the publication with our shareholders and customers. We hope you find it interesting and informative – perhaps a little more personal and insightful than the more formal communications you receive from us which are constrained by the world of bureaucracy!

By now you will have seen our 2017 year-end financial results. These are our best ever: net profit of NZ\$103 million and our revenues increased to NZ\$2.33 billion.

To our people around the world, your contribution to this record result is appreciated. The achievement is only possible because of the efforts that each and every one of you make on a daily basis. As a result, we are proud to be able to pay our largest ever bonus of NZ\$19.27 million to our team, including European team members for the first time. This is an 18.7% increase on the bonus paid last year.

On the back of this result, we continue to invest capital (our cash) into the ongoing development of our network. In New Zealand, we are investing in land and buildings for Tauranga, Auckland, Taupo, Wellington, Nelson and Dunedin. This includes land for future sites, upgrading of freight facilities, and additional warehouse sites where demand warrants our investment.

In Australia, the success of our new Epping Transport and Logistics (warehouse) site, coupled with the demand for our services, sees the need for investment in additional land and buildings in southern Melbourne.

Likewise, customer interest in Adelaide, Sydney and Brisbane also requires investment to be made for the future. Our new Newcastle site is under construction, and hopefully completed within twelve months, giving this rapidly growing branch a better facility to service the region.

In Europe, we have just completed the construction of 22,600m<sup>2</sup> of new warehousing in 's-Heerenberg, which we expect to be fully utilised within 12 months. New warehouses are planned for Geleen (The Netherlands) and Ghent/Zwijnaarde (Belgium), alongside two new cross-docks in Genk and Ghent/Zwijnaarde (both in Belgium).

The increasing volumes of freight being handled by our 's-Heerenberg cross-dock for distribution across The Netherlands has us also considering another cross-dock more centrally located, allowing for more efficient delivery schedules to those customers located in the southern and central regions of The Netherlands.

These investments are only possible where we have growth and profitability, and they reflect our strategic intention of building intensive networks within each region to deliver high quality services across the supply chain.

The 2017 financial result has seen an increase in our sales revenue, albeit not enough by our standards. We have much to do to further our reach and to gain more customers. It is beholden on all of us to assist in this process, and if you are not able to visit and convince potential customers to see the Mainfreight light, please do your utmost to support that vital effort with the very best of customer service to ensure we retain each and every customer who has placed their trust in us.

Early in May, the New Zealand Domestic team implemented an upgrade to our Transport freight platform. No software upgrade is without its issues, however the effort and dedication of our New Zealand teams and suppliers has been nothing short of fantastic. Thank you to each and every one of you for your patience, tenacity and skill in seeing this implementation through to fruition.

This upgrade provides our team with the latest technology, and will improve visibility and freight management for our customers and team members alike.

We will now look to implementing the upgrade to our Australian Domestic operations mid-2018. Training for our Australian team is about to get underway.

Please enjoy the Newsletter and share with your family and friends. We continue to be confident about our business and the opportunities that are in every country that we now reside.

Let us grab those opportunities and build on what is already a great business.

We remain special because of your energy and pride in Mainfreight.

Thank you.

A handwritten signature in black ink, appearing to read "DON", with a horizontal line underneath.

**Stop Press:** Did you know we have the best overnight delivery and pick-up service for palletised freight throughout France? We all should be selling airfreight and sea freight services into and out of France. Make it part of your sales campaigns.



## Mainfreight Europe – Ben Fitts

**T**eam, we have finished this financial year well ahead of the last, with each business unit improving over the previous year. Thank you for the part that you have played in helping us to get to these results, it is appreciated, and we are starting to catch a glimpse of what we are capable of achieving in Europe.

Special mention must go to the Logistics team for a significantly improved profit over that of last year (the previous year was also strong!). Congratulations and thank you to Dick Betlem and his capable team for producing this result which is a big part of our overall profit.

Profit is only a result however; it is the things that we do to create this result that require our focus day in, day out. An unwavering focus on what is important (see below) is needed if we are to continue to improve our results and realise our potential in this challenging and competitive market. Let's not waste time on distractions that are unimportant or won't help make the Mainfreight Europe boat go faster.

As we enter the new financial year we are seeing strong revenue and volume growth. This is a good sign, however creates its own challenges as we try to force more volume through the same capacity. Our focus now is on creating a network capable of handling volume growth into the future. With five building projects scheduled for the coming 12 months

we are creating this infrastructure as quickly as we can!

2017 will see in two new Logistics sites in The Netherlands as well as two new Forwarding cross-docks and a new Logistics facility in Belgium. Our Forwarding results in Belgium have been poor for some time, however we remain committed to getting it right and an important part of this is having the right facilities in the right locations. The new Genk cross-dock will provide much needed operational capacity (with plenty of room for growth!) and will be operational in July. The Ghent/Zwijnaarde site will see us move closer to our customers, reducing running costs and improving delivery performance. These are exciting developments.

As we head into the quieter summer period, please make sure that your 'house is in order', that costs are under control and service levels remain high. Our ability to navigate our way through the summer period in good shape will play a large part in determining our end of year result. Don't underestimate the impact that you can have on this.

Good luck for the next financial year; the targets are challenging but with the right focus they're certainly attainable. Remember, we are one Team, let's act as such, look after your team mates in your own branch and other branches here and around the world and help them to be successful.

### What is Important?

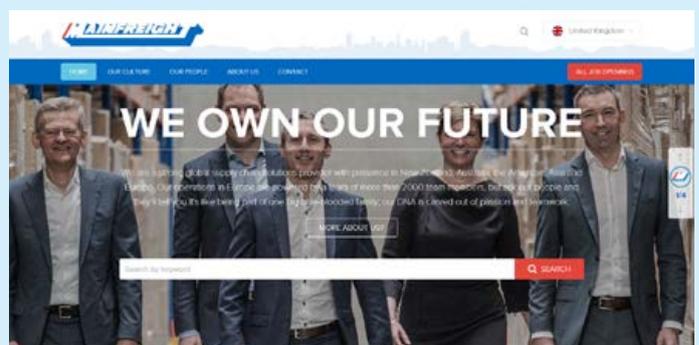
1. Attract, Retain and Develop exceptional people
2. Operational Excellence – without quality we have nothing
3. Our Three Pillars are understood and embedded throughout the whole company
4. Our strength is supply chain
5. We are easy to deal with
6. Our IT systems enable us to deliver outstanding solutions and results internally and for our customers

### 5 Things to Focus on

1. Don't get distracted by the small stuff. Will it make our boat go faster?
2. Do what you say you're going to do
3. Watch your costs – "look after the pennies and the pounds take care of themselves"!
4. Sales call numbers – they are improving but still a long way to go
5. People – hire well, it's the most important decision you'll make, and you need to spend time developing your team

## New European Career Website

We are excited to tell you about our newly developed and launched European career website [careers.mainfreight.com](http://careers.mainfreight.com). The main purpose is to promote our employer brand and to attract more culturally fitted and passionate people by letting them meet our team, experience our culture and telling them what we do. Because of the branches' need to hire many great new team members with lots of potential, the website is built to suit all the different European countries and therefore every country has their own page in their local language. With help and input of the recruitment champions in each country and our website developer, A&M Impact, we have made this all happen. Teamwork makes the dream work!



## One Team, One Name

It is seven months since we embarked on renaming our business as Mainfreight.

The celebration on 1st December was a great success among our European team members. Since this day we have put a stake in the ground to say that we are now one team, working under the same name as the rest of the wider Mainfreight world.

A huge amount of time and energy has gone into this renaming project, lots of changes happened around us such as new signage, new e-mail addresses, website and social media changes, a new way of answering the phone and we still have an exciting road ahead of us. We are proud to be Mainfreight!



**'s-Heerenberg Cross-Dock team members**  
L-R: Ramon de Bakker, Teuntje Buijl, Patrick Helmink, Sebastiaan van Aken, Hennie Willemsen, Raymond ten Haaf, Hacı Yildirim, Francis van Zeist, Mohamed Osman



## Further Investment in Ghent (BE) and Ploiesti (RO)

We are expanding our current warehousing activities in Belgium with a new facility at Ghent/Zwijnaarde. WD Port's development at this location involves 30,000 m<sup>2</sup>, of which Mainfreight, in a first phase, will occupy a distribution centre of approximately 9,000 m<sup>2</sup>. Completion of this new construction project is projected for the third quarter of 2017.

In Ploiesti Romania, we have completed a 5,000m<sup>2</sup> extension to our existing warehouse to meet requirements of our existing customers, and to fulfill the needs of new customers.



## Best Traineeship Benelux

This year Mainfreight Europe participated in the "Best Traineeship Benelux", an annual competition where companies that offer a management traineeship, compete against each other for the "Best Traineeship Benelux" award (Benelux = Belgium, Netherlands, Luxembourg).

During several rounds we competed with some big brands/ names, like Unilever, Ahold and Coca-Cola! In the finals we were chosen, from the four other finalists, by the jury as "best practice" in the category "Return on Investment"!

This means that the management trainees (graduates) who are in our program are actually provided with real training and development opportunities, and move into (strategic) leadership roles here or around the world. This is again proof that promotion from within is not just a concept – it is a reality! The jury highlighted that our management trainee program is a real fast track to a leadership position, just look at our team of branch managers and European support team!



(L-R) Maarton Mol, Nena van Londen, Anke Caspers, Jules Branswyck

**Fun fact:** Did you know that Frans Zuidgeest (European Manager Forwarding and Transport) and Liane Philipsen (European Sales Director) are two of our first management trainees?



## New Mainfreight Equipment Driving Around Europe

Our Transport team has been hard at work to renew our fleet of vehicles with Mainfreight branding. In total, there are 46 new vehicles that were made ready for Mainfreight Netherlands, Belgium, Poland and Romania. The workshop in 's-Heerenberg has done a great job getting all the vehicles on the road, on time. Well done team!



## The Most Picked Lines in One Hour!

At Logistics in 's-Heerenberg the Continuous Improvement meeting at the Operational Excellence Board takes place every Thursday afternoon at 12:30. This time, not only did they discuss the new and current improvements, but there was a real ceremony!

An award was promised to the team member who would reach the best result of the day. It was a thrilling battle between 12 team members. Marcella (3rd place) and Adam (2nd place) were very close to winning the battle, but at the end Eliene was the best and the deserved winner with the most picked lines in one hour. Congratulations, Eliene!



(L-R:) Marcella Gielens, Adam Kupczynski, Eliene Vonk. Setting a new target to beat!

## Mainfreight Ukraine Provides Special Transport for New Beskidsky Tunnel

Mainfreight Ukraine recently performed the delivery of strategically important equipment for the next phase of construction of the new Beskidsky railway tunnel in the Carpathians Mountains. This new tunnel will connect the Ukrainian railway freight transport with Europe.

The project consisted of delivery of Italian formworks by road, using 11 trailer trucks with a load capacity of 20 tonnes. Mainfreight Ukraine organised the equipment delivery and provided support in respect of customs clearance in Italy.



Construction of the new Beskidsky tunnel to be completed in 2018

We are very proud to be part of this project as our company was selected as the preferred logistics partner based on the experience in working

within a well-defined schedule of shipments, high quality and competitive service tariffs.

## Mainfreight Romania – Oil & Energy Services

Building on the success of past project work provided to the Oil & Energy sector, Mainfreight Romania has established its own Oil & Energy Services (OES) Team with the goal of attracting more project work.

Mainfreight Romania offers complex tailor-made transport solutions, including components such as shuttle trucks between EU bases, hot shot transport, well site transport, 24-hour service, and specialised transport for equipment, containers, pipes and prime movers.

With the knowledge and experience of their specialist team, Mainfreight Romania truly believes that they can



make a difference in the OES field. They are standing out thanks to their positive and client-oriented attitude

and professional services. Well done, Romanian team members!

## Knights of the Road - Belgium

In Belgium our drivers are awarded with the title of being Knights of the Road. A driver becomes a Knight when he has driven damage free for some years. Bronze for 3 years damage free, silver for 5 years, for 10 years the title of Golden Knight of the Road is given and for the ones who have achieved 20 years free of damage will actually receive the title to be a Diamond Knight of the Road.

We congratulate William Dereeper, Franck Van der Heyde, Benny Mestdagh, Carl Verhulst, and Peter De Smet with the title Silver Knight of the Road and Glenn Grunewald, Hugo Tanghe and Freddy Ragaert with Bronze. Congratulations Knights!



(L-R:) Hugo Tanghe - Knight of the Road, Filip Cremer, Freddy Ragaert - Knight of the Road

## The Successes of Mainfreight Cluj (Romania)

For Mainfreight Cluj, achieving their profit target was a hard challenge, but not impossible! The objective has been achieved and it turned out to be a real success. Mainfreight Cluj is a relatively small branch with lots of potential, as development and evolution are two very important values within the branch.

Mainfreight Cluj started to write history at the beginning of 2012, when the first subsidiary opened in Cluj. Started with three team members and now the team has expanded from three to eleven team members and apart from that, we have opened a new office in 2016.

Mainfreight Cluj is a relatively small branch, but with a progressive vision that contributed to achieving the target. Our team members in Mainfreight Cluj have a very exciting road ahead!



(L-R:) Dinca Marius, Sergiu Suci, Alina Moldovan, Silviu Moldovan, Alexandrin Macavei, Robert Vajas, Claudia Holunga, Gheorghe Ciobanu, Victor Petrindean, Tamas Both



## Mainfreight America – John Hepworth

**W**ith the new financial year underway, our USA businesses must now step up and show the potential we have in this market. We have been disappointed with our performance last year. We just have not seen the sales revenue grow as we anticipated, and of course there are reasons for this but with a market this size it is not good enough. How are we going to make a positive change this year?

- Last year we moved our focus from employing outside sales team members and are now fast-tracking our future leaders through sales.
- New branch managers who are being appointed are coming from sales backgrounds. Current branch managers are committed to a minimum of two days on the road.
- We have lifted our sales call numbers to over 18 sales calls on average per sales team member per week; target is 20 sales calls each.
- The leadership team is consistently on the road selling and working our high value pipeline lists to ensure closure of larger customers.
- We have real focus on our KPI's and on-boarding abilities to ensure we maintain existing business and new customers experience a smooth first time shipment move.
- We have introduced Key Account Managers (KAMs) throughout the business to ensure we have high visibility and control over what our customers are experiencing.

## Branch Manager Meeting 2017

We had a great Branch Managers meeting in early March and experimented with our version of "speed dating". We had 24 presenters who had 10 minutes to present a certain subject and answer questions. The 20 or so groups of Branch Managers moved through all 24 sessions. It was a huge success with great reviews from all who participated. Well done to all involved.

Our business plan has been developed with strong imperatives that our branch managers must focus on every day as they make the decisions in their branch. It is important that we have our focus clear on growth and avoid distractions that prevent us from being a sales focused company.

Our key imperatives are:

### External Imperatives

- We are easy to do business with
- Our Brand is recognized as a quality and innovative global supply chain provider
- We are seen as a positive influence on the stock price of Mainfreight through our growth
- Mainfreight is an employer of choice

### Internal Imperatives

- The Three Pillars have been adopted into the Mainfreight culture across the Americas

- Continued investment in the recruitment, retention and development of our future leaders
- Quality drives our business
- Our sales force will be highly motivated and linked to our organisational goals
- Linkage of the three business units is achieved through better processes, systems and team development
- Ensure we have an effective Strategic planning process

With passion, focus and implementing the above imperatives, the USA team can meet our goal of a successful 2017/2018 financial year.

## Mainfreight Logistics North America – René van Houtum

**T**he financial year ended in March and the Logistics revenue numbers showed good growth compared to the previous financial year! This was not a matter of "sit and wait"; the team has worked extremely hard to sell our business, manage the implementations and train new team members who have joined the Mainfreight family. We have done many things right, a couple of things wrong, but our passion for the

business has always overcome the hurdles that came on our way. Thanks team for the effort, hard work and dedication to the job.

*"If you can give your son or daughter only one gift, let it be enthusiasm".*

This slogan can be read on the Mainfreight Connect intra-net page every now and then, and just how important enthusiasm for our business

is, was articulated by the Chief Supply Chain Officer of one of our new customers, who was interviewed during our annual Sales Conference. The question "why Mainfreight?" was answered with a short but meaningful answer: it was the enthusiasm of the Mainfreight team that was the decisive factor when they did their final review (when considering the important decision of whether to move to a different 3PL partner)!

Exchange of information and knowledge is a great way to learn from each other and to keep abreast of developments in other regions in the world. The Logistics team was fortunate to have Paul Fraser, Brisbane Logistics branch manager, visiting a couple of our branches during his family vacation in the USA and Canada. Paul prepared an interesting and constructive presentation about the journey of Brisbane Logistics. The same journey as our Logistics branches go through; with the difference that we have started a few years later...



Paul Fraser presenting to one of the Logistics teams in the USA

It is not always easy to keep up with the heavily growing workload, and recruitment of passionate young team members has become a major part of our job. It is not a secret that the logistics business traditionally is a man's world but that doesn't mean that women can't do the job! In our Dallas branch, the team is a mix now of 50% men and 50% women. And so we came to a point where we had to organize a 'girl's only' forklift / reach lift training "party"!

Early in March, the Dallas Logistics team hosted all the sales team from the Americas region and put them through three hands-on warehouse exercises: kitting, receiving, and order picking. This was part of the Sales Conference that took place in Dallas/Fort Worth this year. It was great to see our sales teams "touching the freight" with enthusiasm and nice to listen to the positive feedback about this learning experience afterwards.



The sales team preparing a kitting project, with Rob Comfort, Sarshar Kutty, Jake Moller, Christina Herloev-Thomsen, Harsh Dharamshi and Peter Joyce.



"Girls only" training (L-R) Lorena Guzman, Karina Guzman, Nadia Watson, Eduardo Marengo, Elsi Pacheco, Jada McCoy, Ana Calderon

It is unbelievable that we are already a significant way into the new financial year already. We look forward to another year of excessive growth! We aim to lift the utilization of our new stand-alone warehouses to a healthy 85%-90% this financial year and we need good growth numbers to realize that. Needless to say that we have "some" work to do and we are looking forward to it!

No time to waste and we must keep the momentum going. We have received some very good feed-back from long-term and new customers and many "thank-you's" for the good service. At the same time, we realize that we do drop the ball every now and then which frustrates our customers and ourselves.

In the next six months we will spend

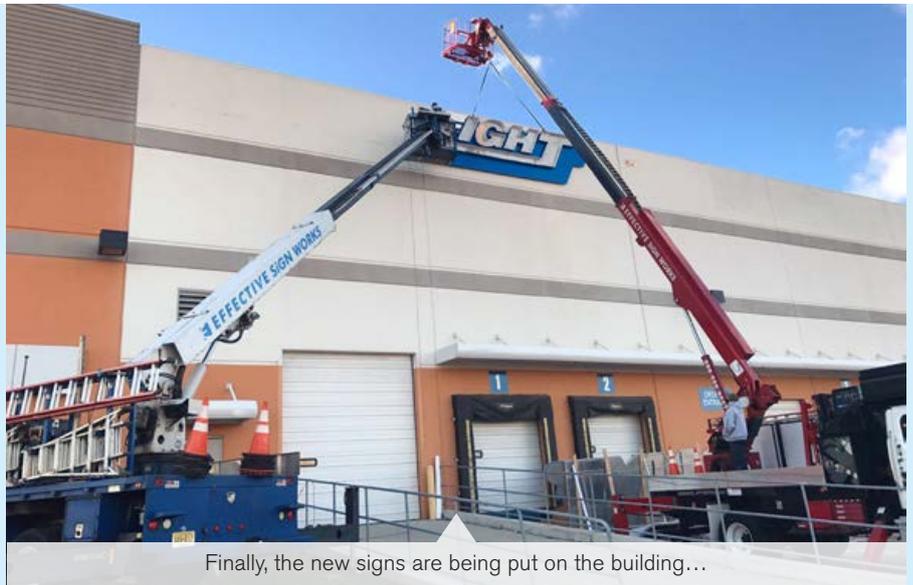
more time on (on-the-job) training and our audit system that we implemented last year, is a good way to measure the progress we make. With an average audit score of 71% in September 2016 and 81% in February 2017, we see some good progress. A minimum of 90% is the goal. As long as we continue to work with passion, urgency and a positive attitude, our future is bright!

## Mainfreight Newark Signage

*“New Zealand-based Logistics company Mainfreight shutting down Newark Liberty International Airport”.*

This could have been one of the hot news items in December last year ... fortunately, it wasn't but we were close, having officials from the airport visiting us while we were putting our new signs on the building.

