THE MAINFREIGHT TEAM CONGRATULATES DUFFY BOOKS IN HOMES ON THEIR MILESTONE!

DUFFY CELEBRATES 20 YEARS AND 10,000,000 BOOKS!
FIND OUT MORE INSIDE
Managing Director's Comment

Welcome to the end of year edition of our team’s newsletter; a biannual publication where our people from around the world can share developments and achievements. As an emerging global logistics business, now located in 245 branches across 20 countries, and with 6,071 people, the more we communicate amongst ourselves, the better we become. And we are pleased to share this information with our customers and shareholders so that you are able to better understand our business.

We recently released our half-year results to 30 September 2014. Looking at our results net of foreign exchange effects, sales revenues increased 7.8% to NZ$987.1 million, and net profit was up 16.7% to NZ$33.7 million. Earnings before interest, depreciation and tax (EBITDA) or, simply, our operational performance, increased 13.1% to NZ$69.3 million. This is a solid performance for the first six months of the 2015 financial year, albeit behind our expectations.

In most of our five regions, this next six months could be classified as “peak” season, and certainly volumes to date through October and November are up on the year prior.

Our attention to providing high quality services for our customers is never more warranted than now. Our loyal customers are very dependent on our ability to meet expectations, time and time again, during these peak periods. This is when we prove our real worth, and where we develop life-long partnerships. Never underestimate the value of “word of mouth” recommendations from these satisfied customers.

Globally, we would like to see stronger sales growth. As the world economies find their feet after a lengthy period of slow-down, we need to take advantage of the growth that is available. While some of our business units have seen what might be deemed satisfactory growth, when these growth rates are placed alongside their region’s economic growth, it becomes apparent that we are likely only “rising with the tide”.

Faster, more aggressive growth is what we are looking for. Some sales teams will need bolstering, and it is upon all of us to take the lead and assist the sales process wherever possible. This is particularly applicable to our leadership teams around the world.

We are often asked what are the risks and inhibitors to achieving more growth. It is not access to debt facilities, or the need for joint ventures, or changes in strategy. Simply, it is having high quality, passionate people who are able to lead our business into the future. Our development of new branches, new products and services, new ventures, acquisitions and new geographical locations will depend on our ability to develop leaders prepared to take on the new challenges and opportunities that are presented.

To be brutally honest, this is our main area of weakness which we must address. There are a number of roles across the Group that require internal candidates willing to accept the challenge. Filling these roles provides opportunity for both company and personal growth. To those of you who have not raised your hand for a more testing role, and are looking for development, please do so.

To our leadership team, your most important task is to develop more leaders. Not to do so is to suffer stagnation, and consign our business to mediocrity.

You can expect us to continue to address our recruitment, people development and leadership strategies over the coming months.

Our continued growth depends on our people.

Our capital expenditure will exceed NZ$123 million this year, providing exceptional facilities to secure our future and allow us to deliver better services to our customers. This level of capital spend will continue into the new financial year as more development projects are identified.

To those of our people who are working very hard in difficult surroundings as these building projects take shape, thank you for your patience and forbearance.

As this Newsletter goes to print, we are very pleased to share with you that at the New Zealand Deloitte Top 200 business awards this year, Bruce Plested was honoured with the Visionary Leader award. The award recognises Bruce’s contributions to business, conservation, the community and education.

While we have all had the opportunity to know Bruce as a visionary leader for our business, this public recognition is greatly deserved, and well overdue we say. Congrats Boss – we are very proud to be associated with you.

To every single member of the Mainfreight family, in New Zealand, Australia, Southeast Asia, China, The Americas, Europe and Russia – we wish each and every one of you a very enjoyable festive season with your family and friends. Enjoy the opportunity to rest, relax and refresh where you can, and we look forward to a continuation of our exciting growth through 2015 and beyond.

Thank you all for being a part of our very special company.
It has been another eventful year in the life of the New Zealand Domestic Transport team. Every year, goals and targets are set by each of the branches and their teams in terms of quality and financial expectations. From one year to the next, the simple outcome is to improve on the performances of last year in every aspect of the branch. Failure to do so is not the Mainfreight way.

Each year it seems we do not have the time to sit around and think, or wait to tackle these targets; the years very rarely start with a quiet patch, and before we know it we are only weeks away from our peak Christmas period, which is always the defining part of the year for us and our customers.

In reflecting on the business thus far as we lead into Christmas, we have seen some satisfying achievements:

- Year to date September, the combined Domestic Transport business has seen pleasing growth in both revenue and profit.
- For this financial year to date, approximately 600 new customers have begun trading across the Domestic brands.
- Our 2Home divisions in both Auckland and Christchurch have moved into new larger, standalone facilities to better assist the growth and quality expectations of this expanding business.
- We have recently moved into our brand new Mainfreight Christchurch freight facility which is testament to our belief in the Christchurch marketplace.
- Rapid progress has been made with the construction of our new freight facility in Hamilton, which will be our largest in New Zealand; due for completion June 2015.
- Our Metro business in Auckland has moved to new premises.
- New branch managers have been appointed in Blenheim and in Daily Freight Christchurch, continuing our ‘promote from within’ culture.
- The introduction of our new Mainstreet operating system to the Auckland Metro team, a prelude to the wider LCL freight upgrade scheduled for mid-2015.

All positive stuff for our business, however none of the above would be possible without good people, throughout our branches, who care.

Things to Do Better in 2015

1. Continue to develop people in our business who will be the future leaders. Ensure you have depth in all areas of your branch and a robust succession plan.
2. Do what you say you are going to do - Walk the Talk.
3. Be even more committed to a safe work environment for you and your teammates.
4. Continue to look for new opportunities for our business to grow, and for better ways of providing great service to our customers every day.
5. Everyone at every branch must strive to hit the targets you all agree on each year as a team.
6. Each of us must lead by example, and never settle for mediocrity.

Each year just gets busier and busier. I cannot thank everyone enough for the early starts, late finishes, and fantastic commitment shown to delivering great service to all our special customers.

A big thank you again to all of the families who have supported us through another busy year.

Have a fantastic Christmas and New Year everyone.
Christchurch Open for Business
The Transport team in Christchurch is over the moon to finally be in their new home. The new dock is 150 metres long, and the entire facility as you can see is an impressive sight.

The final stage of the Christchurch redevelopment, an additional warehouse for our Logistics team, is now underway. Completion of the full Christchurch project is expected by May 2015.

The World’s Longest Piano
A hand-made piano, built in South Canterbury by Adrian Alexander Mann in a neighbour’s garage using lengths of wood from old beds, has recently been on an inter-island road trip.

Murray and the team in Timaru, having moved this on other occasions, were charged with moving the piano to Auckland. Between Mainfreight 2Home and the Mainfreight Mobile Team, they ensured this job went without a hitch. They sent it all the way back again a month later via our Hamilton branch – Great Stuff Team.

Rotorua Tough Guy/Gal Challenge 2014
Justin Gower, one of our Mainfreight Hamilton Owner Drivers recently won the 2014 “Tough Guy/Gal Challenge”. Justin was first out of 1,314 competitors over 6km through mud, water, and obstacles. Tough going – well done!
Precious Cargo
Hayden Lilly’s FTL unit, on the Desert Road (Central North Island) en route with a full load of honey.

Inter-branch Sports Clash
Recently the teams from Mainfreight Palmerston North and Wellington held a combined netball and rugby match up.

Mainfreight Palmerston North came away as victors — well done team!

New Hamilton Depot Rises from the Ground
Our new Hamilton freight facility, approximately 1 hour 20 minutes south of Auckland, is well and truly on track for its mid-2015 completion date.

At 165 metres long and 100 metres wide, it will be our largest freight terminal in New Zealand.
Claims Performance

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 350 consignments per claim
- 1% For inwards claims under 1,250 consignments per claim

<table>
<thead>
<tr>
<th>Outward Consignments Per Claim</th>
<th>To Sept 2014</th>
<th>To March 2014</th>
<th>To Sept 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chem Auckland</td>
<td>1817</td>
<td>2048</td>
<td>2332</td>
</tr>
<tr>
<td>Chem Christchurch</td>
<td>1383</td>
<td>1290</td>
<td>1114</td>
</tr>
<tr>
<td>Palmerston North</td>
<td>1307</td>
<td>860</td>
<td>951</td>
</tr>
<tr>
<td>Dunedin</td>
<td>902</td>
<td>715</td>
<td>668</td>
</tr>
<tr>
<td>MF Auckland</td>
<td>849</td>
<td>868</td>
<td>714</td>
</tr>
<tr>
<td>MF Hamilton</td>
<td>795</td>
<td>811</td>
<td>861</td>
</tr>
<tr>
<td>MF Wellington</td>
<td>736</td>
<td>777</td>
<td>821</td>
</tr>
<tr>
<td>Mt Maunganui</td>
<td>709</td>
<td>720</td>
<td>699</td>
</tr>
<tr>
<td>Invercargill</td>
<td>686</td>
<td>523</td>
<td>634</td>
</tr>
<tr>
<td>Rotorua</td>
<td>681</td>
<td>745</td>
<td>619</td>
</tr>
<tr>
<td>New Plymouth</td>
<td>600</td>
<td>933</td>
<td>678</td>
</tr>
<tr>
<td><strong>Total Company</strong></td>
<td><strong>580</strong></td>
<td><strong>677</strong></td>
<td><strong>669</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inwards Consignments Per Claim</th>
<th>To Sept 2014</th>
<th>To March 2014</th>
<th>To Sept 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taupo</td>
<td>2929</td>
<td>1444</td>
<td>1351</td>
</tr>
<tr>
<td>Palmerston North</td>
<td>2311</td>
<td>1581</td>
<td>1802</td>
</tr>
<tr>
<td>Chem Auckland</td>
<td>2143</td>
<td>3988</td>
<td>4741</td>
</tr>
<tr>
<td>MF Auckland</td>
<td>2044</td>
<td>1609</td>
<td>1379</td>
</tr>
<tr>
<td>DF Auckland</td>
<td>1870</td>
<td>1634</td>
<td>1660</td>
</tr>
<tr>
<td>Rotorua</td>
<td>1848</td>
<td>1129</td>
<td>1283</td>
</tr>
<tr>
<td>MF Hamilton</td>
<td>1646</td>
<td>1063</td>
<td>1100</td>
</tr>
<tr>
<td>MF Wellington</td>
<td>1565</td>
<td>1377</td>
<td>1411</td>
</tr>
<tr>
<td>Blenheim</td>
<td>1494</td>
<td>1719</td>
<td>2212</td>
</tr>
<tr>
<td>Chem Christchurch</td>
<td>1415</td>
<td>1463</td>
<td>1350</td>
</tr>
<tr>
<td>MF Christchurch</td>
<td>1369</td>
<td>1261</td>
<td>1236</td>
</tr>
<tr>
<td>Mt Maunganui</td>
<td>1299</td>
<td>1256</td>
<td>1137</td>
</tr>
<tr>
<td><strong>Total Company</strong></td>
<td><strong>1231</strong></td>
<td><strong>1172</strong></td>
<td><strong>1197</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ottend Consignments Per Claim</th>
<th>To Sept 2014</th>
<th>To March 2014</th>
<th>To Sept 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Plymouth</td>
<td>1118</td>
<td>1266</td>
<td>1475</td>
</tr>
<tr>
<td>Whangarei</td>
<td>1045</td>
<td>801</td>
<td>911</td>
</tr>
<tr>
<td>Owens Christchurch</td>
<td>1038</td>
<td>1552</td>
<td>1957</td>
</tr>
<tr>
<td>Napier</td>
<td>993</td>
<td>1303</td>
<td>1268</td>
</tr>
<tr>
<td>Owens Auckland</td>
<td>979</td>
<td>1378</td>
<td>1991</td>
</tr>
<tr>
<td>DF Auckland</td>
<td>845</td>
<td>1157</td>
<td>965</td>
</tr>
<tr>
<td>Invercargill</td>
<td>807</td>
<td>908</td>
<td>939</td>
</tr>
<tr>
<td>Dunedin</td>
<td>713</td>
<td>649</td>
<td>596</td>
</tr>
<tr>
<td>Nelson</td>
<td>425</td>
<td>470</td>
<td>448</td>
</tr>
</tbody>
</table>
One year ago we set down some challenges for 2014; all part of our growth ambitions – not only for our many shareholders, but all stakeholders, including our inspirational team members. So how did we go?

Scorecard
1. New Christchurch warehouse Stage One of Three – After a full year of operating, encouraging signs of sustainable profit continue to emerge
2. Neales Road, Manu Street, Westney Road – All of these Auckland-based warehouses introduced evening shifts to great effect
3. Kahu Street Class 3 bunker extension – Compliance delays mean this is now scheduled to be operational at the end of 2014
4. Christchurch Class 3 bunker extension – Also experienced delays; now scheduled to be operational in 2015
5. Westney Road development – Weather delays, 4,500 pallet chiller installed on time, Stage one handover 1st December, Stages 2 & 3 due for completion before May 2015
6. Whilst a concerted effect is still required by us all, with the support of new facilities coming online soon we believe our target, set down in 2011 to double the size of the overall Logistics business by the end of 2015, can be met.

Our closing statement in the Christmas 2013 Newsletter read “The year ahead is about to excite”, and on reflection the wording was possibly understated; it should have read ignite not excite! The extraordinary challenges that emerged during the year often placed our teams under extreme pressure to maintain quality expectations amongst overwhelming development distractions.

We can’t express our gratitude enough to our people for your endurance, and application in setting up the business for years to come. We expect to be over the peak after April next year and can look forward to the rewards of positioning the business for a bright future.

Equally, it is not lost on us the contributions made in support of our team by the extended family members at home, waiting for your loved ones who are working shoulder to shoulder grafting out all our futures. Please know that we appreciate and respect the support you provide as part of the wider family.

Next year is all about polishing our business, with layer on layer of quality performance and customer satisfaction, this will be the next step in widening the gap between us and others.

As the business continues to grow, we enjoy seeing team members appointed into newly developing roles, and we expect more to emerge in 2015. For self-motivated and inspirational team members opportunities will come; stay focused, not demanding, impatient or over-expectant. Good people are noticed and time and again opportunities will arise when you least expect it.

Next Year’s Challenges
1. Expansion of voice picking technology into selected warehouses
2. Extending more operations with evening shifts
3. Commissioning the Owens Logistics Dangerous Goods Class 3 bunker in Christchurch
4. Completing all stages of the Westney Road and Christchurch build programme
5. Complete the roll out of a full high-visibility uniform
6. 50% of our operations set up with “Off floor level one picking”.
7. Improvements in picking and despatch velocity, inclusive of our freight and container business partners
8. Unhurried and skilled operating professionals – removing the last semblance of forklift jockeys
9. Introduction of more ground pickers and fewer reach trucks
10. Improvements in checking procedures aiming for 99.9% stock despatch accuracy
11. Measure our customer performance including reporting on the quality of inward goods
12. All sites 100% smoke free before 31st March 2015.

In my long career in this industry, I can’t remember experiencing such a testing year as 2014, apart from what Mother Nature dealt us with the Christchurch earthquakes. This past year has been self-inflicted pain, but will bring pay-offs in the form of a restructured and revitalised business able to service new sectors of the supply chain market, particularly chilled and ambient food products. I can safely say that the commitment and effort invested by our teams and the new facilities nearing completion have set us up for a more positive and ‘thought-provoking’ 2015.

Have a great Christmas and safe, fun-filled New Year
Christchurch – Stage 3 Warehousing

Westney Road, Auckland – New Warehouse

Covered breeze-way between the old and new warehouses
Mainfreight Air & Ocean – Ben Fitts

Team, we are approaching the end of another busy year in which a number of milestones have been achieved. It is exciting to see our business expanding into new areas of the country, and careers progressing through the opportunities created.

We are on track to achieve a result ahead of last year, with revenue, margin, profit and volumes on most modes up. This comes largely thanks to the commitment and passion that you show for our customers and for each other, day in, day out. Thank you for your commitment, it is appreciated. We are a business built on people and the decisions that you make every day govern our success or failure in our customers’ eyes and our own.

In terms of milestones, we have recently strengthened our business in Dunedin through the purchase of DCB International. DCB is a respected local business, with a strong operational team, and a customer base that reflects the level of service that they provide. We welcome Mark Willis and his team – Richard, Paul, Jamie and Jeff – to the Mainfreight family with the new look Mainfreight Air & Ocean Dunedin officially up and running as of 1 November.

The combination of the Mainfreight and DCB teams will give DCB customers access to the wider Mainfreight network and the benefits that this brings, and will increase the level of service that we are able to offer to Mainfreight Air & Ocean customers through an extended operation. We must continue to offer the best quality of service available in this part of the country if we are to achieve our growth plans.

A big thanks must go to the IT team for pulling out all the stops behind the scenes at short notice to ensure that we were fully operationally out of the DCB site on day one.

Another milestone was the opening of an Air & Ocean branch in Nelson in September this year, which is based out of the Nelson Transport facility. Having had a sales presence in Nelson for the past three years, customer support has steadily increased to the point that we have made a full commitment in terms of opening a branch. Equally pleasing, we were able to promote from within to fill the Branch Manager’s role, with Megan Lockie moving up from Christchurch to take on the Nelson branch. We’re proud to continue our regional expansion in an effort to bring our business closer to our customer base.

Speaking of internal promotions, Paul Riethmaier has moved into the role of National Airfreight Manager – Dry Cargo. Paul ran our Auckland Airfreight branch successfully for five years and now has the challenge of building our dry freight volumes as we seek to increase our presence in this market. Darren Barboza has accepted and is well into the challenge of running the Auckland Airfreight branch as Branch Manager, coming from our Perishable export team – another internal promotion.

The Mainfreight Auto division continues to expand as we cement our position as the number one supplier of shipping services to New Zealand car and caravan importers buying from the UK.

As always there are a number of things we need to focus on to improve our business, these include:

- FAK volume growth – more focus is needed here to build our import and export FAK programme. It is improving but we can do a lot better with a little more focus here.
- FCL export – it has been a tough year with a couple of hits at the start of 2014. There are real signs of improvement but we must stay focussed on building this part of our business.
- Technology – we have a great online offering and we must make an effort to introduce our customers to the interactive tools that we have available through Mainchain.
- Communication, remember that professional communication is a must at all times, we can’t be casual in this area. Remember also that often a phone call is better than an email.

It’s been a big year team, thank you again for everything that you do to make this business special. Spend quality time with your family over Christmas and New Year, if you are taking a break, rest up, relax and let’s get ready to do it all again next year. Happy Christmas!
Talk about Ready Fire Aim! – Annette Webb
When Mainfreight Air & Ocean Tauranga was asked to move a large consignment of machinery plant from Brisbane to Tauranga it was all hands on deck.

After 65 hours of cleaning prior to export from Australia, the cargo was ready to make its journey from Brisbane to Tauranga on 3 x flat racks and 2 x 40HC (high cubes) – and just a wee bit over height!

The advantages of being on a shared site with our other Mainfreight Brands proved invaluable in the co-ordination of unloading the cargo and making arrangements to get it to its final destination.

Cargo was loaded on to 2 x low loaders and a full truck and trailer for a journey a few hours south of Tauranga to where it will be reassembled.

A big thanks to Mainfreight Air & Ocean Brisbane for coordinating the Australian leg, to the Tauranga team for making this happen, and to Mike at Mainfreight FTL, Rob Bull at Mainfreight Transport and the team at Mainfreight Port Ops for pulling this all together for us – we couldn’t have done it without you guys!

New Auckland Airfreight Facility – Darren Barboza/Paul Riethmaier
The Auckland Airfreight team has a brand new office. After years of working in a small office, they are all now enjoying a much larger area.

The Auckland Airfreight branch consists of a bonded warehouse, office and purpose-built chillers. It is fully equipped and enables our Airfreight team to offer the highest standard of service, including time- and temperature-sensitive products. The warehouse is Customs bonded and equipped with a hoist for air cargo.

The brand new office is 208m² and is spread across two levels.

The ground floor has a meeting room, a new kitchen, and a designated MPI and AQIS approved inspection area which is fitted with a roller door.

We have four temperature zones:

- **Environmental Loaded Area (ELA)** maintained between 8°C to 12°C, fitted with automatic roller doors to minimise temperature loss, fitted with safety sensors and detectors
- **Freezer** 18°C to -21°C, with automatic fan-stop doors, reducing humidity and preventing temperature rise.
- Two adjustable chillers maintained from 0°C to 8°C, any optimum temperature for keeping sensitive cargo in its best possible condition. We also have Reefer box plugs to pre-chill containers prior to loading.

Auckland Airfreight Team at home in the new larger office
Books in Homes Auckland – Catherine Le Vert

Mainfreight Air & Ocean Auckland sponsors three schools in the Duffy Books in Homes programme. Glen Eden Primary School is one of those schools and they recently held an assembly to present their children with new books. It was wonderful to see them all singing the Duffy song with so much enthusiasm, and listening so intently to the stories told by the presenters. Every child had their hand up, eager to participate in the book being acted out – even though they had to wear silly hats!

Reading is so important to building children’s minds and imagination. These children absolutely love their books and it was so rewarding seeing them get so much enjoyment from them. They were all incredibly thankful to Mainfreight for sponsoring the books and to show their appreciation put together a beautiful card.

National Hot Rod Show Dunedin October 2014 – Natasha Jacobs

Scott Rice and I had the pleasure of representing the Mainfreight Automotive/Kiwi Shipping team at the National Hot Rod Show held in Dunedin over Labour Weekend. Fifty-five impressive cars were on display at the show, all of which were in the running for some top prestigious prizes. We don’t often make it this far south, so it was a great opportunity to get to know some of our Southern customers better, particularly as the region has been generating quite a bit of business for us lately.

There were some beautiful pieces on show, including our favourite (from Wellington by the way) Mark Wilkins, a good Kiwi Shipping customer who had a ‘56 Chev named “Hot One”. Spectators travelled from as far as Auckland and Invercargill to attend the show, so we got to meet many existing customers and many potential new ones.

Dunedin locals were very welcoming indeed. Special mention to our customer Roy McDonald of Dunedin who loaned us his car for the weekend, a Factory 5 Ford - it made our Mainfreight stand look very impressive!

Getting in front of the customers and meeting the people that we deal with on a daily basis has been vital to the business of our Automotive division. Our Automotive customers enjoy the opportunity to meet us in person, and we enjoy it just as much as they do!

We look forward to the summer season, which will have us travelling the country to the big summer Car Shows.
Lift Off from Christchurch – Alana Evans
October 2014 was a month to remember in Christchurch. This was the month in which every childhood dream came true. I had the privilege to work closely with Martin Aircraft to airfreight their first two export shipments of jetpacks around the world.

In 2013, Martin Aircraft gained authorisation from New Zealand Civil Aviation to conduct piloted tests of the one-person flying machine. Before this, most tests were done with dummies via remote control. Time magazine named Martin Aircraft's jetpack “The 50 Best Inventions of 2010”.

The jetpacks have flight capabilities of over 30 minutes at speeds of up to 74 km/h, and can reach altitudes over 800 feet. One of these will only set you back a quarter of a million dollars.

We believe the world will love these, so we’re predicting big things!

Secret Test Car – Kitt Taylor
In July this year, our Christchurch airfreight team handled a prototype “secret” test car, fresh out of the car factory in Japan to be sent down south to the Southern Hemisphere Proving Grounds in Cardrona, near Wanaka.

On arrival into New Zealand we needed to organise getting the large crate (approx. 23m³) from Auckland under bond to our Owens depot in Christchurch. After being Customs cleared we arranged for the car to be taken down to the Proving Grounds by a specialised car carrier, and once there the car was unpacked ready for the team flown in from Japan to start their testing. This whole process had to be undertaken within a defined timeframe as the car factory only had a certain number of days to complete testing before the next manufacturer arrived in. This put a lot of pressure on everyone involved to make sure everything ran smoothly, and calling on the weather gods to keep the snow away long enough to get a truck up the hill!

Once the testing was completed, the car had to be repacked into the specialised car carrier and returned to Christchurch so it could be sent to USA for more testing in different conditions. Unfortunately, this time we were not so lucky with the weather, as roads in the Deep South were closed for a couple of days due to heavy snow. After plenty of snow, a mission getting DG documents completed, a few flight delays, dozens of emails around the world and numerous weather updates we finally got this shipment on its way to the States.

Shipments like this are definitely not your normal day but are a good experience and a chance to prove yourself under pressure!
Yet another busy year is about to pass us by and yet again we are left wondering where it all went. The tsunami of freight hit us back in early August and has been steadily building momentum since then. Both our Auckland and Christchurch operations have been bursting at the seams, with Owen Donald and his team in Christchurch posting some amazing numbers each week and cementing them as solid contributors to the Group’s results.

Increases in revenue and profits seem to be bucking the trend out there in the market. This year has seen several competitors fold and yes, we have been the benefactors of some of those companies going under, but this shouldn’t detract from our strong sales efforts nationally.

The increase in volume through our facilities can cause major pressure points, and if not managed well through a strong team with solid depot systems and a focus on absolute quality, this could break a lesser team. Our strength is in our closeness and family culture and that gets us through year after year.

As we write this, we are celebrating Owens New Zealand’s 11th birthday with the Mainfreight Group. We had a great time sharing some memories with the team this week, and it is worth noting the core of the team that were there in 2003 remains in the Group today, so a very Happy Birthday to all!

New Addition to the Fleet
One of the latest additions to our Auckland fleet is Bobby Dean’s 2014 MAN. This currently runs the Auckland/Tauranga/Auckland loop, and this particular rig is also the face of MAN’s advertising campaign in New Zealand.

Bobby’s truck will take pride of place at this year’s Big Boys Toys in Auckland. A gleaming addition to the fantastic Owens’ fleet.

Auckland IDEA Day
In October, Owens Southdown hosted the IDEA team on site, another successful day with truck, muscle car and bike rides. We even had Kiwi Rail attending with their team and an engine for all to enjoy. This is such a great opportunity for the team to give back to the community and it is appreciated and enjoyed immensely by all those who attend.
Mainfreight is a long-time supporter of The Life Education Trust which seeks to help give young people the knowledge and skills to live a fulfilling and healthy life through their positive health-based education. Each year they take over 225,000 children through their mobile classrooms teaching self-respect, respect for others and providing tools for healthy living. See www.lifeeducation.org.nz for more information.

Halloween is Spooky in Christchurch
With Toni, our import from the good ole US of A, in our kitchen looking after our team in Christchurch, Halloween celebrations for the branch take a very creepy turn! The effort that goes in to creating a great event for all to share is fantastic and very much appreciated.

Here is just a sample of the fare on hand.

Things to Do Better Next Year
• Never let opportunities go by (If you have an idea, share it)
• PAT’s! The ideal places to share those ideas!
• Depot systems, the ideal guide to running a depot! Study them well
• Keep each other’s safety at the front of our mind – we all go home safe and sound every day
• Respect, give some and you will get some!

Team, if you are due a break this Christmas I hope you have a great time away with family and friends, and come back refreshed and ready for business next year. If you’re not then please look after the shop for the others! Merry Christmas and a Happy New Year!

Mainfreight is a long-time supporter of The Life Education Trust which seeks to help give young people the knowledge and skills to live a fulfilling and healthy life through their positive health-based education. Each year they take over 225,000 children through their mobile classrooms teaching self-respect, respect for others and providing tools for healthy living. See www.lifeeducation.org.nz for more information.

Harold the Giraffe is Life Ed’s mascot and is always happy to come and support the IDEA days held by our branches – even helping out with a Police demonstration … at least we hope that’s what he was doing!
Although we are able to advise that we have improved profit and revenue for the first six months of the financial year (April to September), we have to say that we are less than excited by these results as they did not reach expected levels.

Our expectations (and those of our shareholders) when it comes to financial performance are very high and these results are not where they need to be.

Irrespective of where we are financially, each member of our team must look for every opportunity to build greater financial momentum as we head into the last four months of the financial year. In particular it is sales growth opportunities that we are after. We have said many times that it is not just the responsibility of our sales team to find sales growth. Every single one of us has an important role to play, whether it is just being alert to passing on the details of a potential customer that you know about, or ensuring that you perform your particular role in the business to a very high standard.

We know that if the quality of the service that we provide to our customers is of a high standard, then the sales growth will come. Please internalise this point – great quality that is significantly better than what our competitors can provide, is the way that we will continue to take on and beat all of the challenges we face.

One of the things that our Transport team is doing to help us all to take personal responsibility for providing better service to our customers is to introduce a quality assurance programme where, from next financial year, we will pay to our customers an amount of up to $2,000 (including GST) for every unit of freight that we damage or lose where we are at fault. You can see from this initiative how serious we are about improving our quality – if we do a poor job, we will greatly compromise our profitability and all of the things that come with it.

Another key requirement for success is how well we present our business to the public, to our customers and to ourselves. This simply means are our buildings, depots and offices immaculate? Do we as individuals look and dress the best we can, and are our trucks breath-taking and eye catching? This is simply our presentation and our image.

Again, we have no chance of success if our image is not right and although we have made tremendous improvement in this area, we must maintain the energy that will see us continue to rapidly enhance the standards we all expect to see.

As has been the case for a few years now, the last six months has also seen plenty of activity in the area of property development as we continue to make rapid progress in ensuring we have the best possible facilities for our team to work in, so we have every chance of providing great service as
efficiently as possible. The next six months will certainly see this pace of development continue.

A notable event in October was the opening of the new AU$48 million Larapinta Brisbane combined Transport and Logistics depot. Our fantastic team was able to put on a really first class event that the organisers of the Oscars would have been proud of. Nearly 200 people attended, including many customers and potential customers, to ensure an event that was a memorable way to mark this significant milestone in our Australian history.

We wanted to take this opportunity to remind all of our team that although each of our businesses operates in a slightly different area of the supply chain, we are very definitely part of the same team. We are more than ever One Mainfreight and it is our ability to act cohesively, in a united way and ensure we strive to maximise every single new customer opportunity and the support that flows from acting as one Mainfreight, which will continue to accelerate our success.

The One Mainfreight principle also applies to the various service providers that we use from time to time to help complete certain customer requirements – put simply, we do not use other service providers where we have the capability to do the job ourselves. No exceptions please!

Finding and bringing on board the right team members is always a difficult challenge as all businesses compete for the available people. At Mainfreight, we promote from within. However, when we do need to recruit, we look for bright, career focussed people who must have an upbeat personality and who likely have a good education and may well be in their first job or just out of university. If you happen to know someone like this then please let your branch manager or Shona and Gabby in the Training Team know of them.