The cranes actually exceeded the maximum height allowed in proximity to the airport and the signage company had to find different ways to get the signs up. It took us a year (!) to get approval from the local authorities, but we are proud to have these 41-foot (12.5 m) illuminated



Finally, the new signs are being put on the building...

signs on the wall, facing the NJ Turnpike, one of the busiest roads in the USA! It will definitely help

Mainfreight North America to increase brand awareness!

## Mainfreight Air & Ocean North America – Nathan Thomas

**A**nother financial year behind us, and a mixed bag on results. Whilst we have grown our profitability on the previous year, we have let ourselves down in revenue growth. Understanding this and focusing on getting things right throughout the back half of last year has seen us start this financial year strongly.

We continue to build our pipelines, and bring on new customers that suit our profile and ideal characteristics.

This is the generator for our growth, focusing on our main strength, which is being a global team, with Mainfreight to Mainfreight origin and destination pairings. This is key to us as we continue to grow our network business globally.

It has been an exciting year watching some of our team members move around our business to different locations, taking on bigger roles, more responsibilities and growing their careers. These opportunities to move and broaden ones experience will only

continue as we grow our business.

Our focus this year is to build more; we have only started building a consolidation business. Both Air and Ocean consolidations need to grow, and both Import and Export, as we look to become a more rounded partner to our carriers. We need to build and grow our teams to be able to handle this business and we have some new training rolling out to help with this. Very much looking forward to seeing our team grow throughout this next year.

## Food for the Soul

In March, Victoria Rex from Dallas Air & Ocean team came across an article by a local television station, WFAA, which featured Food for the Soul. They are a non-profit food bank who lost their warehouse space unexpectedly. With no place to go, and nowhere to store the food, hundreds if not thousands of children would be without a meal.

Victoria explains what happened next. “I sent an email to Nathan Chaney and Dallas Wymes thinking it was a long shot to see if we could help. Not only did they say yes, we met with this organization over the weekend. They are moving into our 3PL this week in a section of the warehouse



that is being donated to assist their cause. They could not be more thankful, and are wonderful people.

“This is Mainfreight culture at

work. After having just completed the culture training I was overwhelmed with the power of good that we can do together as a team.”

## Team Profile – Mainfreight Atlanta Air & Ocean – Why Mainfreight? Contributed by Michael Benjamin

Team Atlanta had the opportunity to host the Executive Team in April, which was definitely an exciting couple of days for all. The shared lunches, dinners, morning runs are valuable experiences for the entire team. I especially love when the team looks at me and says, “She/He knows who I am”. I love being able to validate the care our leadership team has for everybody in the family.



### Lanora Norton

The culture of Mainfreight was built on the people that make up our company. Loving your company comes more from the people, and not the work. It makes each day easier when you are in an environment in which you feel you can reach out and know you are going to have someone help you willingly. Coming in as a graduate and having no knowledge of the business, one of my biggest worries was feeling discouraged because I didn't have any idea what was going on and thinking I couldn't ask the questions I needed to in order to gain knowledge of the business. I have been very fortunate and am proud to say that I feel I can call anyone in the business and ask him or her for help, no matter who it is. It is said that there is a difference in leaders and those who lead. Mainfreight gives every team member the opportunity to learn and make mistakes because we are made up of a company with those who lead.

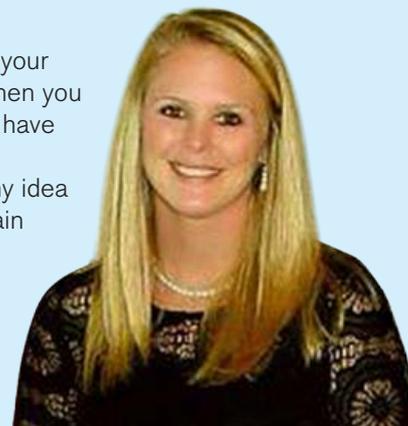
In our Branch Presentation, I highlighted what I had previously asked of the Branch, “The question of “Why” from a Ted video that Don Braid shared at the Branch Managers Meetings in February “The Golden Circle”. The answers were varied and fresh, but again, validated to me, why I devote my “all” to this Team and Culture.

Below, you will see two clear examples from our team that they “get it”. Bogi Compton takes care of our Air Exports, she started with us a year

ago, new visa in hand from Hungary. She is a Branch Champion, part of our Future Leaders group, and in June will be moving to take a new role at the Toronto Air & Ocean Branch and continue to further her career as a Leader with Mainfreight in Canada. Lanora Norton also joined us last year as a Graduate/Future Leader and is taking care of our Ocean Exports. She was our first Branch Champion, then she quickly rose to Super 8, and next month will be moving to Air Exports in a new role, as Bogi moves to Canada.

### Bogi Compton

Because Mainfreight cares. Cares about its team members, customers and even vendors, but not the American way. I came from the EU and I was afraid to end up with a heartless big corporation, because this is what I have heard about American companies. Mainfreight is not like that. In a collegial environment, time flies and you just do not notice that it is 7pm, again... And stubborn people are a thing and they can work together.



## Mainfreight Transport Americas – Shawn Roach

**T**eam, the new financial year is upon us and with it comes the traditional Summer increase in freight volumes.

Transport's focus on our key imperatives has never been more critical:

- Profitable Revenue growth 15-20% year over year
- Customer satisfaction and retention
- Revenue growth imperative to expand and support line-haul load factors and expansion
- KPIs owned at branch level, with increased responsibility and accountability

This continued focus is living and breathing across all small and medium sized branches, with key big branches like LA and Newark off to a great start, with sustained revenue and net profit year over year.

There is nothing better than seeing twice as many branches meeting or exceeding their profit pledges at this year's Branch Managers meeting. A very proud Greg Sutton, accepted the Branch of the Year award for Phoenix. Greg, who with the support of his team, opened a new Branch, added a key line-haul lane (Phoenix to Los Angeles), and also now has its brand new owner driver Pick Up & Delivery

unit on boarded. Greg and his team are still trending above last year's revenue and profit and on track to having another great year.

Early into the new financial year we have seen Transport's two biggest loss making Branches from last year, Newark and LA, trending to be more profitable. We expect great things from these teams in the next few months.

Strong new leadership in Chicago and Atlanta has seen both Branches achieving revenue and profit growth at levels not seen in years. Great job by Kevin Kirby and Kevin Isenberg.

We are also pleased to report that on-time service of 95% has been achieved and on trend for the third month in a row. This is an increase over a full 10 points better!

Quality has been a focus at the Branch level across the network and is now embedded in our daily culture.

## What Quality Means To Me - Melissa Holmes

Mainfreight Transport has really begun to focus on our quality in order to improve efficiency, improve visibility to each other and to our customers, reduce customer churn, and enable us to build revenue based on both our quality and our customer-facing technology. We have seen marked improvement in all of our KPIs, and they only continue to rise as more branches adjust their internal processes and focus.

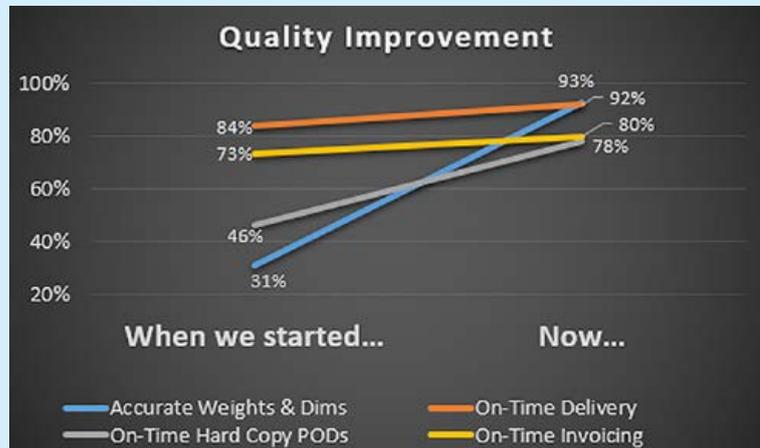
"Quality for me is having constant and honest communication with my customers as well as fellow team members. When trust is embedded into a relationship, it stands strong. Communication can be difficult at times but it is necessary to creating the long term relations that keeps business alive" - Dani Frady, Phoenix

Revenue growth is Transport's key target, as quality is well on its way and all excuses not to sell and not to grow have been eliminated.

Challenges are a still ahead getting with Dallas back on track, which will solidify the transformation Transport

has undertaken over the last 12 months.

Thank you everyone in the Transport family for your support and passion.



"LAX has implemented a number of internal quality processes that have helped improve the functionality of the branch. We have seen the most success where we have worked as a team to hit our KPI targets. The most important part was getting internal buy-in from the team and sharing all our KPI targets as often as we can

and praising the individual teams when we hit these targets. The team have responded really well to our focus on quality, the weekly results speak for themselves and our customers are starting to notice the difference in our approach too." - Thomas Merriman, Los Angeles

## Phoenix Grand Opening

We would like to take the opportunity to share the celebration of the grand opening of our new branch facility in Phoenix, Arizona. Phoenix is home to the NFL Cardinals, the NBA Suns, the NHL and the MLB Diamondbacks. In Arizona, we are never without a chance to enjoy the sunshine and during the "dreadful" summer months, we have plenty of local lakes where you can boat, kayak, paddleboard, swim and more in order to keep cool. We also have more than a dozen local Phoenix breweries; us Arizonians are never without a fresh beverage to enjoy our beautiful weather.

After moving into the beautiful new facility, Phoenix Transport has been able to stay profitable even with the increased overheads.



Phoenix is also home to the Mainfreight Service Center.

At our new location, we are 2 miles from Phoenix Sky Harbor International Airport. We have 6 dock doors; our warehouse is approx 16,000 square feet. The branch is 21,000 square feet total. We will be painting our first

Mainfreight owner-driver asset in the next 60 days

We currently run a nightly line-haul run from Phoenix to Los Angeles. This includes a Friday to Saturday service, with Saturday delivery available in the LA market. We service pick-up and delivery to the whole state of Arizona.



**Congratulations to Team Phoenix!**  
(L-R:) John Hepworth, Michelle Grabek, Dani Frady, Greg Sutton, Patrick Aiken (Phoenix customer), Barry McLemore

## Duffy Books in Homes Mainfreight Newark Branch – contributed by Brent Fetcher

In March, I was invited to go to the 1st Avenue Elementary School for Duffy Books and Books in Homes to pass out books to children. It just so happened to be Dr. Seuss's birthday so the whole theme in every class was just that.

I visited and handed out books to children from Kindergarten to 2nd Grade, and some autistic children, which was very dear to me as I have two great-nephews who have autism. It was a very heartwarming day to make the kids smile; however, they have no idea how happy I was for even being asked to do this. They made my week and warmed my heart tremendously.



Brent Fletcher with the teachers and kids from First Avenue Elementary School

## Mainfreighters Participate in the Boston Marathon

Mainfreight USA is very proud of IT team member, Erik Ohler and Matthew Russell from San Francisco who both ran in the 2017 Boston Marathon on Monday, April 17th.

The Boston Marathon has a field size limited to 30,000 official entrants, so the first hurdle is to qualify! To do this, a runner must first complete a standard marathon course certified by a national governing body affiliated with the International Association of Athletics Federations within a certain period of time before the date of the desired Boston Marathon. The event attracts approx. 500,000 spectators each year, making it New England's most widely viewed sporting event.

Erik has been an avid runner since high school and has been working up to Boston. He had qualified in years past but due to schedule conflicts was never able to get into Boston for the race. Erik qualified for Boston this go around with a time of 2 hours and 55 minutes and wasted no time in turning in his registration fee. Erik was nursing a bit of an injury but was still able to finish the race with a time of 3 hours 29 minutes.

Matthew Russell has qualified for the Boston Marathon twice running; his best time in 2 hours 48 minutes and 33 seconds! Matthew finished with an official time of 2 hours 59 minutes and 15 seconds after conquering 75% humidity.

Congratulations to both for their accomplishment and crossing an item off their bucket list.



## CaroTrans

The teams finished off the financial year by delivering results which were in line with expectations, albeit disappointing.

Several of our USA branches and our Santiago branch finished ahead of the prior year. However, the results from a few of our larger branches fell behind which impacted the overall company results. Sales revenue growth continues to encounter challenging headwinds caused by the historic low rates which persistently plague the industry. However, green shoots are beginning to appear and will be closely watched for signs of more sustained improvement.

This year marked the completion of the re-design of the “CaroTrack” operating system. It is the culmination of a 2+ year project, which involved the total overhaul of the operating system while the CaroTrans team continued working. This project can be compared to what it would be like to be living in your home while a complete knock down renovation is being done around you. Hats off to the CaroTrans IT team and project leaders for getting this done. Our platform is now ready to deliver operating efficiencies, process

improvements, global application, improved user interface and enhanced customer experience.

Growth in our import product continues to outpace growth in our export products. Expanded service offerings ex Asia to the USA and from select European origins helped lift volumes. We increased the number of weekly LCL services between China and the USA to 88 POL/POD combinations. We are fast approaching the “century mark” which we plan to hit by year end.

It's encouraging to see the growing support of the Mainfreight domestic line-haul by CaroTrans. Plenty of upside to this project as Mainfreight intensifies their domestic line-haul

services. There is potential to double the volume over the coming year.

The CaroTrans team has endured one of the most challenging times in its history. Without their uncompromising passion for the company and for the team, none of these accomplishments would be possible. We have a strong foundation on which we will continue to grow and develop.

We must remain focused our three simple principles: sell it, operate it and account for it.

These coupled with the Three Pillars of Mainfreight are what define us and what shape us into an enduring company with a very special team.

### From CHX to LAX – Lorenzo Cometa

Lorenzo has been with CaroTrans Chicago for 12 years, and is taking the big step to Go West and base himself in CaroTrans Los Angeles. Lorenzo embodies what you can do within CaroTrans if you set your goals. Lorenzo started in Chicago as part of the operations team, moved on to customer service, sales and finally Chicago Sales Manager to Regional Manager/Oceania Tradelane Manager.

His enthusiasm and passion will be missed by the Chicago team, however he has done a great job of mentoring the sales team and they will continue to carry the torch!



**Wearin' of the Green – St Patrick's Day at CaroTrans New Jersey**

(L-R:) Blanca Aguirre, Mary White, Michelle McGrath, Yisel Barret, Chris Ablanado (back), Chrissy Egan, Nicole Salcedo, Misa Hernandez, Kelly Preziosa, Ken Millroy, Latonia Wilson



## Asia – Michael Lofaro

**H**ard to believe we have already consumed half the year. Never a dull moment when engaged in a company that's growing and 'on the move'. The opportunities available to us in being part of our young and emerging Global Network Business has everyone in our Asia operations primed with enthusiasm and drive.

For us the first half of this year has been about People, Products and Places!

### PEOPLE

#### Thailand Annual Talk 2017

On April 22nd, our team in Thailand held their Thailand Annual Talk. The goal of this get together was to share and update our team about the company's 2016/17 results and also discuss and establish business plans/strategies for 2017/18. The meeting was an interactive event led by the team.

Highlights were the presentations and discussion about Three Pillars of Mainfreight. We translated The Pillars into Thai language and asked 3 Team Leaders to fully explain each of The Pillars messages.

Each team member also participated in sharing their ideas based on the topic of; "How to grow Mainfreight Thailand if you had a magic wand". We also had a quiz about the Mainfreight Group and Mainfreight Thailand.

Our team really had a rewarding day and enjoyed the experience, especially



Back (L-R:) Supang Somboonkusolsil, Wuttichai Intarasil, Pairin Chuenchairiam, Peeyaporn Puangkheaw - Front: Wuttichai Intarasil

the opportunity to share and presents their ideas to everyone so we can all better understand Mainfreight Culture, Family and Philosophy.

No Team gathering is complete without "Selfies"!

## Promoting our Culture, Promoting from within! We have filled 3 key roles in China this year!

### Message from Shenzhen Branch Manager – Jenny Zhong

I joined Mainfreight Shenzhen in 2012 as the Operation Manager. Over the last few years, I have grown with the branch and not only operations, I used the skill-sets that I had to work with other team within the branch to grow together.

With Mainfreight, I had the opportunity in the last few years to be part of the Emerging Branch Manager course, which gave me the opportunity to meet team members from around the world and see Mainfreight from the "Motherland"!

When the Shenzhen Branch Manager role came available, I said to myself, do I step forward and challenge myself? And when the word "Mainfreight Culture" popped up, the only thing worse than losing is giving up. Right?! So it's better to take this challenge rather than giving up. Try every effort, even though one might feel some fear, but just do it. So I put my hand up and went for it!

As a branch manager one requires more focus and to take on more responsibilities than a department head. In the first place I felt our financial performance was the top

priority to deal with. But after hearing our Managing Director's presentation at my first Branch Managers meeting which I attended in February this year, I changed my mind. It's our Mainfreight Culture that drives our business forward. We, as Leaders, must keep our Culture alive from generation to generation. This is a very critical focus in our daily accountability.

I am with Mainfreight for 5 years now, I feel very lucky and honored to grow up together with our Mainfreight family. Furthermore I believe as long as we have passion, we can take many challenges.

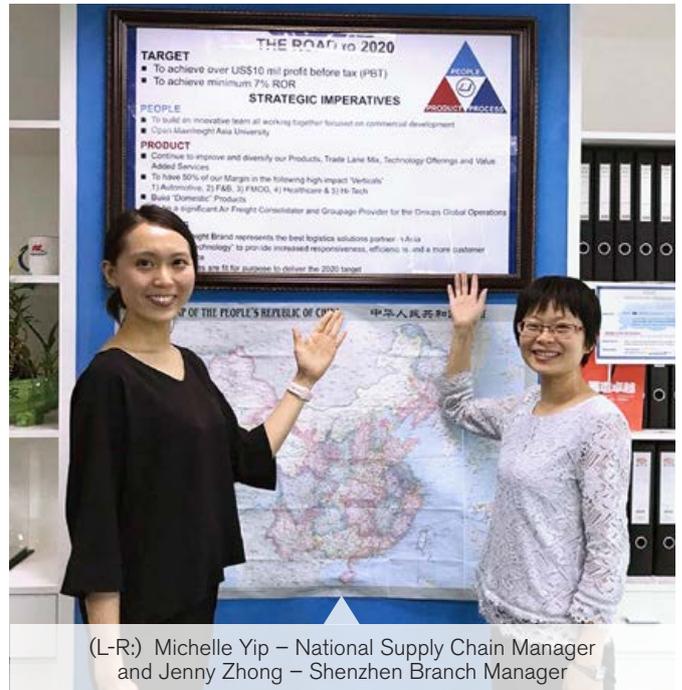
## Message from China National Supply Chain Manager – Michelle Yip

I joined Mainfreight Hong Kong in early 2016 to help support our Hong Kong Logistics site with their IT implementation processes and operations. I'm very grateful that Mainfreight have offered me many opportunities to develop my personal skills as part of the family.

Now I'm responsible for a much larger landscape and responsibility to develop in China. Our goal here is to provide and complement our Air & Ocean businesses and customers with value-added services.

### China Growth and Focus

- Our focus is 100% develop more of our controlled free hand business;
- Imports and airfreight;
- Have more regional sales representatives located in inland cities;
- Commercially focus Branch Managers.



(L-R:) Michelle Yip – National Supply Chain Manager and Jenny Zhong – Shenzhen Branch Manager

## Guangzhou Office 9th Birthday – contribution from Vincent Lee, Branch Manager

I joined Mainfreight Hong Kong in 2015 as a Trade-Lane Development Manager for USA and Latin America. Later I was to be a Trade Lane Manager and a team leader in Mainfreight Hong Kong Trade Lane Team in 2016.

Recently, I took the new role of Branch Manager in Mainfreight Guangzhou in March 2017.

I'm excited to be promoted from within our own global family. Anything is possible here in Mainfreight because I get to work right alongside the best people and make real-life decisions.

I'm excited about what I'm doing but more excited about the people I'm doing it with. I don't have to put in time at work and then escape to "life"



### Guangzhou Team

Back (L-R:) Ben Chen, Dick Deng, Angela Wang, Natalie Liu, Castie Wu, Ray Liu, Ivan Chen, Vincent Lee  
Front (L-R:) Cecilia Luo, Yoyo Chen, Lin Cheng, Jane Liu, Lina Lin

to be happy. I feel joyful not just at home but also at work, it's part of my life that you can find in here.

I really enjoy my work and the people I work with in Mainfreight. Mainfreight

Asia has great ambition and therefore its drive to grow is instilled in every branch. One of the factors that will determine the sales team of the year is the growth rate of the team thus further encouraging the goal.

## Ningbo Office 5th birthday (5 Year Service Awards)

Time flies, we have spent five years in the Mainfreight family. We are very happy working in this big family. Keep moving!



Front (L-R:) Bobo Cai, Emily Wu, Sunny Sun, Vicky Chen, Michelle Wu, Jane Ke, Linda Yang, Joice Xu, Carl Xu  
Back (L-R:) Andy Sun, Paul Ye, Wesker Wang, Charlie He, Cary, Rain Shan, Leo Li, Vivi Chen

## Beijing Branch

We are very proud of our Catherine for obtaining her Dangerous Goods Management Certificate for air freight.

## PRODUCTS

As the consumer market in Asia continues to grow, especially in China, we are seeing many more opportunities to develop imports. One of the big growth stories here is the import of wine to China. A great example of this is found in our Qingdao Branch.



Catherine Xie – Customer Service, Beijing team

## Wine Import Business – Qingdao, Vicky Zhao

The wine import requirement of Chinese consumers is increasing very fast. More and more red wine from around the world is being imported into China, and it has become a vertical that our Qingdao team are focused on, with wine from Australia being a primary target.

For red wine imports, we are handling the whole supply chain service for our clients – from the winery in Australia, to Qingdao warehouse, including pick up, palletizing, trucking, loading, shipping, CHB and pick/pack in warehouse in China. It is a great opportunity for Mainfreight to showcase wine import expertise in our industry.



## PLACES

### Xiamen – New Office

Our Mainfreight Xiamen office was relocated in December 2016. Xiamen is a provincial city in the south-eastern part of Fujian, next to the Taiwan Strait. Xiamen Island is considered to have one of the world's largest natural harbors. Our Xiamen team was established in 2010, Tina is currently our Xiamen Branch Manager. We believe that we have a strong team and are confident that we will grow revenue in 2017!

New office address:  
Unit 2L-N West Area of 2F,  
Lianchang Building  
No.6 Huli Road,  
Xiamen Area of China (Fujian)  
Pilot Free Trade Zone  
Fujian, China



(L-R:) Renny Chen, David Wang, Sally Chen, Tina Chen, Roy Chen, Jessica Chou, Will Li, Colin Cheng

## Chengdu – New Office

The Mainfreight Chengdu Team was established in 2012. On 6th March, 2017, Mainfreight Chengdu relocated to a new office. Congratulations!

New office address:  
Units 305, Block 15,  
Alibaba Western Base  
No.1999 Yizhou Avenue,  
High Technology District,  
Chengdu, China



Back (L-R): Franky Lui(RST), Paul Chen, Summer Luo, Vivid Zhang, Michael Lofaro(RST), Share Du, Benny Liu, Joyce Yuan, Ariel Xie, Ada Dai, Joy Guo, Canace Zhou, James Li  
Front (L-R): Lumi Xiao, Jojo Tong, Abby Han, Connie Sun, Julia Jia, Afra Yang, Zoe Cao

## Kaohsiung – New office

On April, 2017, Mainfreight Kaohsiung relocated to a new office.

New office address: Unit 2B, 23/F,  
Asia Pacific Financial Square  
No.38, Xinguang Rd., Lingya Dist,  
Kaohsiung City



Back (L-R): Saprina Lin, Annie Chou, Mia Cheng, Sam Tu  
Front (L-R): Angie Chen, Jenny Chen, Joyce Huang, Jean Liu, Queenie Lee, Joanna Bao

## CaroTrans Greater China Team Contributed by Elton Poon, Regional General Manager, CaroTrans, Greater China

Many of us have experienced attending meetings where many words are spoken but maybe not as many remembered. With this in mind the CaroTrans Greater China teams got together in Shanghai for our first Sales Conference in early March 2017. The team gained a very clear understanding of our target freight profile, plans for sales growth, new higher sales volume target, learned more about our quest for quality in everything we do, and value added service. Everyone left knowing what was required of them.

### Defining the positioning of CaroTrans Greater China

This is how we wish to position ourselves in the market place. It is how we describe ourselves and how we would like our customers to describe what we do.

- Best, not the biggest
- Effective technology
- Reliable
- Get it right first time culture
- Proactive communication if problems arise



Back row (L-R): Frank Jiang, Gary Zhang Jun, Jeff Bian, Perry Lau, Pearl Szeto, Sam Tu, Jimmy Chien  
Front row (L-R): Benny Tang, Kenny Dong, Kidd Li, Elton Poon, Lawrence Qin, Egbert Yu, Riyo Jiang

## Things to Do Better

- Business retention, we must stay close to our customer, give them the service they need, deserve and most importantly, listen to them.
- Don't be afraid to ask any customer you have for a chance to meet.
- Get the prospects and call numbers up and work on the trade lane expertise that we have.
- Be sure to take the time to appreciate the support you receive from your team who surround you at work and thank you for all the hard work you put into making our business successful.



## Australia – Rodd Morgan

**T**eam, after two years of making less profit than the previous year, we are pleased that we have managed to correct that situation with our profits improving by around 20% this year with all of our businesses (except Owens Transport), showing better results. This improvement has been the result of some really focussed efforts from our team right across Australia and is proof that when we set down clear, unambiguous targets and take firm, prompt actions to change our situation, then results will come and momentum will build.

Our challenge continues to be maintaining and accelerating that momentum. On this point, it is time for us collectively to lift our expectations and ambition, from one of being pleased to be 'a little bit ahead' of the previous year, to one where we really get out after and expect to double and triple our financial results. Our opportunities for growth in Australia are still vast, and we would really like to be taking advantage of these opportunities at a faster rate. Remember, it is our aim to be making more profit in Australia than we make in New Zealand by 2021. The role that you play in this is to ensure that your personal performance is the best it can be and leads simply to great quality of service to our customers.

We can't seem to beat the Kiwis in rugby – but I am backing us to do it in profit very soon (although I suspect Craig will have a slightly different view!).

All of that said, we still have a big task ahead of us to speed our sales growth – 15% minimum is our expectation. Our growth has certainly improved to be heading in the right direction over the last six months, and we are confident that this will continue, but only if our energy and ambition to do so is strong. We feel that our quality, image and the presentation of our business in all aspects is the best it has ever been. Our people too have the capability, and in many cases are, the best performers in the industry and our facilities are now appropriate in many areas (although there is more to be done). The Australian economy is solid – in essence, we have no excuses not to get our growth back well into double figure percentages.

Our annual Branch Managers meeting was held in February this year. This is the key meeting we have as a leadership team, and one which plays a vital role in devising our business strategies for the upcoming year as well as looking at the reasons for previous successes and failures and, more importantly, learning and reacting to those reasons.

It is our branch managers who hold the success or failure of our business firmly in their hands.

This is the meeting that we celebrate the announcement of our Branch of the Year which recognises the branch team who have performed to the most outstanding level in all areas out of our current 50 branches.

Ashley Taylor and the Clayton Transport (Melbourne) team were this year's winners and our congratulations go to the Clayton team for their excellence.

This year we also created the beginning of what will become a tradition of handing out a blazer to each branch manager to denote being a member of the unique club of Mainfreight branch manager. The pockets of the blazers have our emblem subtly printed on them and those branch managers that have won branch of the year have the added prestige of wearing a coloured pocket. Dave Coughlin, Lisa Harrison, Grant Morrison and now Ashley Taylor are in this small club. Also, those branch managers who have lead their branch to achieve profit plaques (for the achievement of profit targets) on five or more occasions, receive a special lapel pin to wear on the jacket.

Please enjoy reading the following pages put together by our teams that give you a little insight into the diversity of services, locations, opportunities and most excitingly a feel for the energy and ambition of our team.

Finally, we want to thank our team for the efforts made toward our successes this year. Because of these efforts and the talent, ambition and experience we have, right across the business, we are excited to dream of doubling and tripling our business in a very short time frame.

Let's do whatever is required to achieve our profit targets this year!  
**Thanks Team.**



Front Row (L-R): Riki Tipene, Tim Craig, Rowan Cooke, Ashley Taylor, Dean James, Shane Zielonka  
 2nd Row (L-R): Steve Phillips, Kendall Anderson, Paul Fraser, Travis Dellar, Grant Morrison, Ogi Vuksanovic, Tony Naumoff, Steve Butler, Matthew Zerbe, Jesse Gray Morgan, Mathew Coles, Nigel Leggett  
 3rd Row (L-R): Kevin Babbington, Chris Barnes, Paul Bellamy, Lisa Harrison, Jocelyn McCagh, Craig Smith, Liam Thompson, Steve Beaumont, Liam Hastings, Dave Coughlin.  
 Back Row (L-R): Paul Read, Chris Brown, Corey Braid, Martin Wierzbicki, Jason Kennedy, Rifet Gorovic, Rodney Steel, Greg De Lautour, Damien Denning, Ben Keane.

## Mainfreight Transport Australia – Bryan Curtis

**O**ur full year results have been posted and show some encouraging signs compared to the 2016 year and the first half of the 2017 financial year, with improvements again in revenue, gross margin and profit. The collective efforts of the whole team across the board is making a real difference to our customers as we continue to strive to do it better today than we did yesterday.

At each of the recent Branch Managers, Sales, Operations/Transport Managers meetings we focussed on our individual responsibility – to the safety of our team, the community and environment. There is nothing more important in our business than ensuring that each and every team member goes home safe at the end of each working day, whatever time that may be given the nature of our business. Our Positive Action Team (PAT) meetings are the best way to identify and fix any potential hazards and it is vital that we all participate in these discussions regardless of what we do in the business.

At these group meetings, we also discussed how we could move more freight using the same buildings, within the same time constraints and with the same number of team members with better freight flow through our depots. Where we place our line-haul units and pick-up and delivery (PUD) vehicles to minimise travel time and avoid multiple handling is critical to this, and requires input from all of us to find the solutions best suited to each depot. This is another important topic that we should be discussing in our Positive Action Team meetings.

We are also continuing to search for ways to lift our level of sustainability. As an example, we now have 82 hybrid cars in our fleet which is 33% of the total and we expect this to increase as we replace existing vehicles. Our Sydney Metro fleet have two hybrid trucks and we are investigating electric PUD (pick up and delivery) trucks and hope to run trials in the very near future. The recent and ongoing upgrade of our line-haul and PUD vehicles means we

have the most fuel efficient vehicles on the road than in any other time in our history.

We are delighted with the way Epping, Sydney and Brisbane Transport facilities have embraced the new rear loading line-haul units (particularly Chemcouriers), and have capitalised on the efficiency that they bring. These units will become the norm and will force us to rethink the way we design new freight facilities to further maximise the benefits.

We have made a satisfactory start to the new financial year. With the excellent work the sales team and branch managers are doing across the country, we have the platform in place to reach the targets that we have set ourselves, but this will require us to be 100% committed to delivering the very best quality we can to our customers, regardless of size.

Thank you all for your efforts, we look forward to an exciting six months as we continue to grow our business together.

### Things to Do Better:

- Think safety first in all things we do
- Find more efficient ways to move freight through our depots
- Find ways to minimise any cost in our business
- Keep thinking about any customer issue as a chance to delight them by making purposeful decisions and following them through
- Embrace the new technology that is coming our way – Telematics, Mainstreet



Sydney depot with rear loading units; we will have a seventh unit in place by the time you read this

### Jimmy Pepper Story – contributed by Claude Ayrton

Driving is in Jimmy Pepper's blood. A passion that was spawned by his father and long-time Mainfreighter – Ray Pepper. Ray started with Mainfreight on 9 November 1998. He hauled singles from Melbourne to Brisbane, with a nightly change over at Aeroplane Hill with driver Tony Blair.

All the while, a young Jimmy Pepper resided in his Brisbane home with his mother, unaware of the path that lay before him.

Jimmy was born 4 December 1996 and from a young age spent a lot of time around big rigs – he would

regularly accompany his father on both local and interstate runs around the country. In fact, Jimmy even learnt to drive the Western Star down at the Clayton yard, pulling trailers in and out of the bustling depot. After spending so much time at the depot (where the only turn is clockwise),

Ray soon realised his young apprentice had a slight issue when he had to turn in the other direction. After mastering the art of the "left turn", Jimmy became fully licensed in December 2016 and after a short stint as a relief driver at the Clayton depot, he relocated to Epping and began working as a fully-fledged Mainfreight Owner Driver, with his own truck, on 23 March 2017.

Like his father, Jimmy has operated with pure class and professionalism, taking on responsibility for some of our key customers.

He is a fantastic representative for Mainfreight and always gets the job done with a smile.

The Peppers are a considerable force within the Mainfreight network and have been part of our family for many years. Even though Jimmy received his first Mainfreight jersey at the ripe old age of 9, we would like to formally welcome him to the Epping Team and wish him great success in all his endeavours.



Jimmy Pepper at Mainfreight Epping



Flooding in Lismore, Queensland as a result of Cyclone Debbie, March 2017



Progress with Albury extensions, due for completion in August.



Sander Vreeburg (left side), Major Accounts Manager, Mainfreight Transport Clayton (formerly of Mainfreight s'Heerenberg Netherlands), meeting with King Willem-Alexander and Queen Máxima of the Netherlands in Sydney, January 2017

## Mainfreight Logistics – Simon Hart

**W**e concluded our financial year by achieving our revenue goal and finishing just short of our profit target. Whilst we missed our target, the team should be justifiably proud of their efforts in delivering a significant improvement in profitability.

Our growth is attributable to new business, a fanatical approach to cost control, and warehouse consolidation. Combining these factors with the pride the team takes in producing exceptional service for our customers has been the catalyst.

Our attention has now turned to the new financial year and our ambitious new goals. It is important to acknowledge the team's commitment during April to working through a number of new business implementations – some expected and some a surprise, due to the liquidation of yet another competitor. Thank you for the long hours and hard work. Whilst we are experiencing some growing pains, the overall perception from the new customers is a ratification of their decision to work with Mainfreight.

Exploiting our strengths and investing our best people on our biggest opportunities is our strategy for new business growth. We will continue to target the beverage sector where we have built a strong reputation.

We had Logistics branches finish 2nd and 3rd for Branch of the Year. Well done to Brisbane's Larapinta and Sydney's Prestons! Whilst they were disappointed not to win, it is clear that they are highly motivated to achieve the big prize. It is often said that you need to lose a grand-final to win a grand-final!

Construction of our new 26,000m<sup>2</sup> Sydney warehouse (Kookaburra Road) will be complete by August 2018. Below is an early 3D impression of the site's design. Noteworthy features include hazardous goods capable storage, 34,000 pallet spaces, a 100MW solar system, 1000m<sup>2</sup> of mezzanine floor and a fully enclosed drive-through breezeway.



Susila Ika – Mainfreight Logistics Erskine Park, Sydney

It is shaping up to be another strong year in terms of our service and financial performance.

It is important to remember:

1. It is OK to make a mistake, as long as it serves as a lesson and we don't make the same mistake twice. It is better to make a mistake than do nothing.
2. Make decisions in the best interests of our customers and get on with it. Act with pace in everything we do.
3. Meticulous attention to presentation. It is important to continually remind ourselves of the daily discipline of housekeeping. We are proud of our world-class facilities and they should always look world-class.
4. The small things matter and it is important that we do them right. An example of this is position and care we take when putting a freight label on a pallet.
5. Have fun doing it!



## Queensland (Coopers Plains)

My name is Madison Pfuhl and I have recently joined the Mainfreight Logistics team at Coopers Plains in Queensland. I come from a background in a variety of office-based roles in electrical contracting, rural mining and airfield operations.

Mainfreight appealed to me firstly due to their team-orientated culture and strong focus on professional development. I knew joining the Mainfreight team would not only benefit my existing professional skillset but also expand my personal knowledge. I have been welcomed with smiles by each team member



Left: Our fantastic customer Jamie Meyer who dropped off a yummy homemade rocky road to say thanks for all the hard work. Right: Madison Pfuhl

I have come across and already feel at home within Mainfreight.

I look forward to growing my career and pushing to reach my full potential.

## Perth

Our Perth team has much to be proud of despite not reaching our lofty profit target set in 2016. While our revenue increases, we must focus on – quality!!!

An example of how quality service is key to our success can be found with the reintroduction of an ex-customer to Mainfreight. They left us in 2014 for the sole reason of price, moving to a competitor who were significantly cheaper. The new provider struggled to adequately service them through the peak period, with the CEO calling Mainfreight directly to see if we could help with Christmas volumes. Even though we were in our peak period, we were happy to help.



Perth Logistics Warehouse

As a result we have signed them on a three-year warehousing contract.

It is well worth remembering as we

move into the next phase of growth here in Perth: "The only measure of our superior performance is how the customer perceives it".

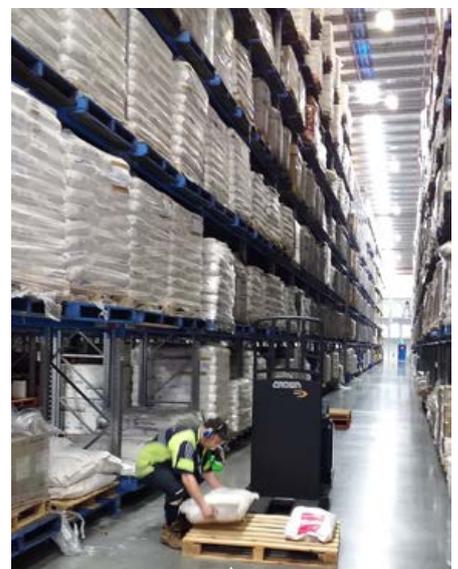
## Melbourne – Epping

The end to our financial year was a sprint for the finish line. March through to May has seen the branch grow by nearly 30% with new business alone. We have welcomed the arrival of five new customers, which will see a majority of the site's 25,000 pallet spaces occupied.

The team has been sensational in their handling of the additional growth. Long and challenging days have been handled professionally and enthusiastically. We are bringing in the 2018 financial year with a completely different objective than at the same time as last year. Our goal is to achieve maximum efficiency and productivity.



Ger Vang – putting away the first containers of a new customer



Perfect manual handling technique and voice picking by Serj Timochchenko

## Mainfreight Air & Ocean/CaroTrans Australia – Grant Draper

Collaboration and cooperation are vital to achieving great things. We want to make this work better during the coming year. We have a fantastic Mainfreight Group network around the globe and we intend to use it fully to achieve fantastic results for our customers and ourselves.

We do that by being mates with the other branches around the world.

Good mates understand what is needed by other branches to help them do a great job for our customers. Mates look out for each other, support each other in tough times and celebrate together in good times. The closer we work together and

understand each other's needs, the more we delight our customers.

This year every Air & Ocean branch around the world will choose a buddy branch in another country to establish a bond with. We will share ideas and initiatives, build knowledge and gain a better understanding of each other and the countries we live in. That experience can then be shared and we all become more informed and better at what we do.

The financially successful 2017 year has passed, and our thanks go to you all and your families for your hard work and dedication to achieve this great result. Our eyes are now looking towards the growth we can

achieve in the future. To do this we must have a sole focus on how to get more customers wanting to partner with the Mainfreight Group for their logistics needs. That is done by superior service, smart solutions and efficient operations. Our Mainfreight Culture is our guide on how to out-perform the competition and achieve our goals.

It is great to see so many of our team putting their hand up to take on new roles in the business when they come available. Please keep it up, as it is the key to keeping you and the business energised and excited about the future.

## Team Excited about New Branch Managers

Three team members have just taken the step into new Branch Manager roles. Congratulations to Jodie, Travis and Dave on their new appointments.



Jodie Dirksen - BM Adelaide



Travis Dellar - BM Melbourne Perishables



Dave Coughlin - BM Melbourne

## Melbourne Perishables had a Freighter to Fill

The Melbourne Perishables team recently made the most of an Emirates freighter that arrived in Melbourne with spare parts for the Australian Grand Prix. With the freighter heading back from Melbourne to Hong Kong, our salesperson Jojo Leung rang her loyal customer base and was able to gain in excess of 40 tonnes for export. Our dedicated team loaded 23 PMC units for this aircraft. The store and office team combined perfectly to have all the units loaded and sent to the Melbourne airport all by 11.00pm, one hour prior to cut off. Well done to Jojo and the Perishables team.



## Sydney Team Cleans up the Town while the Pollies Dither

It was "Clean up Australia Day" for businesses. Our site is located on a major thoroughfare and we are sick and tired of the local council arguing with the State government over who is responsible for what, and no-one doing anything. So a couple of the young guys here organised an event to clean up the local area. The team took it in turns to do 30-60 minute stints collecting trash from along the footpaths and kerb. The team managed to fill around a dozen bags, and the area looks much better for it!