We are delighted to announce that Simon Hart has been appointed as National Manager Logistics to replace our wonderful flying Dutchman, René van Houtum, who has headed off to join the Mainfreight USA team.

We had quite a few internal applicants for this role with each person demonstrating that they would also have the potential to do the job. It is exciting to know that we have such great leadership potential throughout our business. There is no doubt that opportunities will come to those members of our team who show strong leadership qualities and who enthusiastically pursue career progression.

Simon started with us as a graduate in New Zealand Logistics in 2001, initially working with Kevin Drinkwater and Kevin Bradley. He moved to Australia in early 2006 and, although he has taken on many and varied projects for the business over the years, he has primarily been our senior Business Development and implementation person, where he has been highly successful at both winning and retaining many major customers.

Congratulations Simon!

For those lucky enough to be having a break at Christmas, please have a relaxing time and thank you to those team members who might be working through. There is no doubt that our customers’ need for freight never stops!

Lastly, thank you to each member of our team for helping the business to make progress this year. We certainly head into the New Year with plenty to do and plenty of challenges but we know that Mainfreight people would never have it any other way.

Merry Christmas
Mainfreight Transport Australia – Bryan Curtis

Our performance in the first half of the year was mixed – revenue, margin and profit were all up on the prior year, but at lower levels than we would have wished. We have much work to do in a number of branches to dramatically improve our results.

Since our last Newsletter, we have commenced a number of new initiatives that will improve our service to customers:

- **Mainstreet**
  Mainstreet is the replacement software platform for Austrak and Maintrak and has been in use in the USA since 2012. In early October, our Sydney Metro branch switched to Mainstreet, and thanks to the efforts of Craig Smith and his team as well as Rachael Moore, Samantha Ward and Megan Mackay, the transition has been smooth. Metro Melbourne will switch to the new software in February 2015, with Brisbane following in April.

- **Chemcouriers Adelaide and Perth**
  We now have Chemcouriers branches in Adelaide and Perth, giving us five branches nationally. This, along with the recent improvements in operational capability and compliance, puts Chemcouriers in a position to be able to grow dramatically in the next few years.

- **Bunbury**
  Jesse Gray-Morgan and the Perth team have recently opened a sub-branch in Bunbury which is 175 km south of Perth, and is now delivering our customers’ freight on Mainfreight vehicles, instead of with the three agents we used in the past. This region has great potential for us with the famous Margaret River winery region only a further 100km down the road.

  Together with Geelong and Ballarat in Victoria, and the Sunshine Coast in Queensland, we have 4 sub-branches, and are likely to do the same in Wollongong and Gosford in New South Wales in early 2015.

  In April 2015, we release our Quality Assurance Scheme. This scheme is based on the claims process in New Zealand which offers our customers compensation at no cost for loss or damage of up to $2,000 including GST per unit of freight, payable by the branch that caused the damage. There will be some rules around this but these will be transparent. This will be a catalyst in driving our quality to levels that we have not achieved before and will make us more accountable to our customers and will ultimately change the way transport is conducted in Australia. An exciting time for all of us.

**Things to Do Better in 2015**

The following includes points taken from our December 2012 newsletter, which still hold true today, particularly with the pending introduction of the Quality Assurance Scheme.

- Depot Systems – when we are at our busiest, our Depot Systems are the most important tool we have to maintain quality for our customers.

- Ensuring that our customers provide us with the correct details as per the Chain of Responsibility: realistic pick up times and delivery expectations, accurate information on our consignment notes, use of Fremanweb and, most importantly, correct packaging and labelling.

- Better training of our pick-up drivers on the above expectations, in particular labelling and packaging.

- Continue to strive for 99% DIFOT

- Continue to find ways to remove top-ups from the business and minimise outside hire.

- Continue to ensure that our vehicles, facilities and team are immaculately presented.

Many thanks for your efforts in the last 12 months and we hope that you and your family have a safe festive season. Merry Christmas and Happy New Year.
Christmas is an exciting period in the Logistics calendar. All the preparation, planning and training for our peak period is finally put into practice.

Our food and beverage customers typically process 50% of their sales in the last three months of the year. This is only made possible by the commitment and “can do” attitude of our team to work until they “get the job done”. I would like to start this newsletter by praising our team for your efforts and thanking you for your preparation, hard work already invested and the commitment to delighting our customers through the remainder of the season. We should also not forget our families, the extended Mainfreight family, who support us and make what we do possible.

Our commitment to quality is paramount. Our intent as a team is not to deviate from our processes that we deem best practice. We will never walk past a challenge (or a piece of rubbish on the ground). The formula is simple: outstanding quality produces profit.

A lot has happened in the second half of this calendar year. René van Houtum has accepted the challenge to be part of the development of our US Logistics brand. We thank René for the knowledge he imparted to us and the guidance that has helped us mature. We would like to think he has left these shores with a heavy dose of Mainfreight culture and an expanded Australian vocabulary.

It is our devotion to housing our customers in world-class facilities which has seen the opening of a new branch in Perth. This site marks a significant improvement in facilities, with resulting positive feedback from our current and prospective customers. We will share the site with our Air & Ocean brothers and sisters and will complete the move from our Kewdale site in January 2015.

With great pride the team officially opened the Brisbane super-site at Larapinta in October. The evening was shared by the team, Board of Directors and customers. Blood, sweat and tears were poured into the move from our Hemmant site, and the way the opening was organised is yet another example of how passionate this team is.

Meanwhile the design stage of our new Melbourne super-site at Epping has been completed, with the commencement of works imminent. The site will include 20,000m² of warehouse, our freight cross-dock and picking technology at our Prestons and Somerton will follow in early 2015. The results have shown good productivity gains, and improved accuracy and safety (a result of being “hands free”).

**Mainfreight Logistics Australia – Simon Hart**

**Things to do better in the New Year:**

1. **Meticulous attention to presentation:** Our image is everything. A coach of mine once said “If you look tidy, you'll play tidy”, meaning that people who operate in a pristine environment take more care. Never walk past a piece of rubbish on the ground.

2. **Make decisions & operate at pace:** Too often we are guilty of talking about solutions without making a decision. A decision not made is worse than a wrong one. Keep in mind that every decision made should be based on our 100-year vision.

3. **Partnerships and Continuous Improvement:** We sit on the same side of the fence as our customers with a focus on the end consumer. Develop partnerships as though we are an integrated part of their businesses; add value to areas of their supply chain where we hold the expertise. Think outside the box to look for avenues to be a better partner. Removing waste in the supply chain though continuous improvement is at the core of all good long-term relationships.

4. **Health & Safety:** Every team member deserves the right to feel safe at work. We cannot spend enough time on this topic. It is the responsibility of every team member. Don't walk past a potential hazard; raise concerns during your Positive Action Team meetings and OH&S meetings.

5. **Training & Development:** This is critical to unlocking the potential of our team. Challenge those that are thirsty for knowledge and identify those that require further support. Train the team as new developments are released. Identify and develop future leaders.

**All the best for the New Year and please make sure you have a safe and enjoyable Christmas with family and friends.**
Coopers Plains (Brisbane)
A note from our graduate – Katherine Becker (Katie).

I started my Mainfreight graduate program at the beginning of August with the Coopers Plains Logistics team. Fresh from university, the only real logistics experience I had was from a retail perspective.

The reason I wanted to be a part of the Mainfreight team was definitely the culture. I wanted to be a part of a company that not only valued the work I could produce, but considered me a valued part of the team.

With the support from not only the team at Coopers Plains, but also the team at Larapinta, I have been able to take on the role of account champion.

In addition to my supportive work environment, I have also had the opportunity to be a part of our indoor soccer team, Mainfreight United.

I have experienced my first Mainfreight stock take in September for John Deere and in October I participated in the domestic induction course. So far, my experience has been extremely positive and I cannot wait for my next chapter with Mainfreight!

Laverton (Melbourne)
Since the Branch Managers meeting earlier this year, the teams have been really focused on the presentation of our facility, fork lifts and uniforms.

Even though we have quite an old site, the guys do what they can to make it look a million bucks.
Prestons (Sydney)

We are in the process of implementing a new customer, which will commence trading in the new year. It is an exciting challenge involving various storage mediums, including 1000m² of temperature controlled space.

We have “Young Guns” coming through the business. Andrew Robinson, Anne Arasi, Kevin Tran and Lugan Low all have crucial roles within our team.

Regency Park (Adelaide)

Scott Knight has taken on the role of Branch Manager for the Adelaide Logistics branch, and Kendall Anderson has moved to manage our Perth branch. Our Adelaide team set the benchmark for a clean and tidy warehouse. They have recently achieved an outstanding 100% stock take result for one of our most complex product portfolios.

Sydney Road (Melbourne)

Highlights for the branch in the last six months are centered on the redesign of the warehouse and improved productivity and throughput.

As volumes have substantially increased the decision was made by the team to redesign the operational area of the warehouse. New racking has been purchased and installed and the operational area moved to in front of the office with no disruption to the operation.

Larapinta (Brisbane)

In the last 6 months we have moved 9500 pallets into our new site at Larapinta taking 15,066 man hours. Our team worked tirelessly over a three-month period transferring customer by customer while still remaining operational at both Hemmant and Larapinta.

We have implemented voice picking, this has been a great addition to the operation and has the team excited about the future for Logistics in Mainfreight.

Our grand opening went off without a hitch on the 13th October 2014. Over 200 guests attended including the Mainfreight Board and many of our customers. It was a spectacular event.

We are proud to be able to claim that 100% of all orders, inwards and transfers are processed using RF technology.
At the end of 2013 we were looking forward to a year of investment and sales growth to drive our business forward for years to come. Those investments, in new facilities and upgrades to others, included Brisbane, Sydney, Adelaide, Melbourne, Perth and Townsville. Some have been completed during this year while others are close to being finalized.

The year has brought about its challenges as the Australian market continued to slow, competitors’ actions in securing business have been more aggressive, and freight rates globally continue to decline. Through it all, our CaroTrans and Mainfreight teams around the country, have continued to strive to make decisions that are in line with our 100-year vision. Team, our compliments to you – without your efforts we would not be able to achieve what we do each year.

A quick glance at the results up until the end of September shows revenue is improving as recent new customer spending starts to contribute. The area requiring focus from all of us is margin, as increased overhead costs impact our profitability. As a team we must ensure we hold onto margin in our branches and be paid appropriately by our customers for the efforts we are putting in.

Our volumes continue to be significantly up at the end of September across our product offering.

We have made some recent Branch Manager changes, with Grant Morrison returning in August from USA to take over the Sydney Branch Manager role, while Rowan Cooke from our Sydney Branch has taken on the Newcastle Branch Manager Role. We expect that both branches will push towards producing the results we want to achieve.

Grant Morrison brought back some USA traditions with him, with the Sydney Branch transformed into a Halloween set on October 31st.

The year has seen a continuation of global movements that highlight Mainfreight’s supply chain capabilities.

One example was a 30-tonne wine consignment air-freighted from Barossa in Adelaide to Shanghai. The wine was picked up by our Mainfreight Transport Adelaide team, then Mainfreight Air &Ocean Adelaide and Mainfreight Shanghai teams ensured we met the deadline for our customer’s launch of a new product release to the China market.

The airfreight required the loading of 7 PMC aircraft units comprising 40 skids (2880 cases).

Our team continues to be involved in industry events to ensure they stay abreast of changes taking place in their region. Dave Coughlin, Adelaide Air & Ocean Branch Manager, recently attended the South Australia Small Business Forum where he was asked to speak on the topic “Open-Up Global Markets”. There was a large attendance and good networking opportunity.

The Melbourne Melrose Drive team committed to a healthier workplace going forward and became a non-smoking site from October 1st 2014. The kitchen has added fruit salads and yoghurts to the snack menu, team members have joined the local gym and the branch is currently in the middle of an eight week pedometer challenge. They want to be the healthiest Mainfreight branch in the Group and are willing to challenge any branch in an international step off. Bring it on!
It took some effort, but our Brisbane branch in its new Eagle Farm home has finally beaten bureaucracy, and has its licenses for Customs, Permits to import and export perishable product and Australian Quarantine licensing. We can now charge forward with great enthusiasm in offering a point of difference to the Brisbane market. Already we are starting to see new customers attracted to our offering and we are working hard to get other potential customers on board.

In August 2014, we officially opened our new home, with guests that included Don Braid our Managing Director, members of our team across all our brands, as well as existing and potential customers present.

Training continues to be paramount to the way we do things in our business in ensuring our team are brought through, gaining increased knowledge about all aspects of our business. Our International Trade Course held 6 times a year continues to provide a good overview as we continue to encourage all our team to “open their eyes” to the opportunities within the Mainfreight business. Congratulations go to Colleen Moore who does a great job in facilitating and organizing the 4-day course.

**Things to Do Better in 2015:**

- Continue to drive sales growth; be true hunters in the marketplace and grab the opportunities that are present. Focus on our core products and core trades.
- Improve quality across the business, operationally, financially and in customer relations so that we get it right and are “easy to deal with”.
- Focus on improving margin in our business. We must ensure our service levels are beyond reproach and therefore our margins justified.
- Look for innovative and proactive ideas that will improve our customer service across all levels.
- Provide internal training to enable our teams to grow throughout the business. All team members should continue to enjoy and be challenged working for Mainfreight.

We look forward to 2015 with confidence and enthusiasm.

To our Mainfreight family globally, we take this opportunity to thank all of you for your support and wish you all a peaceful, safe and relaxing Christmas period and hope the New Year brings the happiness, health and rewards to you all.

To the Mainfreight and CaroTrans teams in Australia, a big thank you for your efforts and the exceptional performance you deliver. We wish you all an enjoyable, relaxed and safe Christmas and New Year.
What another exciting six months. We have settled into our new home in Sydney with all the smarts and comforts of a first-class container handling facility. In Queensland, we are in the design phase for construction of our next new depot at the Port of Brisbane, and we continue to look for the right home in Perth from late 2015 and beyond, which will be much closer to the Port of Fremantle. In Melbourne, we are now enjoying the new livery of our co-branded site at Laverton North. We expect to be in our new Brisbane home by May 2015. Our current two sites will combine into one, with 10,000m² container-rated hardstand and a 1,500m² warehouse allowing us to provide additional services such as temperature-controlled containers, quarantine and Customs bond licencing. Being located on the Port of Brisbane will deliver immediate improved operational efficiencies.

Thinking big (in terms of the size of our trucks) has been the order of the day in Melbourne and Perth. Our Melbourne team has delivered a first for us by running a super ‘B’ double trailer between the wharf and our site at Laverton North which has greatly increased our efficiency. Whilst we have had the unit for a good deal of this year, it is only recently that legislative approval has allowed us to operate to its full capacity.

Our Perth team has also achieved a first in our business by running a Triple road train from Perth to a Rio Tinto mine site near Dampier in the far northwest of Western Australia. This project job is courtesy of our Air & Ocean team allowing us to move the container from the wharf to our yard, unpack the container and re-deliver the product via a mix of single, BDouble and up to Triple road train configurations. This is a big service advancement for us and will allow greater penetration into the project market.