(L-R:) Carol Ma, Julie Deang, Steven Hong, Sam Taylor, Blake Kelly, Connie Wang

## Leading the Way in Exporting Mangoes to the USA

At the end of 2014 Brisbane Perishables participated in a new three-year program to export fresh mangoes into the USA; prior to this it was a prohibited export. The treatment pathway is irradiation and we were asked to help with the logistical side of things from domestic cartage right through to the airport in LAX. The first year was a success, although the fruit quality was a little average, but we made

a name for ourselves so we had more exporters approaching us for the 2015/16 season, which was a lot better with higher volumes due to the US public liking mangoes (thanks to some great advertising!).

This season we are also handling shipments for one of our new exporters, who has come on board after they heard through word of mouth what a good job we do.



Scott Maiden loading the mangoes to the USA



The Big Mango Bowen Australia

## Sydney Branch Gain Public Speaking Skills – contributed by Rex Farrell

A Toastmasters course was recently undertaken by some of our Sydney branch to help our team with their presentations to prospective and existing customers.

Team members, whom I have watched dominate near impossible scenarios on a day-to-day basis, seemed almost crippled by the fear of speaking in front of a room of friendly team members. For myself, I was under the impression that sheer bravado would see me through, but I was astonished by the rush of stage fright that struck me as I stood behind our imaginary lectern.

members. We shared our hopes, fears and aspirations with one another and developed some useful techniques for effective communication, and I wouldn't trade the memories and skills gained for anything.

Five key points for public speaking: Be Prepared, Rehearse, Act confident, Control your body and your voice, and Maintain eye contact with your audience.



Speechcraft Course Co-ordinator: Nick Rinaldi, Simon Lloyd, Melissa Stanley, Annelien Deceuninck, Margaret Reynolds (hiding in the back), Tyne Green, Vanessa Carangelo, Hayley Smith, Lisa Turner and myself Rex Farrell.

The time spent in these sessions brought us closer together as team

## It's Time to Graduate in Brisbane

Air & Ocean and CaroTrans Brisbane had the pleasure of awarding three of our graduates with a certificate for their completion of the Graduate programme with CaroTrans and Mainfreight.



(L-R:) Jade Fogwell (BM CaroTrans Brisbane, accepting on behalf of Naia Morais), Jacinta Gremond, Ogi Vuksanovic (BM Air & Ocean Brisbane), Gabrielle Arena

## Sydney Welcomes a new Aussie

G'DAY, MATE! Congratulations to Annelien Deceuninck on receiving permanent residency in Australia. Annelien joined the Mainfreight family in 2010 in Belgium, joined Air & Ocean in Auckland in 2012 before moving to Air & Ocean in Sydney in 2013. Annelien now manages our Customer Service Team.

Annelien celebrated this auspicious event by dressing in our national costume, singing "Land Down Under", capturing a live crocodile with her bare hands, and baking the official Australian bread dish called "damper". Annelien did manage to improve the recipe by adding some delicious Belgian chocolate!



Aussie Annelien Deceuninck

## Flying Cheetahs London to Brisbane

Brisbane Perishables handled the import process of four live cheetahs from Hammerton Zoo in London to the Darling Downs Zoo in Brisbane. They flew in on an Emirates flight via Dubai. We met the zoo owners and their vet Ross at the airport, and once Quarantine arrived and OK'd the paperwork, we unloaded the four crates off the unit hand-loaded them into the zoo vans, and off they went to their new home.

This is an exchange programme arranged between these two zoos about 12-14 months ago, so we will be exporting Australian native animals over to the Hammerton Zoo in the not too distant future. Because of the locality of Darling Downs Zoo we will more than likely utilize the new Wellcamp airport in Toowoomba. The cheetahs will be used here in Oz and NZ for a global breeding programme.



A cheetah from England



Love the signs "Danger, only open to release cat"

## Five Things to Do Better:

- We are a global business, what we do affects other branches world-wide so do your best for the whole group to grow.
- Reduce email, increase talking – create a relationship by talking face-to-face or on the phone to customers and team.
- A sale is not profit until we get paid; we must all do what we can to make payment of our invoices happen quickly.
- Don't cut corners, pay attention to detail and make it easier for the next person to impress our customers.
- Focus on sales – increased call activity and excellent service will bring growth.

## Owens Transport Australia – Mike Reid

**W**elcome to another newsletter contribution from the Owens Australia team. Despite what has been a very difficult six months for Owens in terms of revenue growth and profitability, it was our year of laying a base for our future. Our business has a vision every day, to be doing business for the next 100 years.

We are passionate about it, and the building blocks that make up our beliefs and culture are all part of what will make that long-term vision possible. We must grab opportunities, be aggressive in competing within the market and ensure we keep growing our business while controlling our cost structures. There have been many positives, we have managed to find some better ways of doing business including offering different and new ways of serving our current and prospective customer's requirements. Plus looking at increasing our break bulk capabilities by offering more services than just moving containers. We see this market as being somewhat of a growth area for our business.

We expect to be in our new Melbourne home by August 2017. Our current two sites will combine into one purpose-built depot providing 10,000m<sup>2</sup> container rated hardstand, 350m<sup>2</sup> warehousing, and will provide additional services such as temperature-controlled containers, quarantine and Customs bond licencing. Our first ever rail siding in

Australia will be commissioned within 12 months of moving into the site. We see this as a huge advantage as it will allow us to move containers to and from the Port of Melbourne and also with access to the wider national rail network.

Our brand has grown in awareness and we are certainly being recognised as one of the few truly national container transport companies. Our new depots, large fleet of vehicles and trailer equipment, has meant we are being recognised by a much wider variety of potential customers. We do however need to continue our hard work to ensure we being are easy to deal with and operating as efficiently as possible so we have the ability to provide exceptional service at the most competitive price.

Over the last six months we have worked tirelessly at building and developing our national sales team and structure; we believe this is absolutely key to our future success. Recent exciting team appointments include a National Sales Manager, new Sales Executives around the country and our first ever Account Manager. We have also rolled out our Sales Cadetship Program where we have identified bright and ambitious people with a desire to join our business and sales team. Our sales cadets spend time learning the business from the ground up, then progress to being out on the road in sales within 6-12 months of joining Owens.

We have seen some good technology developments which is encouraging, with some real smarts to be rolled out soon, including sign on glass EDI interface with Mainfreight Air & Ocean. There are various other projects underway, including potential enhancement to Mainchain for wharf cartage customers.

It is as important as ever to continue to differentiate our road units from those of our competitors and we all need to play our part. We all know and understand the importance of our image, and our other requirements have been shared with you all.

These include things such as:

- Being easy to deal with
- Prime movers need to be less than ten years old
- Always meet the maintenance and road-worthy requirements
- Painted Owens Red with correct livery and spotless vehicle presentation
- Full names on uniforms
- Navman units in all trucks
- Correct licencing and accreditation and
- Most importantly a positive can-do attitude.

We continue to come up with ideas but seem to let ourselves down when it comes to acting with pace. We really need to start living one of our deep cultural behaviours, Ready Fire Aim. We are very lucky to be part of a great business that encourages ideas and immediate action. We cannot continue to operate as we have in the past.



Owens Melbourne property image – warehouse and yard

We are absolutely delighted to have rolled out our first ever Owens Induction course held in March by our Training and Development Team. This is a momentous step for Owens in Australia. Antony Papalia and the team have done a tremendous job at putting this all together. We know the rest of our team and new recruits are looking forward to the experience!



Our first induction course team visiting DP World at the Port of Melbourne (L-R): Nathan Zahra, Kristie McKenna, Blair Cooper, Karyn Seed, Christina Papoulia, Gemma Philpott, Tom Redmond, Nicholas Francis and Adam Real.

Following are a few points we should immediately adopt:

- We must all continue to look at alternative/better ways of doing things
- We must all action our ideas (with pace) and ensure we follow through with these
- We must measure our changes to ensure they are working and delivering the expected results
- All team members must commit to changes and be part of the success
- Should an idea not work we must learn by this and make sure we do not make the same mistake again

These are simple points that hold immense weight in our current circumstances. Gradualism will breed poor performance and we will slip behind in our extremely competitive world. Please act with pace!

**Thanks to our team for your hard work and dedication in providing exceptional service in what are sometimes difficult circumstances. We would also like to thank our team's families for your support.**



Brisbane Super B Doubles



## New Zealand – Craig Evans

In the New Zealand business, we continue with our “Pride of Place” internal campaign, which is centred on cultivating our culture and environment, and setting the pace as an industry leader. We received unexpected external recognition, which gives an insight into our progress, when a recent public survey measuring the most trusted corporations rated Mainfreight the 8th most trusted business brand in New Zealand – the first time we have appeared on the list.

This highlights why we strive for the best-designed and best-looking depots, the most professionally-equipped drivers, and the friendliest, most engaged team. The survey results are evidence of why we are going in this direction. As a result of presenting the best facilities, we attract the best people with the best attitudes, who in turn attract the best customers.

To all our team members, this recognition of our brand is yours, well done! Pride of Place offers much more than a feel-good factor; it's a strategy that makes us different, it's hard work, and something that we must proactively and collectively improve on, every day, inch by inch. Why not shoot for 5th place next year – why settle for 8th?

We have a reputation for being a highly ethical business; if we make a mistake we front up and put things right, we don't hide from our responsibilities – to our customers or to each other. We have a reputation for paying our bills, on time, every time, which is why we also expect to be paid on time.

Not meaning to single a branch out, in March I visited our Invercargill domestic branch and was impressed by the “extreme detail” of their house keeping. I challenge any branch to improve on how Invercargill present their forklifts. If I was captivated, I can only imagine what a strong first impression this creates for our guests, our customers.

Aesthetics is the window into a branch's attitude; poor housekeeping equals poor attitudes. When visiting a branch, help your mates by pointing out areas that may have gone unnoticed and now require attention. Remember we will not compromise our image, and that's how mates look after each other.

If something is worth doing, it's worth doing right. We are not a timid bunch; no small signs, be bold, be loud, no point having sayings on trucks if no one can read them, no point having dirty uniforms if we want to showcase our image, no point claiming to be “Easy to do business with” if we can't answer phones inside three rings ...

We would like to acknowledge the team efforts in navigating the challenges associated with the Kaikoura earthquake. Our pop-up operation in Spring Creek on the top side of the South Island is just one example of a high-performing team dealing with adversity head-on.

In recent times, we converted our Cromwell franchise into a fully-fledged branch to meet future aspirations for the region. We thank Paul and Debbie Wright for the years of commitment representing the Group's interests. To the rest of the Cromwell team, welcome to the wider family where we

look forward to growing our presence together in the region.

The new Christchurch Air & Ocean facility is a showpiece and signals to the market how serious we are about building operational competence inside this business, well beyond our desk-bound competitors. We remain resolute in expanding our national network inclusive of all brands, as we look to continue our journey creating the greatest value for our customers.

On 8th May, our Domestic business rolled out an upgraded operating system 'Mainstreet'. The development and implementation has required a huge time investment by many and the team's efforts have been outstanding. We owe a lot of gratitude to a long list of people.

The New Zealand National Support Team recently took another step in their goal to gain more in-depth understanding of the tasks our teams complete daily. After each obtaining their heavy truck licence, our appreciation of the task our drivers perform day in, day out has grown significantly. Further personal development will continue as we look to accumulate new skills.

Equally, we encourage all team members to seize every opportunity to develop your skill base, including being open to moving across different divisions. This is all part of our new World view, where customers expect higher levels of service and intellect to deliver more complex supply chain competencies. Life's rules are simple: when you increase your value, you increase your worth, and the opportunities multiply.



Jason Grey, Mainfreight Invercargill



## New Zealand Forwarding – Carl George

**T**he New Zealand Domestic business finished the 2017 financial year ahead in revenue, and for the first time, all Domestic branches were in profit for the year. Well done everyone!

What is particularly pleasing is seeing some of the traditionally challenging parts of the network finish in a positive position, and this sets a great base to grow from, in this new financial year and into the future.

We have again seen strong results and continued growth from our regional branches, which reinforces the strength we have outside the larger cities, and this will support further developments into the regions in the coming years.

During the past year we were impacted by a longer than usual Inter-Islander ferry drydock, and a significant event with the Kaikoura earthquakes along the eastern

coastline of the South Island of New Zealand, crippling large sections of State Highway 1 and also the main rail line between Blenheim (top of the South Island), through to Christchurch.

This took place in the middle of the Christmas peak volume period. In true Mainfreight style, and in a time of real adversity, everyone worked out a new plan to move our customers' freight in the best possible way; working very long hours, and often seven days a week to ensure Christmas volumes got through on time.

This event has reshaped the way we currently move freight, and we are all looking forward to a return to some normality in the near future.

We continue to take market share here in New Zealand, with 850 new customers and an additional 180,000+ consignments moved through the network in the past twelve months compared to last year.

This puts more pressure on everyone to have better systems, have freight collected earlier each day, allowing more time to check, load, and despatch freight every night, and affording the receiving branches enough time to get this freight checked off and delivered on time. This is something we must all keep working on.

The new financial year will involve a lot of reshaping, as we see the reinstatement of rail and road networks in the South Island from around August 2017 onwards. Let's all ensure we are giving our customers a consistent service until we can resume normalised services between the Islands.

The freight will not slow down this year, let's make the most of it, and look forward to another year of fantastic results.

### Owens Tankers

This is our new 50 Max, High Productivity, Class 8 spec-ed, Demountable Tank, 6 Axle B-Train Road Tanker!

At a touch under 23 metres this Class 8 unit is capable of accommodating 24,000 litres in its tanks along with 6 x IBCs on the deck.

Each stainless steel tank can hold 12,000 litres, spread over four compartments per unit to allow optimum volume and product coverage whilst ensuring acid/alkali segregation.

The demountable tanks have specifically been designed with fork pockets to allow their easy removal which then allows operation as a flat deck B-Train.

With the tanks removed we can transport up to 28 IBC tanks with a payload of 28 tonnes.

Brian Keogh drives and operates this combination, pulled by Owner Driver Guy Small's well matched MAN tractor unit.



### Things to Think About This Year

1. Quality and service is remembered long after the price.
2. Send receiving branches a great product every day and on-time; this will ultimately result in a great outcome for our customers.
3. Remove 'noise' from your branch, in every way, every interaction you have with our customers, the public, the community – make sure you have a great reputation in your town.
4. Live, breathe and share your branch KPI's. We do not ask for too many to be met, make sure your teams are meeting the standards in these areas.
5. Represent our brand well, make sure what you do is of the highest standard, as expected of every Mainfreighter.

## Claims Performance

Outward Consignments Per Claim				Inwards Consignments Per Claim			
Branch	To Mar 2017	To Sept 2016	To Mar 2016	Branch	To Mar 2017	To Sept 2016	To Mar 2016
<b>Chem Auckland</b>	<b>2240</b>	<b>2635</b>	<b>1975</b>	<b>Wanganui</b>	<b>11579</b>	<b>23302</b>	<b>5668</b>
Palmerston North	1275	1559	818	Chem Christchurch	5165	2510	1675
Wanganui	1119	1534	655	Chem Auckland	3310	3474	6232
New Plymouth	1104	954	629	Ashburton	2375	3284	2275
MF Hamilton	1009	1269	797	Taupo	2266	2236	1139
Whangarei	893	804	360	DF Auckland	1915	1794	1338
Napier	752	805	617	Rotorua	1674	1245	1785
Chem Christchurch	723	432	332	Owens Auckland	1461	1578	1344
Owens Auckland	673	913	632	MF Auckland	1434	1600	1509
Rotorua	637	505	666	Palmerston North	1344	1477	1585
Invercargill	620	625	403	MF Hamilton	1309	1318	1065
DF Auckland	610	586	452	Napier	1290	1500	1020
Dunedin	600	474	593	MF Christchurch	1269	1231	1209
2Home Christchurch	596	598	429	MF Wellington	1105	963	1058
Blenheim	582	775	408	New Plymouth	1105	978	973
<b>Total Company</b>	<b>529</b>	<b>515</b>	<b>461</b>	<b>Total Company</b>	<b>1097</b>	<b>1118</b>	<b>974</b>
2Home Auckland	523	503	445	2Home Auckland	1053	1296	1741
Thames	516	449	430	DF Christchurch	1051	1304	943
Mt Maunganui	507	496	345	Thames	1050	772	1440
MF Auckland	447	422	428	Invercargill	1029	1212	844
Owens Christchurch	438	505	402	Blenheim	974	1084	1298
MF Wellington	392	351	398	Mt Maunganui	912	1075	605
DF Christchurch	355	338	315	Owens Christchurch	790	953	909
Ashburton	327	275	202	Whangarei	662	543	536
Taupo	306	344	258	Dunedin	657	706	558
MF Christchurch	299	271	292	2Home Christchurch	597	853	488
Nelson	145	153	186	Nelson	588	669	365

If your branch is below the Total Company number, then you are below average. Make sure you and your team members work hard this year to be above this line.

You should be aware that annual bonuses are affected in the following way:

- + 1% For outwards claims, over 650 consignments per claim, and 1,500 inwards consignments per claim
- + 2% For outwards claims, over 750 consignments per claim, and 2,000 inwards consignments per claim
- 1% For outwards claims under 450 consignments per claim
- 1% For inwards claims under 1,250 consignments per claim

A more rigorous methodology has been introduced, and applied to these statistics to improve clarity and visibility.

## Kaikoura – The Ongoing Challenges

Repair of the damaged Kaikoura Coast is in full swing. The mending of roads, track, tunnels and bridges is being attacked with pace in order to resume service before the end of 2017.



## Spring Creek Operation

Pryce Howearth is my name and I've been with Mainfreight for close on three years. I started my career with Owens Auckland and had the opportunity to start working in Spring Creek at its inception last year. When we started our operation the circumstances were not ideal, with only three hoists, two of which only had short forks, and we were loading 8 or 9 units a day. That along with the small amount of staging and sheltered space made for a difficult challenge, especially when the weather turned south.

Since then we have gained a 14-metre wide canopy along with



four containers to protect our freight from the weather, an extra hoist and access to one more GXT on the rail line. As the quality of our site has increased, the work has gotten easier and the job is done faster. With a

team of four and a range of experience there have been opportunities to both learn and teach each other. It has been a great experience and it's awesome to see our operation slowly coming together.

## Spring Creek V2.0

We have had a slight upgrade since we were forced to set up a pop-up branch at Spring Creek, Blenheim. Here are the team standing proudly under the popup shelter ready for action.



Richard Mountney, Hayden Elwarth, Sam Laws

## Legends

### Ray Dixon – 30 Years

Ray joined the team in May 1987 in Hamilton. After six years in sales he decided to get some operational experience for a couple of years before taking up the role of Branch Manager in New Plymouth in 1993. Napier was in need of a Branch Manager in 1996, so Ray moved the family there for four years. 2000 saw Ray turn back to his original forté in sales taking on the role of Regional Sales Manager for the Central North Island, until the challenge of the Mainstreet software implementation tempted him in 2015, and that's where he is today.



### John MacKay – 25 Years

John joined Freightways Express back in 1992 as Transport Manager in Hastings. In 1993 the business was bought by Daily Freight and soon after John became Branch Manager of the Hastings Branch, where he remained when Mainfreight bought Daily Freight out in 1994. John held this position till 1999 when he transferred across to the larger Napier branch as Transport/Operations Manager. In 2005 John was made Branch Manager in Napier where he has remained for the past 12 years.



### Tom Davis – 20 Years

Tom Davis (Tanker Tom to his workmates), joined Owens Transport back in March 1997, walking in off the street and looking for a job ... nothing was offered on that first day but he was called back the next and offered a 3-week position helping in the depot as a storeman and sweeping the floors.

From what some may say was an inauspicious start, he worked his way through roles as storeman, despatch and various office jobs at Owens Transport, Owens Heavy Haul and Owens Tankers, to his position today as Branch Manager of Owens Tankers and of Mainfreight Port Operations Auckland ... a dual position, very rare in the Group.



# New Zealand Logistics - Mitch Gregor

## Local-minded people will never understand global-minded goals

**D**uring the weekend one of my friends from another business was complaining about his job and where he worked. "I hate Mondays," he said. "You don't hate Mondays," I replied, "You hate your job".

Find something that challenges you, be part of something special, adjust your attitude and approach to life. If things aren't happening for you then do something about it.

There are fantastic opportunities right in front of you and sometimes the things we are searching for are much closer than we think ... within Mainfreight there are so many great things you can do.

Work hard, treat others with respect, achieve results, get recognised and the world literally can open up. Challenge yourself to learn, test your skills, take on responsibility, change to a new branch or division, and consider moving cities or countries. There is so much more out there for all of us and so many things that you haven't discovered yet. Invest in yourself and develop your career.

Within New Zealand Logistics there remains plenty to do. We approach the year ahead with excitement and remain focussed on continued profitability and growth.

Our year end results for March reflected increased revenue and momentum, as a result of greater focus on sales, tighter cost management, increased warehouse utilisation and a renewed level of

energy and responsibility across our leadership team. However it's important we don't forget the high fixed costs of operating our business, and the cycles of ongoing investment required with commissioning of new facilities.

Continued sales growth will require investment in new warehouses and our focus and challenge is to continue to provide quality services to our customers and add new specialist services whilst remaining profitable. Our warehousing business remains the healthiest way of feeding freight for our Air & Ocean and Domestic freight networks.

Recent impacts from the earthquakes in the South Island, reduced Domestic transport modes, and the longer transit times have forced a rethink for many of our customers on servicing the inter-island market. We have experienced increased demand for our warehousing services in Christchurch, and as a result we have invested in an additional warehouse.

The short-term focus for our business is on ensuring we have the right approach towards sales, quality and our people so we can continue to grow and achieve improved results this year.

A high level summary of some key things we are currently working on across our business:

- A real focus on efficiency across our operations to drive margin improvements and quality.

- Sales growth with specific focus on our new business pipeline. Each branch is also reviewing our approach to customer account management. This includes exploring a consolidated approach to customers with a wider catchment globally.
- We recently opened two new branches; a stand-alone Logistics Operation in Wellington under the leadership of Jonathan Zwart, and a new warehouse in Christchurch under the leadership of Ash Ryder.
- We are exploring the proposition of being more involved in our regional warehouses, to bring Hamilton, Tauranga and Cromwell under our Logistics business umbrella.
- Reviewing our Key Performance Indicators for our customers to ensure we are providing information of benefit (continuous improvement tools and workshops).
- Our team has committed to embracing technology through forced learning by "turning the switches off" for any manual processes and paperwork across our warehouses for inwards, outwards and stocktakes. Paperwork will then provide a backup.
- More focus on pallet control and hiring of pallets across all branches along with providing our team more support to improve performance.

## Goals for the Year Ahead

Some simple goals for the year ahead, and key areas of focus include:

1. Commit to sales and new business pipeline for growth in 2017/18
2. Every branch to achieve their profit targets for 2017/18
3. Embracing technology within Logistics and improving the use of the tools available for improved efficiency gains:

- "Licence plates" as mandatory process (see following article)
- RF Scanning for inwards, outwards and stocktakes
- Utilisation of voice-picking technology where applicable and suitable
- Improved training for our team to allow them to embrace the tools available to them and make their jobs easier

4. Career and leadership development of our people, providing greater opportunities for our stars.
5. Driving and developing quality through improved processes, standardisation and training.

**Thank you to everyone in our Logistics Team across New Zealand for your continued efforts and the commitment you and your families make to ensuring our business is successful, and continues to achieve growth and success globally. Your contribution is important.**

## Shining Stars

In May we decided to organise a team day out for up and coming leaders within our Logistics business. Our "Shining Stars" got together for the weekend in Auckland and had a fun day out to discuss leadership expectations and opportunities for career advancement. The day started with an early morning ferry ride across to Rangitoto Island in Auckland and three-hour hike up and down the mountain, then included an outdoor business workshop followed by a team dinner in the evening. It was a great opportunity for those across our Logistics business in New Zealand to get together and be involved in planning for great momentum, networking and having a say in our future.



(L-R): Patrick Iese, Charlotte Fraser, Ben Hadley, Jonty Judge, Hafe Vilitama, Daniel Sharma, Brock Radich, Keegan Anderson, Harmanpreet Singh, Craig Baird, Andrew Sesani, Khokie Tagaoi, Tim Logan, Salesh Kishore, Corbin Taylor, Kris Maddaford, Mitch Gregor

## Licence Plates – The Benefits of Technology

License Plates are being implemented across all Logistics sites in New Zealand. We now have the ability to generate Serial Shipper Container Code Labels (SSCC) directly out of MIMS (our warehouse software platform).

If you're confused, the "licence plate" is basically a barcode label that acts as a packing slip. This initiative lets us streamline our processes and provide better visibility, and also assists the inbound process for customers at point of receipt.



## LP Label Format – SSCC Labels

Book In functionality for customers who require specific delivery times is now integrated from Logistics through to our Domestic Transport team. Once booking information is populated in MIMS and finalised, this will now generate a label for the physical freight as well as prompt Mainstreet of the booking requirement.

## Book In Labels

## Booking Timeslots for Customers



## Wellington

With the rise in demand for a local warehousing option in Wellington, the Toop Street facility has been separated from our Transport business, to form a stand-alone Logistics branch for the 2018 financial year led by the experienced Jonathan Zwart.

The goal for the Wellington team is to strengthen current processes and

work closely with our other branches to adopt the best technology and practices available, to capitalise on the renewed interest of our customers that require a high level of service and rapid order turnaround in the Wellington region.

The branch is already handling some complex customer requirements and achieving a high level of service.



Jonathan Zwart

## It's Not Just About the Rates

The days of providing a rates card and generic proposal are long gone, more sophisticated customers are expecting a solution to their current and future supply chain needs. Supply Chain Selling requires an in-depth understanding of our customers' businesses and more importantly their supply chain needs.

With Mainfreight now spanning the globe and providing a variety of service options, complexity can be overwhelming to customers. It's our role to help to educate our Customers and provide advice on what options our business can provide them and more importantly what does our solution mean to them in terms of business improvements. We compete on the basis of providing high quality solutions focused on continuous improvement.

### Proposal and Rates

vs.

### Selling Solutions

#### Solution Selling

The type of questions our more sophisticated customers will need addressed:

##### **What solutions are available?**

From within the Mainfreight network what options and solutions are available, what service offerings are on the table and how do they come together? Our strength is from combining multiple service offerings into a cohesive solution e.g. Air and Ocean, Logistics and Domestic.

##### **How does the Mainfreight solution fit my business?**

Will the proposed solutions fit with my current business model and go to market strategy? This requires the understanding of their industry and strategies that our customer is implementing.

##### **Which solution is best fit for my business?**

Out of the options what solution does Mainfreight recommend? Provide industry insight and alignment to trends.

##### **How much will the solution cost?**

Based on the data provided how much will the solution cost per month/year? What impact does this have on the overall cost to serve, and how do the differing scenarios impact on costs?

##### **What are some other options?**

How do the other scenarios (A,B,C,D) look, exploring alternative options, additional/reduced warehousing sites, alternative delivery models and services?

##### **Impacts on business process and technology?**

Is there a direct benefit from introducing new technology e.g. Mainchain, Freman, EDI integration? What impact will this have on customer services?

##### **How is the risk balanced?**

Is the customer's strategy to reduce their risk in the supply chain? (e.g. exposure to lease costs?) How does this strategy impact our approach to selling?

##### **How would we implement the solution?**

How can we best manage the implementation / transition to minimise risk to both organisations. Can we provide the customer with confidence?

*As our customer base and solutions become more sophisticated, we need to help our customers understand the value we can add. Our industry is competitive and differentiation is based on the quality of our service offering and value we can add to their future business.*

## Islington Christchurch

New Racking going up within our Islington Site in Christchurch which will open in the next couple of months under the leadership of Ash Ryder and his team.



## The Landing – Our Special Partnership

A unique partnership between Mainfreight and one of our key supply chain customers has provided us an opportunity to manage warehousing and distribution of their spares and equipment business historically done in-house. The Landing site itself was a great opportunity for us to deploy our resources, processes and technology. This in turn has brought along challenges requiring us to think outside the box.

Opportunities included running our operation through Wi-Fi and Citrix Remote Desktop in addition to using our RF technology. Efficiencies gained include the introduction of

pick faces driven by fast-moving products with over 10,000 different product codes, and stocktakes that in the past took over 30 people now down to 8 – results that have led to improved stock accuracy, visibility, and tracking.

Many of the team who were working there have now joined Mainfreight and embraced our culture, can do attitude and determination to get the job done.

We look forward to the year ahead and completing our first year of operations, let's see where we can take this next.



Lunchtime at our new site ... The Landing Logistics

## Hazardous Substances Storage & Major Hazardous Facilities (MHFs)

Recent changes to laws in New Zealand for the handling and storage of Dangerous Goods are now in effect and have changed the landscape forever. These include a brand new set of rules known collectively as the Major Hazardous Facilities Regulations. These regulations impose strict new requirements on anyone storing large volumes of certain chemical categories, and both of our Owens Logistics sites have been determined to be Upper Tier Major Hazardous Facilities under this new law.

Whilst these new requirements introduce a lot of new challenges, and a lot of hard work, they also offer a host of new opportunities. By making sure we are at the forefront of meeting these new requirements, we make ourselves a very attractive logistics option for companies who are struggling to meet the regulations themselves. Even more than that, the requirements are a great motivator for us to challenge ourselves to do things better, more safely, and more efficiently than we have in the past.



Andrew Sesani demonstrating the safety culture at work

## Mainfreight Air & Ocean – Nic Kay

**W**e saw many positive developments across our Air & Ocean business through the 2017 financial year – with our team and facilities providing a better framework to manage our growth aspirations, and improve service levels to our customers.

Our Air & Ocean business is a dynamic, fast-paced service that offers excitement, challenges, and opportunities every day. As a team we are focused on ensuring that we deliver the best Mainfreight experience and service, in every branch around the world. Your commitment, dedication, and the passion you bring to work every day is greatly appreciated. I would like to thank each and every one of you for your contribution.

As a business we have continued to see our reach and capabilities across our global network increase, providing better solutions and support for New Zealand importers and exporters across key markets. More than ever before we are the critical service component to the link the supply chain requirements of our customers in New Zealand to their global markets.

Our business continues to build volumes, across Air & Ocean modes and services. Imports on the back of a stronger NZ dollar had strong growth. Our export programme delivered pleasing numbers in challenging market conditions. Record volumes for our Perishable business were a highlight and strong import Dry Freight volume resulted in a good year for Airfreight.

Our Ocean freight teams also contributed increased volumes with good growth on imports, both FCL and LCL, and consistent export volume, especially in our regional branches. The growth we have enjoyed provides opportunities to leverage better options with key airlines and ocean carrier partners on all key trade lanes, and more importantly feeds volume into the Mainfreight network globally and across the services of Transport and Logistics.

Team, we still have a lot to do, and with the many opportunities before us, we have a lot of scope to grow. We must stay focused on the key factors listed below to ensure we continue to find growth and improvement.

### Growth

It is imperative that we continue to build momentum and take our business to the next level. We still have a lot to do, and we need to be more aggressive with our sales focus. Better management of sales opportunities, setting higher targets and holding ourselves accountable for the sales growth of our business is a must. We are all sales people in the business and we need to be looking for opportunities at every touch point with our customers.

### Team Development

As a team we must keep learning and developing our knowledge and skill-sets across all services and trade lanes. This will add value to our network and provide customers with a higher level of service and a solution-based approach across their supply chain. We must all keep gaining in knowledge and utilising training resources and mentors to grow our

**Team once again, thank you for the support and commitment you provide our business, and a big thanks also to your families. Your passion and dedication will ensure we continue to grow our business, our team and our customer experience!**

skill-set. Working closer as a united business across our network of countries is essential and will be a focus for all Air & Ocean businesses globally. This is a key point of difference from our competitors!

### Enhancing the Customer Experience

The New Zealand market is competitive and to ensure we retain customers and introduce new customers, our service levels and customer experience must be the focus of every team member. By adding value to our customers' supply chains, we go a long way to building satisfaction and loyalty.

We all need to take ownership of basic customer service:

- Answering phones in 3 rings
- Thanking our customers for the business
- Going the extra mile
- The personal touch – take ownership
- Speed of response
- Being easy to deal with
- Increase communication levels

## Mainfreight Air & Ocean Wellington

While Wellingtonians were going crazy about having Scarlett Johansson in town, we here at Mainfreight Wellington Air & Ocean were obsessing over this strange car that had come into our depot.

We shipped a lot of things for Scarlett's new movie "Ghost in a Shell", but our favourite thing by far was the "Lotus Esprit".

The team worked alongside our clients, Xtreme Forwarding, and ended up sending this car to Japan and back for filming. Then once the movie making was done and dusted, it sadly was sent to be crushed.

Bigger, because Trev was eyeing it up for his new Branch Manager's car for 2018. Will have to stick to the Holden for now.



## New Facility – Mainfreight Air & Ocean Christchurch

Our Christchurch team moved into their purpose-built site on 3rd April 2017, after a blessing ceremony conducted by local iwi on Thursday 31st March.

This is Mainfreight's first joint airfreight, seafreight, perishables and container freight station in the world!

Our fully fenced, highly secure 9,164m<sup>2</sup> facility is equipped with the following features:

- Facility is fully approved by Ministry for Primary Industries, IATA, CAA and New Zealand Customs
- Risk Management Programme Verified – ID S665
- Working towards completing approvals as the only Biosecurity decontamination site on Christchurch Airport
- Fumigation completed on site
- Specialised climate-controlled Environment Loading Area to ensure cool-chain integrity
- Air & Ocean team joining forces on one super-site
- Environmentally friendly site with solar power, electric forklifts and two new fuel efficient forklifts
- High security including a secure yard, cameras and monitored alarms
- State-of-the-art airline unit handling equipment including purpose-built truck



## Bug Lab Exhibition – Te Papa, Wellington

Late last year Mainfreight joined forces with Te Papa Museum located in Windy Wellington city to help orchestrate the first ever “Bug Lab” exhibition. This masterpiece was created by the talented Weta Workshop, located just down the road from Mainfreight Wellington in Miramar, New Zealand.

The Bug Lab Exhibition is designed for people of all ages. Weta has been extremely clever (as usual!) and has created an interactive exhibition, where everything you see is convincingly life-like. They thought of everything, from the tiny individual hairs on the bug's body, to honey smells filling the air when you walk into the “beehive”.

Te Papa treated us with numerous tickets for the team, and also another 100 tickets that we were able to give to our Duffy Books & Homes sponsored school in Porirua. The school was overwhelmed, with the Principal noting that “a lot of our kids never get the chance to visit something like this, so they are much appreciated”.

What started with a phone call from Te Papa to our Account Manager Tasha Jacobs asking her to just “quickly price something up”, has now turned into a committed partnership project where Mainfreight will be moving the Bug Lab exhibition around the world to several different countries over the next few years.

Following success at Te Papa, the exhibition moves to its first international showing at the Museum of Melbourne in Australia. Te Papa is relying on Mainfreight to move the exhibition from museum to museum, conducting the transport, packing of containers, unloading and all Customs paperwork. The entire job is in our hands!



Sir Richard Taylor working on the bees at Weta Workshop



Te Papa and Mainfreight team unloading the bugs at Te Papa

For people in New Zealand who might have missed out on seeing this awesome exhibition, don't feel too sad just yet! We understand Bug Lab may be coming back to Auckland Zoo for a period of time before it sets sail across the globe again.

## Guns N' Roses

On 31 January 2017, the Auckland Airfreight team were involved in ground handling operations of the band equipment for Guns N' Roses' spectacular world tour. The band and their sizeable crew touched down in the capital on their own chartered aircraft for the first of two New Zealand shows which were part of the Australasian leg of their "Not in this Lifetime" Tour.

One 747-freighter aircraft flew in from Japan carrying in 40 airline units of the band's gear. Between the hours of 8.00 am until midday, dedicated Mainfreight trucks shuttled between Auckland International's airport terminal and our Westney Road facility to uplift all these units. Once in store, the units were broken down and the band equipment loaded into 9 x 40 ft containers to be trucked to their first concert in Wellington.

Band equipment logistics is as much about planning as it is about head banging. Iki Vaka and Kura Kiria were Mainfreight's appointed project co-ordinators for the day and they oversaw operations throughout to ensure all went to plan. Planning was critical in accepting such large volumes onto our Westney Road site during the day, as we couldn't afford to let this affect our regular operations. All prior planning was meticulously looked after by Paul Riethmaier.



On the day, everything went remarkably well and the band's production crew were delighted with Mainfreight's services rendered for this operation. "Things went as

smooth as they possibly could and both concerts were a huge success" said Steve Rowland from Xtreme Forwarding who appointed Mainfreight to handle this project.

## Holy Guacamole - Record Breaking Summer in Auckland Airfreight

It's hard to sum up everything the Airfreight team were put through during the summer just gone with the crazy Avocado season we had! From 14-hour days of daily physical labour for most of the store team, to equally long hours put in by the office crew. We had office team members loading freight, doing their own check-ins and even netting down airline units. This branch of 23 heroes went through it all!

Here are a few jaw dropping facts:

- 150 tonnes was airfreighted on 15 February alone – that's over 60 airline units (includes dry and perishables) that were loaded in one day
- Airfreight branch profit for the entire month of October 2016 was achieved in one week in February 2017. We not only achieved that in one week but beat it by 8%.

- One of our biggest produce customers did 270 tonnes of mixed produce in one week with a crew of 22. We did 413 tonnes of avocados in one week with a crew of 10!

By the end of 12 weeks, close to 2 million kilos of avocados were airfreighted to Australia. The profits we posted on a weekly basis from January to March were a direct result

of the entire team's painstaking efforts. They continued to deliver when it mattered the most and in fact those busy 12 weeks highlighted the team's can-do spirit. They were all exceptional and without everyone's contribution, achieving and breaking records on a weekly basis would have been just another dream. It is a true privilege to be part of this team!



## Training & Development – Martin Devereux

2017 marks the 15-year anniversary of Mainfreight and Outward Bound's partnership focusing on the development of our current, and next, generation of leaders. No longer is Outward Bound the domain of 'Kiwi' males as it was in 2002. It is now a leadership experience for men and women alike and for team members from all countries. Across the two courses we offer to our team, more than two-thirds of participants were based outside New Zealand and nearly half the attendees were women. Not only do the courses allow our team to learn about themselves, they also learn about life in the other countries where their newfound friends come from. They form a network at a social level but more importantly they form a network at an international level which truly reflects who we are today.

The development of our global talent pool is something we focus on consciously in each region at every level. Outside of branch-based initiatives we do this through a handful of key developmental programs such as TMS/TLS, Outward Bound, Emerging Branch Managers and Emerging Sales Leaders programs. Whilst these initiatives all focus on different outcomes, they all share a common thread of growing the best leaders for our business and for our global network. The opportunity to learn with, and from, each other is a

key trait and most importantly the continued fostering of good relationships.

We know throughout our business there are team members constantly looking for their next step, their next challenge and their next opportunity. The ability for our team to experience career growth and to travel without leaving Mainfreight is a unique and privileged position we can all find ourselves in. Later in this submission are accounts from those who have, or are still, enjoying global opportunities with Mainfreight. As you will see, each experience is different and often are unique stories or contexts. For some it is a logical progression to Sales Manager and then to Branch Manager. For others they may have left the business to travel the world only to find opportunities presenting themselves to remain abroad and reconnect with Mainfreight. Or for others it has been the opportunity to enjoy small project-based deployment offshore assisting with customer implementation or simply just helping their brothers and sisters out.

The message here is simple. An opportunity will come. It may be confronting and it will be a challenge. The reality is that it probably won't come at the 'perfect' moment and it may require you to take yourself, and your family, to a new environment. This may be a different brand, a different city or even different country.

If you want the view from the top of the mountain you need to be prepared for the walk.

Our business is built on the foundations of people identifying goals and targets and then working relentlessly in the pursuit of them. Pick your goal, identify those in the business who can provide guidance, support and perspective and then lean on them. We have all benefited from time invested in us by others. Start the conversation, don't wait for it.

Lastly, as we write this we are underway with the upgrade to Mainstreet in New Zealand. For those based outside of NZ this will not mean a great deal, but for the NZ business and for some amazing Australian team members involved, this has been a significant project/labour of love for the past 18 - 24 months. It has been a project which has exemplified collaboration at all levels and in all areas. The contributions at a branch level have been immense; thank you. The contributions from those working away from loved ones for days and at times weeks; thank you. For those who have agonised over every detail four, five and six times without once accepting "near enough is good enough"; thank you. The co-ordinated effort has typified the extraordinary Mainfreight resilience and the determination to always succeed.