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

We continue to expand our sales team, albeit at a slower pace than we would like. This will be one of the keys to our success and all team members must be on board with our sales strategies.

We would prefer the pace of our technology developments to be faster, and to this end we encourage all team members to provide ideas and system improvements. We will also commit to having a team member champion our improvements to ensure they are brought to fruition. These ideas are needed to improve our operational efficiencies and customer quality and service.

It is as important as ever to continue to differentiate ourselves from our competition and we all need to play our part. We all know and understand the importance of our image and our requirements have been discussed with you all. These include things such as:-

- prime movers need to be less than ten years old
- always meeting maintenance and roadworthy requirements
- painted Owens red with correct livery
- 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. Following are a few points we should immediately adopt:

- We must ALL continue to look at alternative 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 their hard work and dedication in providing exceptional service in what are sometimes difficult circumstances. We would also like to thank our team’s families, our suppliers and customers.

Please have a fabulous Christmas and fantastic New Year and however you celebrate this time of the year, please enjoy.
Mainfreight USA – John Hepworth

It is great to see the hard work, of getting our structure and technology sorted, start to produce some good results from our Mainfreight USA team. With no current distractions, our team in the USA is fully focused on the task ahead, grow, grow, and grow some more. Mainfreight is small in the USA compared to our competitors, therefore the expectation is for our business to grow in excess of 20% per year.

The focus for 2015 is all based around our sales and training. We need the best team in operations, customer services and administration to ensure our newly gained customers land in our business with high performance from our team within our branches. We have put strong sales training in place, and we are now starting to see the benefits. To back this up, we will be launching a strong internal training plan for 2015:

- Launching Tight 5 training. Ensure our key operators have hands-on training as they grow their career within Mainfreight. Focus on our culture and expectations of our best team members.
- Graduate training and development. We need more graduates in our business as the business grows. They need consistent training in our process as well as being empowered to develop their careers within our branches.
- Continual development of our sales training. Our goal is to take the next step in the PSS training to further advance our sales teams in the selling process.
- Ongoing branch management training. Too often in our haste to develop new branch managers we put them into a position without the full training needed to understand their role and responsibilities within the Mainfreight Group.

Our trans-border business continues to grow with Mexico, and we have opened two new branches; one on the Texas border in Laredo and the other a sales and customer services office in Queretaro, Mexico. Laredo is the fourth largest entry point into USA and the volume of trucks crossing this border in a day is almost impossible to explain; massive volumes pour into the USA for direct trucking across the USA and Canada. Queretaro, Mexico is a fast growing city mainly built around the automotive and after-market industry.

The potential of 3PL Logistics in USA is strong and now with René van Houtum relocating to the USA from Australia, we have developed five new branches to focus on high quality 3PL warehousing. These will be separate buildings from our traditional, but outdated, shared model with Domestic Transport. We will have electric pallet jacks and forklifts in a dust-free environment to offer our clients a state of the art logistics model.

With our Air & Ocean product now headed up by Jason Braid, the focus has been on setting a high level of expectation from our team. We have the biggest market in the world at our feet and with some moves in our branch management we are expecting big things from our Air & Ocean team. Our USA team needs to be the largest feeder of freight into and from all our Air & Ocean branches around the world; the task at hand is not small but we have confidence that we will meet our goals.

As we head into the second half of this financial year, we are excited about our prospects in Domestic Transport development. Our teams have launched a strong network of line haul routes backed up with continued growth of our local Owner Driver fleet. As we strengthen this network we will be putting on our own line haul owner drivers with Mainfreight livery all over the USA highway systems. This has already started between Toronto, Canada and Chicago nightly. We have also started developing a Port Operations product and now have over 25 trucks running from the Los Angeles wharf delivering FTL throughout California and beyond. We are looking at expanding this to Chicago, San Diego, and Houston in 2015.

I personally want to thank the Mainfreight USA team for a fantastic 2014 and appreciate the hard work you have all done to get us where we are today.

From the Mainfreight USA team we wish our fellow team members, board members, customers and shareholders a very happy holiday season.

Mainfreight USA Air & Ocean – Jason Braid

2014 has been an exciting and eventful year for the USA Air & Ocean team and it should be one that, when looking back, we are all very proud of. Our results have been good, with sales revenue and profit both up on the previous year. As always these results are on the back of the hard work from all of you, and we thank you for your efforts in helping achieve this record result. Although these results are impressive, we are still a small business and as a team, next year we must aim higher than we ever have before.

Throughout this year we have also seen a lot of change, and this change is almost more exciting than the results above. We have a number of new Branch Managers in place, we have new National team members in place and we have a new training team; all of which has set the foundation for us to build a bigger and better business in 2015.
Training was a key area of focus for us last year and it will continue to be the case in 2015. We must be better than the competition and we must all have an intimate understanding of our business; whether you are in Sales, Operations, Customer Service or are a Branch Manager, being a specialist in what you do and understanding your trade better than our competitors do, is what will set us apart. We are no longer struggling to compete on price, we have the buying power to compete with the big boys and it's our knowledge, skills, culture and superior customer service that will take us to the next level.

As we move into next year we must continue to focus on;
- Sales – this needs to take priority and we all have our part to play
- We must find everyday freight so that we can build air and ocean consolidations
- A focused sales effort on the Asian and European Tradelanes
- Exceptional customer service is key
- Attack and gain much larger accounts
- Knowledge is power – we must be specialists in what we do
- Bring more grads into our business
- Drive IT and business solutions with our customers
- Be easy to do business with – both with our customers, our USA team mates and our team mates around the world

We have many exciting things happening within our business and the stage is now set for us to take our business to another level. Our culture is beginning to thrive and we have something very special and unique.

Thank you all for your hard work, enjoy the holidays.

René van Houtum – Mainfreight USA Logistics

René van Houtum, former General Manager of the Australian Logistics business, has quickly settled into his next role within the Mainfreight group, leading the fledgling Logistics business for Mainfreight USA. From the Netherlands, to Australia, and now USA/Canada, he has certainly been a Mainfreight nomad, but now he will be making his home in Vancouver, Canada with his new wife Paula.

René will spearhead the breaking out of Logistics services from Mainfreight USA’s Domestic business, supported by Dallas Wymes and a team of enthusiastic team members. Together they have the opportunity to take the initial five independent branches and grow Logistics USA into a business of real substance.

Those who know René, “The Doctor”, know he will have a strong impact on this new development. We wish him well.

Mainfreight Logistics USA – René van Houtum

The Mainfreight Logistics USA team is delighted to contribute to this Christmas newsletter edition. Yes, you have read this correctly, Mainfreight Logistics USA is a separate division now within the Mainfreight USA team. This enables us to focus on establishing a professional and mature Logistics brand in this part of the world with amazing opportunities. Together with our Air & Ocean and Transport teams we offer complete supply chain solutions to our customers.

Since October 1st we have a separate Logistics P&L and every Logistics branch has commenced reporting weeklies. For the time being we will execute the Logistics activities in shared branches together with Transport but we are aiming for stand-alone Logistics branches in the near future! In saying that, we are thrilled that we are going to open our first stand-alone branch in Los Angeles in December 2014! This will be an 182,000 square feet (app. 17,000 square meters) facility with

New racking in LA
“Mainfreight blue” racking, 43 docks doors with recessed docks and brand new offices that are being shared with our Port Operations team and later on with our Training team.

The development of the Logistics brand will be concentrated on five areas in the USA: Los Angeles, Chicago, Newark, Dallas and Atlanta. The branches are being led by Matt Friedman (Los Angeles), Mike Moval (Chicago) and Nathan Chaney (Dallas), all previously working in different areas of the business and ready to take a next step. At the time of writing this newsletter we are close to finalizing the application procedures for the branches in Newark and Atlanta. Promoting from within is the key-word here…!

As mentioned before, we are going to focus on establishing a mature Logistics brand. To make sure that we realize this, we must do a few things better:

1. We have to train our team and make sure that their knowledge of warehouse processes and MIMS gets to the right level. Every team member has to be an all-rounder, sufficiently trained to be familiar with the processes and work with our systems and for different customers. This enables us to offer our customers flexibility and the high service-levels they expect and deserve!

2. We must remove manual processes and get the quality of our in- and outbound activities to a higher level. This includes the use of radio frequency to manage these processes. The goal is 100% radio frequency and zero paper-based activities.

3. The presentation of our branches must be at the highest possible level, at all times. This means clean warehouses, Mainfreight blue electric equipment, well dressed team members, etc! Prospects and customers must be blown away by tidiness of our buildings and operations every time they visit us.

4. We are going to increase our sales activities to make sure that we fill up our warehouses with the right customer mix. This means customers with a high stock turnover and a need for value-added services. The help of our Air & Ocean and Transport sales teams is highly appreciated!

5. The health and safety of our team is priority one! OH&S meetings must be held every month to make sure that we keep the work environment safe for our team!

I would like to thank all our team members for the hard work over the last year. Christmas time is a time to spend with family and friends and I really hope you enjoy this time. Make sure that you re-charge the battery for a new, challenging year that lies ahead of us!

Farewell America – John Eshuis

Six years ago, I arrived with a wife and two children (3 years, and 6 months) to assist with the accounting part of Mainfreight USA for the newly acquired Target Logistics. Six years on, I leave with (the same) wife and three children (9, 6, and 4) and leave behind a team that is much more Mainfreight – and a role that was much more IT than it was Accounting!

But that is Mainfreight, isn’t it! Responding to the job at hand.

The IT team has done a lot in the six years. They delivered on many fronts, and the teams in the branches have responded accordingly. Three system changes, a business split, standardization of PC, telephone and server hardware, many office additions and relocations, introduction of MS Exchange and Outlook (yes, when I started here the business was still on Outlook Express!). And let’s not forget training. Months’ worth of training!

So what do I leave behind? At a technical level, some fairly sound foundations to build upon! Mainstreet, Cargowise, MIMS and Mainchain make a solution set that gives us the tools we need to grow.

John and Rachel Eshuis (back) with Luka, Chloe and Marika
Mainfreight is headed to Laredo with plans to launch operations in December 2014.

The Laredo, TX/ Nuevo Laredo, MX gateway is a conduit to over 3,000 Maquiladoras in northern Mexico. Maquiladoras are foreign-owned manufacturing facilities that are entitled to special customs treatment, allowing temporary duty-free import of machinery, equipment, parts and materials, subject only to posting a bond guaranteeing that such goods will not remain in Mexico permanently. Ordinarily, all of a maquiladora’s products are exported, creating additional logistics opportunities.

We are excited to participate and build our business in this dynamic growth market and look forward to expanding to El Paso in 2015.

Mainfreight USA, and I am proud of what we've all done. There are so many opportunities still untapped and I would have loved to be part of the future. However, personal reasons prevail, and we made the tough choice to go home. I am grateful that Mainfreight have found me a role in New Zealand, so our work together can continue!

On a personal/non-work note, we have been absolutely mesmerized by America. We have made the most of the USA by doing road-trips when at all possible (not always easy with system changes etc.). I've squeezed out every vacation day possible to travel with the family around the western states. We estimate that our road trips have covered 15,000 miles (24,000km) in six years, travelled to 16 National Parks & driven through 10 States. This country is absolutely stunning, and the people are wonderful. Thank you for sharing it with me!

It will be a sad day when we leave, but a happy one when we get home to be with family and friends that we have missed so much.

So, a final note to the team at Mainfreight USA; thank you – for your hospitality, thank you for your perseverance in business, thank you for your willingness to accept the quirky Kiwi/Dutch guy. You have been a great family for us in the last six years and we will miss you all a lot.

Trans-Border Mexico Expansion – Jim Wallace

Mainfreight's US/Mexico Trans-border development is creating significant opportunity through large multinational clients that have supply-chain or manufacturing in the US or Canada. The majority of this business will be driven through Laredo, TX (LRD), one of the largest land gateways in the world. Laredo is NAFTA's (North America Free Trade Agreement) primary port and trade corridor as over 3.5 million trucks crossed this border in 2013. Laredo is home to 510 freight forwarders, 210 trucking companies and 105 Custom Brokers. They are getting some company soon because Big Blue is on the way!

Mainfreight Mexico is excited to announce the opening of our second Mexican Branch in Querétaro, located in Central Mexico two hours away from Mexico City.

Fernando Ruiz from Mexico City office will also be the Branch Manager for Querétaro. The team will also have Victor Suarez in Sales and Angelica Sais in Operations, and will offer a full range of supply chain services, including Air & Ocean, Trans-Border and Customs Brokerage.

Querétaro has a thriving economy that sets it apart from other Mexican states and is an important transportation center for all of Mexico. Our presence here means our footprint in Mexico is extended to the two largest markets and will strengthen our supply chain abilities across the entire country.
All Blacks Invade Chicago

The All Blacks were in Chicago the first week of November to take on the USA National Team at a sold out, nationally televised event at Soldier Field in Chicago. The Mainfreight Air & Ocean team hosted a “tailgate event” that was attended by Branch Managers, customers and even a few team members from the CaroTrans Team.

Although the final score was very lopsided, the event was a success in delivering the New Zealand tradition of rugby coupled with Mainfreight passion. Below is a letter of thanks from one of our attendees.

Hey Nate,
I hope this email finds you well, and having a great day. I just wanted to give you, the Chicago offices and Mainfreight a huge thank you!! I was more than impressed with everyone’s warmth, friendliness, and generosity. I was a person who could not have been further outside your circle, having no previous contact or knowledge of your company. But was made to feel as if I was in the center of the circle, and had been doing business with your company for years. It takes a special group of people to make an outsider feel like an insider, and I thank you for that. The rugby game, Chicago, Soldier Field skybox...the whole experience was amazing. But what was truly amazing, and what makes the experience truly memorable, was the people...was Mainfreight. I thank you all again from the bottom of my heart, thank you again Nate. Hopefully our paths will cross again somewhere in the future. Until then, I wish everyone happiness, good health and good fortune. - Jeremy Reeves

Mainfreight and CaroTrans Team Up for Books in Homes

With the assistance of generous sponsorship from Mainfreight and CaroTrans, Duffy Books in Homes USA has given away over 300,000 books to over 57,000 children in 22 schools. Dr Richard Quest as the full-time, founding Executive Director and Jessica Bradbury as the Community Program & Marketing Manager, oversee the Duffy Books program in the USA (see www.dbihusa.org for more details).

This school year Duffy Books has begun working with three new schools in Philadelphia and three in New Jersey, thanks to the success of the 1st Annual Duffy Books Golf Outing. This outing exceeded its fundraising target and raised $20,000 enabling Duffy Books to provide 8,500 books to deserving elementary school children! The tremendous success of this event would not have been possible without the support of Duffy’s amazing sponsors to help “Drive Out Booklessness”!

Currently Duffy Books in Homes is expanding nationally in partnership with the National Parks Service. Multiple parks, including Hopewell Furnace, Fort Stanwix, and Independence National Park have committed to joining forces to distribute books to children when they visit the parks. Duffy Books is working with the National Parks’ nonprofit, the Friends Group, to provide funding for this new program.
We once again find ourselves approaching another Christmas. This is a good opportunity to take stock of our performance for the year. Set against a backdrop of subdued market growth, fiercely competitive pricing and unprecedented marine terminal congestion all year at the ports of Los Angeles/Long Beach, the dedication, loyalty, hard work and passion of the team never wavered.