**Thank you.**

### 2017 Highlights to date

Congratulations to the European Training team who were awarded the "Best Practice in the Return on Investment" category of the Benelux Traineeship. Within the European region a Management Trainee is their equivalent to a future leader/graduate.

On a similar theme congratulations to the Australian Training team who won the "Most Popular Employer" in the recent Grad Connection awards in the category of "Infrastructure, Utilities and Logistics".

Lastly, a huge congratulations to the NZ Training Team who this year won the "Paul Derbyshire Legendary Service Award" at the recent Branch Managers awards night. The award is made for individuals, or teams, whose contribution to the business, the culture and network goes above and beyond what is typically expected. An award richly deserved for an amazing team of Mainfreighters!



Nic Kay presents Rachel Hustler, NZ Training Team Leader, with the "Paul Derbyshire Legendary Service Award"

## Valentin Teles – Noble Park Branch Manager, Melbourne

I remember the first time I met with Gabrielle Fage at a career fair in Melbourne. I was still at university and already passionate about logistics. One of the questions I asked was around the overseas opportunities that Mainfreight could offer.

Fast forward four years later, I have had the chance to travel to quite a few of our branches around the world and I have learnt something new every time. More recently, in November 2016 and March 2017, I was assigned to a project in our Hong Kong Logistics branch where I was asked to review the operations and work on continuous improvement. Asia has always been a place of interest to me so I accepted it with excitement.

It was great to meet with a team of passionate people who are working hard to grow the business in a very



Valentin at Mainfreight Carson

competitive market. This opportunity gave me time to appreciate some of the challenges associated with a global company.

Reflecting on these experiences, I have come to realise that the Mainfreight way of doing things certainly sits at the core of our business. Despite the existence of clear differences between local cultures around the world, it great to

see that all our branches tackle opportunities with the same tenacity.

To conclude, it is fantastic to know that Mainfreight will always support team members in their development and that opportunities are not just offered but can be created in order to broaden one's knowledge of our international operations.

## Nitaan Glentworth – Sales Executive, Air & Ocean Nottingham

At the end of 2010, I returned home to New Zealand after being abroad for six years, working and travelling. Whilst away I met a European girl, who was interested in seeing my part of the world, therefore we made New Zealand home from 2010 – 2016.

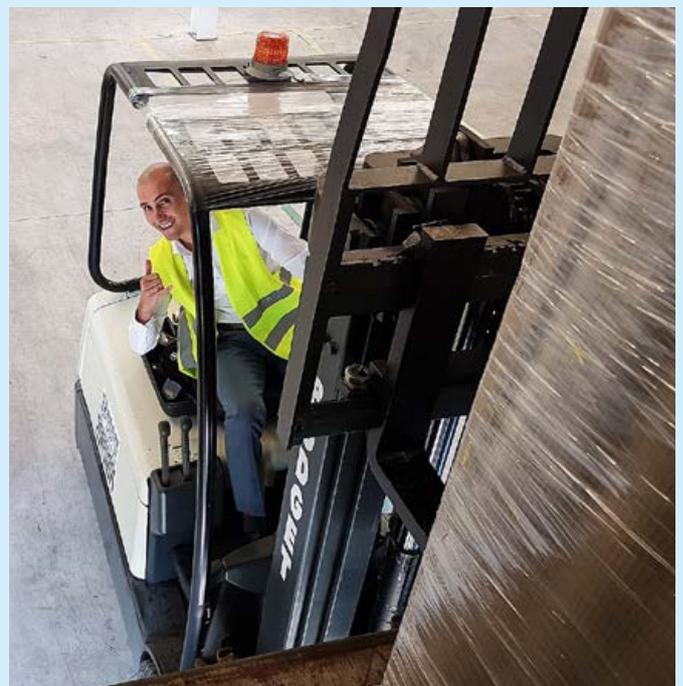
I started at Mainfreight through the grad program, October 2010 in the Auckland Transport Branch. My first two years followed the traditional route – AM arrival shift for a period and then onto the PM load out shift. After ditching the “blues” for black shoes and office attire, I spent more or less six months across Transport and Customer Services. From here I progressed into a Territory Sales role, before taking over as Auckland Transport Sales Manager in 2014. I spent about 18 months in the role (less time than I had hoped) before myself and my partner rather urgently relocated to the UK for family reasons.

As I left on good terms there was the potential to be involved in the newly opened London branch in 2016, however by this time we had settled in Nottingham. From a travel perspective things weren't going to work, therefore we mutually agreed to stay in contact, and I would sink my teeth into something new.

I felt I wanted a chance to get to know a smaller business and learn how to 'pull the strings' per se. I stayed in Supply Chain and moved to a small family-run firm. The best way to summarise my last 16 months was 'a glass half full'. I soon realised everyone wasn't interested in 'pulling in the

same direction' nor was it possible to create what I had at Mainfreight. The lack of culture and indecisiveness of the business led me to reach out to the team at Mainfreight once more. It was great to have left the door half open, but more so to re-engage with a business open and excited about moving forward.

Officially Mainfreight UK opens its satellite sales office in Nottingham on 8th May 2017.



## Annelien Deceuninck – Customer Services Manager Air & Ocean Sydney

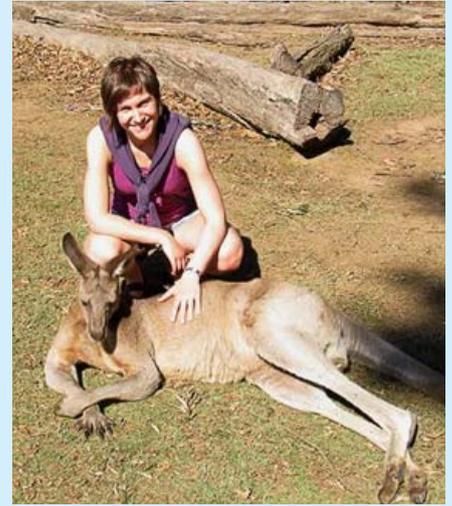
My career with Mainfreight Belgium commenced in September 2010 after finishing my Masters degrees. We are almost seven years later now and I am very honoured that Mainfreight has given me the opportunity to work in three different countries and in a variety of roles!

It all started as a Management Trainee at the Forwarding operations in Oostende, Belgium. I soon learned that a university degree doesn't mean anything: it's time to work hard and learn from the ground up.

After almost two years I received the opportunity to spend one year in Auckland, New Zealand as an Exchange Graduate. I have always had a hunger to get to know the dynamic and fast-paced Air & Ocean business, so during my year in NZ, I moved from

department to department in the Air & Ocean branch in Auckland. I truly got immersed in the Mainfreight way of doing things, the passion the teams have and the institution that Mainfreight is in New Zealand.

I didn't end up going back to Europe but moved to Sydney, Australia! First I took on the role as Customer Service Representative in our Air & Ocean division and became Customer Service Manager just over a year later. I love Customer Service! It is often a lot of problem-solving but we also have the great pleasure of dealing with our amazing teams overseas, finding the best way to move the freight, acting as the glue in between all the Mainfreight divisions and last but not least, building relationships with our customers that can be from all walks of life.



Mainfreight truly has given me the opportunity to develop a global career within one company. At certain times it might feel like opportunities are not coming up soon enough but before you know it, they will present themselves. I was once told, 'grasp the opportunity, if you think you are not ready for it, Mainfreight will get you ready for it!'

## Liz Moore – USA Training Team, Los Angeles

The rite of passage of many a young New Zealander is the chance to spread your wings from the small islands we call home and head out into the wider world. For many it's not a choice that comes lightly as you wonder 'what about my career?' After nearly three years with Mainfreight, I still knew I wanted to get out into the world and explore.

When I assessed my goals with my partner in early 2015, we both wanted the same things, to live and work overseas and prior to this, spend an extended period travelling through Southeast Asia and South America. Keeping in mind our career goals and the opportunities that could come of it – we set our sights on relocating to the USA at the end of our travels.

Rather than feeling as if I had to quit my job and start again, I decided to see what my options could be. After a conversation with my current manager, it was clear the States could be a possibility, with an extended period of leave before arriving there. I contacted Raewyn Glamuzina, VP of Team Development in the USA, and let her know of my goals, "any chance there are opportunities in your team?". I let

Raewyn know what I could contribute and where I was looking to take my career. A few months later, I was completing visa applications.

Fast forward to 2016 I found myself refreshed and ready to take on my next challenge, I headed to Los Angeles to join our USA Training Team. The transition was made easy by a supportive group of people, some of whom had been through a relocation themselves and others who were just happy to offer any help or advice that they could. Moving overseas does not come without its difficulties and fair share of tears but it is worth it. I have built on my knowledge and skills as well as mastering my positive attitude in the hard times. I do believe my time away from work spent travelling helped me adjust to the transition quicker than I could have before, you really learn how to cope with the unexpected on the fly. It has now been over a year since I arrived and it finally feels like 'home' rather than an extended holiday away from home.

It's unique, certainly amongst my friends and peers that I graduated university with, to have only worked for



one company since graduation. However, would many others be able to say that they have changed roles, progressed in their career, taken an extended period of leave to travel and relocated overseas all within one company? Probably not. Mainfreight understood my need to see the world and the benefit of this, as well as understanding that I had more to offer in my career with the big blue engine. I don't yet know where my journey will head next but at the moment I'm enjoying myself, experiencing the culture of the USA, contributing to our business and of course racking up the travel miles around the Northern hemisphere!

## Training Team Europe From Team Development to High Performing Teams

Within Mainfreight Europe we recognize the need to adjust our business to the fast-changing market. The need to have flexible and high performing teams has never been so high. That's why our team has a strong focus on training and coaching of managers to support them in building high performing teams. We support managers on how to improve capability, productivity and performance of their team so they will be able to exceed expectations!

During training and coaching we focus on how managers can fulfill their role to build high performing teams:

- How to continuously invest in team atmosphere
- How to set clear expectations on goals and behavior
- How to give feedback to achieve goals and develop the right behavior



(L-R:) Steve Dumalin, Bram Schoutteten, Labane Abdelaziz, Aris De Fijter, Miguel Hollevoet, Stephanie Baudot, Redgy Simons

- How to invest time, set priorities and lead by example

We apply a tailor-made approach in the support we give per branch. Training is designed to be pragmatic where managers are able to practice and share experiences in a safe learning environment.

We've developed a Team Development curriculum consisting of nine trainings. Some examples of those trainings: how to give daily feedback, define team goals, define team values, how to spot and challenge talented people. Some managers have joined several of those trainings, we counted 411 participants in 43 trainings in the past

year. More is yet to come!

For the future we see that **performance coaching** is the way to further develop flexible and high performing teams. Performance coaching is a combination of giving daily feedback on-the-job and giving feedback in planned meetings about personal development and job priorities. As well as training and coaching, our team provides tools to support performance coaching: 'Personal Development Plan' + 'Goals and 90 days action plan'.

***"Unlocking future potential performance will make the boat go faster"***

## Training Team - USA

Our new year began with several exciting changes that included a review of our graduate program and the introduction of Sales Fast Track.

### Future Leaders Program

Our focus and objective remains unchanged as we look to invite quality people to join our team and, who have the potential to be future leaders in our business.

Moving from 'graduate' to 'future leaders' was more than a name change. It is a reflection that future leaders are not always recent college graduates. We have existing team members who are intelligent and passionate about who we are. They have the capability to continue to grow and succeed in their own career along with a desire to lead our team into the future.

Today our program includes a mix of new college graduates and team members who have been identified by the business with high potential. We continue to run separate training programs for Year 1 and Year 2 Future Leaders in Los Angeles; this year we will increase each to a fairly

intense 3-day program that will include more shorter and pertinent training modules.

### Sales Fast Track

Supporting our business objective of organic growth within the sales environment, we recently introduced the Sales Fast Track program. Sales Fast Track allows our team to move through operations before transitioning into a sales role without comprising quality.

As importantly, we continue to promote from within allowing our team to progress their careers. Ultimately, we strengthen our culture and it is this knowledge we must use to our advantage in a competitive market.

We currently have 5 team members on the program who have shown an interest in sales or who have joined our team through the Future Leaders program.

## Leadership Development Courses

Last year we continued to build upon our team leadership development with the introduction of the TLS Level 1 curriculum. The training was well received and this year we will build on this with more team attending Level 1 and others continuing with levels 2 and 3.

Alongside this, we have reinvigorated our own core training content. We look forward to sharing with our team Mainfreight-isms on How to Delight The Customer, Culture, Team Leaders, Time Management and P.A.T. meetings.

We have several new training courses on the horizon and we look forward to presenting to our team soon!



Will Safotu from Los Angeles Transport

## Technology – Kevin Drinkwater

### Mainfreight is ranked New Zealand's 6th most Innovative in Technology

In March, the New Zealand CIO Magazine announced its top 100 companies based on innovation. Mainfreight was ranked 6th, with three of the higher ranked organisations being the large banks (ASB, Westpac and ANZ), and Air New Zealand, well known for their customer innovation, coming in at 4th.

It was a pleasant surprise to see how well we ranked in comparison with organisations that have significantly higher spend on their technology, the banks spending NZ\$6.3 billion annually between them. This is an average of almost 7% of their revenue. In comparison we spent \$48 million, globally, in 2016, being 2.11% of revenue.

In previous years, we ranked in the 20's and 30's. This was when CIO 100 rankings were judged mainly on the size of IT in the organisation, i.e. how many screens and users you had and how much you spent. But this year the criteria for the judges was focused on innovation.

In our view, it's not how much you spend but how useful every dollar spent is. That's where the distinction lies, between money spent on keeping systems running, and what you spend on innovation – bringing worthwhile initiatives to the business, whether these are big or small.

So why did we rank so highly? It has a lot to do with our culture of continually looking for improvements, and the emphasis we place on creating and implementing the technology that enables these improvements. When you place that, together with the fact that many of our IT team have worked in the business, it moves our capability to deliver up a couple of gears.

Not long before the ranking came out, I was on a panel at a conference where one of the attendees asked the question "How do you get to spend so much time and energy on innovation – surely that is very difficult?" My answer was that our IT team didn't need to spend a lot of time contemplating innovation, as most the ideas come from listening to our 7,000 Mainfreight team members. Their challenges and ideas are the best base to innovate from.

So congratulations to the Mainfreight team for your ideas, and to our IT team for transforming them into functionality that makes a difference. Please keep the ideas coming!

#### CIO100 2017

TOP 100

LIST

1	Russell Jones	Executive general manager, technology and innovation	ASB
2	Craig Banyan	General manager, technology NZ	ANZ Bank
3	Avi Golan	Chief digital officer	Air New Zealand
4	David Kennedy	Group CIO	Transaction Services Group
5	Dawie Olivier	Chief information officer	Westpac New Zealand
6	Kevin Drinkwater	Chief information officer	Mainfreight
7	Dr Claire Barber	Chief digital officer	Spark New Zealand
8	Carmen Casagrande	Chief information officer	Cigna New Zealand
9	Thomas Hyde	Group director - delivery strategy	Beca
10	Liz Gosling	Chief information officer	Auckland University of Technology

### Mainstreet

Mainstreet, the upgrade for our Domestic freight system (Transport Management System) went live successfully on May 8th. The biggest determination of its success was that very few customers actually realised we had replaced our system, as we continued to perform to our same high level.

Behind the scenes though there has been an extraordinary level of commitment from many individuals, both within and outside the business, all led by John Eshuis. John shares more in his article on the following page.

Replacing 27 years of functionality was always going to be challenging. On several occasions I described this project to the Board of Directors as akin to performing heart, lung and brain transplants on a patient while they are competing in an Ironman race.

There is great relief amongst many of us to finally have achieved this milestone. Well done TEAM!

### Cyber Security – We Will Always Need YOU!

Our IT teams have been kept pretty busy in recent months dealing with an increasing number of cyber attacks. As detailed in the last newsletter, we are moving towards a much higher level of focus on this issue with the creation of a formal structure worldwide for Cyber Security. This will be headed by Dave Hall from New Zealand, who will report directly to Don Braid on cyber security matters.

We continue to need your vigilance, as the vast majority of attacks come from emails and clicking on links in emails or on websites. Please be very careful, and make sure that you check anything suspicious with your IT team BEFORE you click on any link, open up an attachment or take any other action. We will be rolling out an education programme in the near future, however you can educate yourself further through reputable sites on the internet.

## Mainstreet NZ – Go Live, May 8, 2017 – John Eshuis

Mainstreet was our largest and most significant roll-out of any software project in Mainfreight history. Largest software code, largest user count, largest transaction volume, most significant business unit in terms of revenue and profit. A sneeze at the wrong time, and we could have had a significant long-lasting impact on the Mainfreight group. No pressure!

So, to see a team of people take on the challenge and succeed is VERY satisfying. And by a “team of people”, I mean everyone. This project has been a success because of the motivated team within the Transport business – you really do represent the Mainfreight culture. It’s a success because of the Training team – ridiculous dedication to deliver the right training to the right people at the right time. It’s a success because of Black Ops (IT Infrastructure) – serving up some seriously powerful hardware that can be tweaked on the fly. It’s a success because of the amazing developers at Sandfield – who have developed an application through detailed knowledge of our business, and a willingness to work with the Mainfreight style.

And last but absolutely not least – this is a success because of the six-year dedication of the IT Team, in particular Gary Harrington and Rachael Moore – who ate this elephant one bite at a time and delivered a product that has successfully withstood the pressure of the Transport business. Well done. Legends.

The constant within this project has been the incredible Mainfreight Culture. A willingness by everyone to accept the challenge and make it your

own. An attitude to deal with the situation, and not ask for an answer, but to create one. It’s been great to see that Mainfreight Culture in full flight – THAT is what has made the project a success.

Simple, Easy, Fast – that was the request from the team in July 2016. Simple in Design, Easy to Learn, Fast to get things done. Simple and Easy certainly flowed through the training and also the Go Live experience for most. The team seems to have been able to adapt quickly to the new environment. The “Fast to get things done” part is being experienced by some of the team, but not all, although each week does make things easier. Ongoing roll-outs of small improvements and the adaptation of how Mainstreet is being used, is settling down the overall usability for most team members.

For an application that is just a few weeks into Production (as at time of writing), we are extremely satisfied with the overall performance.

The expectation for this project was that we could transition from Maintrak to Mainstreet without any disruption to the business in terms of DIFOT, Revenue and team morale. The first two have certainly been achieved, with team morale staying strong, but also being tested! The team’s attitude toward this change has been extremely positive.

Onward we charge. Australia will be next. Along with some more love and attention for the USA, who have suffered for the last few months while we focussed on NZ! Thanks again everyone – your support has been great.



Front row (L-R): Shaun Morrow, Pateriki Te Pou, Gary Harrington, Marla Costabeber, Rachel Hustler, Erica Dash, Gabby Fage, John Eshuis  
Middle row (L-R): Lisa Martin, Maree Toa, Lizzie Judd  
Back row (L-R): Alexia van der Zanden, Rachael Moore, Charlotte Carpenter

## FremanWeb – Making the Freight Forward and Return Process Easy – Logan Lim

One of the great challenges our team faces, in Australia and New Zealand, is return consignments arriving at pickup location and there being no consignment notes, no labels, and no contact numbers for the pickup site. So we’ve added the ability for our customers to upload and send copies of the consignment notes, labels and DG declaration forms to an email address.

This is a great feature to use if customers are creating a Freight Forward job or Returns pickup request from ‘Nonstandard sender’ locations, as it will ensure the sender of the goods/person at the pickup location can print out their documentation prior to our drivers arriving onsite to pick up the goods. Our customers can also integrate their ERP systems with FremanWeb to manage their returns.

Within the EDI files they can specify an email address and if all details are valid on import, we will automatically upload the consignment note to Maintrak/Austrak and send copies of the documentation to the email address in the file (preferably to a contact at the pickup site).

## Real-Time Shipment Updates from Ocean Carriers – Laurie Hamid

What does “Real-Time Shipment Updates” mean for you? For us it means, Mainfreight USA cuts out the middle-man, as in everything we do. Why wait for a costly integration or an intermediary to transmit data that has convoluted rules for freight status updates?

Mainfreight gets shipment and container status update information directly from the Ocean Carriers. Maersk, OOCL, Evergreen, CMA CGM, and more, have direct connectivity with Mainfreight USA.

Our databases are updated in real time by the carriers, allowing our customers to manage freight, round the clock, knowing that sailing and cargo information is current and up to date. These status updates are available immediately via our customer portal, Mainchain, status update email notifications, text alerts on your mobile device, EDI or even API for those that are looking to really take technology to the next level.