While the six-month financial results are below expectations and our abilities, the team is putting every effort into the task of delivering exceptional service on each consignment for each customer…every day. High quality service doesn’t happen by accident and requires the entire team to perform at the highest possible standards.

Container volume and the number of consignments handled increased this year as compared with the same period last year. Export container volume strengthened by 4% while the import container volume increased 26%. The total number of consignments handled (both inbound and outbound) increased by 11%.

Remaining focused on the basics of the business…SELL IT, OPERATE IT, and ACCOUNT FOR IT are the essential ingredients to continue success and excellence.

Apart from the external influences affecting our performance, the key areas needing attention are sales growth and container utilization. Overall sales growth is up only 3% despite the solid growth performance from our import product. Several branches posted double digit sales growth, but this wasn’t enough to offset the drag on sales growth in several larger branches.

The introduction of our Core Account and Pipeline Account Sales Strategy is aimed at delivering sustainable growth through focused sales on clients and market segments which match our DNA. The objectives are to develop, deepen and defend client relationships across all Core and Pipeline accounts; while at the same time gaining new clients.

Container utilization has declined slightly due to inconsistent cargo volumes in certain trades, equipment and infrastructure challenges and the need to maintain service levels despite poor ocean carrier schedule integrity. We must improve upon this through better coordination and communication between our sales and operations teams, as well as with our clients and ocean carrier service providers. This is an ongoing process as we remain focused on a constantly moving target, but the key objective is to maximize container utilization.

Our operation in Miami continues to perform satisfactorily. This branch serves as our key hub/gateway for trade with Latin America. In an effort to strengthen our operation and expand coverage, we are relocating to a new 125,000 square foot warehouse operation. This full service facility consists of 36 receiving doors, is US Customs and TSA bonded, has an expansive container yard and 24-hour security.

Our southeast operations (Atlanta, Charleston, Charlotte) have faced their fair share of challenges. To gain better control of the container loading operations across the region, we have structured a dedicated operations team. The team is based in Charleston and will have full oversight of the Atlanta and Charleston load centers.

In addition, we will upgrade our warehouse facilities to improve freight flow operating efficiencies and system integration. The new facilities will have “Photonet” capabilities providing us with real time cargo image technology.

We expect the warehouse integration to be completed by end of December.

It’s great to see continued growth of our grad program. We currently have 20 grads on the team and thanks to the involvement and leadership of Raewyn Glamuzina, we continue to strengthen the program. The grad program is so important to the future of our business, as it helps to identify and develop our future leaders.

Make grads a bigger part of your branch. Nurture, mentor and challenge them to take on bigger and more daunting tasks as they develop a deeper understanding of our business.

As a business, we are extremely proud of the support we give to the Duffy
Books in Homes in the USA. In the course of five years, what started as a volunteer position operating on a shoestring budget, Dr. Richard Quest has remained dedicated to the cause and together we have provided in excess of 300,000 books to 57,000 children in 22 schools.

Our increased financial support, along with the support of others, has enabled Richard to dedicate 100% of his time as the Executive Director of Books in Homes USA. His goal is to expand the program nationwide within the next 5 years; as he sets his sights on reaching the milestone of 10 million books achieved by Books in Homes New Zealand earlier this year.

By early 2015, we will have established a dedicated CaroTrans sales office in Europe. The team members will relocate from USA and work directly with our agents to lift the profile of the CaroTrans brand across Europe and to strengthen our agent relationships. This is the first step to broadening our borders and presence in Europe.

Despite the challenges faced this year, the team remains incredibly optimistic about our opportunities to grow our business in all segments and areas we operate. It will continue to be a tough fight, but the team is in it to win and in order to win... you need to be in the fight. The key to winning is by providing the highest quality service to our customers that blows away our competitors – QUALITY IS THE DIFFERENTIATOR.

To each CaroTrans team member, it has been a tough period for us and we thank you for your commitment and incredibly positive attitude. Plenty of hard work and challenges lay ahead of us, but together as a unified team, we will emerge a stronger and better CaroTrans.

Together we must focus on:
1. Executing our Sales Strategy – 20% growth is the goal
2. Providing Exceptional Service
3. Moving with Pace and Taking the Initiative
4. Resolving Disputes Quickly – Don’t Let them Linger
5. Container Utilization Goal of 55 cbm/40’
6. Having FUN Winning

Merry Christmas

Accounting Team Graduate Program
On April 29, 2014, CaroTrans marked the start of its Accounting Graduate program with the hiring of Jennifer D’Arpa. Jennifer came in to work a few days a week until she graduated in May 2014 with an Accounting Degree from Rutgers University. She was able to participate in the Graduate meetings in Los Angeles in May 2014, as she joined several other grads from CaroTrans and Mainfreight. Since then, we have hired two more grads, Betty Tang and Stephen Cacnio. Both Betty and Stephen graduated from Rutgers University with dual Majors, Accounting and Supply Chain Management.

The program is an exciting one for CaroTrans. We are looking to prepare for the future, the same as we do in Operations and Sales. We will be running each Graduate through all areas of Accounting. Their assignments will last 9-12 months in each department. The program is designed to provide them with well-rounded training on how we run our Accounting, and includes learning Branch Administration responsibilities.

Extreme Mountain Biking in Chile
The Honey Stinger team was joined by Raul Katz and his wife for the 4th Annual 90km mountain bike race across Torres del Paine in Punta Arenas, Chile. The race location is near the Magellan Straight at the most southern point in South America.
Grant’s Farewell
Grant Morrison returned home to Australia after spending more than 8 years in the USA. Grant first moved to the US in early 2006 where he started in the role of Customer Service Manager in the LA branch. He later relocated his family to Charleston and took over the role as Branch Manager and successfully led the Charleston team to record results. A few years later, he returned to Los Angeles to fill the BM position and lead the LA team to record performances which won them Branch of the Year in two of the last three years!

Grant leaves an indelible impression on the CaroTrans US operation and will be greatly missed. However the opportunity to return home with his growing family (soon to be one more) is too important to pass up... there is no place like home.

We wish Grant well in his new venture as Branch Manager for the Mainfreight Air & Ocean Sydney branch and best wishes to him and his wife Beck with the expected arrival of their third child later this year.

Technology Bites… Matt Spartz
We just launched our redesigned agent’s portal and mobile rate applications on www.carotrans.com, which were both very well received by their target audiences.

The agent’s portal has been a main source of shipment data for our worldwide partners for years. The new additions add more rating, tracking and shipment details, as well as better search parameters. This, and a more up-to-date user interface, makes the portal a more useful tool for our partners. Every design enhancement in the agent’s portal will be introduced to our customers very shortly so they can leverage the added functionality as well.

The development of our mobile full container load rate application was the result of a challenge to a couple of our new programmers to make the incumbent (and complicated) rate program easy for a novice to use. The result was an intuitive, simple and clean design that is unlike anything in the industry. It has made our sales team more productive and has delighted our customers.

For more on recent technology advances at CaroTrans, see Kevin Drinkwater’s Technology section later in the newsletter.

CaroTrans LAX – Long Beach Marathon
On Sunday October 12 nineteen members of the CaroTrans LAX Team participated in the Long Beach Marathon. This is the second year we have done this and the turn out, in conjunction with Mainfreight LAX, was excellent. We had 11 people do the ½ Marathon (13.1 miles), and 8 people do the 5K walk/run (2.6 miles). Afterwards we had a tent where the Team was served Tacos, fruit, lots of water…and cookies! We had a few wounded warriors that decided that training was over rated and are paying the price with blisters and cramped muscles, but still showed up on the job. Well done Team!

Spotlight on Turkey
Nuray Karafazlioglu, CaroTrans Turkey Trade Lane Manager, recently visited CaroTrans’ agent in Turkey – Globelink Unimar Turkey, and joined their 20th year celebrations.

The visit provided an opportunity to learn how our respective businesses operate, the challenges they face, and how CaroTrans and Unimar can support each other. Gaining an understanding of Unimar’s process...
for imports and exports is has been valuable as Nuray was able to bring this knowledge back to the US to share with our team.

The trade between the USA and Turkey has been very strong and Turkey plays a key role throughout the region. At this point, our plans are to strengthen our export consolidation services to Istanbul and launch an inbound service from Turkey to New York and further strengthen our market position.

Global Team Visits
The past six months has seen several members of our team visiting other parts of the Group’s global network. This is a great way to develop stronger relationships and a better understanding of client requirements in different locations.
Mainfreight Asia / CaroTrans Asia – Michael Lofaro
Mainfreight

As the close of 2014 approaches, we can look back upon a year that provided many exciting challenges, all of which were met head on with the usual vigour and enthusiasm that is ever present in our team in Mainfreight Asia. We continue to lift the bar and find new ways to grow our business, in what is, without doubt, one of the most dynamic market places in the world, Greater Asia.

To achieve the goals and outcomes we have set for ourselves, education, and re-education, is paramount in our daily lives here. Typical of Mainfreight’s culture, we have developed a number of internal education programs designed to enhance both our knowledge of the work place and the industry sectors we operate in, and also to feed the Supply Chain of our Mainfreight Group.

Building and maintaining a 100-year company requires constant introduction of young and dynamic people; team members who have a strong understanding of not only our history and core cultural foundations, but also a clear and common view of our vision, as a company and individually. Our educational and development programs are all targeted to achieve this end.

Being a commercially driven business, strong focus is placed on developing our sales force. With the growth of our footprint across Asia, we are bringing into the family a larger number of energetic sales people, who need a solid injection of “Blue Blood” as soon as possible upon joining us. We hold two high intensity induction programs per year for our new sales entrants. This is held in Hong Kong and is facilitated by Cary Chung, our most senior commercial team member in Asia.

Comments by HKG Claudia - Appreciated the informative and detailed training, it’s really valuable for me.

Comments by SZX Shirley - Two training parts are deeply in my mind, one is IT training and another is case study. If more action or discuss via separated team, will be good for us learn more difference idea to show teamwork.

Comment by SHA Cici - Great training. Well organized and it’s a great idea to doc everything we went through in the Mainfreight USB drive. Very informative and my favorite part is Wing’s training with three games, which really get everyone involved and make it easier for team to learn what he’s telling us.

Comments by THA Chayuth - If possible time that please add Airport (cargo) and Ocean freight tour for least HKG free zone also.

Comments by TAO Steven - MIMS is a very powerful system, I think it may cause the guest’s interest. Increased interaction between sales, Communication between different regions south north different market. Add more sales skills.

Each team member completes a three-day induction program which covers aspects related to our Group’s products, global footprint, culture, history, and future vision … not to mention a very clear message that we are here to provide a quality of service, which means ‘PRICE’ should be the last thing we sell.

Other areas of education we cover include, but are not limited to, English language skills, customer service excellence, system and operational training, and leadership. All this is then enhanced by sending our team to New Zealand, to participate in such programs as Emerging Leaders Courses and also the infamous Outward Bound Experience.

Gim Guo from our Qingdao office offered us the following comments after he completed Outward Bound this year.

“I was so lucky at being selected to attend the Outward Bound in Feb 2014. It is really an adventure for me. From the first minute I stepped onto the land of NZ, every second, I feel greatly embraced by our Mainfreight culture. I found a better myself in front of great challenges and made brothers/sisters with Cobham 590 watch. Also I got a nice nick name ‘Jimbo’ - I love it and will always treasure. Standing in front of the Old Mack, I thought, who will be the next blue blood legend?”
Taiwan
First off, we are pleased to announce the expansion of our activities in Taiwan. Up until this point, we were only present in the Capital of Taiwan, Taipei, but we have now opened a regional sales office in the port/industrial city of Kaohsiung, in the south of the Island. We wish great success to Team Kaohsiung.

Comment from our Taiwan Manager, Ms Jenny Chen: “Kaohsiung is the biggest & main port of Taiwan, it is also an industry city. Many Chemical, auto-parts & heavy industries around the area which means also a lot of opportunities for us over there. So we aim to open our Kaohsiung office on 1 October 2014 and we already have a regional sales manager, Kenny Kao, and a customer service, Joyce Huang, join us in Kaohsiung in the very first stage.

Kenny has over 10 years' experience in the industry and very familiar to handle the project cargo. He has just secured a project cargo with 4450CBM via break bulk service from Kaohsiung to Houston by CIF term. It's really exciting we forward the shipment smoothly for the first project cargo & our first time. Joyce Huang has 8 years' experience with SSL & freight forwarder, very professional & well knowledge. We glad to have these 2 heavy hitters join us, it definitely will lead us toward the bright future.”

Thailand
We also just celebrated the first anniversary of the opening of our Thailand office. This office is now producing profitable weekly results and it is a credit to the team that they have brought themselves into a profitable situation in less than a year, especially in a very competitive market like Thailand. We see great things ahead for our Thailand team.

They celebrated by hiking out to the famous River Kwai for a weekend away with nature.

Of course not all knowledge and experience is gained in the office or classroom. Some of our Beijing and Tianjin Team decided to attend ‘Boot Camp’ as a means to prepare themselves for the ‘Battle of Business’...

Obviously the North China market is a tough one! Suggest these guys classify for the Special Armed Services Unit... they are definitely “Special People”.

Thailand team celebrating first anniversary together (L-R): Mo, Ying, Aey, Pond, Gong, Noom, Pang, Boonk and Bird
Shanghai
Mainfreight Shanghai in partnership with our team in Frankfurt recently moved a private vehicle from Germany to China. This is just one example of the diversity of our product offering, and the value of our global network.

Comment from H.Y Goh, our Singapore Manager: “This is our Singapore warehouse and we are officially move into this new airport facility on 18 July, 2014. The warehouse space is approximately 2200sq ft and is located inside the Changi Airport Free Trade Zone. We are able to handle import, export and transshipment cargo for both air and sea freight. In our new facility there is no need to pay duty and taxes for transshipment cargo if the shipment is store in this warehouse. Moving forward we are discussing with a few customers on handling their 3 PL of one is a medical supplier supplying medical equipment to most of the hospitals in Singapore.”

Singapore
This year we also saw our Singapore office relocate to the Changi airport Cargo Centre. A clear sign of the growth achieved in the short time we have been present in the Singapore market.

Comment from H.Y Goh, our Singapore Manager: “This is our Singapore warehouse and we are officially move into this new airport facility on 18 July, 2014. The warehouse space is approximately 2200sq ft and is located inside the Changi Airport Free Trade Zone. We are able to handle import, export and transshipment cargo for both air and sea freight. In our new facility there is no need to pay duty and taxes for transshipment cargo if the shipment is store in this warehouse. Moving forward we are discussing with a few customers on handling their 3 PL of one is a medical supplier supplying medical equipment to most of the hospitals in Singapore.”

Ningbo – 10th Birthday Celebrations
As mentioned in previous editions of our newsletter, the 10th anniversary of any event holds great significance in Chinese culture. So when it was time for our Ningbo office to recognises their 10th anniversary, they did so by holding a Banquet dinner where key customers, suppliers and of course all our Ningbo team were invited. A great night was had by all, and the Ningbo market certainly knew that Mainfreight was in town, and that we were here to stay!