Mainfreight is committed to meeting the demand for automation, high service levels and technology to



improve supply chains and the bottom line. We continue to integrate and improve our customers' supply chain with advanced solutions including status updates, as they happen – even on the water.

## Project MainMove – Michel Engel

Over the last year the developments of the new European Transport Management System (TMS) have been picking up speed. We have added several functionalities, including partially automated planning, standardized input and visibility of deviations on shipment and trip level, (internal) cost clearing, agent invoicing, automated email archiving, extensive shipment validation, automatic generation of costs and charges, and a complete operational network to calculate ETAs for all existing connections.

On the roll-out front we have added all import and export departments of standard forwarding from 's-Heerenberg, which accounts for a large portion of our total European



(L-R:) Sander Elfring, Leon Bakker, Tanja Bondarchuk, Rob ten Bhömer, Michel Engel, Bram Tromp, Margo Stoverinck

volume. Next to that, what used to be CEE (Central and Eastern Europe) a separate company operating on CargoWise, has also been successfully integrated within the Forwarding business into the new TMS. This all despite having a number of challenges, including system speed issues, rebranding from Bosman to Mainfreight and major software

updates from our provider BluJay (formerly known as Kewill). We are now in the process of planning and preparing the implementation of the remaining departments and needed functionality in 's-Heerenberg. But we are also looking ahead and starting preparations for implementation in other European forwarding branches. We will keep you posted!

## Mobile Scan Stations in Europe – Steven Depuydt

At the request of Mainfreight Logistics we (Buildings/IT/Logistics/Transport) designed and created a mobile station with a label printer, laser printer, thin client, monitor, etc. This all connected to a battery pack and a converter.

In the past, warehouse team members had to walk a lot between the non-mobile stations and pallets. With a mobile station we can get the hardware needed for the job close to the place where it needs to be. We started with a prototype so everybody could have it thoughts over the design.



## Shipment Centre EU – Devlin Krul

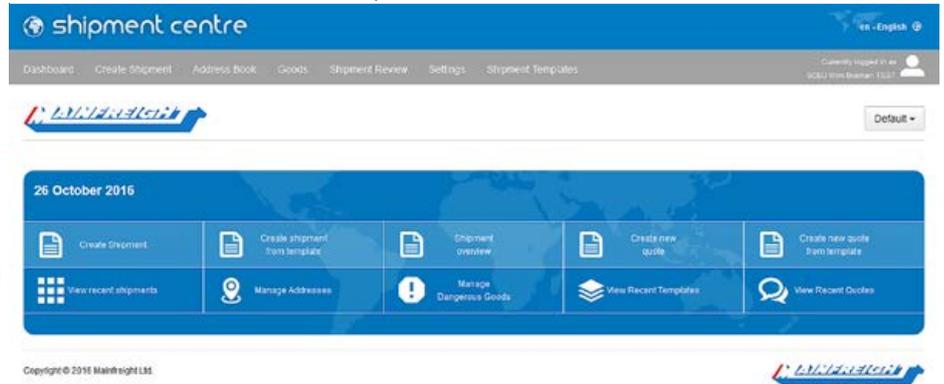
We have made significant progress in replacing our third party E-Shipment booking tool with Shipment Centre, our own online booking tool. Developed in New Zealand, specifically for Mainfreight Europe, it has made a big progression over the last few months. It is being delivered in four phases with the first two containing all basic functionality, a dangerous goods module and document upload are now live.

Phase 3, which integrates parcel service and label generation for external courier shipment provider, DPD, has been delivered and is currently being implemented at selected trial customers. Phase 4 will include quoting, pricing and transit times.

In Shipment Centre EU we have included some features which should help the customer to create their shipment in a more efficient way. We have also changed the default view of the create shipment page to a

stepped view. The stepped view looks more organized and ensures that scrolling on the page is limited. Customers who prefer to have all form fields on one page are able to switch to the full view.

The Shipment Centre EU dashboard

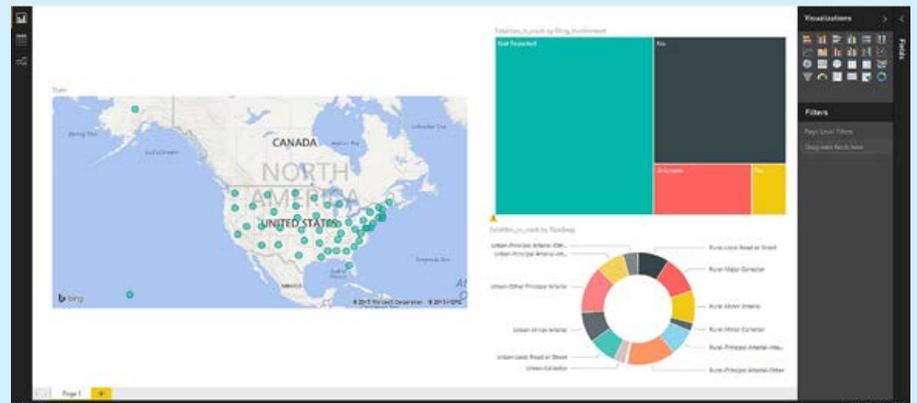


## Mainfreight Selects Microsoft's Power BI/Reporting Suite for its Growing Needs – contributed by Laurie Hamid

After a lengthy search, with side-by-side comparisons and hands-on use of the industry's top reporting tools and BI software offerings, Mainfreight selected Microsoft's Power BI and Suite of reporting tools for its growing need to provide insight into supply chain data, analytics of trends and forecasting for clients and its own business.

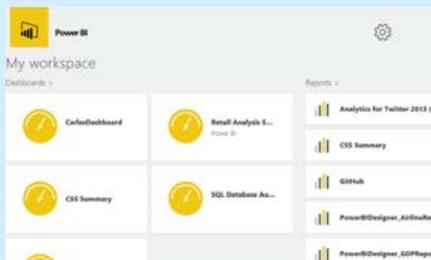
With its integration with our current database platforms, Power BI is a seamless fit allowing for reporting and visualizations for all levels of users. Dashboards are managed in a personalized workspace.

Reporting and functional offerings, including the ability to drill down within each of the graphs, full export, and more, create interaction and analysis opportunities beyond a traditional report.



Data can be merged with multiple sources. Graphics captured and pinned to a new dashboard and new graphics created. The power to look at data from multiple different angles for a range of users, from those with minimal experience to those who program, makes this product a dynamic and exciting new tool for Mainfreight to use and delight its customers.

Power BI also allows Mainfreight to publish dashboards and reports to either Android or iOS mobile devices for both team members and our customers. Using Power BI Mobile Apps, users can access data and interact with business information anywhere and anytime. The underlying reports can be set to auto-refresh so users can keep track of the most up to date information while on the move.



## Thank You

By the time you read this newsletter, more than half the year will have gone and many of you will have had a very hectic year already. For those of you in our northern hemisphere IT Teams I hope you have had or will be having a very relaxing summer holiday. To those of us in the southern hemisphere, I am hoping that the hectic pace of the first six months will have settled down and be more manageable in the coming months – our summer holidays are not that far off. Thank you to the many who have worked far beyond the call of duty, some working many weekends and public holidays to ensure the successful implementation of our technology without interrupting the business.

## Bereavements

### Tom Swain – CaroTrans Boston

It is with great sadness that we acknowledge the sudden passing of Tom Swain, Branch Manager, CaroTrans Boston on Tuesday May 2, 2017.

He was 36 years young and a team member since 2006. Tom was instrumental in establishing CaroTrans in Boston and leaves an indelible mark.

Tom's character defines the meaning of TRUE – true to his family, true to his team, true to his work and true to his beliefs. He was a very special human being and will be greatly missed by so many.



### Brian Kelly – Mainfreight/ Daily Freight Wellington

Fondly known as “Dad” around the Wellington depot, we were all saddened to learn of the passing of Brian Kelly earlier in the year. Brian was 65 when he joined our team. A truck driver and outside contractor to our group for most of his life, he would occasionally drop into the depot when he was doing relief driving – so we offered him a job.

Brian officially retired from Mainfreight in July 2015, aged 89. A 25 year legend, all after officially retiring from his first career. Brian was a link with the past, he shared his many stories and memories, as well as his quick wit, but was always just as interested in what all the young ones were up to.

He will be very much missed. Rest in peace Dad...



# SERVICE ACHIEVEMENTS

The following members of our team have celebrated, or will shortly celebrate, 20 years or more with us:

Ton Cuijpers	40 years	Mainfreight Logistics Geleen
Roland Janssen	40 years	Mainfreight Belgium Driver
Gerard Kupper	40 years	Mainfreight Transport Netherlands
Lloyd Rivers-Smith	40 years	Daily Freight Auckland
Frank Senden	40 years	Mainfreight Logistics Geleen
Jan Wassink	40 years	Mainfreight Transport Netherlands
Don Campbell	35 years	Mainfreight Air & Ocean Auckland
Bennie Schut	35 years	Mainfreight Transport Netherlands
Marlies Soetelmans-Gerits	35 years	Mainfreight Logistics Geleen
Diana Abbenhuis-Siroen	30 years	Mainfreight Transport Netherlands
Ina Beekhuizen-Roes	30 years	Mainfreight Forwarding Netherlands
Murray Craig	30 years	Owens Auckland
Brett Cuttle	30 years	Mainfreight Palmerston North Owner Driver
Ray Dixon	30 years	Mainstreet
Bobbie Dougherty	30 years	Mainfreight Wellington Owner Driver
Craig Evans	30 years	National Team Auckland
David Farrell	30 years	Mainfreight Transport Rotorua
Derk Geersing	30 years	Mainfreight Crossdock Netherlands
Arthur Hoogsteder	30 years	Mainfreight Europe
Piet Speet	30 years	Mainfreight Transport Netherlands
Rudy Vandewalle	30 years	Mainfreight Forwarding Oostende
Lane Adamson	25 years	Mainfreight Dallas
Lutz Carolin	25 years	Mainfreight Transport Netherlands
Shane Douglas	25 years	Mainfreight Air & Ocean Auckland
Jean-G�rard Fifis	25 years	Mainfreight Logistics Netherlands
Wayne Goodwin	25 years	Mainfreight Hamilton Owner Driver
Michael Griffiths	25 years	Mainfreight Transport Christchurch
Wouter Janssen	25 years	Mainfreight Transport Netherlands
Robert Little	25 years	Mainfreight Air & Ocean Wellington
John Mackay	25 years	Mainfreight Transport Napier
Henny Meurs-Goorman	25 years	Mainfreight Forwarding Netherlands
Roland Ruesink	25 years	Mainfreight Transport Netherlands
Guido Staels	25 years	Mainfreight Forwarding Belgium
Ren� Spaan	25 years	Mainfreight Logistics Netherlands
Fred te Wiel	25 years	Mainfreight Transport Netherlands
Sjoerd Teerink	25 years	Mainfreight Logistics Netherlands
Paul Tolson	25 years	Mainfreight Transport Auckland
Paolina Tortora	25 years	Mainfreight Air & Ocean Tullamarine
Stefaan Verduyze	25 years	Mainfreight Forwarding Belgium

**Thank you for your loyalty, dedication and hard work – What an achievement!**

# SERVICE ACHIEVEMENTS

The following members of our team have celebrated, or will shortly celebrate, 20 years or more with us:

Kevin Aldridge	20 years	Mainfreight Auckland Owner Driver
Barbara Bartorelli	20 years	Mainfreight Forwarding Belgium
Linda Bettencourt	20 years	Mainfreight Los Angeles
Arno Broekhuizen	20 years	Mainfreight Transport Netherlands
Peter Burke	20 years	Mainfreight Los Angeles
Wayne Busson	20 years	Mainfreight Logistics Christchurch
Mario Carette	20 years	Mainfreight Forwarding Belgium
Maurice Clarke	20 years	Mainfreight Nelson Owner Driver
Kim Curtis	20 years	Mainfreight Logistics O'Rorke Rd, Auckland
Andrea D'Cruz	20 years	Mainfreight Transport Clayton
Angelo Daamen	20 years	Mainfreight Customs Netherlands
Philippe David	20 years	Mainfreight Belgium Driver
Tom Davis	20 years	Owens Tankers/Mainfreight Auckland Port Ops
Trace Donaghey	20 years	Mainfreight Training Team Christchurch
Chrissy Douglas	20 years	Mainfreight Air & Ocean Wellington
Robert Ede	20 years	Daily Freight Wellington
Marc Elting	20 years	Mainfreight Transport Netherlands
Wesley Fa'au	20 years	Daily Freight Auckland
Pat Henderson	20 years	Mainfreight Wellington Owner Driver
Deborah Jackson	20 years	Mainfreight Logistics Westney Rd, Auckland
Carolyn Lee	20 years	Mainfreight Transport Christchurch
Ronald Luikink	20 years	Mainfreight Crossdock Netherlands
Robert McGillivray	20 years	Mainfreight Transport Christchurch
Andrew McKenzie	20 years	Mainfreight Auckland Owner Driver
Romain Maes	20 years	Mainfreight Belgium Driver
Corina Mareela	20 years	Mainfreight Transport Auckland
Luc Meulemeester	20 years	Mainfreight Forwarding Belgium
Lindsay Miller	20 years	Mainfreight FTL South Island
Alan Morgan	20 years	Owens Christchurch
Anthony Pauchete	20 years	Mainfreight Belgium Driver
Liane Philippsen	20 years	Mainfreight Europe
Willem Smits	20 years	Mainfreight Transport Netherlands
Cor Straub	20 years	Mainfreight Crossdock Netherlands
Rieky te Grootenhuis-Hebbink	20 years	Mainfreight Customs Netherlands
Monique Tuenter-ten Holder	20 years	Mainfreight Europe
Peter van de Kamp	20 years	Mainfreight Crossdock Netherlands
Eric van der Pol	20 years	Mainfreight Logistics Netherlands
Edwin Vrogten	20 years	Mainfreight Transport Netherlands
Kendal Walsh	20 years	Mainfreight Air & Ocean Tullamarine

**Thank you for your loyalty, dedication and hard work – What an achievement!**

# Mainfreight Excellence

Each year we hold meetings for our Sales Teams and Branch Managers in our various countries/regions of the world, and as part of this we honour outstanding performance by giving various awards for sales achievements (with the ultimate award being for Salesperson of the Year and for the best performing Branch of the Year).

We have collected the award winners here together in one section – Congratulations to all of you. Your efforts and successes are inspirational and are what make this Company special!

## New Zealand

### Sales Person of the Year 2017

Ricky Clark, Mainfreight Hamilton, was awarded the Jonathan East Salesperson of the Year for 2017

### Sales Team of the Year 2017

Wellington Air & Ocean and Domestic Combined Sales Team



{L-R:} Haedyn Wicks, Matt Dalton, Sean Love, Sarah Bennison, Kate Godley, Natasha Jacobs

### Branch of the Year New Zealand



Craig Evans presents the Terry Cunneen Branch of the Year Trophy to Denis Laws. Well Done Mainfreight Hamilton, Branch of the Year 2017

### Turnaround Branch of the Year

This award goes to the branch that achieves a significant turnaround in quality and profit.



Owen Donald, Mainfreight Christchurch receives the trophy from Mitch Gregor. Well done to the team.



Murray Kippenberger, franchise owner of Mainfreight Timaru, accepts the 2017 Franchise of the Year trophy from Carl George ... Well done Timaru Team – back to back wins!

## Australia

### Sales Person of the Year

Congratulations to Mitch Bryan for winning Australian Salesperson of the Year award. It was a good year with a number of notable gains. No one has ever gone back to back - there is a first time for everything!



(L-R:) Dave Scott, Steve Turner, Brendan Ryan, Mitch Bryan, Aladin Basic, Simon Hart & James Bennett.



(L-R:) Simon Hart, Rodd Morgan, Grant Draper, Ashley Taylor, BJ Curtis, Mike Reid

### Branch of the Year

Congratulations Ashley Taylor and the Transport Clayton Team for winning Branch of the Year 2017.

## The Americas

### Mainfreight USA – Sales Person of the Year

We held our national Sales Conference in Ft. Worth, Texas in February. We recognized one Salesperson of the Year from each division and crowned a North America Salesperson of the Year. Congratulations to Jake Moller – Air & Ocean Salesperson of the Year, and to Ralph Garcia – Transport and overall North America Salesperson of the Year.



(L-R:) Nathan Thomas, Tom Valentine, Ralph Garcia – North America Salesperson of the Year, John Hepworth, Nick Vernald, Shawn Roach

**Mainfreight USA Branch of the Year**

The awards for Branch of the Year were handed out at our awards dinner during our Branch Managers conference held in March in Huntington Beach, CA. This year we gave out three Branch Awards to recognize achievement to the Transport Branch, Air & Ocean Branch and our Franchise of the year. From those 3 recipients, Mainfreight USA selected our Branch of the Year.

Mainfreight USA is pleased to recognize Dallas Air & Ocean as the Mainfreight Branch of the Year and winner of the travelling Springsteen Guitar.

Congratulations also go to Mainfreight Phoenix as Transport Branch of the Year and to Austin as Franchise of the Year.



(L-R:) Nathan Thomas, Taylor Solbrack (Branch Manager, Dallas Air & Ocean) and John Hepworth



Greg Sutton, Branch Manager Phoenix, receives the award for Transport Branch of the Year from Shawn Roach



Christy Liner (Senior Operations Manager, Mainfreight Austin), John Hepworth and Tim Miller (Branch Manager, Mainfreight Austin)

**CaroTrans Awards**

The New Jersey team had a clean sweep this year, picking up both Salesperson of the Year and Branch of the Year. Fantastic effort from a great team!



CaroTrans Salesperson of the year Alexander Kosachev



CaroTrans Branch of the Year Kerry Conn (Branch Manager CaroTrans New Jersey) and Matt Spartz

**Newcomer Award**



Ryan Ritchie and Chris Wilson  
The Newcomer Award was won by Ryan Ritchie in Seattle. Since relocating to Seattle, Ryan has done a great job developing the market, identifying targets and attacking his targets with a high level of enthusiasm. Congrats Ryan!

## Europe

### Europe Sales Conference 2017

Every year the Sales Awards dinner is very special. Team members were rewarded for their sales efforts. A special congratulations goes out to Gabriela Vlad from Mainfreight Romania who is our European Sales team member of the Year. Three years in a row she has achieved her sales goal and with her cross-selling efforts she has provided additional business to the Group.



(L-R:) Ben Fitts, Frans Zuidgeest, Gabriela Vlad – Salesperson of the Year, Liane Philipsen

### European Branch of the Year

The annual European Branch Managers Meeting took place on 26-28 February, and the Awards Dinner for the European teams was the highlight of the gathering.

We congratulate all the branches who achieved their target, congratulations to you all! Especially to our Forwarding Team in Paris for winning the well-deserved Branch of the Year award!



(L-R:) Frans Zuidgeest, Don Braid, Laurent Janniaud (Branch Manager Forwarding Paris), Ben Fitts



Mainfreight Forwarding Paris celebrates their win - European Branch of the Year!

## Asia

### Asia Branch of the Year

We congratulate the Shenzhen team on achieving this great award. A fantastic team effort by everyone in our Shenzhen operation. Shenzhen joins a unique group of branches who have taken the award.



Asia Branch of the Year – Mainfreight Shenzhen  
L-R: Raymond Lo, Jenny Zhong, Michael Lofaro

### Asia Regional Sales Conference

The Mainfreight and CaroTrans annual sales meeting took place on March 8-9 in Shanghai. During the meeting, team members from Asia gathered to discuss many topics including performance review, trade lane updates, 3PL updates, software training, target setting, experience sharing and improvement workshops. The meeting finished off with a tour of the Shanghai office.