Our Ningbo Branch Manager, Sunny Sun had this to say: “August 15, 2014, the big day of Mainfreight Ningbo branch 10th Anniversary Celebration. As a member of the Mainfreight Ningbo branch, we feel so happy and exciting like it is a ceremonious and sole marriage of our lifetime. Each of us in splendid attire with pleasure to welcome every guest. We invited our customers, booking agents, brokers, carriers and other business partners to join us. During the dinner, each guest was infected by our Mainfreight’s culture. Our perseverance, our efforts and our solidarity achieved Mainfreight Ningbo’s today, the big success of the past ten years. Everyone enjoyed this big celebration party. We toasted for yesterday’s hard working, for today’s achievements, for tomorrow’s target. We’re toasting, drinking, blessing and laughing. All of us were surrounded by the happiness. Happy time always flies too fast. Everyone came with a full blessing, and left with great satisfy. Every moment of the past ten years’ difficulty and effort left in our memory, We deserve today’s success and it help to open the door of the next decade for Mainfreight Ningbo. We will expand Mainfreight culture, insist the spirit of the Mainfreight, create our bright and proud future.”

We would like to take this opportunity to thank everyone for their passion shown during the 2014 calendar year. Also, we wish the whole Mainfreight family a wonderful Christmas period, and may the New Year bring you all great health, happiness and success. In February 2015, we will say goodbye to the Year of the Horse and we will welcome the Year of the Goat (Sheep).
CaroTrans Asia has completed a successful year, in the face of some strong competition and a very aggressive market. Our young team daily run a David & Goliath marathon up against some of the region’s biggest NVOCC’s, both local and multinational.

With services running across the Pacific, to and from both Australia, New Zealand, into Chile and down to South Africa, the CaroTrans Asia team has developed a reputable and market competitive LCL groupage service.

This product offering is an important link in our Group’s continued growth and market share in the global groupage market.

Strongly supported by our Big Brother, CaroTrans USA, the team in Asia is looking to further expand the port pairs we now offer, especially into the USA and then further afield.

Comment from Joan Ji, CaroTrans China:
“This year marks the 35th anniversary of CaroTrans, we got customer appreciation cards from CTI USA and we sent them to 46 customers with a book, ‘Delivering Happiness: A Path to Profits, Passion, and Purpose’ written by Tony Hsieh.

Our Customers all liked the gift and many sent back appreciation photo’s and email.”

From the CaroTrans Asia team, we would like to thank everyone for their valued and greatly appreciated support throughout 2014, and to wish everyone a wonderful Christmas, and the hope that 2015 brings you all health happiness and prosperity.
We continued to enjoy exciting times in our European development during 2014. The recently published half year results for our group point to structural year on year improvements in our Logistics and Air & Ocean divisions as well as the majority of our Forwarding operations.

Perhaps most exciting is the continued adoption, across the group, of many components of Mainfreight’s core culture. It is clear that teams in all divisions and countries across Europe are really taking accountability for their own destiny, profits and growth.

Success in a rather bleak economic landscape is difficult to achieve and we congratulate the teams that are thriving and aggressively growing their supply chain components in spite of the turmoil.

In Logistics we are seeing satisfactory year on year improvements in service levels and profits. We can be proud of the world class services and levels of customer satisfaction that we are achieving in our warehouse operations. With such talented people in all parts of our Logistics division, it gives us great confidence in being able to compete well with anyone, anywhere, in Europe. We look forward to growth outside of our current warehouse footprint in the coming months.

In Air & Ocean we continue to establish new operations and services that result in compelling reasons for our global network to actively engage with us. The recent opening of our Lyon (France) and Warsaw (Poland) Air & Ocean offices brings our total branches to 9. All this investment in green field operations, whilst still maintaining significant year on year financial improvements, is a great credit to Jon Gundy and his team.

In Forwarding, it is so encouraging to see momentum building in our strategies to achieve scale and capability in our smaller operations. Romania, Poland and France are making good progress in establishing real services for our customers, not only directed towards our traditional strongholds in the Benelux but also between each other.

In the Netherlands, Frans Zuidgeest and his team continue to challenge themselves to rise above European norms in profits, services and customer satisfaction.

To all of you across Europe and indeed the world, we wish you a happy festive season and New Year.
Golden Knight of the Road
It is difficult to drive damage-free in modern traffic. Minor accidents are lurking around every corner. Only the correct motivation, professionalism and awareness enable drivers to make it through the day unscathed. This year, the Golden Knight of the Road 2014 title was given to our own Corine Karsten-Evers. She was given a certificate for her excellent performance and will be ambassador for a whole year for all the Golden Knights of 2014. Corine is the first woman who receives this title making it an extra special moment. Together with TVM (insurance company), Bertil ter Maat (Managing Director Transport) arranged a special event during the work day of Corine to surprise her. Once again: Congratulations Corine!

From Island to Unity
In three years’ time Wim Bosman Geleen has made a major change in culture. Like some of us may know, Wim Bosman Geleen contained 3 different departments. There was just a small co-operation between these departments. People worked hard, but the end result was not what it was supposed to be. “There appeared to be no team feeling”.

Now, nothing is the same anymore. Everyone feels responsible to achieve good transit times and an excellent quality of the processes. The team contains a great mix of ‘old’ and ‘young’ team members: there is an optimal balance between all skills that are necessary to achieve good processes. The knowledge and passion from the elders combined with studious, enthusiastic young people, contributes to the success and achieving of common goals. Through this way, we want to thank each other for the positive motivation and the ‘family feeling’ we all have been creating.

Cycling for Orphaned Children
In July, team member Tonny Smeenk and his daughter Lysanne Smeenk, travelled 450km by bike for the ‘Home of Hope’ foundation in Sri Lanka.

In Tonny’s words: “This was a weekend I will never forget. It was a weekend with laughter and tears. I think we did a great job by riding 450km on a tandem bike together.”

We also think you two did a great job and we wish your daughter a great time on her adventure in the Home of Hope foundation, Sri Lanka. You did not travel this huge distance for nothing: €2,410 has been collected for Home of Hope!
Driver of the Year!
Team member Gerald Braam may call himself “Driver of the Year 2013”. He earned this title because of his workmanship, flexibility, customer focus, and for being a great colleague.

Besides that, Gerald drives without doing damage for years and is never sick. He really is a driver to be proud of! Gerald was surprised by a big American truck and a few Mainfreight cars. Along with his partner Barbara and kids Jasmijn en Pepijn, they drove to ’s-Heerenberg. There was the annual drivers day. 150 team members waited for him and personally congratulated Gerald. We congratulate you on this well-deserved title Gerald, keep up the good work!

We Welcome 12 New Trainees
In September, twelve new trainees were welcomed for the upcoming half year. Of the twelve additions, eight come from a university of applied sciences and four from a vocational education school. We give Stefan, Rico, Pascal, Fabian, Jordy, Chiel, Marloes, Janne, Bryan, Yoes, Behzad and Jason a big welcome. They can look forward to an informative time and besides that a lot of success and pleasure!

Children’s Day
Wim Bosman Poland took part in a Children’s Day in the hospital in Międzyzdroje which takes care of children with cancer. We celebrated that day with children by taking part in a lot of different games and activities.

The children received gifts that were sponsored by our Poland branch, together with H&S Transport and other companies from Poland. Moreover, we helped disabled kids in their daily activities. Aside from gifts, games and the help from our team members the children had opportunity to see the motorcycles and ride the Monster Truck.

Beata Krawczyk, playing with kids during Children’s day
**LCL Line: Poland-Romania**

Recently teams from the Poland and Romania branches made the decision to set up a regular LCL line between Poland and Romania.

An informational pamphlet focusing on our new service was prepared, and we carried out a mailing campaign geared towards our potential clients and updated our website. We are not going to lie, the first couple of months were difficult, and – to use the logistic jargon – rather “empty” in the sense that we had a lot of free storage space in our trucks.

After the first couple of transports our clients’ interest and their positive feedback reassured us that we made the right call and the PL-RO LCL line entered our service portfolio for good. We have a group of regular clients and most importantly we managed to gain our clients’ trust and we always do everything in our power to deliver services of the highest possible quality to satisfy our clients’ needs. In this respect, we pay utmost care to the safety of transported goods and their timely delivery.

**Wim Bosman Ukraine**

Wim Bosman Ukraine celebrated its 2nd anniversary in the beautiful recreation complex of Red Kalina. For the majority of team members it was their first corporate event, and without a doubt, the day gave a positive charge to all and was a great way to celebrate that we have such a close-knit team of professional, creative and friendly people!

**Charity Race**

In September, Andrzej Ulicki took part in a charity race “ZŁOMBOL”. The goal of ZŁOMBOL is to collect as much money as possible to support orphanages. To participate in this noble project, one must meet the three following criteria (listed from least to most difficult): (1) paying an entrance fee, (2) owning an automobile released in the communist era and (3) finding a sponsor. The first condition was no problem, neither was purchasing such a vehicle. I bought a Skoda from Mr Edward, which is the reason why our team was christened “TEAM EDWARD”. The third criteria was the hardest to meet, but I managed to do it thanks to Mrs Beata Krawczyk.

The idea behind this race is that all vehicles entered in the competition must come from the communist era (the cars had to be developed and made during that time). The distance from the start to the finish line was 2400km. The starting point is located in Katowice, Poland and the route leads through Slovakia, Hungary, Slovenia, Italy, France and Spain (Lloret de Mar). The whole Polish team of Wim Bosman supported our colleague in the race at all time. Team Edward got the 80th place, but results don’t really matter in this case!
Group Training & Development – Martin Devereux

It is hard to believe yet another year is behind us and Christmas is right around the corner. Thank you for getting all the small things right; thank you for overcoming every challenge placed before you this year with the typical Mainfreight “Can do” attitude; and lastly, thank you for all your efforts this year and we wish you, and your loved ones, a very deserved Merry Christmas.

Looking Back …
With these principles in mind, Mainfreight’s training presence began in earnest in 1995 by Christine Meyer who was the sole person responsible for HR, training and auditing. Debi Fitzpatrick joined Christine and our first training team started in Auckland in 1998.

In the early days, our Training Team focused on auditing domestic branch quality, conducting domestic systems training on our space-aged MS-DOS computer system, “Reality”, and also on introducing new team members to other branches in the business so they could grasp our size and scope. In addition, Chris delivered Customer Services training and Team Leader training to develop our people.

Nearly twenty years on and our training team has become five training teams operating from training centres of various guises across New Zealand, Australia, Asia, Europe and the United States. Earlier this year our first Training Centre in New Zealand celebrated its 10-year anniversary and we were delighted to welcome back many of the original members of our team to mark the occasion.

… And Today
In these centres, and in your branches, our teams conduct training across all systems and across all parts of our business; not just domestic! Likewise audits are conducted in all regions with audits tailored to the business and also to the region.

Similarly our non-systems training offering has extended to all parts of the business, all regions and on topics including Health & Safety, Sales, Leadership, Recruitment, Easy to Deal With and numerous other areas relevant to our team, our business and our customers. In addition to these core functions, our training teams find themselves assisting our constantly evolving business with the new challenges that growth brings.
Supporting the Business

Whether we are safeguarding our ability to transport and export honey or ensuring the cricket teams participating in the 2015 World Cup are using the right gear at the right grounds, our teams are heavily involved to ensure our customers are delighted and we get paid. 2015 will see significant projects like the Australasian implementation of new software Mainstreet before us as challenges to confront, and therefore we are always looking to improve our ability to provide support to the business and are always interested in talking to passionate, smart team members who share similar aspirations as we do.

Recruitment

Our Mainfreight family can only grow at the rate we grow our people. It is of strategic importance to constantly introduce hard-working, passionate and intelligent people into our teams. It is then we must focus our efforts on fostering their interest, in developing their skills and in opening their eyes to the future they can have with Mainfreight. We must continue to employ people interested in careers, not jobs.

So where do these new team members come from? For some it is responding to adverts on line or on referrals from team members. For many, it is due to the diligent efforts of our training teams who spend significant amounts of time working in this space. Our teams are there in person, on campus and in schools, promoting careers with Mainfreight and convincing the right people to consider a career with us.

Typically these are people yet to establish their careers who often have joined us for the opportunities we offer; global adventures with a global company.

Building Careers

Whilst promotion from within is a simple philosophy, the practice is not and it is one we must be careful not stray from. Growing our talent requires commitment from every team member and the same patience that was extended to all of us when we first started.

With this in mind a significant amount of work is currently underway integrating a global leadership framework to aid in the on-going development of our leaders and potential leaders. Leadership development is not new to Mainfreight however the commitment to a consistent and global approach will result in a universal language of leadership and an improvement in the depth, and level, of leadership across our company.

Community

Another unique aspect of Mainfreight is our commitment to giving back to the community. One of the main ways we do this is through the ‘Duffy Books in Homes’ programme. In this programme we sponsor schools where children attending are likely to come from homes which have limited or no access to books.

Why is this important? The philosophy behind the programme is simple – to break the cycle of ‘booklessness’. Kids who can’t read become adults who can’t communicate and that’s a serious disadvantage in a world that operates on the written word.

As a result every child at these “Duffy” schools receives 10 books a year which are presented to them at Role Model Assemblies held at the school.

Successful local identities such as sports people, musicians etc join us in presenting the books to the children. As role models they tell the children “It’s Cool to Read and Cool to Achieve” and make a connection between success and reading.

We have been part of the ‘Books in Homes’ programme since 1994 and currently we support 86 schools across New Zealand, Australia and the USA. This means over 25,000 kids every year are getting new books to read thanks to the support we provide. Earlier this year Books in Homes New Zealand celebrated its 20-year anniversary and also the distribution of its 10 millionth book. If you want to know more about Books in Homes ask your Branch Manager.

Best wishes to all the team for a great Christmas, we look forward to being of service in 2014.
A follow up training session for the Europe Sales team was held in October. After a warm welcome from Liane Philipsen, a period of gruelling mental concentration meant everyone was keen to grab some sunshine and activity during the energizer break.
Success and Sorrow

Sorrow

I had never considered that I would need to write an obituary for our Team Newsletter, but the unexpected passing of Paul Derbyshire has meant that I have created one for the first, and hopefully last time.

Paul’s death came as a huge shock to us all and reminded us of our own mortality – here now, gone suddenly tomorrow. While it was the worst of times, for our New Zealand IT team, and many others around the country and world who knew Paul well, it also showed us once again the best of the Mainfreight family. Right from the time the NZ IT team were told, our Australian counterparts took over the phones and helpdesk responsibilities for NZ users, as well as Australian, and did so for the rest of the day and whenever we needed it after that. Whilst still shocked our NZ team rebounded and came back the next day, worked the phones and the helpdesk like true professionals. We thank you for that.

There were also many other people that stepped up to support Paul’s family to make sure that we could ease their burden as much as we could. Thank you to you all!

As Paul and Helen were holidaying in Australia at the time of his death it made the situation even more difficult. We therefore owe a great deal to Shona Taylor, a Mainfreight Brisbane-based Kiwi, who dropped everything when we called, to drive 90 minutes to Helen to support her immediately and until Paul’s three daughters could arrive in Australia the next day. Thank you so much Shona.

Even in times of sorrow like this you learn, and one of the key lessons was how effective some counselling can be to help people get over a tragedy like this. If you had asked me beforehand I would have thought old school and said don’t bother about it. However Martin Devereux arranged a group session for the NZ IT team and it proved to be well worthwhile and left all who had attended feeling like some weight had been lifted off their shoulders. So if you have this situation in the future I recommend it.

Successes

The Metro version of Mainstreet software successfully went live in mid-October at two branches, Auckland Metro and Sydney Metro. This initial soft launch at these branches was possible as Metro branches are self-contained so we did not need the wider functionality, such as manifesting and outturns, required for inter-city branches.

The great benefit for us is it has proven that the fundamentals of Mainstreet work – from the ability to take and dispatch a pickup, through rating and finally to the transactions arriving in our accounting system. Whilst there were a number of hiccups, anything major was able to be rectified very quickly and we were only left with minor functional issues to prioritise and fix. Additionally this rollout enables us to sit back and consider whether we need to change our ideas on how the system will work for the inter-city branches.

Key lessons from our initial rollout are:

- Branches must have their operational procedures fully in place – if you don’t it will make the transition to Mainstreet much harder
- Branches need to be fully up-to-date with all their administration prior to GoLive for the same reason as above.
- Make sure your team attends the designated training sessions and are all at work during GoLive Week.
- Be ready for some long days – everything takes longer in the early days, as people to get used to new systems.

Because the Metro businesses in Auckland and Sydney work differently, and have a decent amount of volume and variety, we have been able to get some really good feedback on how Mainstreet can run in other operations in New Zealand and Australia.

There is the simple litmus test – we asked both Branches whether they would go back to Maintrak if they could. Both said “no way”.

Scotty (Metro Auckland)
“The main benefit is no more PUDS, saves a heap of time. The hard part is moving away from paper”

Craig (Metro Sydney)
“I like that the time we spend rating has been reduced by about 25 hours per week”.

We are now planning to implement Mainstreet to additional Australian and NZ Metro branches in February (after the Christmas rush, and summer holiday period). Then later in the year we will Go-Live with the inter-city branches.
Meanwhile the US Domestic business has been on a hiatus in terms of Mainstreet development and releases while we have concentrated on the Down Under releases. Now that we are through this period we will turn some development resources back to adding and improving functionality for the USA. First cab off the rank, in terms of new functionality, will be the Quoting module. Thank you, USA team, for your patience.

Our European business has successfully implemented Mainmove, their new Transport Management System (TMS), for a small part of their European Freight network. This GoLive occurred in June and encountered similar issues to those documented with Mainstreet above. This is a small but significant step that will enable us to move into a much more modern environment and replace TREC – a wonderful system for over 35 years, however a system that is unfortunately now on the wrong technology platform.

Europe will be progressively rolling out this system to the rest of the business of the coming 18 months. Peter Bergman reports further on Mainmove later in this section.

In September we went live with an updated tracking module on all Mainfreight and Wim Bosman’s websites. As you will see below the new system is a refreshing change in the look and feel for the customer. It is also built in a responsive technology that senses whether you are tracking on a phone, iPad, laptop or desktop and adjusts the view to your device. It is also possible to download this as an “app” on your mobile device.

Our customers can input a tracking number for domestic freight, a logistics order or an international shipment and the system will search all our systems worldwide and give the latest status. Some sample screen shots below.

We have had some very good feedback from customers around the world.

Now that we have this running our intention is to update our full “app” using these tracking pages as a base and adding other key functionality around it.

### Mobile view
**Domestic shipment**

![Mobile view - Domestic shipment](image1)

**Air & Ocean shipment**

![Mobile view - Air & Ocean shipment](image2)

### Desktop view – note the Android, Apple and Blackberry symbols in the bottom right. Clicking on the correct one of these will set this tracking up as an icon on your mobile device.

![Desktop view](image3)

### Container and Segregation Bin Tracking Devices

We have a lot of specialised equipment around the world that often gets misplaced and/or forgotten about. This can cause us immense frustration when we can’t quickly find the equipment or even worse have to purchase more as it is “lost”. This situation has become more difficult in New Zealand and Australia with our speciality 20ft shipping containers and our Dangerous Goods Segregation devices. Both of these are particularly large and heavy so you would think they are easy to find – evidently not.

For a number of years we have been looking for a tracking device to attach to this equipment that will tell us where it is anytime. There have been several possible solutions...
however they have all failed either because they require regular battery charging or do not have the connectivity or coverage they require.

Technology has moved on and we have now been successful with trials of a new device that has connectivity anywhere there is cellphone coverage and recharges itself with an inbuilt solar panel – as per the picture. Implementing these will save us a lot of time!

In closing I would like to thank all of you in our IT Teams who have contributed so much during 2014. There have been many times that you have shown your dedication in difficult circumstances and you have not let the business down!

Also a special thank you to those of you giving up your holiday time to undertake our disaster recovery testing while the rest of the business is closed.

I hope the Christmas season brings you and your family good times and plenty of rest.

Mainmove Europe – Peter Bergman (Europe)

Despite the silence, Mainmove (TMS implementation Europe) is on the move!

After the go-live for Norway, Sweden and Denmark in June it has been a bit quiet around Mainmove. This does not mean that nothing has happened. First of all, we have been working hard to support the countries that are live. In practice, you always run into things that previously could not be foreseen and which need to be resolved. A lot has been resolved already and a number of issues require more time, but it is getting better and better!

In addition, we continued with the development of the detailed design of the processes. This means that we are assessing together with Kewill our needs and their standard solutions and decide how we can use the package for maximum support of our processes, as much as possible with the standard solutions. This does not always work and if not, we will see if we can develop the necessary process support adjustments to the standard system. We do this for the main processes (eg Order intake, Process routing, execution, finance etc.), with input from the operational organization.

Furthermore, we are now working hard on the next go-live. In November the Baltic States, Poland and Finland, then at the start of 2015 we’re aiming on the go-live of Eastern Europe.

CaroTrans Takes a Big Jump – Cindy Suggs (CaroTrans USA)

Is it news when nothing happens?

This Fall, our development team at FSI transferred our proprietary operating system CaroTrack from SQL 2005 (running in SQL 2000 compatibility) to SQL 2014 without incident, which we know is rare in the industry. The project required months of planning and testing followed by a weekend of system upgrades that culminated the following Monday with CaroTrans team members around the country switching on their workstations to find everything in working order – only moving faster.

A lot is written when teams go the extra mile to overcome a challenge. This one is a great example of our developers going that extra mile to prevent those challenges.
Customer Facing Documents/Specs – Laurie Hamid (MF USA)

Mainfreight US IT has been striving to make customer experience a top priority. Electronic Communications starts with your customers, with what THEY care about, what THEY want to get done, and how THEY want TO DO it!

As a result, the team has developed several customer facing documents to describe various means of communicating with Mainfreight databases including EDI and spreadsheet/file uploads. Our documentation is aimed at providing our customers with clear, concise, readable and Mainfreight branded specs that provide their development teams with the information necessary to create the necessary maps for integration. By presenting the customers with technology options as well as organizing and presenting the material to meet the customers’ needs, we are creating a smoother integration experience, reducing questions and getting customers linked to Mainfreight as quickly as possible.

**EDI**

While the IT team will still create customized technology solutions for customers that are in need, our team has found that several of our customers are more than willing to request and program to a Mainfreight EDI spec! This has had a profound effect on our team. It has reduced the amount of man-hours for each integration, as development is minor (if any), and integrations have been reduced to mostly testing the data and turning on the link. As a result, our teams have been able to catch up on a 3-month backlog!

**Spreadsheet/File Uploads**

Spreadsheet and File Uploads via a web service is another means the US provides for customers to push information into Mainfreight databases. The uploads are saving us time and helping with data integrity.

Due to the needs of the business, the team has developed standardized reports. We all know that we can send reports to customers via email, but now we can also deliver them to DropBox.

Flexibility is the key and we want to be sure our customers have solutions that meet their needs! No two customers have the same technology needs. However, for those customers that do not provide their own specs for us to develop and map to, customer facing documentation has been a valuable tool to guide communications.

We will always meet the needs of the customer first and foremost. **That is the Mainfreight way!**

Video Conferencing – Mike Hood (Australia)

Now that all Australian branches have the new Cisco video-phones, what’s next you ask???

Each state in Australia and three New Zealand branches now have a high definition video conferencing (SX20) unit installed in their boardrooms.

To make the entire experience even easier we are in the process of automating these boardrooms. Video conferencing while sharing presentations, or making point-to-point video calls to other boardrooms will be just a few clicks away with the easy to use control panel. No more messy cables, no more looking for the right remote and trying to figure out what channel to use, the control panel does it all for you.

The branches that have these units installed:

- Mainfreight Distribution - Clayton (VIC)
- Mainfreight Air & Ocean - Melbourne (VIC)
- Mainfreight Kewdale (WA)
- Mainfreight Regency Park (SA)
- Mainfreight Larapinta (QLD)
- Mainfreight Prestons (NSW)
- Mainfreight Auckland (NZ)
- Mainfreight Christchurch (NZ - SX10)
- Daily Freight Auckland (NZ)
- Mainfreight Los Angeles (CA)

So next time you are at one of these branches, make sure to check it out!
## SERVICE ACHIEVEMENTS

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Years</th>
<th>Company/Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dirk Pruiksma</td>
<td>40</td>
<td>Wim Bosman Transport 's-Heerenberg</td>
</tr>
<tr>
<td>Ger Dormans</td>
<td>40</td>
<td>Wim Bosman Logistics Geleen</td>
</tr>
<tr>
<td>Gary Atkins</td>
<td>35</td>
<td>Mainfreight Air &amp; Ocean Melbourne</td>
</tr>
<tr>
<td>Margo Rottger-Goorman</td>
<td>35</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Michel Engel</td>
<td>35</td>
<td>Wim Bosman Holding 's-Heerenberg</td>
</tr>
<tr>
<td>Colin Belk</td>
<td>30</td>
<td>Mainfreight Transport Tauranga</td>
</tr>
<tr>
<td>Des Reynolds</td>
<td>30</td>
<td>Mainfreight Transport Hamilton</td>
</tr>
<tr>
<td>Erwin Dieusaert</td>
<td>30</td>
<td>Wim Bosman Driver Belgium</td>
</tr>
<tr>
<td>Gert Essink</td>
<td>30</td>
<td>Wim Bosman Crossdock 's-Heerenberg</td>
</tr>
<tr>
<td>Jo Duis</td>
<td>30</td>
<td>Wim Bosman Transport 's-Heerenberg</td>
</tr>
<tr>
<td>Robert Eva</td>
<td>30</td>
<td>Mainfreight Transport Hamilton</td>
</tr>
<tr>
<td>Sean Dillon</td>
<td>30</td>
<td>Mainfreight Air &amp; Ocean Auckland</td>
</tr>
<tr>
<td>Stefan Banning</td>
<td>30</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Trevor Rice</td>
<td>30</td>
<td>Mainfreight Air &amp; Ocean Wellington</td>
</tr>
<tr>
<td>Andrew Smith</td>
<td>25</td>
<td>Mainfreight Transport National Support (Mel)</td>
</tr>
<tr>
<td>Carlos Espinoza Vasque</td>
<td>25</td>
<td>Wim Bosman Logistics 's-Heerenberg</td>
</tr>
<tr>
<td>Carolyn King</td>
<td>25</td>
<td>Mainfreight Air &amp; Ocean Melbourne</td>
</tr>
<tr>
<td>Chris Everaets</td>
<td>25</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Chris Osstyn</td>
<td>25</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Christopher Khan</td>
<td>25</td>
<td>Mainfreight Domestic Columbus</td>
</tr>
<tr>
<td>Eddy Heister</td>
<td>25</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Erik Jan Heykoop</td>
<td>25</td>
<td>Wim Bosman Transport 's-Heerenberg</td>
</tr>
<tr>
<td>Fay Mikaere</td>
<td>25</td>
<td>Mainfreight Transport Tauranga</td>
</tr>
<tr>
<td>Francis van Zelst</td>
<td>25</td>
<td>Wim Bosman Crossdock 's-Heerenberg</td>
</tr>
<tr>
<td>Gerrie Jeene</td>
<td>25</td>
<td>Wim Bosman Logistics 's-Heerenberg</td>
</tr>
<tr>
<td>Jean-Pierre van den Berghe</td>
<td>25</td>
<td>Wim Bosman Driver Belgium</td>
</tr>
<tr>
<td>John Katu</td>
<td>25</td>
<td>Owens Auckland</td>
</tr>
<tr>
<td>Marjo Egging</td>
<td>25</td>
<td>Wim Bosman Holding 's-Heerenberg</td>
</tr>
<tr>
<td>Mary White</td>
<td>25</td>
<td>CaroTrans New Jersey</td>
</tr>
<tr>
<td>Melinda Pickard</td>
<td>25</td>
<td>Mainfreight Air &amp; Ocean Melbourne</td>
</tr>
<tr>
<td>Pascal van Roose</td>
<td>25</td>
<td>Wim Bosman Logistics 's-Heerenberg</td>
</tr>
<tr>
<td>Robert-Jan Bruil</td>
<td>25</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Berry Kluitmans</td>
<td>20</td>
<td>Wim Bosman Logistics 's-Heerenberg</td>
</tr>
<tr>
<td>Bruno de Bruyn</td>
<td>20</td>
<td>Wim Bosman Driver Belgium</td>
</tr>
<tr>
<td>Carl George</td>
<td>20</td>
<td>Mainfreight National Support Auckland</td>
</tr>
<tr>
<td>Cilia Lorx</td>
<td>20</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Dick Betlem</td>
<td>20</td>
<td>Wim Bosman Logistics 's-Heerenberg</td>
</tr>
<tr>
<td>Jason Street</td>
<td>20</td>
<td>Mainfreight Auckland Owner Driver</td>
</tr>
<tr>
<td>Jeroen ter Beest</td>
<td>20</td>
<td>Wim Bosman Transport 's-Heerenberg</td>
</tr>
<tr>
<td>Joyce Wain</td>
<td>20</td>
<td>Mainfreight Air &amp; Ocean Support Melbourne</td>
</tr>
<tr>
<td>Laisenia Burewe</td>
<td>20</td>
<td>Mainfreight Transport Sydney</td>
</tr>
<tr>
<td>Marika Lenzo</td>
<td>20</td>
<td>CaroTrans Sydney</td>
</tr>
<tr>
<td>Rene Niovara-Dave</td>
<td>20</td>
<td>Mainfreight Christchurch Owner Driver</td>
</tr>
<tr>
<td>Richard Clappers</td>
<td>20</td>
<td>Wim Bosman Logistics 's-Heerenberg</td>
</tr>
<tr>
<td>Richard Vlasblom</td>
<td>20</td>
<td>Mainfreight Transport Melbourne</td>
</tr>
<tr>
<td>Rien Wassink</td>
<td>20</td>
<td>Wim Bosman Transport 's-Heerenberg</td>
</tr>
<tr>
<td>Ron Enzerink</td>
<td>20</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
<tr>
<td>Silvia Boerakker-Jansen</td>
<td>20</td>
<td>Wim Bosman Holding 's-Heerenberg</td>
</tr>
<tr>
<td>Silvia Siemes-Aalders</td>
<td>20</td>
<td>Wim Bosman Forwarding 's-Heerenberg</td>
</tr>
</tbody>
</table>

Thank you for your loyalty, dedication and hard work - What an achievement!
Bereavements

Paul Derbyshire – IT Auckland and the World
Paul will forever remain a legend to the Mainfreight Team.
He was our “go to guy” for all things technological. His knowledge was immense, and he was considered our own Human Google Search facility.
Paul started with Daily Freight Christchurch in 1983 and was there when Mainfreight took over in 1994. His skills with technology soon became apparent to us and as Mainfreight grew, Paul’s value and influence grew around the world. His willingness to help and his amazing patience, even with the most difficult/inexperienced users, along with his knowledge and skills will never be matched.
Paul will be greatly missed by many of us throughout the world. Our thoughts are with his wife Helen, his daughters Xanthe, Flavia, Atlanta and two lovely grandchildren, Ruby & Teddy.