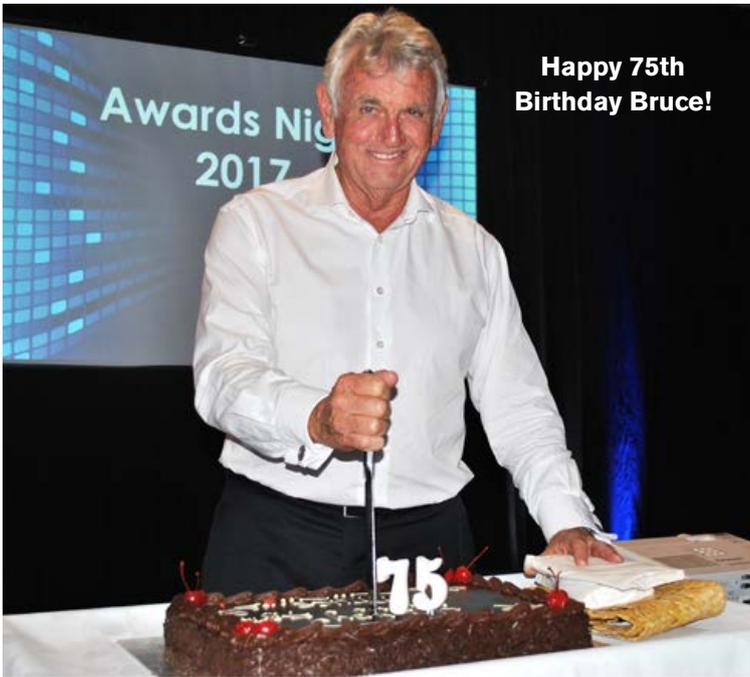


Top Salesperson of the year: Jacky Lam, Hong Kong Team  
L-R: Raymond Lo, Jacky Lam, Michael Lofaro



Best Sales Team of the Year: Hong Kong Sales Team  
L-R: Raymond Lo, Cecilia Cheung, Sherene Lee, Michelle Wong, Noel Kong, Duncan Tang, Vincent Lee, Jacky Lam, Michael Lofaro

**It's our people that make the difference....some team shots from around the traps!**



**Happy 75th Birthday Bruce!**



And Happy Birthday from the team in Europe



**It's not a laser beam...it's an RF Gun**

L-R: Tammy Rivers, Brandon Lemalu and Hardeep Singh from our Railway Lane Logistics Site in Auckland embracing our Technology.



Adrian Tohovaka using his mouse cart to speed up the workload...are you flexing Adrian?



**Love that smile Emma**

Emma Jackson from Highbrook Logistics finalising and despatching orders for one of our key customers



**That's a big thumbs up from Pat**

Patisolo Feo making easy work of unloading containers at our Highbrook Logistics Site in Auckland



Jesse Gray-Morgan and the Perth team providing a BBQ to Bunnings Team and Suppliers (our customers) at a new Bunnings store in Perth before the store opened

## Celebrating the Milestones



Craig Evans – 30 Year Legend, with Don Braid  
"Taking with one hand ..."



Craig Evans congratulates Nic Kay on his 20th Anniversary  
"... and giving with the other!"



Jan-Willem, congratulations on your 40th anniversary!



Years of hard work can't be ignored without a celebration! Mainfreight Belgium has honored Carine Bovy, Inge Verschorre and Yves Van Vooren for their hard work during the past 20 years. Congratulations



Mainfreight Belgium has Udo Engels, William Dereeper, Franky Delanghe and Benny Mestdagh for 25 years of hard work. Congratulations, team members!



**You have not aged a bit in 10 years Woodsy**  
Hamish Woods re-joined us this year from his time in Australia, and is currently leading our O'Rorke Road Team as Branch Manager



Not sure what message your team were aiming for Ogi!  
(Ogi Vuksanovic, Branch Manager Air & Ocean Brisbane)

**How to Make the Boat Go Faster!**

The focus for this year's European Branch Manager meeting was "How to make the boat go faster?", a concept discussed by Olympic rower, Ben Hunt-Davis, who spoke about the UK rowing team's preparations for the 2000 Olympics. The Branch Managers also took part in rowing challenges during the two-day meeting.



The team giving it heaps!

A bit of family rivalry! Note – this was a heat – not the final placings!



Apple time in NZ again and little Reiko (son of Christina Ewe) is happy to get stuck into them!



**Valentine's Day at CaroTrans LA**  
(L-R:) Trisha Maahs, Theresa Iamaleava, Cookie Kwait, Cynthia Towne, David Bouldin, Melina Martinez

**First Aid Training – Qingdao Team – Vicky Zhao, Branch Manager**

The Qingdao team recently completed training with the Red Cross and all gained their first aid certificates – no problem if you have an injury at this branch!



Back row (L-R:) Neil Li, Steven Sun, Gary Hu, Daniel Xue, Tiger Li, Vincent Lu  
Mid row L-R: Gary Gu, Teacher, Helena Li, Aileen Sun, Eva Jiang, Rex Gao  
Front row L-R: Miki Yuan, Vicky Zhao, Monica Jiao



CaroTrans and Mainfreight combined to put forward a young and energetic team for the inaugural six-a-side Heartbeat of Football Challenge held in Sydney  
Back (L-R:) Hamish Brown, James Warren, Adam Bajek, Joshua Naumoff, Tony Naumoff, Kathleen Hoglund, Lee Amour  
Front (L-R:)Conor McClelland, Matthew Kay, Sam Elomar, Matthew Canturi, Sheldon Cofie

Hoodbeats is an organization offering after-school drum lessons to low-decile schools in South Auckland. We have supported them with buckets in the past, but thanks to Maria Ortiz from our LA office, we were able to provide them with drum sticks too.



Demetrius (left) and Alina (right) from Hoodbeats, with Nikki Cooper (centre)

Every year, Bruce hosts a group of children from Bairds Mainfreight Primary School for a day at his property on Waiheke Island. This year we received some great feedback from members of the public about the children ...

**From:** Katrina M

**Sent:** Tuesday, 7 March 2017 6:50 PM

**Subject:** Congratulations

Good evening

Last Friday, our family took the 10.00am Sealink ferry from Half Moon Bay to Waiheke to show a visitor from Tasmania around our beautiful Island. We were fortunate to share our trip over (and, coincidentally, our return) with your wonderful pupils.

I'll be the first to admit, I gulped at the sight of a bunch of school kids who'd be sharing the long ferry ride over to Waiheke. I'm a daily commuter to the CBD and I have experienced some pretty unruly kids on ferries. The pupils from Bairds Mainfreight Primary School were anything but! From the beautiful singing (and guitar playing by a talented teacher) while they waited patiently for the ferry to arrive, their lovely manners on-board the boat and while they departed, brought smiles to our faces. You should be very proud of the way your students represented your school, as well as themselves.

Kind regards, Katrina

**From:** Jason G

**Sent:** 20 February 2017 15:18

**To:** Alicia Coles (MFT CHH)

**Subject:** Driving.

Hi Alicia I always like passing on good news so if you could please pass this on it would be most appreciated.

I recently had to take a drive up to Nelson (on holiday) and now that the traffic has been funnelled up the centre of the island this has of course increased the traffic on an epic scale.

While sitting behind a massive queue because of a truck or campervan is always the bane and frustration of a driver I would like to say that I am very impressed with ALL Mainfreight vehicles I encountered which were a hell of a lot.

All Mainfreight drivers were very diligent and courteous in helping the flow of traffic by either waving you on if they were 100% sure the way was clear or pulling over into areas to let other people past.

Well done – it's a pity some of the other freighting companies could not follow suit.

Thank you Mainfreight drivers J

Kind regards.

Jason G

**From:** Lynne Di

**Date:** 16/02/17 18:40 (GMT+12:00)

**Subject:** Compliment

Dear Mainfreight,

Today I was waiting at traffic lights on Canterbury Road, North Bayswater, Vic, and I noticed one of your vehicles. I was impressed by the clean appearance and obviously "well-cared for" look of the truck, and I was reading the information on the back.

I was quite touched by your simple message of advice "Hold your child's hand every chance you get." As a 75 year old mother, grandma and great-grandma, I could not agree more!! Not only is your message very important for road safety when crossing roads, but from experience, it is also one of the most important things that anyone can do for their littlies to assure them of safety and love.

I doubt that I will ever need your services because I am well and truly retired from the hustle and bustle of the business world, but I will certainly carry a high opinion of your company.

I have had a look around your web-site and would recommend that senior students and school-leavers take your employment advice and opportunities into consideration.

You seem to be a nice bunch! - Thank you.

Yours sincerely,  
Mrs Lynne D

**From:** Farmers Customer Services Team  
**Sent:** 20 February 2017 12:31  
**To:** Ray Bradcock (M2Home CHH)  
**Subject:** Delivered: 10 Feb 2017 15:01

Hi Ray,

Please see great feedback received for the drivers who delivered the above shipment. Please can you let them know that the Customer thought they were incredible!

Kind regards, Sharon Welsh

Store# 5065

**Date:** Feb 19, 2017 09:12 AM

**Subject:** Re: How was your Farmers Delivery?

Hi,

I wanted to provide feedback on the team that delivered my washing machine. They were incredible! Firstly, we live on a lifestyle block and no one ever shuts the gates after they come through them, but your guys did! It's incredibly important when you have animals that the gates are shut so a huge thank you. Secondly I expected the team to drop my washing machine off and go. They told me they install the machine too. I wasn't organised and hadn't moved my old machine, and it was no bother. They removed my old machine and installed the new one. Best customer service I've had in years. The guys were polite, professional and a credit to you. I wouldn't consider buying anywhere else after this experience.

Kinds regards

Petria

**From:** Vinay K  
**Sent:** Tuesday, May 30, 2017 7:47 PM  
**To:** Zillah Hall; Erin Smith; Andrew Gonzalez  
**Subject:** RE: Demonstration Charger

Dear Erin,

My special thanks to you for the wonderful job you did on the getting this charger cleared on-time. Our entire Team was delighted with your special coordination yesterday and especially appreciated your quick actions on clearing this shipment. The extra time and effort you put in were certainly worthwhile. It is a delight for me to work with such dedicated personnel like you and your company Mainfreight.

You indeed are awesome! Kudos to all good work done by Mainfreight team, Thanks to Zillah & Andrew as well.

Thanks & regards,  
Vinay

**From:** Annie C  
**Sent:** 14 December 2016 18:05  
**To:** Don Braid  
**Subject:** Great Driver in Kaukapakapa Today

Hi Don

I just wanted to congratulate Mainfreight on the calibre of your drivers and to commend to you the driver who passed through Kaukapakapa at around 2.30 this afternoon. I observed a child waiting at the crossing island in the middle of the road and a lot of other cars going past without stopping to let her finish her journey across. Finally a Mainfreight truck stopped for her and the driver gave her a lovely smile and flashed his lights for her to cross.

I was very impressed, and disappointed that other drivers don't stop when a child is waiting in the middle of the road.

Good for you guys.  
Annie C

**From:** May X  
**Sent:** 2 May 2017 22:01  
**To:** Trevor Rice (MFAO WGN)  
**Subject:** Comments/Feedback

Hi Trevor,

I am writing to let you know how great Natasha is. She has been being very patient and helpful to me with explaining anything I have problem on understanding. This is what I need but I didn't get from another company I contacted. Therefore, I will come back to Natasha for all my imports from now onwards.

I am very impressed with Natasha's customer service. Please tell her how much I thank her.

Kind regards,  
May X

**From:** Gary L  
**Sent:** Friday, 22 July 2016 13:32  
**To:** Dave Coughlin, Steven Phillips  
**Subject:** Feedback  
Gents,

We have just received a box of apples – thanks very much.

It reminded me to send you a long overdue email regarding the service from your businesses – don't panic it's all positive!

Over the last 18 months I have been doing more of the overseas purchasing and during this time I have been impressed with the service (and their patience with me) from both Lisa and Gary.

In a similar fashion your domestic freight service is of a high standard. The people are friendly and helpful, with competitive pricing and prompt servicing.

I'm not sure what your secret is but there appears to be a very good culture within.

Please pass on my thanks to your team.

Have a good weekend.

**From:** Sian V  
**Sent:** 23 May 2017 10:53  
**To:** Mitch Gregor  
**Subject:** A good news story!

Hi Mitch

I wish to take this opportunity to report back on an exceptional interaction with 2 of your team at the Toop St Depot last night.

My husband and I took delivery of a trailer sent down from Hamilton and when came to uplift it after work, we knowingly needed to add the tyres to the unit and drive away.

Anyhow – we arrived very poorly equipped [and clothed] it transpired, to undertake this tyre installation [just had the car tyre kit] – and despite our best efforts we couldn't loosen the nuts on the trailer. Darkness and cold settle in and we were in a pickle... ready to walk away and think of another plan.

HOWEVER the lads rocked up – Jono Zwart and one other whose name I didn't catch – Super friendly and willing to assist – took the job in hand and within no time at all – we were away homeward bound. Positive, Friendly and professional - is how I would sum them both up.

I would like to say that this and many other interactions with the Mainfreight team members have been consistently excellent and clearly they are embracing representing your company to the highest level.

We would like you to acknowledge their efforts and look forward to many more fabulous delivery and interaction stories in the future

Well done and thank you  
Siân and Matthew V

**From:** Dominic B  
**Sent:** Friday, 3 March 2017 13:23  
**To:** Ogi Vuksanovic  
**Subject:** Sincere Thanks

Hi Ogi,

Hope this message finds you well.

Yesterday at approx. 13:00 Melbourne time, we received delivery of shipment, 36 x Pallets from Shenzhen – Guangzhou – ULA Port Melbourne Office.

“...seamless, proactive, handled with urgency, resourceful, collaborative, above & beyond, exceeded expectation, reassuring, calm & efficient, semi-driver –“best we've seen”, treated load “like handling eggs”.

Words & phrases which describe the outstanding service from your Mainfreight team this past week.

The shipment contained 200 screen modules. This massive screen is integral to the conference this weekend.

Ongoing delays in manufacturing, delivery time was near impossible & we advised our client of impending disappointment.

I presented the matter to Adam Horne. Within hours a plan was hatched to transport 17.5m<sup>3</sup> (4 tonne - 36 road cases).

Time critical, Mainfreight palletised the load on behalf of our supplier, uploaded entire shipment onto an earlier flight, pre-cleared customs & with the assistance of Mitch Fontalvo pre-arranged for a semi-trailer to deliver shipment.

Ogi, please pass on my personal thanks and best wishes to Adam Horne, Mitch Fontalvo, Chris Meacham, Ian Thomas & Stephen Simpson. They consistently offer and deliver outstanding service.

Best wishes,

**From:** Gregg H  
**Sent:** Friday, April 21, 2017 2:58 PM  
**To:** Beth Plaster  
**Cc:** Tailor Solbrack  
**Subject:** Urgent Aberdeen shipment

Beth,

I wanted to thank you for handling the urgent Easter weekend shipment arrangements. Our customer was amazed at how quickly we reacted and how quickly you had the engine arrive in Aberdeen. It took a lot calls to make sure all of this happened like it did. I appreciate the incredible effort you gave. We have received great praise from our customer and we could not have done so without your continued support and dedication to our success.

Regards,  
Gregg H



We create chemistry

Clinton Smith  
Transport Manager  
Mainfreight  
2 Railway Parade  
Otahuhu, Auckland 1741 NZ

8 May 2017

Dear Clinton

At BASF, we aim to ensure the safe transport, handling and storage of our products through reliable logistics partners, global standards and an effective organization.

Our regulations and measures for transportation and warehouse safety cover the delivery of raw materials, the storage and distribution of chemical products among BASF sites and customers, and the transportation of waste from our sites to the disposal facilities.

Transportation and distribution safety is an important part of our Responsible Care® program. Safety, in all areas of our business, is our top priority and we are strongly committed to distributing products safely and responsibly across the world. Our aim is to eliminate transport and warehouse related incidents and we recognise our logistics service providers play a key role in this.

We wanted to take this opportunity to write to you and give recognition to Mainfreight on your performance in and approach to safety. To us, you are a trusted safety partner. This is evident not just in your safety record but the whole approach of you and your team.

Thank you again, and we look forward to continuing this successful partnership into the future.

Yours sincerely

David Hawkins  
Chairman & Managing Director  
Australia and New Zealand

Danny Khoo  
Head of Supply Chain  
Australia and New Zealand

**From:** Cristina G  
**Sent:** Wednesday 5 april 2017 3:14  
**To:** Brucargo Import  
**Subject:** Re:

Avec grand plaisir ! Tchin tchin à toute l'équipe et encore merci pour le "wonderful job" que vous faites tous les jours !!! ;-))  
*With pleasure! Cheers, for the total Team and again thank you for the wonderful job! that you provide to us every day.*

Cristina

This appreciation email came through to Eddy in our Shanghai CS team...  
Translation: *"Both LM China and their Korean customer appreciated our CS team including Eddy for our quality service and saved costs when compared previous shipment handled by other forwarder."*

发件人: Megan Zhang  
发送时间: 2017年5月2日 17:30  
收件人: Eddy Yao (MFI Shanghai)  
抄送: Elaine Eui (MFI Shanghai)  
主题: 答复: 韩国出口报价

Eddy,

韩国出口的这票货客户已经收到了, 我们收到的反馈是客户非常满意。

客户反映相比去年一票货他们这次在费用上整体节省了1万多块, 也感谢 eddy 的协作和配合。

希望以后可以长期合作。

非常感谢。

Megan



ASIA



AUSTRALIA



NEW ZEALAND



EUROPE



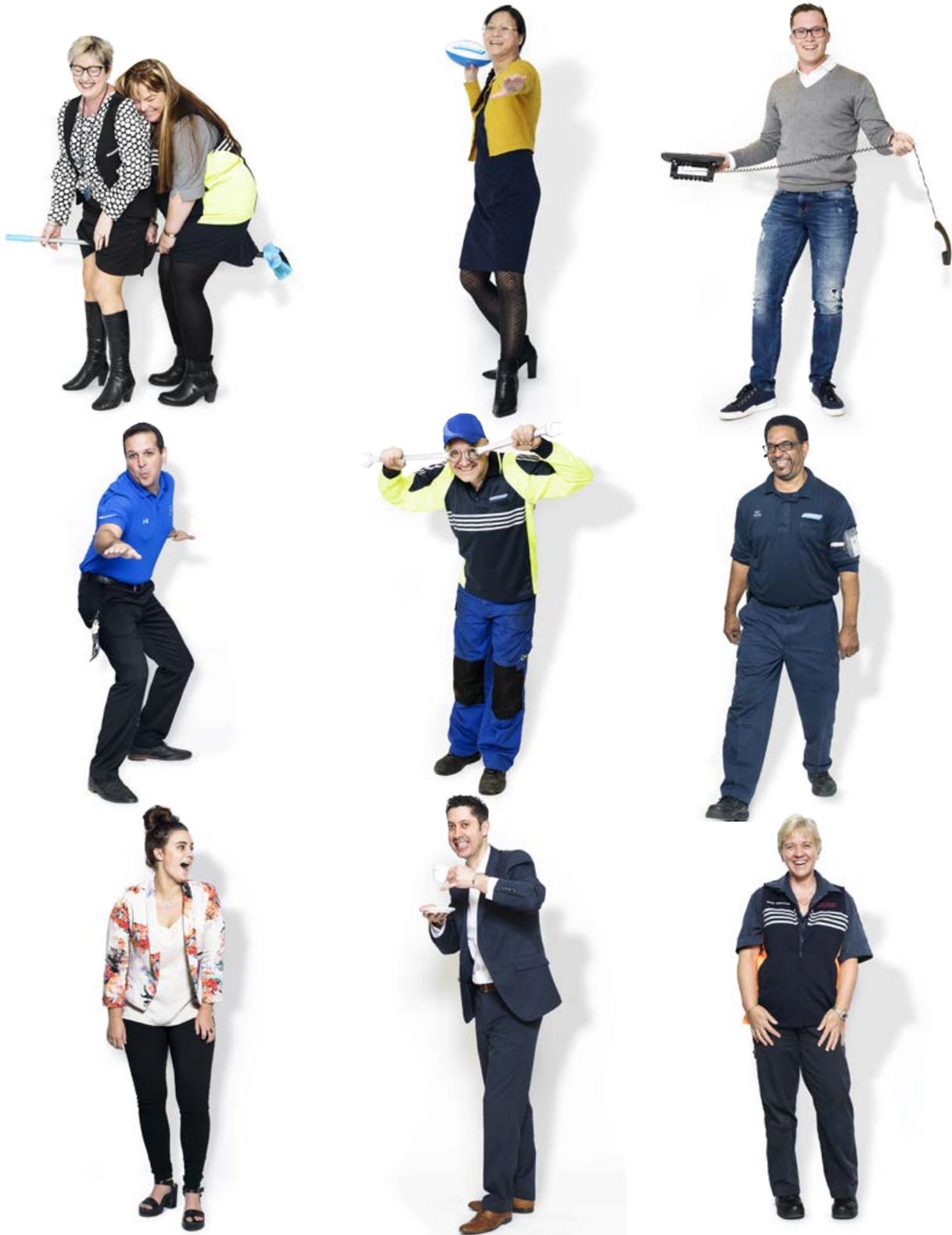
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**Thank you to all our team around the world – we love your energy, passion and character!  
Special People, Special Company!**



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