Stuart Simpson – Mainfreight Transport National Sales Manager
After a brief illness, we were deeply saddened to lose Stuart Simpson at the very early age of 39. For the past 9 years, “Big Stu” was a shining example of many of the characteristics that we value so dearly at Mainfreight. He was an important leader of our sales team, and enthusiastically shared his skills and belief in our business model with all those he worked with.
His passion for our business was legendary and only adds to our sadness. Stu found an immediate fit with Mainfreight when he started with us, and the feeling was mutual. He was everything we want our team members to be. He was smart and honest, hardworking & charismatic. He was sincere, and a fair dinkum representative of Mainfreight Australia.
Our thoughts are very much with Stu’s wife Stacey and children Ethan and Monique, who will both carry his delightful traits into the next generation.

Sonny Tran – Melbourne Metro Driver
We are saddened to advise passing of one of our Melbourne Metro Drivers Sonny.
Whilst at work at the Stubb Street depot in Somerton, Melbourne Sonny suffered a heart attack and sadly lost his fight for life. Sonny was only 45 and leaves behind his beautiful wife Nhung and young daughter Duyen.
Sonny joined our Metro team 18 months ago and his passion for the business and zest for life was second to none. If anyone was going to make you smile and forget your worries for the day it would have been Sonny.
He will be greatly missed by us all, including his many customers whom he dealt with on a daily basis.

Irina Dobos – Wim Bosman Forwarding ’s-Heerenberg
Irina Dobos passed away in August this year, aged 36, having fought the effects of an aggressive cancer for almost a year.
Irina was a sweet, hard working woman within our Forwarding team. Irina had worked for our company since 2012 at the Europe MID department. She was a driven, loyal team member with a lot of passion and ambitions.
We sent flowers and sympathy cards to her family and were pleased to finance her travel back to Romania, to spend her last days in her home country.
We wish her family and friends a great deal of strength wearing this heavy loss.
In July this year, Duffy Books in Homes in New Zealand celebrated two milestones – their 20th Anniversary, and more importantly, they gave out their 10 millionth book!

Books in Homes holds a special place in Mainfreight’s heart – we have been associated with the programme since its inception.

Its target to address “booklessness” in the homes of children who attend low decile schools, is very much aligned with Mainfreight’s philanthropic focus on education.

Kia Ora, Talofa lava, Malo e lelei, Kia orana, Nisa Bula Vinaka, Fakalofo lai atu, Taloha Ni, Namaste, Annyong, Warm greetings, to all Duffy Books in Homes schools, sponsors, role models, supporters and families.

At Parliament during Government Book Week we officially celebrated our 10 millionth book and 20 years of Duffy Books in Homes. Members of Parliament, past and present supporters of Duffy Books in Homes and some special children participated in this special breakfast event hosted by Hon Hekia Parata and with guest speaker, renowned neurosurgeon Dr. Ben Carson.

It was a great opportunity to reflect on the many successes of the programme and those of our schools, teachers, partners and supporters who dared to dream and support the Duffy vision – breaking the cycle of booklessness and inspiring a love of reading. Two special moments came when Charles Ropitini, one of the original Duffy kids spoke of his experiences and then helped present the 10 millionth book to Kawana Snow of Te Kura Maori o Nga Tapuwae.

Term Two was certainly a busy one with three major events around Dr. Ben’s visit in Christchurch, Wellington and Auckland. We are so grateful to Kevin Drinkwater of Mainfreight for all his work and endless support in bringing Dr. Ben and Candy Carson to New Zealand.

Our congratulations to Alan Duff and to all the team and supporters of Duffy Books in Homes – here’s to the next 10 million books!

We are happy to share some more moments from the Duffy 20-year anniversary celebrations which included events held in Christchurch and Auckland, with special guest Dr. Ben Carson.

Linda Vagana
General Manager
Duffy Books in Homes
Looks like a wintry Europe scene, but no – this is after a hail storm in Auckland!

Kawana Smith was chosen to receive the 10 millionth Duffy book after he entered a competition to describe in 50 words or less why he loves being a Duffy kid.

I love being a Duffy Kid because I love to read and learn words that I have never heard before. My Nan told my mum and my mum told me that a house without books is like a house without windows. Being a Duffy Kid means I have windows in my house.

Kawana Smith was chosen to receive the 10 millionth Duffy book after he entered a competition to describe in 50 words or less why he loves being a Duffy kid.

Our Auckland team ensured everyone had a fantastic day at the recent IDEA event.

Mainfreight Kaitaia was officially opened on 19 November by Bruce Plested. L-R: Bruce Plested, Sarah Bleakley (Branch Manager Whangarei & Kaitaia) and James Poulson (Site Supervisor Kaitaia).

Mainfreight Kaitaia Formally opened by our Founder & Chairman, Bruce Plested, without whom Kaitaia Branch would be but an aspiration. Wednesday, 19 November 2014.

Dedicated to the Team of Mainfreight, our Customers, Family and Friends. You are our strong and sure foundations.
Mainfreight will be working hard for the 2015 Cricket World Cup games in New Zealand, making sure team equipment is at the right venue at the right time.

Key team members and owner drivers are shown here following a recent project briefing – the spirit is strong already!

L-R: Mike Munns, Clive Wilson, Jace Heteraka, Hamish Quinn, Salesh Kumar, Niraj Nand, Samir Chand, Narinder Singh, Vincent Wang, Nikesh Chana, Aatish Lai and Parnam Singh

Football club MvR in ‘s-Heerenberg is delighted with the new training suits which Mainfreight sponsored.
Hank Roelink (a Mainfreight customer) created this fantastic electric truck for his 4½ year old granddaughter Ava Roelink. Could be the start of big things Ava!

The Wim Bosman team was ready for this year’s bridge to bridge run. Standing (L-R): Frederik Gielis, Angelique Vinkenvleugel, Kevin Drinkwater, Astrid Van Acker, Dick Betlem, Anke Caepers and Hans (friend of Dick). Front (L-R): Iro du Plessis, Frans Zuidgeest and Mark Newman

Europe team members Bart Decnop, Andrea Steinmeier, Sara Schilskamp and Roy Verploegen took part in this year’s Molex walk, an annual event raising funds for children’s charities. The walk is meant to be 25 km, but our team members covered 27 km because the dog got lost!

The US IT Team took out the annual Mainfreight US Halloween costume competition – some of these people are suspiciously good at getting into character!

The CaroTrans LA team prepares to deliver pails of apples to Customers L-R: Mercy Bitong-Noche, Andrew Dickie, Tuck Ly, Norihiro Hisanaga

54 MAINFREIGHT TEAM REVIEW // DECEMBER 2014
**Feedback**

**From:** Lisa M  
**Sent:** Wednesday, 16 July 2014 10:09  
**To:** Jonathan Garrett  
**Subject:** Thank You

Good Morning Jonathan,

It’s people like you that make it worth coming to work, thank you for your efforts they will not be forgotten, I know you can’t perform miracles all the time but I am sincerely grateful for what you have done today and also in the past it is appreciated.

My **BIGGEST THANKYOU**

Jonathan

Have the Best Day
Lisa

---

**From:** Barbara A  
**Sent:** Tuesday, November 04, 2014 5:32 PM  
**To:** Tim Reich (MF USA)  
**Subject:** Update

Hello Tim,

I wanted to touch base and let you know that things are moving very smoothly with your team. We have ramped this business up quite quickly and your team has been quick to react and resolve all challenges.

Last Friday, we had a Halloween promotion which delivered a large number of orders. I was really impressed with how quickly your team got the orders out.

Since our business launch in July we have shipped over 650 orders with growing volume every month.

We feel very fortunate to work with such a dedicated group of people who really go the extra mile for us and for our customers.

Kind regards,
Barbara

---

**From:** Andrew D  
**Sent:** Tuesday, 4 November 2014 16:25  
**To:** Auckland Enquiries (MFT AKL)  
**Subject:** Feedback on driver

Hi there,

I wanted to provide feedback for one of your drivers, Kevin G (sorry can’t remember his last name) who delivered 7 pallets to our address in Drury. I found him really good to work with even when things didn’t quite go to plan. Very easy to work with, polite, friendly and did what he said he would… I give him 10/10. Top guy in your team.

Thanks again
Andrew
From: Peter and Debbie  
Sent: Wednesday, 20 August 2014 12:46 p.m.  
To: Vanessa Maxwell (M2Home AKL)  
Subject: Teresa

Hi Vanessa

Today I had a huge problem down here in Christchurch concerning getting some freight here by tomorrow. I was lucky enough to be put on to Teresa who listened to my situation and as a consequence and numerous phone calls back and forth... she resolved for me!!!

I am sending you this email as it is not that often you talk to someone who is so helpful...keeps you informed and obviously takes pride in her position with Mainfreight... what an asset!!!! People are quick to complain but slow to acknowledge professional and articulate experiences.

I do hope you pass this on to her.

Thank you

Yours sincerely

Debbie

---

On 19/06/2014, at 9:29 am

Many thanks for transporting our Goodies to World of Wearable Art – We much appreciate your participation and assistance in this event. It means much to us to have your service.

I was particularly gratified by the friendly team in Auckland, who shared their Friday night BBQ with me after my two hour drive from Whangarei, a stressful week of finishing our creation and another two hour drive home to Cambridge...

YOU GUYS ARE GREAT – THANKS – YOU GO THE EXTRA MILE (1.6KM)

Chris & Jackie

---

From: Julie O]  
Sent: Monday, 20 October 2014 20:20  
To: Neil Harding (MFL AKL)  
Cc: Faisal Zafiri (MFL AKL)

Hi Neil

Wow, we have just finished a huge day after unpacking/ assembling those 6 pallets.

I wanted to sincerely thank you and your team again so much for the special arrangements you made for this order to be delivered today. I cannot express here how grateful I was that you helped me meet my customers’ expectations and prepare for their official visits tomorrow.

You went above and beyond my expectations and I truly appreciate it.

What a pleasure to work with such a professional company.

Thank you again

Julie
From: Jose L  
Sent: Wednesday, 12 November 2014 14:44  
To: Annette Webb (MFAO TRG)  
Cc: Grant Yeatman (MFAO TRG)  
Subject: Mainfreight performance

Annette,

In the last couple of days Grant have been dealing with a very complex cargo for me. This cargo has as final destination in Havelock North and as I mentioned before, all the process was a bit complex and unusually difficult.

During this time Grant performed amazingly keeping me informed of all the moves and possible options to deliver as soon as possible.

I have to say that I’m pleased to work with people like Grant who has a excellent disposition and even better performance. I’m looking forwards to receive my cargo tomorrow morning and finally been able to breath!

From: Bob D  
Sent: Wednesday, 16 July 2014 13:52  
To: Rhys van Boheemen  
Cc: Joseph Coffey (MFAO WGN); Trevor Rice (MFAO WGN); Jeff Larsen (MFAO WGN)  
Subject: Re: Fireplace URGENT PICK UP !!!

Hi Rhys and MFT team,

The shipment arrived this a.m. It was perfect! What a pleasant surprise. Also Rhys thank you for your personal phone call and explanation. As I told you the best made plans can go awry. Your team really pulled together and made the outcome a most pleasant surprise with extraordinary service and communications.

Your service was above and beyond.

Thanks to whole MFT team - Happy MFT fan, customer and shareholder!

Kindest personal regards, b

From: Sharl S  
Sent: Tuesday, 8 July 2014 15:24  
To: Mitch Gregor (MFT AKL); Charlotte Hoeft (MFT AKL)  
Subject: Mohammed - Driver - Delivery Rangatira Road - Gun Safe - 8pm

TO WHOM IT MAY CONCERN

I just want to let you know you have one AWESOME driver on your team!

Mohammed arrived at the top of my 800 meter, bushy, windy, steep driveway with a 350 kilo safe, in the dark last night. Instead of just “dropping and running”, he helped me for over an hour, wrestling the safe down into our garage. I shoved $100 cash in his hand after signing the con note, and he refused to take it, saying “No, it’s my job”

Please can you let him know he is a TRUE asset to your team!

Kind regards -SHARL S
Hi Nathan,

We are a new Mainfreight customer and bring in about 4-5 40’ HQ containers per month. Our first two containers with you just arrived at the Port of Long Beach and are being unloaded as I write this. Our business is time sensitive and we need to get the containers delivered ASAP. While we were transitioning from our current Freight Forwarder and Customs broker (XX) to Mainfreight we received in a container about 10 days ago but it was flagged for X-Ray inspection which delayed its’ release by 5 days. We were desperate for the goods but when it was finally released XX could not get it delivered as all their independent truckers were already booked. They called me at 7:30 am last Thursday with the bad news. I called Jessica Hayes shortly thereafter and asked if there was any way Mainfreight could bail me out of a bad situation and pick up the container and have it delivered later that day. She said she would talk to Fernando and get back to me. She also called XX and got the information to file the required docs so Mainfreight could do the job. Between Jessica and Fernando they pulled all the pieces together and had the container delivered to Irvine Thursday afternoon. They also arranged to pick up the empty container that was at the site as well. The professionalism that your employees exhibited and the appreciation of the urgency of the matter speaks volumes of their dedication to customer service.

Needless to say I very much appreciate their efforts and look forward to working with Mainfreight going forward. So far, your employees have exceeded my expectations in every situation.

Regards,
Tom D
From: Mark J  
Sent: Thursday, July 17, 2014 10:22 AM  
To: Gabriela Hamilton  
Subject: RE: Domestic

Gabriela,

I have all but decided that Mainfreight is the right partner for our future ocean transportation needs. As an industry, it seems to me that all large ocean freight companies are marginally the same. What I am most comfortable with at Mainfreight is your ability to be a global operation with all the experience and knowledge that comes with it, and still be able to bring your attention level down to a personal platform. I am aware that sometimes that may be simple salesmanship, but in your case I am feeling a great deal of honesty and sincerity. This makes me feel that your actions are more of a reflection of the organization that you represent and not just your ability to sale. So thank you for that.

Sincerely,
Mark J

From: Tim Launder  
Sent: Tuesday, 12 August 2014 16:47  
To: Todd Chandler (MFAO AKL); Shayne Porter  
Subject: WOW - Best New Zealand Event - Thank you

Hi Shayne and Todd

I wanted to thank you and your team for helping World of Wearable Art (WOW) to win the Best New Zealand owned Major Event Award at the NZAEP Awards last week http://www.nzaep.co.nz/awards.html.

Mainfreight have played an important role in our show and are part of the overall WOW team

Here’s a pic attached of Dame Suzie Moncrieff and Heather Palmer with our 2 awards. Dame Suzie also received the Lifetime Achievement Award

We look forward to seeing you in Sept at our show

Thank you :)

Tim Launder  
General Manager | World of Wearable Art Ltd
Our Founder and Chairman, Bruce Plested, was recently honoured at New Zealand’s top business awards as the Visionary Leader for 2014.

Congratulations from all of us Bruce!